

San Patricio County, Texas

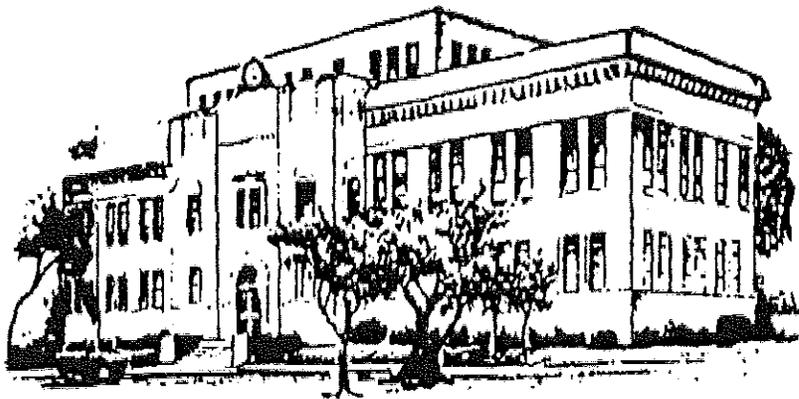
Comprehensive Annual Financial Report For the Year Ended December 31, 2017

Issued By:

County Auditor's Office

David W. Wendel

County Auditor



SAN PATRICIO COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2017
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Introductory Section

SAN PATRICIO COUNTY, TEXAS

DIRECTORY OF OFFICIALS

DECEMBER 31, 2017

DISTRICT COURT

Starr Bauer	Judge, 36 th Judicial District
Patrick Flanigan	Judge, 156 th Judicial District
Janna K. Whatley	Judge, 343 rd Judicial District
Samuel B. Smith	District Attorney
Laura Miller	District Clerk

COMMISSIONERS COURT

Terry Simpson	County Judge
Nina G. Trevino	Commissioner, Precinct No. 1
Richard Ott	Commissioner, Precinct No. 2
Alma V. Moreno	Commissioner, Precinct No. 3
Howard J. Gillespie	Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Elizabeth Welborn	County Court-at-Law Judge
Leroy Moody	Sheriff
Gracie A. Gonzales	County Clerk
Dalia Sanchez	Tax Assessor-Collector
Tamara Cochran-May	County Attorney
Denise Janak	County Treasurer
David W. Wendel	County Auditor

JUSTICES OF THE PEACE

Yolanda Guerrero	Precinct No. 1
Daniel Garza	Precinct No. 2
Karen Diaz	Precinct No. 4
Nere Villarreal	Precinct No. 5
Susan H. Price	Precinct No. 6
Elvia Hernandez	Precinct No. 8

CONSTABLES

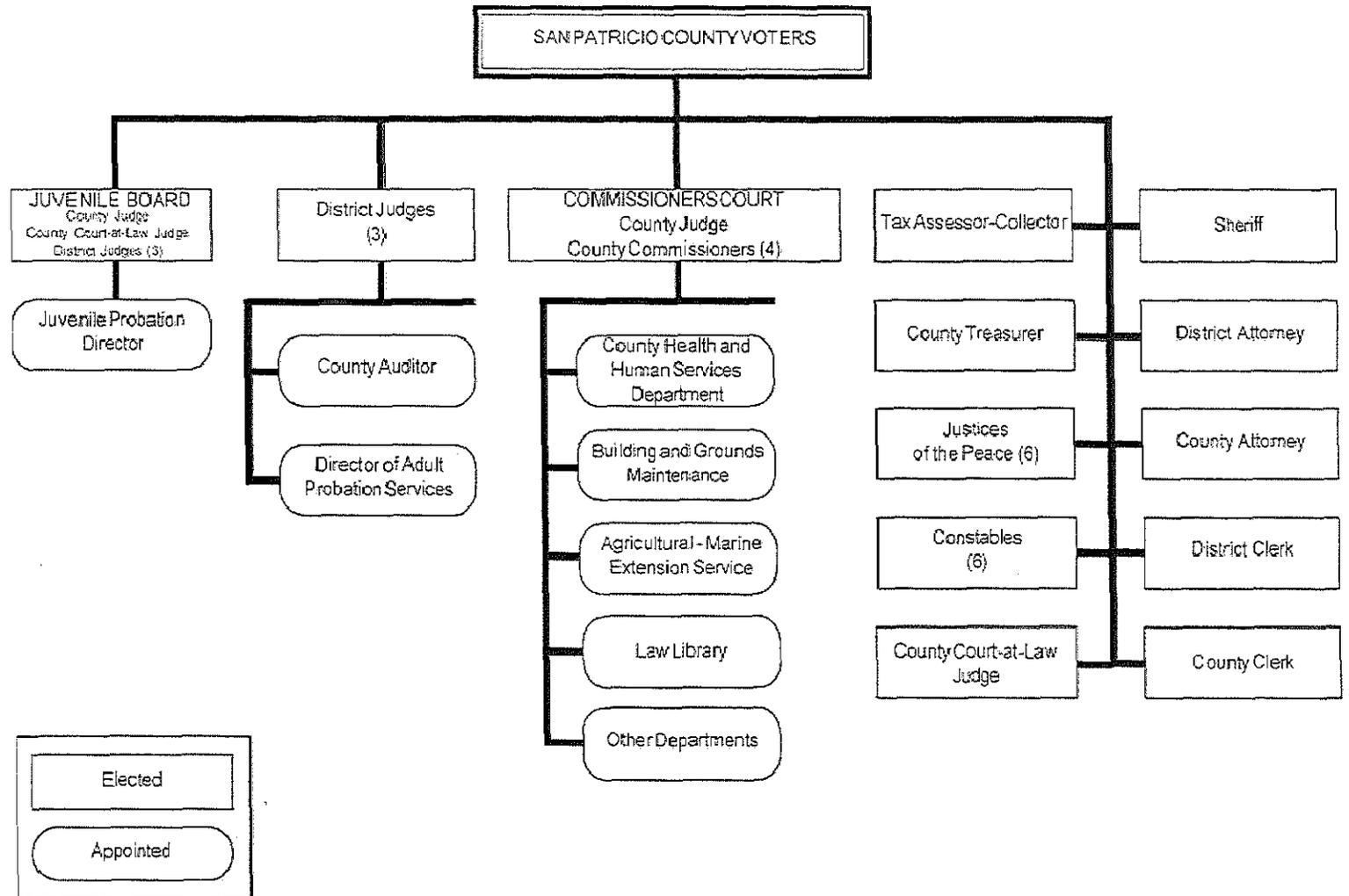
Joe Gaitan	Precinct No. 1
Steve Garcia	Precinct No. 2
Parnell Haynes	Precinct No. 4
Valdemar Ramirez	Precinct No. 5
Don Perkins	Precinct No. 6
Teresa Gonzales	Precinct No. 8

SAN PATRICIO COUNTY, TEXAS
DIRECTORY OF OFFICIALS
DECEMBER 31, 2017
(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
John Grusendorf	Director of Adult Probation Services
Jaime Coronado	Juvenile Probation Director
Major E. Balderas	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
Sara Williams	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

July 2, 2018

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, 2017.

The comprehensive annual financial report (CAFR) of San Patricio County, Texas (the County), for the year ended December 31, 2017, 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.

Lovvorn & Kieschnick, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on San Patricio County's financial statements for the year ended December 31, 2017. 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, general administrative services, and other 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 original 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. Both the San Patricio County Economic Development Corporation, formed in 1992, and the Corpus Christi Regional Economic Development Corporation have been instrumental in generating interest in the local area.

In late 2008, it was announced that the TPCO America Corporation would build a mini mill facility that will manufacture steel products from recycled scrap steel. This is located in the eastern part of the County and when full operations begin in 2017, is expected to provide 300 full time jobs. In 2009 the County approved ten year tax abatement to TPCO America Corporation. The Abatements will be as follows: 2018 year 85%, and will extend to 2022.

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

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.

Exxon Mobil Corporation is currently constructing polyethylene derivative, ethane steam cracker and monoethylene units in the County. When completed, approximately 700 workers are expected to be employed.

The County experienced a natural disaster on August 25, 2017, resulting from Hurricane Harvey, which resulted in damage to portions of the County, with Aransas Pass and Ingleside receiving the most substantial damage. Damaged property included residential and commercial properties, as well as numerous County-owned facilities. The County incurred disaster-related expenses, which include emergency repairs to County facilities, debris removal, protective measures and costs of emergency personnel overtime. Estimated disaster related expenses were approximately \$5.1 million; the majority of that cost was for debris removal. Damage to County owned facilities was not significant; most of the cost being reimbursed by insurance proceeds. The County is anticipating a projected reimbursement from FEMA of approximately \$4.6 million.

The County anticipates that most of these will be covered by grants from FEMA and the State of Texas, included in the estimate above.

It is noted that over the past several years the County has awarded several tax abatements which give up some tax revenues over a period of several years but over the long term, after the abatement periods, the revenues are expected to increase. The abatements are used as a tool to help citizens of the County obtain employment and other revenues for business establishments.

In 2014, the County entered into an abatement agreement with Oxy Ingleside Energy Center, LLC and Oxy Ingleside LPG Terminal, LLC for an LPG facility to be constructed in the County. The abatements will be 80% in year one, 70% in year two, 60% in year three, 50% in year four, 40% in year five, 30% in year six, 20% in year seven, and 10% in year eight. At the February 13, 2017 meeting of the Commissioners Court, the Court agreed to terminate this agreement due to inability of Oxy to meet its obligation to hire the required number of employees.

In 2014, the County entered into an abatement agreement with Ingleside Ethylene, LLC and Occidental Chemical Corporation for the design and construction of an ethylene plant in the County. The abatement agreement will be 100% in year one through six, 95% in year seven, 90% in year eight, 85% in year nine, and 80% in year ten.

In 2014, the County entered into an abatement agreement with Corpus Christi Liquefaction, LLC, which is a wholly owned subsidiary of Cheniere Energy, Inc. for a facility for the export of liquefied natural gas ("LNG"). This is a three phase project, the first, Train I, began in 2015 and continues through 2021, Train II began in 2017 and continues through 2022, and Train III will begin in 2019 and continues through 2023, with all consisting of abatements of 100%. In the future, there are plans for Trains IV and V, for which abatement agreements have been approved.

At its March 20, 2017 regular meeting, the Commissioners Court approved separate tax abatement agreements (collectively the "Proposed Agreements") with Exxon Mobil Corporation ("Exxon"), SABIC US Projects LLC ("SABIC"), and GCGV Asset Holding LLC ("GCGV"), an entity jointly formed and owned by Exxon Mobil Chemical Gulf Coast Investments LLC (an affiliate of Exxon) and SABIC, concerning the proposed designed, construction, and operation of a polyethylene derivative unit (the Exxon "PE Project"), a separate polyethylene derivative unit (the "SABIC PE Project"), and an ethane steam cracker and monoethylene glycol unit (the "GCGV Project"), respectively, all located on a 1,349.82 tract of land located within the County (the "Proposed Reinvestment Zone"). The Proposed Agreements include a term of ten (10) years with abatements of 100% in years one (1) through three (3), and 70% in years four (4) through ten (10), commencing on the first of January of the second calendar year following the calendar year in which the commencement of construction of the respective project occurs.

ECONOMIC DEVELOPMENT GRANTS AND LOANS

Counties are also authorized, pursuant to Chapter 381, Texas Local Government Code ("Chapter 381") to establish programs to promote estate or local economic development and to stimulate business and commercial activity in the County.

In accordance with a program established pursuant to Chapter 381, the County may make loans or grants of public funds for economic development purposes, however, no obligations secured by ad valorem taxes may be issued for such purposes unless approved by voters of the County.

In 2013, the County entered into a Chapter 381 agreement with Voestalpine Texas, LLC for construction of facilities to process iron and steel.

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, work, and conduct business.

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, 2016. This award was the thirty-fifth 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.

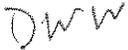
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

It is noted that the County has received this award thirty-eight times for the years 1973, 1977, 1979, and the years 1982-2016.

Safety Award. The County received the County Safety Award from the Texas Association of Counties for 2017, 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

Presented to

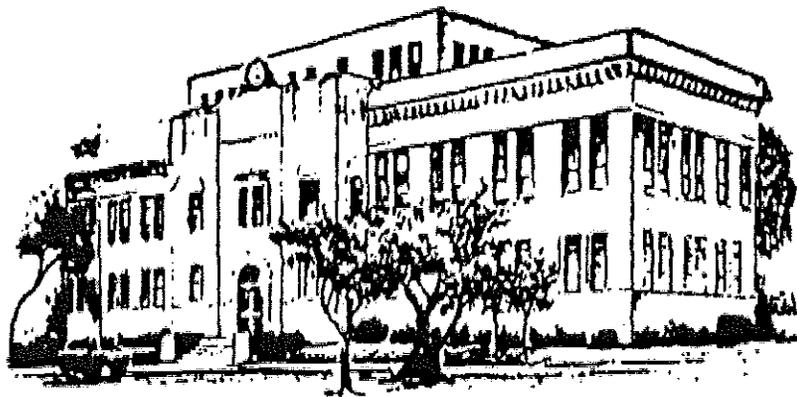
San Patricio County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

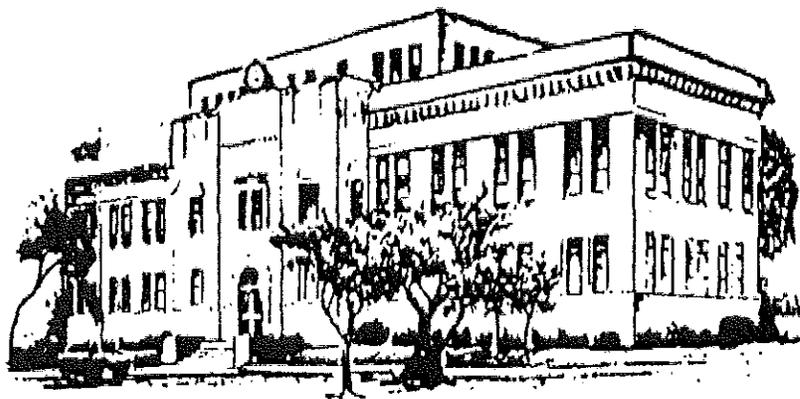
December 31, 2016

Christopher P. Morrill

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, 2017, 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, 2017, 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.

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 July 2, 2018, 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

July 2, 2018

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, 2017. 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, 2017 by \$47,477,528 (presented as "net position"). Of this amount, \$11,487,517 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 \$1,502,334 (a 31% increase) in fiscal year 2017. The County only had governmental activities during the 2017 year. The increase in the net position is primarily attributable to increased tax revenues.

Fund Highlights: Governmental Funds - Fund Balances As of the close of the fiscal year 2017, the County's governmental funds reported a combined ending fund balance of \$26,430,270, which was an increase of \$4,874,499 in comparison with the prior year due mainly to tax revenues. At the end of the year, the unassigned fund balance for the general fund was \$9,564,429, equal to 26% of total general fund expenditures including transfers to other funds.

Long Term Debt The County's total long-term debt obligations increased due to issuance of Certificates of Obligation, Series 2017, the QECB Capital Lease and SIB Loan.

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* presents assets 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 2017 year.

The government-wide financial statements can be found on pages 18 and 19 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 37 governmental funds. Financial information is presented separately in the Governmental Funds Financial Statements (Page 21 and 22) for the following Major Funds: General Fund, Road and Bridge Fund, Road Improvement Fund and Harbor Bridge Project Fund. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Road and Bridge Fund, Road Improvement Program Fund and Harbor Bridge Project Fund 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 21 and 22 of this report.

The County had no business type activities during the 2017 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, 2017.

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 29 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 and capital projects 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 \$47,477,528 the end of fiscal year 2017 compared to \$45,975,194 at the end of the previous year.

A large portion of the County's net position (55%) 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 2017 and 2016, which consist only of Governmental activities.

San Patricio County's Net Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016*</u>
Current and Other Assets	\$ 78,873,931	\$ 68,626,768
Capital Assets	62,783,089	
Total Assets	<u>\$ 141,657,020</u>	<u>\$ 68,626,768</u>
Deferred Outflow of Resources	<u>\$ 9,237,964</u>	<u>\$ 10,521,794</u>
Long Term Liabilities Outstanding	\$ 59,758,499	\$ 47,104,523
Other Liabilities	8,042,316	4,769,485
Total Liabilities	<u>\$ 67,800,815</u>	<u>\$ 51,874,008</u>
Deferred Inflow of Resources	<u>35,616,641</u>	<u>34,227,506</u>
Net Position:		
Net Investment in Capital Assets	\$ 26,006,684	\$ 26,072,685
Restricted	9,983,827	10,013,104
Unrestricted	11,487,017	9,889,405
Total Net Position	<u>\$ 47,477,528</u>	<u>\$ 45,975,194</u>

* Restated

The above figures are not net of related debt.

The main reason for the increase of \$1,502,334 in total Net Position was due to increased tax revenues.

**San Patricio County's Changes in Net Position
For the years ended December 31, 2017 and 2016**

	<u>2017</u>	<u>2016*</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 5,021,645	\$ 7,125,007
Operating Grants and Contributions	6,336,912	1,901,844
Capital Grants and Contributions	530,046	1,399,580
General Revenues		
Property Taxes	33,863,322	26,765,675
Investment Earnings	540,776	245,643
Other	3,412,327	617,846
Total Revenues	<u>\$ 49,705,028</u>	<u>\$ 38,055,595</u>
Expenses		
General Administration	\$ 9,482,766	\$ 2,890,841
Judicial	3,989,173	4,013,645
Legal	909,131	835,852
Elections	374,150	387,269
Financial Administration	2,205,486	2,462,535
Public Facilities	2,950,254	3,289,129
Public Safety	12,051,538	11,202,744
Environmental	85,227	121,181
Public Transportation	9,841,933	13,018,356
Health and Welfare	2,250,956	2,325,374
Culture and Recreation	848,958	1,009,554
Economic Development	266,814	421,456
Conservation	1,496,577	270,376
Interest on Long-Term Debt	1,449,732	874,352
Total Expenses	<u>\$ 48,202,695</u>	<u>\$ 43,122,664</u>
Change in Net Position	\$ 1,502,334	\$ (5,067,069)
Net Position at Beginning of Year	45,975,194	51,042,263
Net Position at End of Year	<u>\$ 47,477,528</u>	<u>\$ 45,975,194</u>

* Restated

Revenues increased mainly due to increased tax revenues and Hurricane Harvey operating grants.

Expenses increased mainly due to increased General Administration, Hurricane Harvey debris removal expenses, Public Safety and Public Transportation costs.

The Net Position at Beginning of Year 2017 was restated as disclosed in the Notes to Financial Statements.

The County's Net Position increased by \$1,502,334 or 30.6%. Approximately 68% of the County's total revenue came from taxes, while 14% resulted from grants and contributions. User charges for various goods and services accounted for 10% of total revenues. The largest components of expenditures were for public safety, public transportation, general administration, judicial, and public facilities. The main increases in expenditures were for general administration costs.

A large portion of the County's Net Position (55%) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure) to acquire or construct the assets. Restricted Net Position accounts for 21% of the County's Net Position. The remaining balance of Unrestricted Net Position (24%) 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 \$1,502,334 or 100% 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 \$26,430,270 at the end of the current fiscal year, which is an increase of \$4,874,999, or 22.6% from last year's fund balances of \$21,555,271. This increase was due mainly to increased tax revenues.

The General Fund balance at 12/31/17 was \$12,664,483, compared to \$9,123,223 at 12/31/16, which resulted in a net increase of \$3,541,260. The Road and Bridge Fund balance at 12/31/17 was \$2,840,753, compared to \$3,238,859 at 12/31/16, which resulted in a net decrease of \$398,106.

The total Fund Balances at Beginning of Year 2017 were restated as disclosed in the Notes to Financial Statements.

The Net Position at Beginning of Year 2017 was restated as disclosed in the Notes to Financial Statements

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 \$ 552,911 less than anticipated.

Modest revenue growth is expected for the General Fund in fiscal year 2018, 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, 2017 amounted to \$130,730,849 less accumulated depreciation of \$67,947,760 with a net book value of \$62,783,089. This amount includes land, buildings, major improvements, equipment, infrastructure and construction in progress.

Major capital asset transactions for the 2017 year included purchases of vehicles and major equipment for the Sheriff's department, Road and Bridge department, major road repairs, and major purchases for energy conservation equipment for County buildings. Depreciation charges for the current year totaled \$4,236,639. 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 47 of this report.

Capital Assets (net of accumulated depreciation) December 31, 2017 and 2016

	Governmental Activities	
	2017	2016*
Land	\$ 3,914,898	\$ 3,562,720
Buildings, Major Improvements, and Equipment	31,177,696	28,447,119
Infrastructure	21,289,533	18,540,886
Total	\$ 56,382,127	\$ 50,550,725
Construction in Progress	6,400,962	2,377,421
Total	\$ 62,783,089	\$ 52,928,146

*Restated

More detailed information regarding the County's Capital Assets is presented in the Notes to the Financial Statements at Note 5 starting on Page 47 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, 2017 was \$32,555,000. The total bonded debt of the County increased by \$8,465,000, a 35% increase compared to last year. The County's bonded debt at December 31, 2017 will be liquidated in 2037.

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 12-31-2017 stands at \$3,142,025. The County also entered into an SIB Loan and this debt at 12-31-17 is \$9,000,000.

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

**Outstanding Bonded and Capital Lease Debt
December 31, 2017 and 2016**

		<u>Governmental Activities</u>	
		<u>2017</u>	<u>2016</u>
General Obligation Bonds	\$	32,555,000	\$ 24,090,000
Capital Leases		3,142,025	3,185,555
SIB Loan		<u>9,000,000</u>	<u>6,000,000</u>
Total	\$	<u><u>44,697,025</u></u>	<u><u>\$ 33,275,555</u></u>

The increase was due mainly to newly issued 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 upturns in the U.S. economy have had positive impacts on the County, and this trend is of much cause of encouragement to the County's management. Some new industry is locating in the County which should have a positive economic impact.

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 major ten year tax abatement to TCPO America Corporation. Construction was completed in 2016.

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. The plant was completed in 2016.

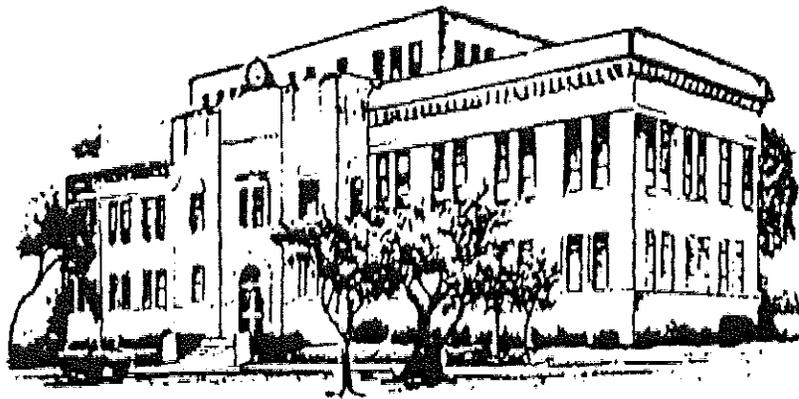
Exxon Mobil Corporation is currently constructing a polyethylene derivative, ethane stem cracker and monoethylene units in the County. When completed, approximately 700 workers are expected to be employed.

The State of Texas is currently constructing a new Harbor Bridge between Nueces and San Patricio Counties.

As is discussed in the Notes to Financial Statements the County experienced Hurricane Harvey in 2017 which has had an impact on the County's economy and financial statements.

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.



Basic Financial Statements

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2017**

ASSETS

Cash and Cash Equivalents	\$	43,164,559
Taxes Receivable, net		26,192,012
Intergovernmental Receivables		3,846,430
Other Receivables		192,822
Fines Receivable		12,286,464
Less Allowance for Uncollectables		(6,808,356)
Capital Assets		
Land		3,914,898
Buildings		39,779,529
Improvements		7,174,758
Equipment		14,330,711
Infrastructure		59,129,991
Less Accumulated Depreciation		(67,947,760)
Construction in Progress		6,400,962
TOTAL ASSETS	\$	<u>141,657,020</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Charge on Refundings	\$	649,684
Pension		8,588,280
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$	<u>9,237,964</u>

LIABILITIES

Accounts Payable	\$	6,303,608
Other Liabilities		1,210,379
Due To Other Governments		1,165
Interest Payable		527,164
Noncurrent Liabilities		
Due within One Year		1,875,808
Due in More than One Year		57,882,691
TOTAL LIABILITIES	\$	<u>67,800,815</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Revenues-Property Taxes	\$	24,205,550
Advance Tax Collections		10,529,709
Pension		881,382
TOTAL DEFERRED INFLOWS OF RESOURCES	\$	<u>35,616,641</u>

NET POSITION

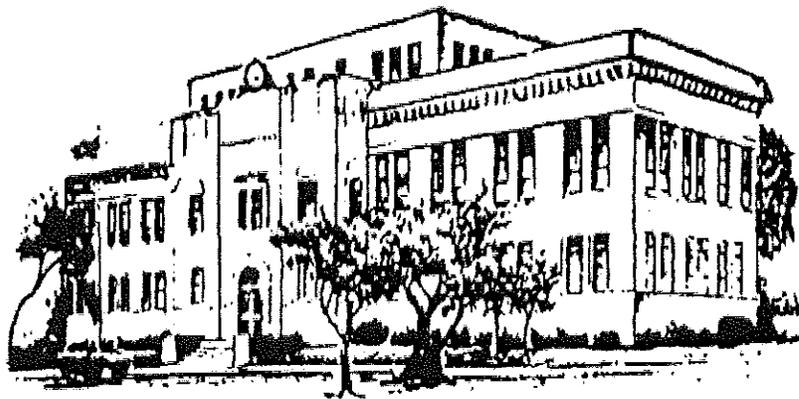
Net Investment in Capital Assets	\$	26,006,684
Restricted for:		
Public Transportation		3,751,746
Other		6,232,081
Unrestricted		11,487,017
TOTAL NET POSITION	\$	<u>47,477,528</u>

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
			Capital Grants and Contributions	Governmental Activities
Governmental Activities				
General Administration	\$ 9,482,766	\$ 592,228	\$ 4,385,366	\$ (4,505,172)
Judicial	3,989,173	512,806	464,459	(3,011,908)
Legal	909,131	117,266	89,060	(702,805)
Elections	374,150	107,077	12,417	(254,656)
Financial Administration	2,205,486	953,960		(1,251,526)
Public Facilities	2,950,254	81,676		(2,658,003)
Public Safety	12,051,538	836,939	260,442	(10,954,157)
Environmental	85,227	63,405		(21,822)
Public Transportation	9,841,933	1,426,555	226,128	(7,869,779)
Health & Welfare	2,250,957	160,817	899,040	(1,191,100)
Culture & Recreation	848,958	168,916		(680,042)
Conservation	266,814			(266,814)
Economic Development	1,496,577			(1,496,577)
Interest on Long-Term Debt	1,449,732			(1,449,732)
Total Governmental Activities	\$ 48,202,696	\$ 5,021,645	\$ 6,336,912	\$ (36,314,093)
General Revenues:				
Property Taxes				33,863,323
Investment Earnings				540,777
Other General Revenues				3,412,327
Total General Revenues				37,816,427
Change in Net Position				1,502,334
Net Position-Beginning, restated				45,975,194
Net Position-Ending				\$ 47,477,528

See Accompanying Notes to Financial Statements.



**SAN PATRICIO COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	GENERAL FUND	ROAD AND BRIDGE FUND	ROAD IMPROVEMENT PROGRAM	HARBOR BRIDGE PROJECT	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and Cash Equivalents	\$ 24,098,838	\$ 3,963,974	\$ 1,422,801	\$ 0	\$ 10,764,871	\$ 40,250,484
Taxes Receivable, net	21,601,718	2,511,269	0	0	2,079,025	26,192,012
Intergovernmental Receivables	3,561,971	35,385	0	0	249,074	3,846,430
Other Receivables	131,227	17,410	0	0	40,756	189,393
Due from Other Funds	236,906	0	0	0	0	236,906
TOTAL ASSETS	\$ 49,630,660	\$ 6,528,038	\$ 1,422,801	\$ 0	\$ 13,133,726	\$ 70,715,225
LIABILITIES						
Liabilities						
Accounts Payable	\$ 5,540,497	\$ 200,973	\$ 234,791	\$ 0	\$ 138,523	\$ 6,114,784
Intergovernmental Payables	0	0	0	0	1,165	1,165
Other Liabilities	1,092,880	183	0	0	117,316	1,210,379
Due To Other Funds	0	0	0	0	236,906	236,906
Total Liabilities	6,633,377	201,156	234,791	0	493,910	7,563,234
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenues-Property Taxes	1,604,826	230,157	0	0	151,479	1,986,462
Deferred Revenues-Property Taxes	19,996,892	2,281,112	0	0	1,927,546	24,205,550
Advance Tax Collections	8,731,082	974,860	0	0	823,767	10,529,709
Total Deferred Inflows of Resources	30,332,800	3,486,129	0	0	2,902,792	36,721,721
FUND BALANCES						
Restricted	0	2,840,753	1,188,010	0	5,266,436	9,295,199
Committed	0	0	0	0	366,406	366,406
Assigned	3,100,054	0	0	0	1,521,114	4,621,168
Unassigned	9,564,429	0	0	0	2,583,068	12,147,497
Total Fund Balances	12,664,483	2,840,753	1,188,010	0	9,737,024	26,430,270
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 49,630,660	\$ 6,528,038	\$ 1,422,801	\$ 0	\$ 13,133,726	

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.	62,783,089
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	7,467,999
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(51,929,081)
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.	2,725,251
Net Position of Governmental Activities	\$ 47,477,528

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, 2017

	GENERAL FUND	ROAD AND BRIDGE FUND	ROAD IMPROVEMENT PROGRAM	HARBOR BRIDGE PROJECT	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	\$ 28,578,276	\$ 3,099,270	\$ 0	\$ 0	\$ 1,977,292	\$ 33,654,838
Licenses and Permits	321,000	0	0	0	0	321,000
Intergovernmental	5,285,322	215,964	0	0	1,862,741	7,364,027
Charges for Services	2,065,113	964,224	0	0	609,778	3,639,115
Fines & Forfeitures	575,391	248,570	0	0	57,667	881,628
Investment Income	315,759	50,173	52,687	0	97,629	516,248
Miscellaneous Revenue	2,687,214	102,533	0	0	705,526	3,495,273
Total Revenues	<u>39,828,075</u>	<u>4,680,734</u>	<u>52,687</u>	<u>0</u>	<u>5,310,633</u>	<u>49,872,129</u>
EXPENDITURES						
Current						
General Administration	7,442,669	0	0	0	601,563	8,044,232
Judicial	3,359,905	0	0	0	792,206	4,152,111
Legal	811,049	0	0	0	122,808	933,857
Elections	757,234	0	0	0	352,417	1,109,651
Financial Administration	2,298,440	0	0	0	0	2,298,440
Public Facilities	1,478,979	0	0	0	1,869,369	3,348,348
Public Safety	12,078,019	0	0	0	264,476	12,342,495
Environmental	85,227	0	0	0	0	85,227
Public Transportation	0	4,964,340	9,185,460	3,000,000	1,322,592	18,472,392
Health & Welfare	905,905	0	0	0	1,417,613	2,323,518
Culture and Recreation	1,167,966	0	0	0	0	1,167,966
Conservation	257,730	0	0	0	0	257,730
Economic Development	1,496,577	0	0	0	0	1,496,577
Debt Service	0	0	0	0	1,961,304	1,961,304
Total Expenditures	<u>32,139,700</u>	<u>4,964,340</u>	<u>9,185,460</u>	<u>3,000,000</u>	<u>8,704,348</u>	<u>57,993,848</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>7,688,375</u>	<u>(283,606)</u>	<u>(9,132,773)</u>	<u>(3,000,000)</u>	<u>(3,393,715)</u>	<u>(8,121,719)</u>
OTHER FINANCING SOURCES (USES)						
Certificates of Obligation Issued	0	0	9,125,000	0	0	9,125,000
Issuance of State Infrastructure Bank Loan	0	0	0	3,000,000	0	3,000,000
Premium on Bonds Issued	0	0	871,718	0	0	871,718
Transfers In	0	0	0	0	4,335,958	4,335,958
Transfers Out	(4,147,115)	(114,500)	0	0	(74,343)	(4,335,958)
Total Other Financing Sources (Uses)	<u>(4,147,115)</u>	<u>(114,500)</u>	<u>9,996,718</u>	<u>3,000,000</u>	<u>4,261,615</u>	<u>12,996,718</u>
Net Changes in Fund Balances	3,541,260	(398,106)	863,945	0	867,900	4,874,999
Fund Balances at Beginning of Year, restated	9,123,223	3,238,859	324,065	0	8,869,124	21,555,271
Fund Balances at End of Year	<u>\$ 12,664,483</u>	<u>\$ 2,840,753</u>	<u>\$ 1,188,010</u>	<u>\$ 0</u>	<u>\$ 9,737,024</u>	<u>\$ 26,430,270</u>

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, 2017**

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

Net changes in fund balances - total governmental funds (p. 22)	\$ 4,874,999
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.	9,854,943
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(769,893)
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.	(1,814,068)
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.	(12,293,188)
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.	1,649,541
Change in net position of governmental activities (p. 19)	\$ <u><u>1,502,334</u></u>

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 2,914,075
Other Receivables	<u>0</u>
Total Assets	<u>\$ 2,914,075</u>
 LIABILITIES	
Current Liabilities	
Accounts Payable	\$ <u>188,824</u>
Total Liabilities	<u>188,824</u>
 NET POSITION	
Restricted for Health Insurance Costs	<u>2,725,251</u>
Total Net Position	<u>\$ 2,725,251</u>

Note: The Insurance Internal Service Fund is the only proprietary fund of the County. The accounts payable above consists of \$188,824 in medical claims and \$-0- in other payables. The entire amount of the \$188,824 is considered current because it is expected to be paid during the 2018 fiscal year.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
Operating Revenues:	
Contributions for Employee Insurance and Medical Expenses	\$ 4,207,128
Insurance Reimbursements and Refunds	<u>475,834</u>
Total Operating Revenues	<u>4,682,962</u>
Operating Expenses:	
Insurance and Administrative Expenses	557,703
Medical Claims Expense	<u>2,500,247</u>
Total Operating Expenses	<u>3,057,950</u>
Operating Income (Loss)	<u>1,625,012</u>
Non-Operating Revenues (Expenses):	
Investment Income	<u>24,529</u>
Total Non-Operating Revenues (Expenses)	<u>24,529</u>
Change in Net Position	1,649,541
Total Net Position at Beginning of Year	<u>1,075,710</u>
Total Net Position at End of Year	<u>\$ 2,725,251</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, 2017**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
Cash flows from Operating Activities:	
Cash received from premium contributions and other	\$ 4,868,299
Cash paid to insurance and medical expenses	<u>(3,152,592)</u>
Net cash flows from operating activities	<u>1,715,707</u>
Cash flows from investing activities:	
Investment Income received	<u>24,529</u>
Net cash flows from investing activities	<u>24,529</u>
Net change in cash and cash equivalents	1,740,236
Cash and Cash Equivalents, Beginning of Year	<u>1,173,839</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,914,075</u>
Reconciliation of Operating Income to Net Cash Flows from Operating Activities:	
Operating Income (Loss)	\$ <u>1,625,012</u>
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	185,337
Claims Payable	<u>(94,642)</u>
Total Adjustments	<u>90,695</u>
Net Cash Flows From Operating Activities	<u>\$ 1,715,707</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, 2017**

ASSETS

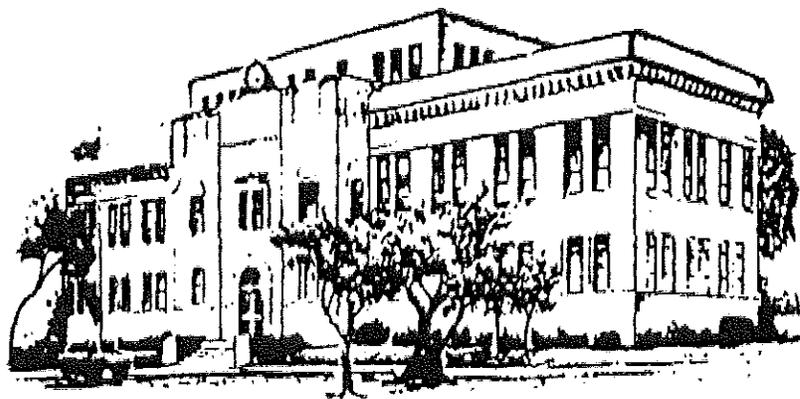
Cash and Cash Equivalents	\$ 8,325,671
Due From Others	10,012
Due From Other Governments	<u>17,226</u>
TOTAL ASSETS	\$ <u><u>8,352,909</u></u>

LIABILITIES

Due To Others	\$ <u>8,352,909</u>
Total Liabilities	\$ <u><u>8,352,909</u></u>

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

See Accompanying Notes to Financial Statements.



SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

(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 which serves as the County's Management 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 2017 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, 2017
(Continued)

The County reports the following four 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.

Road Improvement Capital Project Fund is used to account for debt proceeds and other funds used for major road improvements.

Harbor Bridge Project Capital Projects Fund is used to account for funds used to pay the State for the County's allocated costs to build a Harbor Bridge.

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, 2017
(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 the 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, "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 2016 year was Investment Income.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

(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 acquisition 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, 2017
(Continued)

G. Cash and Cash Equivalents

Cash and Cash Equivalents at December 31, 2017, totals \$51,490,230, (\$40,250,484) in Governmental funds, \$2,914,075 in Proprietary funds, and \$8,325,671 in Agency funds) and consists of \$8,550 in petty cash and \$51,481,680 in bank and pool demand accounts. Nearly all of the demand accounts are interest earning accounts.

The County's total bank deposits of \$8,097,330 at December 31, 2017, 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, 2017 was \$30,338,141.

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, 2017 consist of \$41,320,272 in various external pool accounts. The various pool accounts are not subject to credit risk classifications. The pooled accounts at 12/31/17 consist of the Tex-Pool Account (\$867,959), LOGIC Pool Account (\$15,646,139), and MBIA Class Pool Account (\$24,806,174), for a total of \$41,320,272. 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, 2017:

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, 2017. 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, 2017
(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 General Refunding Bonds Series 2015, Combination Tax and Revenue Certificates of Obligation Series 2016, Combined Tax and Revenue Certificate of Obligation Series 2017, Qualified Energy Conservation Bonds (QECB) Capital Lease, State Infrastructure Bank (SIB) Loan, 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 \$290,668 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 2017 year:

Balance at Beginning of Year	\$ 269,200
Additions	290,668
Deductions	<u>(269,200)</u>
Balance at End of Year	\$ <u>290,668</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, 2017
(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 2017 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.

	OPEBS	POLLUTION REMEDIAL EXPENSES	NET PENSION LIABILITY
Balances at Beginning of the Year	\$ 1,714,755	\$ 768,698	\$ 8,809,211
Additions	67,870	-	9,740,268
Deductions	(54,376)	-	(9,433,974)
Balances at End of the Year	<u>\$ 1,728,249</u>	<u>\$ 768,698</u>	<u>\$ 9,115,505</u>

It is noted that even though there was not any pollution remedial activity during 2017, the project is expected to be continued in the future.

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, 2017
(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. This is an unusual case where an ordinance and resolution are equally binding. 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, 2017
(Continued)

The Governmental Fund Balances at 12-31-2017 are summarized as follows:

<u>Fund Balances at 12-31-17</u>	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Other Major Gvmnt's Funds</u>	<u>Non-Major Gvmnt'l Funds</u>	<u>Total</u>
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted					
For Road and Bridge		2,840,753	1,188,010	-	4,028,763
For Debt Service				209,480	209,480
For Sheriff's Department				1,187,024	1,187,024
For Courthouse Security				532,540	532,540
For Justice Court Technology				274,837	274,837
For Court Reporters				113,908	113,908
For Certain District and County Attorney Costs				299,067	299,067
For Records Management				435,609	435,609
For Airports				680,836	680,836
For Elections				102,635	102,635
For Clerk Contingency				192,221	192,221
For Major Capital Outlay				869,290	869,290
For Other				368,989	368,989
Total	\$ -	\$ 2,840,753	\$ 1,188,010	\$ 5,266,436	\$ 9,295,199
Committed					
For Health Department				78,693	78,693
For Sheriff's Department				222,794	222,794
For Other				64,919	64,919
Total				366,406	366,406
Assigned					
For Major Capital Outlay				784,973	784,973
For Right of Way				736,141	736,141
For Subsequent Year's Appropriation of Fund Balance	3,100,054				3,100,054
Total	3,100,054	-	-	1,521,114	4,621,168
Unassigned	9,564,429			2,583,068	12,147,497
Grand Total	\$ 12,664,483	\$ 2,840,753	\$ 1,188,010	\$ 9,737,024	\$ 26,430,270

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(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 12/31/17:

Total Governmental Restricted Fund Balances at 12/31/17	\$ 9,295,199
Deduct Unspent Bond and Capital Lease Proceeds	(1,204,521)
Add Net Road and Bridge Delinquent Taxes Receivable	230,156
Add Net Debt Service Delinquent Taxes Receivable	151,479
Deduct Accrued Interest Payable	(527,164)
Deduct SIB Loan Capitalized Interest Payable	(224,769)
Add Proprietary Internal Service Fund Restricted Net Position at 12/31/17	2,725,251
Other Net Additions (Deductions)	<u>(461,804)</u>
Total Restricted Net Position at 12/31/17	<u>\$ 9,983,827**</u>
**Restricted Net Position at 12/31/17	
For Public Transportation	\$ 3,751,746
For Public Safety	2,010,498
For General Administration	3,353,081
For Judicial	388,745
For Legal	334,964
For Elections	127,946
For Health and Welfare	<u>16,847</u>
Total Restricted Net Position at 12/31/17	<u>\$ 9,983,827</u>

The restricted net position 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, 2017
(Continued)

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, 2017.

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.

As of 12-31-17 the County had the following Deferred Outflow of resources as shown on the Statement of Net Position:

Deferred Charge on Refunding	\$ 649,684
Pension	<u>8,588,280</u>
 Total Deferred Outflow of Resources	 <u>\$ 9,237,964</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 (\$5,248,890) plus County Contributions made subsequent to measurement date (\$3,339,390).

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

As of 12-31-17 the County had the following Deferred Inflow of Resources as shown on the Statement of Net Position:

Deferred Revenues- Property Taxes	\$ 24,205,550
Advance Tax Collection	10,529,709
Pensions	<u>881,382</u>
 Total Deferred Inflow of Resources	 <u>\$ 35,616,641</u>

The "Advance Tax Collections" above consisted of funds that were collected in 2017 but are recognized as revenues in the 2018 fiscal year since they are for 2018 year operations. The "Deferred Revenues-Property Taxes" consists of Tax Revenues recognized as Revenue but have not been collected and are budgeted for 2018 year operations and are amounts levied for the fiscal year 2018.

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 12-31-17 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 12-31-17 The County had the following Deferred Inflow of Resources as shown on the Balance Sheet of the Government Funds:

Unavailable Revenues- Property Taxes	\$ 1,986,462
Deferred Revenues- Property Taxes	24,205,550
Advance Tax Collection	<u>10,529,709</u>
 Total Deferred Inflow of Resources	 <u>\$ 36,721,721</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

The "Unavailable Revenues- Property Taxes" above consists of taxes levied in prior years, but not collected or available for operations as of December 31, 2017. The above "Deferred Revenues – Property Taxes" consists of taxes levied in 2017 and budgeted for 2018 operations, but not collected as of December 31, 2017. The above "Advance Tax Collections" consist of taxes levied and collected in 2017 but are budgeted for 2018 operations and are levied for 2018.

(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 2016 tax rate (for the period October 1, 2016 to September 30, 2017) was \$0.491924 per \$100 valuation. This roll year taxes were used for the County's 2017 fiscal year operations. The 2017 tax roll is to be used for 2018 operations and its tax rate is \$0.516324 per \$100 valuation. It is noted that the County operates on a calendar year.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

(3) GRANTS RECEIVABLE DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2017 consist of \$3,846,430 from various Federal and State Grants. Included in the above amount is \$70,702 of Texas Department of Health Grants, \$3,533,630 of FEMA Grant – Hurricane Harvey, and \$117,712 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, 2017:

	General Obligation	Total
Bonds Payable, 01/01/17	\$ 24,090,000	\$ 24,090,000
Bonds Issued	9,125,000	9,125,000
Bonds Retired	<u>(660,000)</u>	<u>(660,000)</u>
Bonds Payable, 12/31/17	<u>\$ 32,555,000</u>	<u>\$ 32,555,000</u>

The annual requirements of the general long-term bonded debt requirements outstanding at December 31, 2017 is as follows:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2018	\$ 1,040,000	\$ 1,430,226	\$ 2,470,226
2019	1,220,000	1,248,550	2,468,550
2020	1,260,000	1,208,575	2,468,575
2021	1,305,000	1,164,425	2,469,425
2022	1,345,000	1,118,775	2,463,775
2023-2027	7,530,000	4,803,800	12,333,800
2028-2032	9,225,000	3,100,200	12,325,200
2033-2037	9,630,000	902,200	10,532,200
TOTAL	\$ <u>32,555,000</u>	\$ <u>14,976,751</u>	\$ <u>47,531,751</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

The above debt consists of the following:

General Obligation Refunding Bonds, Series 2016, dated August 15, 2015 Interest Range 2.00% to 5.0 % issued to refund Certificates of Obligation, Series 2006 that were issued For new showbarn facilities Amount Issued: \$15,415,000	\$ <u>14,610,000</u>
Certificates of Obligation, Series 2016, Dated February 1, 2016 Interest Range 2.00% to 4.00% issued for major road repairs Amount issued: \$8,975,000	\$ <u>8,820,000</u>
Certificates of Obligation, Series 2017, Dated April 27, 2017 Interest Range 3.00% to 4.00% issued for major road repairs Amount issued: \$9,125,000	\$ <u>9,125,000</u>
Total Outstanding at December 31, 2017	\$ <u>32,555,000</u>

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

The following is a summary of general long-term capital lease payable for the year ended December 31, 2017:

Capital Lease Payable at January 1, 2017	\$ 3,185,555
New Capital Leases made during the year	0
Capital Lease Payments made during year	<u>(43,530)</u>
Capital Lease Payable at December 31, 2017	<u>\$ 3,142,025</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

Leases that are purchases in substance are reported as capital lease obligations. The capital assets are recorded at the present value of future minimum lease payments at the inception of the lease. For governmental activities, the assets and liabilities are recorded in the government-wide financial statements. During fiscal year ended December 31, 2016, the County entered into a Capital Lease agreement to cover the cost of energy saving equipment and installation through an energy saving performance contract.

At December 31, 2017 the County only had the QECB (Qualified Energy Conservation Board) Capital Lease dated August 2, 2016, interest at 3.87%. Payments are due on February 1st and August 1st. This debt was for the purchase of energy conservation equipment for County Buildings and when the project was completed, \$3,185,555 was capitalized as equipment. The balance owed at 12-31-17 is \$3,142,025. The current amount due in 2018 is \$107,629. This debt is in effect a capital lease.

The following is a summary of the future minimum lease payments for the capital lease at December 31, 2017:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2018	\$ 107,629	\$ 120,363	\$ 227,992
2019	91,270	116,577	207,847
2020	97,753	112,983	210,736
2021	104,521	109,135	213,656
2022	111,585	105,022	216,607
2023 - 2027	675,116	453,330	1,128,446
2028 - 2032	903,535	303,587	1,207,122
2033 - 2037	1,050,616	105,211	1,155,827
TOTAL	\$ <u>3,142,025</u>	\$ <u>1,426,208</u>	\$ <u>4,568,233</u>

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

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

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 (SIB). The State will capitalize the bridge and be responsible for the maintenance.

During the 2016 year the County borrowed \$6,000,000 and \$3,000,000 during 2017 with the SIB Loan and remitted the funds back to the State as agreed. Thus the general long term debt owed on the SIB Loan at 12-31-17 is \$9,000,000. The County will borrow \$3,000,000 in the next year. The County will begin making payments on the loan in 2019. The loan is dated April 13, 2016 with interest at 2.57% and payments will be due on April 1st and October 1st. The County will make yearly total payments of \$714,223 from 2019 to 2041 and these payments will be allocated to principal and interest costs.

This debt will be serviced by the Permanent Improvement Debt Service Fund.

During 2017, the County issued Certificates of Obligation in the amount of \$9,125,000 that were issued for major road repairs. This debt will be liquidated in 2037. It will be serviced by the Permanent Improvement Debt Service Fund.

During 2016, the County issued Certificates of Obligation in the amount of \$8,975,000 that were issued for major road repairs. This debt will be liquidated in 2036. It will be serviced by the Permanent Improvement Debt Service Fund.

During 2015, the County issued General Obligation Refunding Bonds in the amount of \$15,415,000 to partially refund the Series 2006 Certificates of Obligations. This debt will be liquidated in 2036. It is serviced by the Permanent Improvement Debt Service Fund.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(Continued)

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, 2017:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 24,090,000	\$ 9,125,000	\$ 660,000	\$ 32,555,000	\$ 1,040,000
QECCB Capital Lease	3,185,555		43,530	3,142,025	107,629
SIB Loan	6,000,000	3,000,000	-	9,000,000	-
Compensated Absences Payable	269,200	290,668	269,200	290,668	290,668
OPEBs	1,714,755	67,870	54,376	1,728,249	-
Pollution Remediation	768,698	-	-	768,698	279,165
Net Pension Liability	8,809,211	9,740,268	9,433,974	9,115,505	-
SIB Loan Capitalized Interest	61,480	163,289	-	224,769	-
Refunding Bonds and Other Deferred/Premium	2,205,624	836,119	108,158	2,933,585	158,346
Total	\$ 47,104,523	\$ 23,223,214	\$ 10,569,238	\$ 59,758,499	\$ 1,875,808

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(Continued)

(5) CAPITAL ASSETS

Capital Assets governmental activity for year ended December 31, 2017 was as follows:

	Balance 12/31/2016*	Increases	Decreases	Balance 12/31/2017
Capital Assets Not Being Depreciated:				
Land	\$ 3,562,721	\$ 352,177	\$ -	\$ 3,914,898
Construction in Progress	2,377,421	5,890,898	(2,377,421)	6,400,962
Total Capital Assets Not Being Depreciated	<u>\$ 5,940,142</u>	<u>\$ 6,243,075</u>	<u>\$ (2,377,421)</u>	<u>\$ 10,315,860</u>
Capital Assets Being Depreciated:				
Buildings	\$ 39,916,339	\$ -	\$ (136,810)	\$ 39,779,529
Improvements Other Than Buildings	4,035,903	3,138,855	-	7,174,758
Equipment	12,926,356	2,542,629	(1,138,274)	14,330,711
Infrastructure				
Roads	53,259,053	4,569,518	(1,771,775)	56,056,796
Bridges	3,073,195	-	-	3,073,195
Total Capital Assets Being Depreciated:	<u>\$ 113,210,846</u>	<u>\$ 10,251,002</u>	<u>\$ (3,046,859)</u>	<u>\$ 120,414,989</u>
Less Accumulated Depreciation For:				
Buildings	\$ (18,347,253)	\$ (1,169,810)	\$ 5,527	\$ (19,511,536)
Improvements Other Than Buildings	(1,163,573)	(171,910)	-	(1,335,483)
Equipment	(8,920,654)	(1,074,047)	734,418	(9,260,283)
Infrastructure				
Roads	(35,984,905)	(1,756,735)	1,771,776	(35,969,864)
Bridges	(1,806,457)	(64,137)	-	(1,870,594)
Total Capital Assets Being Depreciated:	<u>\$ (66,222,842)</u>	<u>\$ (4,236,639)</u>	<u>\$ 2,511,721</u>	<u>\$ (67,947,760)</u>
Total Governmental Activity Capital Assets, Net	<u>\$ 52,928,146</u>	<u>\$ 12,257,438</u>	<u>\$ (2,912,559)</u>	<u>\$ 62,273,025</u>

* Restated, See Note 21.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(Continued)

The amount of capital assets net of related debt at 12/31/2017 is as follows:

Capital Assets, Net of Depreciation at 12/31/2017		\$ 62,783,089
Less Related Debt		
Certificates of Obligation and Bonds	32,555,000	
QECB Capital Leases	3,142,025	
Bond Premium Payables	2,933,585	
Unspent Debt Proceeds - Certificates of Obligation Series 2016	(1,188,010)	
Unspent Debt Proceeds - QECB Capital Lease	(16,511)	
Deferred Charge on Refundings	(649,684)	
	36,776,405	
Capital Assets, Net of Related Debt at 12/31/2017		\$ 26,006,684

The amount by which capital outlay exceeded depreciation in 2017 is as follows:

Assets other than Infrastructure Purchased & Transferred	5,719,479	
Road and Bridge Construction	8,593,059	
Loss on Disposal of Assets	(220,956)	
Capital Outlay		14,091,582
Depreciation Expense for the year		(4,236,639)
Net amount by which capital outlay was over/(under) depreciation in 2017		\$ 9,854,943

Depreciation expense was charged to functions/programs of the County for the 2017 year as follows:

Governmental Activities

General Administration		\$ 60,270
Judicial		8,477
Financial Administration		-
Legal		1,118
Elections		1,313
Public Facilities		1,357,515
Public Safety		412,961
Public Transportation		2,282,976
Health and Welfare		27,246
Culture and Recreation		69,030
Conservation		15,733
		15,733
Total Depreciation Expense		\$ 4,236,639

It is noted that 12/31/17 Construction in Progress (\$6,400,962) consisted of \$6,116,556 for major road repairs, \$64,666 for Plymouth Building handrails and sidewalk, \$66,969 for a Sinton Airport fuel system, \$87,301 for a new hangar at T.P. McCampbell Airport and \$65,470 for an Odem JP 2 building.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

(6) RECEIVABLES

Receivables for the County's individual major and non-major funds at 12-31-17 are as follows:

	Property Taxes	Intergovernmental	Other	Total
Governmental Activities:				
General Fund	\$ 21,601,718	\$ 3,561,971	\$ 131,227	\$ 25,294,816
Road and Bridge	2,511,269	35,385	17,410	2,564,064
Non-Major Governmental Funds	<u>2,079,025</u>	<u>249,074</u>	<u>40,756</u>	<u>2,368,855</u>
Totals	<u>\$ 26,192,012</u>	<u>\$ 3,846,430</u>	<u>\$ 189,393</u>	<u>\$ 30,227,735</u>

(7) OTHER DISCLOSURES

A. Excess of expenditure over appropriations did not occur in any of the budgeted funds, except for the Indigent Health Care Fund in which expenditures of \$440,446 exceeded appropriations of \$400,000, a difference of \$40,446, and the Intoxilizer Program Fund in which expenditures of \$99,382 exceeded appropriations of \$98,763, a difference of \$619. Overall, the County had a positive variance.

B. At December 31, 2017, The County did not have a deficit fund balance in any of the Governmental Fund except for the District Attorney Forfeiture Special Revenue Fund that had a Deficit Fund Balance of \$8,257, the WIC Special Revenue Fund that had a fund deficit of \$731 and the Mitigation Action Plan Capital Projects Fund that had a deficit of \$10,975. These deficits are expected to be liquidated by future sources of the County.

C. Reconciliation of interfund transfers is as follows:

	Transfers In	Transfers Out
General Fund	\$ 0	\$ 4,147,115
Road and Bridge Fund		114,500
Non-Major Governmental Funds	<u>4,335,958</u>	<u>74,343</u>
Total	<u>\$ 4,335,958</u>	<u>\$ 4,335,958</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

The main transfers consisted of \$323,915 from the General Fund to the District Courts Fund for District Court costs, \$400,000 from the General Fund to the Indigent Health Care Fund for Indigent Health Care costs, \$400,000 from the General Fund to the Airport Fund for Airport costs, \$200,000,000 from the General Fund to the Right of Way Fund for Right of Way costs, \$2,466,188 from the General Fund to the Capital Improvements Fund for capital assets costs and \$114,500 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, 2017, consisted of the following:

FUNDS	INTERFUND RECEIVABLE	INTERFUND PAYABLE
General Fund	\$ 236,906	\$ -
Road and Bridge Fund	-	-
Non-Major Governmental Fund	-	236,906
Proprietary Fund	-	-
Totals	\$ <u>236,906</u>	\$ <u>236,906</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). This postemployment benefit plan is an agent multiple-employer plan. 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 12-31-17 so 12-31-16 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 481 employees participated in 2017.

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 with 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.

Membership Information:

Members	Dec. 31, 2015	Dec. 31, 2016
Number of inactive employees entitled to but not yet receiving benefits	388	402
Number of active employees	457	493
Average monthly salary *	\$ 3,205	\$ 3,112
Average age *	46.83	46.97
Average length of service in years *	10.91	10.61
Inactive employees (or their beneficiaries) Receiving Benefits		
Number of benefit recipients	252	264
Average monthly benefit	\$ 1,224	\$ 1,285

* *Averages reported for all active and inactive employees. Average service includes all proportionate service.*

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

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 10.52% for calendar year 2017. 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, 2017, the annual pension cost for the TCDRS plan for its employees was \$3,339,390 and the actual contributions were \$3,339,390.

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, 2017
(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.
Depositing Members	the RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both projected to 2014 with a scale AA and then projected with 110% of the MP-2014 Ultimate scale after that.

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

Service retirees, beneficiaries, and non-depositing members

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.

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, 2017
(Continued)

Net Pension Liability

The County's net pension liability was measured as of December 31, 2016, 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, 2016 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	8.00%

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.

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

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 2017 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30 year time horizon; the most recent analysis was performed in 2013. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2009 - December 31, 2012 for more details.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected Minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	13.50%	4.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	16.00%	7.70%
Global Equities	MSCI World (net) Index	1.50%	5.00%
Int'l Equities - Developed Markets	MSCI World Ex USA (net)	10.00%	4.70%
Int'l Equities - Emerging Markets	MSCI World EM Standard (enet) Index	7.00%	5.70%
Investment- Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	0.60%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.70%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	3.83%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.15%
Distressed Debt	Cambridge Associates Distressed Security Index (4)	3.00%	6.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	2.00%	3.85%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.60%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (5)	6.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	20.00%	3.85%

(1) Target asset allocation adopted at the April 2017 TCDRS Board Meeting.

(2) Geometric real rates of return in addition to assumed inflation of 1.6%, per Cliffwaters' 2016 capital market assumptions.

(3) Includes vintage years 2006 - present of Quarter Pooled Horizon IRRs

(4) Includes vintage years 2005- present of Quarter Pooled Horizon IRRs

(5) Includes vintage years 2007- present of Quarter Pooled Horizon IRRs.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
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Net Pension Liability/(Asset)	<u>December 31, 2015</u>	<u>December 31, 2016</u>
Total Pension Liability	\$ 86,750,557	\$ 91,758,359
Fiduciary Net Position	77,941,346	82,642,854
Net pension liability / (asset)	8,809,211	9,115,505
Fiduciary Net Position as a % of total pension liability	89.85%	90.07%
Pensionable covered payroll (1)	\$ 17,659,601	\$ 18,585,226
Net pension liability as a % of covered payroll	49.88%	49.02%

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.

(1) 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.

Other Key Actuarial Assumptions

Updated mortality assumptions were adopted in 2015. All other actuarial assumptions that determined the total pension liability as of December 31, 2016 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.

	Beginning Date	Ending Date
Valuation Date	December 21, 2015	December 31, 2016
Measurement Date	December 31, 2015	December 31, 2016
Employer's Fiscal year	January 1, 2017	December 31, 2017

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(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, 2015	\$ 86,750,557	\$ 77,941,346	\$ 8,809,211
Changes for the year:			
Service Cost	2,497,314		2,497,314
Interest on Total Pension Liability (1)	6,966,717		6,966,717
Effect of Plan changes (2)	-		-
Effect of economic/demographic gains or losses	(446,050)		(446,050)
Effect of assumptions changes or inputs	-		-
Refund of contributions	(280,686)	(280,686)	-
Benefit payments	(3,729,493)	(3,729,493)	-
Administrative expenses		(62,664)	62,664
Member contributions		1,301,666	(1,301,666)
Net investment income		5,770,952	(5,770,952)
Employer contributions		1,915,306	(1,915,306)
Other (3)	-	(213,573)	213,573
Balances as of December 31, 2016	\$ 91,758,359	\$ 82,642,854	\$ 9,115,505

(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.

(3) 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	\$ 103,043,023	\$ 91,758,359	\$ 82,324,441
Fiduciary Net Position	82,642,854	82,642,854	82,642,854
Net pension liability/ (asset)	\$ 20,400,169	\$ 9,115,505	\$ (318,413)

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(Continued)

Pension Expense / (Income)

Pension Expense / (Income)	January 1, 2016 to December 31, 2016	
Service Cost	\$	2,497,314
Interest on total pension liability (1)		6,966,717
Effect of plan changes		-
Administrative expenses		62,664
Member contributions		(1,301,666)
Expected investment return net of investment expenses		(6,270,780)
Recognition of deferred inflows/outflows of resources		
Recognition of economic/demographic gains or losses		(413,426)
Recognition of assumption changes or inputs		261,792
Recognition of investment gains or losses		1,608,705
Other (2)		213,573
Pension expense/ (income)	\$	3,624,893

(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, 2016, 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	\$	881,382	\$	-
Changes of assumptions		-		523,584
Net difference between projected and actual earnings		-		4,725,306
Contributions made subsequent to measurement date (3)		-		3,339,390

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	
2017	\$ 1,457,071
2018	1,514,054
2019	1,296,418
2020	99,966
2021	-
Thereafter (4)	-

(3) This amount will be recognized as a reduction of the net position liability/collective net pension liability.

(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, 2017
(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, 2017, 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, 2017
(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>2017</u>	<u>2016</u>
Unpaid Claims at Beginning of Year	\$ 283,466	\$ 1,008,491
Incurred Claims (including IBNRs)	4,868,299	5,062,470
Claim Payments	<u>(4,962,941)</u>	<u>(5,787,495)</u>
Unpaid Claims at End of Year	<u>\$ 188,824</u>	<u>\$ 283,466</u>

The entire amount of the \$188,824 at 12/31/2017 is considered current because it is expected to be paid during the 2018 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 \$51,929,081 difference are as follows:

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(Continued)

Bonds Payable	\$	32,555,000
Capital Leases Payable		3,142,025
SIB Loan Payable		9,000,000
Compensated Absences Payable		290,668
SIB Loan Capitalized Interest Payable		224,769
Interest Payable		527,164
OPEB Liability		1,728,249
Pollution Liability		768,698
Refunding Bonds Premium		2,933,585
Net Pension Liability		9,115,505
Deferred Outflows of Resources		
Deferred Charge on Refunding		(649,684)
Pension		(8,588,280)
Deferred Inflows of Resources		
Pension		881,382
Other		-
Net Adjustments to Reduce fund balance total		-
Governmental funds to arrive at net position		
Governmental Activities	\$	<u>51,929,081</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 \$7,467,999 difference are as follows:

Taxes Receivable Net of		
Allowances for Uncollectibles	\$	26,192,012
Fines Receivable Net of		
Allowances for Uncollectibles		5,478,108
Other Receivables Net		3,429
Deferred Revenue		(24,205,550)
Net Adjustments for Other Long-Term		
Assets Not Available to Pay for		
Current-Period Expenditures and		
therefore are Deferred in the Funds	\$	<u>7,467,999</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

(13) POLLUTION REMEDIATION

At December 31, 2017, 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 2018, \$145,412 in 2019, \$169,869 in 2020, and \$174,254 in 2021 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. See Note 18.

(14) CONTRACTUAL OBLIGATIONS

Significant Contractual Obligations at 12-31-17 include \$1,861,808 for major road repairs and \$165,875 for a hangar at T.P. McCampbell Airport, \$35,515 for Courthouse rails, and \$542,590 for wastewater extension.

(15) RECENT ACCOUNTING PRONOUNCEMENTS

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 83, *Certain Asset Requirement Obligation* ("GASB 83"), addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance of this Statement. GASB 83 will be implemented by the County in fiscal year 2019 and the impact has not yet been determined.

GASB Statement No. 84, *Fiduciary Activities* ("GASB 84"), established criteria for identifying fiduciary activities of all state and local government. The focus of the criteria generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. GASB 84 will be implemented by the County in fiscal year 2019 and the impact has not yet been determined.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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GASB Statement No. 85, *Omnibus 2017* ("GASB 85"), addresses practice issues that have been identified during implementation and application of certain GASB Statements. GASB 85 addresses a variety of toppings including issues related to blending component units, goodwill, fair value measurement and application, and post employment benefits (pensions and other postemployment benefits [OPEB]). GASB will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

GASB Statement No. 86, *Certain Debt Extinguishment Issues* ("GASB 86"), improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transaction in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. GASB 86 also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to the financial statements for debt that is defeased in substance. GASB 86 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

GASB Statement No. 87, *Leases* ("GASB 87"), requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB 87 will be implemented by the County in fiscal year 2021 and the impact has not yet been determined.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(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 Cap Risk Consulting Group, Inc. of Austin, Texas to perform an actuarial valuation of its postemployment healthcare plans with a valuation date of January 1, 2016, and this was done in 2017. 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 2019. Cap Risk Consulting Group calculated the Net OPEB Obligation at 12-31-17 to be \$1,728,249.

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 an increase in 2017 due mainly to decreased contributions.

It is noted that retirees pay for their insurance premiums.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(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, 2017 (in thousands)</i>	<i>Paygo</i>
Net Present Value of County-funded Plan Costs	\$ 76
Actuarial Accrued Liability	78
Net OPEB Obligation	1,715
Discount Rate	3.50%

<i>As of December 31, 2017 (in thousands)</i>	
Annual Required Contribution	\$ 68
OPEB Cost	67
County Contribution	54
Net OPEB Obligation	1,728

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.

Actuarial Accrued Liability increased as compared to the prior valuation (\$1.0 to \$1.3 million). The increase 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
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(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 2017 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.

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.

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.

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(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. 2017 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.

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NOTES TO FINANCIAL STATEMENTS
December 31, 2017
(Continued)

OPEB Cost and Obligation	FY 2015	FY 2016	FY 2017
Normal Cost	\$ 45,898	\$ 22,178	\$ 22,178
Minimum Amortization to Year-end	38,145	46,168	46,168
Interest Adjustment to Year-end	-	-	-
Annual Required Contribution	84,043	68,346	68,346
ARC Adjustment	(60,696)	(53,043)	(60,492)
Interest Adjustment to Net OPEB Obligation	58,447	60,097	60,016
OPEB Cost	\$ 81,794	\$ 75,400	\$ 67,870
Contributions Made	\$ (34,654)	\$ (77,712)	\$ (54,376)
Increase (Decrease) in Net OPEB Obligation	\$ 47,140	\$ (2,312)	\$ 13,494
Net OPEB Obligation- beginning of year	1,669,927	1,717,067	1,714,755
Net OPEB Obligation- end of year	\$ 1,717,067	\$ 1,714,755	\$ 1,728,249

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2015	81,794	42.37%	1,717,067
12/31/2016	75,400	103.07%	1,714,755
12/31/2017	67,870	80.12%	1,728,249

Funded Status

Actuarial Variation Date	1/1/2016
Actuarial Variation of Assets	0
Actuarial Accrued Liability	\$ 1,259,619
Unfunded Actuarial Liability	\$ 1,259,619
Funded Ratio	0.00%
Annualized Covered Payroll	\$ 14,870,649
Ratio of Unfunded Actuarial Liability to Annual Covered Payroll	8.47%
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)
1/1/2012	\$ 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%
1/1/2016	\$ 0	\$ 1,259,619	\$ 1,259,619	0	14,870,649	8.47%

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 2019.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(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 of 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 12/31/2017, the County has entered into agreements pursuant to Chapter 312, Texas Tax Code, also known as the Property Redevelopment and Tax Abatement Act, with the following thirteen (13) companies: TPCO America, Oxy Ingleside Energy Center, LLC, and Oxy Ingleside Oil Terminal, LLC, Papalote Creek Wind Farm II, Ingleside Ethylene LLC and Occidental Chemical Company, Cheniere Energy and Cheniere DBA Corpus Christi Liquefaction LLC (Trains 1,2,3), Corpus Christi Liquefaction LLC, Corpus Christi Liquefaction Stage III, and Cheniere Land Holdings, LLC (Trains 4 and 5), Apex Midway Wind, LLC, GCGV Asset Holding LLC, Exxon Mobile Corporation, SABIC US Projects LLC, Pacific Wind Developments, LLC, and Nashtec, LLC. Generally, Chapter 312 projects proposed by said companies offer capital investment and jobs creation while meeting the County's established guidelines and criteria governing tax abatement agreements. Each agreement provides for the recapturing of property tax revenue lost as result of the agreement if the owner of the property fails to make the improvements or create the jobs promised. The owner must also submit an annual certificate of compliance to the County Judge's Office each year of the abatement. After the compliance letter is received, the Chief Operating Officer for the Corpus Christi Regional Economic Development Corporation follows up by reviewing the company's invoices, verifies job creation numbers and then tours the facility. The above tax abatements expire between 2018 and (depending on the construction timing) 2034. The County terminated Sherwin Alumina's tax abatement on April 24, 2017 due to failure to comply with agreement requirements.

The following companies also entered into agreements pursuant to Chapter 313, Texas Tax Code, with the school districts indicated:

1. Papalote Creek Wind Farm II with Odem-Edroy, Taft (2009 and 2010), Sinton, and Gregory-Portland Independent School Districts
2. Ingleside Ethylene LLC (Occidental Chemical Company) with Ingleside Independent School District.
3. Apex Midway Wind, LLC with Gregory-Portland Independent School District

The gross taxes abated during the 2017 year amounted to \$5,156,529. This was for the 2016 tax roll year.

Additionally, pursuant to Chapter 381, Texas Local Government Code, the County has entered into 381 Agreement with Voestalpine. Generally, this is a tax rebate agreement and likewise requires capital investment and jobs creation. However, here the County collects the property taxes from the company and then refunds some or all of the taxes collected.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

The following company also entered into an agreement pursuant to Chapter 313, Texas Tax Code, with the school district indicated:

1. Voelstalpine Texas LLC with Gregory-Portland Independent School District

Additionally, pursuant to Chapter 381, Texas Local Government Code, the County has entered into 381 Agreement with Voestalpine. Generally, this is a tax rebate agreement and likewise requires capital investment and jobs creation. However, here the County collects the property taxes from the company and then refunds some or all of the taxes collected.

The following company also entered into an agreement pursuant to Chapter 313, Texas Tax Code, with the school district indicated:

Voelstalpine Texas LLC with Gregory-Portland Independent School District

The gross rebated taxes during the 2017 year amounted to \$3,633,564. This was for the 2016 tax roll year.

(18) SUBSEQUENT EVENTS AND OTHER

In 2018 the County began plans to negotiate with another company to continue the Pollution Remediation Project. The final contracts are expected to be approved in late summer, with the cost expected to be in the \$850,000 to \$1,000,000 range.

In the summer of 2018 the County is considering issuing Certificates of Obligation in the \$8M to \$10M range to finance major road improvements. If the debt is issued, it will be done in the 2019 year.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

(19) HURRICANE HARVEY

The County experienced a natural disaster on August 25, 2017, resulting from Hurricane Harvey, which resulted in damage to portions of the County, with Aransas Pass and Ingleside receiving the most substantial damage. Damaged property included residential and commercial properties, as well as numerous County-owned facilities. The estimate of the total damage to the County-owned facilities is approximately \$5.2 million. The County estimates a total projected reimbursement from FEMA of \$4,699,094. The County also incurred disaster-related expenses, which include emergency repairs to County facilities, debris removal, protective measures and costs of emergency personnel overtime. The County anticipates that most of these will be covered by grants from the FEMA and the State of Texas, included in the estimate above.

On August 23, 2017, in anticipation of Hurricane Harvey's landfall, Texas Governor Greg Abbott issued a proclamation declaring a state of disaster in numerous counties along the Texas gulf coast, including San Patricio County. The Texas Tax Code provides that the governing body of a taxing unit located within an area declared to be a disaster area by the Governor of the State of Texas may authorize reappraisal of all property damaged in the disaster at its market value immediately after the disaster. The County is not bound by a reappraisal of property that is authorized by another taxing unit and not authorized by the County. In addition, the Texas Tax Code permits taxpayers owning homes or certain businesses damaged by a declared disaster to pay taxes imposed in the year following the disaster in four equal installments, commencing on February 1 and ending on August 1.

Any determination of assessed value will be made by the San Patricio County Appraisal District based on the market value of such homes and commercial improvements as of January 1, 2018, which market value will be affected by, among other things, the extent to which any damage has been incurred and the extent to which it has been repaired. Further, there is no assurance that a casualty loss will be covered by insurance. Flood casualties are usually exempted from coverage unless specific flood insurance is purchased. The County cannot provide assurance that any insurance company will fulfill its obligation to provide insurance proceeds.

Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the County would be adversely affected. Finally, it is not known at this time what impact the effects of Hurricane Harvey will have generally upon the value of homes and commercial improvements that did not sustain damage.

The County will maintain the accounting records concerning Hurricane Harvey for at least the next fifteen years.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)

(20) BOUNDARY DISPUTE LITIGATION

Boundary Dispute Litigation

San Patricio County v. Nueces County and Nueces County Appraisal District (NCAD)

In 2003, the 135th District Court of Refugio County entered a judgment in which the Court made its determination of the common boundary line between San Patricio and Nueces counties. San Patricio County then found it necessary in 2009 to file suit in Refugio County against Nueces County and NCAD. Our County sought a declaration from the 135th District Court that wharves, piers and docks build by entities along the La Quinta Ship Channel could not be taxed by Nueces County and valued by NCAD because they were natural and artificial modifications to the "shoreline" as defined by the 2003 boundary judgment.

As expected with this kind of lawsuit, many turns have taken place. But notably the Thirteenth Court of Appeals on May 12, 2016 rendered a decision reversing a summary judgment granted against San Patricio County by a Nueces County district judge and further ordered that this boundary dispute be remanded back to the 135th District Court in Refugio County for further proceedings. Nueces County filed a Petition for Review with the Texas Supreme Court.

Last year Texas Supreme Court first denied Nueces County's Petition for Review (June 16, 2017) and then further denied Nueces County's Motion for Rehearing (October 20, 2017). Therefore Thirteenth Court of Appeals' decision that the case be remanded to the 135th District Court in Refugio for further proceedings is final. The parties now wait for said Court to set a hearing.

Going forward the parties will again file cross-motions for summary judgment, followed by a summary judgment granted to one side by the 135th District Court, to which the other side will appeal the unfavorable decision. San Patricio County's attorney, John Hightower, has indicated that likely the boundary dispute will not be resolved until all possible appeals are exhausted which could easily take two to three years.

San Patricio County continues to be hopeful. The parties met twice in 2017 in an unsuccessful effort to reach a settlement agreement. In the improbable event that the courts rule against San Patricio County, the County could be ordered to return tax payments, approximately two million dollars (\$2,000,000), on various docks.

**SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017
(Continued)**

(21) RESTATEMENT OF NET POSITION

The 12-31-17 Net Position was restated for road work that should have been included in the Construction in Progress in the amount of \$510,064 less Road and Bridge fees in the amount of \$130,950 owed to the Tax Assessor-Collector for over-remittance of fees.

Beginning Net Position, as previously reported	\$ 45,596,080
Restatement for Road Construction in Progress And Road and Bridge fees over remitted	<u>379,114</u>
Beginning Net Position, as restated	<u>\$ 45,975,194</u>

(22) RESTATEMENT OF FUND BALANCES

The 12-31-17 Fund Balances were restated for Road and Bridge fees in the amount of \$130,950 owed to the Tax Assessor-Collector for over remittance of fees.

Beginning Fund Balances, as previously reported	\$ 21,686,221
Restatement for Road and Bridge fees over remitted	<u>(130,950)</u>
Beginning Fund Balances, as restated	<u>\$ 21,555,271</u>

REQUIRED SUPPLEMENTARY INFORMATION

(Major General and Special Revenue Funds Budgetary Comparisons)

The following are the Major governmental funds of the County that had adopted 2016 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 2016 was available.

The Notes to Required Supplementary Information provide information on the County's 2017 Budget.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 27,321,730	\$ 27,321,730	\$ 28,578,276	\$ 1,256,546
Licenses and Permits	128,000	128,000	321,000	193,000
Intergovernmental	727,940	1,759,224	5,285,322	3,526,098
Charges for Services	1,991,200	1,991,200	2,065,113	73,913
Fines & Forfeitures	690,500	690,500	575,391	(115,109)
Investment Income	110,250	110,250	315,759	205,509
Miscellaneous Revenue	275,300	2,275,300	2,687,214	411,914
Total Revenues	31,244,920	34,276,204	39,828,075	5,551,871
EXPENDITURES				
Current				
General Administration	3,039,700	7,700,343	7,442,669	257,674
Judicial	3,463,444	3,588,444	3,359,905	228,539
Legal	837,416	925,273	811,049	114,224
Elections	1,183,729	1,183,729	757,234	426,495
Financial Administration	2,819,199	2,819,199	2,298,440	520,759
Public Facilities	2,031,890	2,031,890	1,478,979	552,911
Public Safety	11,535,462	12,037,476	12,078,019	(40,543)
Environmental	98,130	98,130	85,227	12,903
Health & Welfare	928,099	993,519	905,905	87,614
Culture and Recreation	1,670,393	1,671,468	1,167,966	503,502
Conservation	266,509	266,509	257,730	8,779
Economic Development	1,562,873	1,562,873	1,496,577	66,296
Total Expenditures	29,436,844	34,878,853	32,139,700	2,739,153
Excess (Deficiency) of Revenues Over Expenditures	1,808,076	(602,649)	7,688,375	8,291,024
OTHER FINANCING SOURCES (USES)				
Transfers In	0	0	0	0
Transfers Out	(3,162,115)	(4,594,607)	(4,147,115)	447,492
Total Other Financing Sources (Uses)	(3,162,115)	(4,594,607)	(4,147,115)	447,492
Net Changes in Fund Balances	(1,354,039)	(5,197,256)	3,541,260	8,738,516
Fund Balance at Beginning of Year	9,123,223	9,123,223	9,123,223	
Fund Balance at End of Year	\$ 7,769,184	\$ 3,925,967	\$ 12,664,483	\$ 8,738,516

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, 2017
ROAD AND BRIDGE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 2,983,104	\$ 2,983,104	\$ 3,099,270	\$ 116,166
Intergovernmental	155,001	155,001	215,964	60,963
Charges for Services	1,017,499	1,017,499	964,224	(53,275)
Fines and Forfeitures	296,999	296,999	248,570	(48,429)
Investment Income	5,600	5,600	50,173	44,573
Miscellaneous	6,500	6,500	102,533	96,033
Total Revenues	<u>4,464,703</u>	<u>4,464,703</u>	<u>4,680,734</u>	<u>216,031</u>
EXPENDITURES				
Public Transportation	<u>6,001,071</u>	<u>6,091,571</u>	<u>4,964,340</u>	<u>1,127,231</u>
Total Expenditures	<u>6,001,071</u>	<u>6,091,571</u>	<u>4,964,340</u>	<u>1,127,231</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,536,368)</u>	<u>(1,626,868)</u>	<u>(283,606)</u>	<u>1,343,262</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(235,000)</u>	<u>(144,500)</u>	<u>(114,500)</u>	<u>30,000</u>
Total Other Financing Sources (Uses)	<u>(235,000)</u>	<u>(144,500)</u>	<u>(114,500)</u>	<u>30,000</u>
Net Changes in Fund Balances	(1,771,368)	(1,771,368)	(398,106)	1,373,262
Fund Balance at Beginning of Year	<u>3,238,859</u>	<u>3,238,859</u>	<u>3,238,859</u>	
Fund Balance at End of Year	<u>\$ 1,467,491</u>	<u>\$ 1,467,491</u>	<u>\$ 2,840,753</u>	<u>\$ 1,373,262</u>

See accompanying notes to required supplementary information.

SAN PATRICIO COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017

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 Commissioners 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 Commissioners Court.

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

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

There were supplementary appropriations made during the year after the 2017 budget was adopted. There were changes between line items that offset. These added appropriations resulted in an increase of \$5,532,500 due mainly to general administration and public safety costs.

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 2017. The basis of budgeting is the same as GAAP (General Accepted Accounting Principles).

Budgets for the 2017 year were adopted for the following nonmajor funds; 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, 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.

SAN PATRICIO COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017
(Continued)

The County's major governmental funds with adopted budgets for the 2017 year were the General Fund and the Road and Bridge Fund. The latter fund is a special revenue fund.

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 Commissioners 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 expenditure over appropriations did not occur in any of the budgeted funds, except for the Indigent Health Care fund in which expenditures of \$440,446 exceeded appropriations of \$400,000, a difference of \$40,466, and the Intoxilizer Program Fund in which expenditures of \$99,382 exceeded appropriations of \$98,763, a difference of \$619. Overall, the County had a positive variance.

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

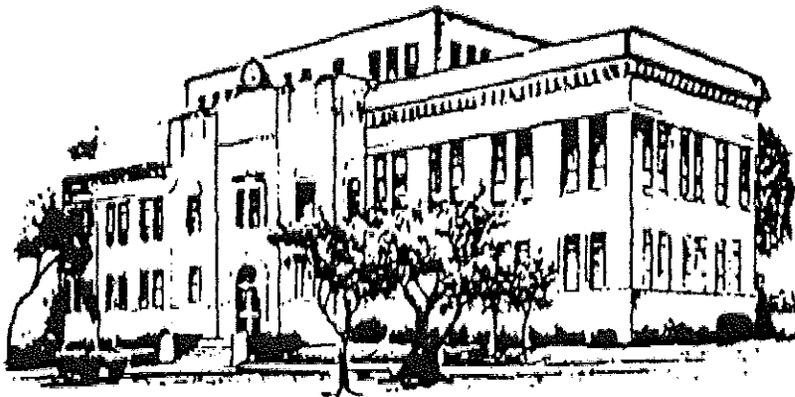
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL)(b-a)	Funded Ratio (b/a)	Covered Payroll (c) *	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2012	\$0	\$ 1,591,092	\$ 1,591,092	0%	\$ 12,760,816	12.5%
1/1/2014	\$0	\$ 998,573	\$ 998,573	0%	\$ 12,906,176	7.7%
1/1/2016	\$0	\$ 1,259,619	\$ 1,259,619	0%	\$ 14,870,649	8.5%

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Pension Liability			
Service Cost	\$ 2,062,276	\$ 2,178,289	\$ 2,497,314
Interest on Total Pension Liability	6,243,146	6,613,259	6,966,717
Effect of plan changes	-	(402,630)	-
Effect of assumption changes or inputs	-	1,047,168	-
Effect of economic/demographic (gains) or losses	(227,931)	(979,724)	(446,050)
Refund of Contributions	-	(205,694)	(280,686)
Benefit payments/refunds of contributions	(3,902,350)	(3,653,252)	(3,729,493)
Net change in total pension liability	<u>\$ 4,175,141</u>	<u>\$ 4,597,416</u>	<u>\$ 5,007,802</u>
Total pension liability, beginning	<u>77,977,999</u>	<u>82,153,140</u>	<u>86,750,557</u>
Total pension liability, ending (a)	<u>\$ 82,153,140</u>	<u>\$ 86,750,556</u>	<u>\$ 91,758,359</u>
Fiduciary Net Position			
Employer contributions	\$ 1,790,572	\$ 1,882,512	\$ 1,915,307
Member contributions	1,154,147	1,236,172	1,301,666
Investment income net of investment expenses	5,063,645	(130,184)	5,770,952
Benefit payments/refunds of contributions	(3,902,350)	(3,653,252)	(3,729,493)
Administrative expenses	(59,093)	(56,377)	(62,664)
Refund of Contributions	-	(205,694)	(280,686)
Other	121,260	82,889	(213,573)
Net Change in fiduciary net position	<u>\$ 4,168,181</u>	<u>\$ (843,934)</u>	<u>\$ 4,701,509</u>
Fiduciary net position, beginning	<u>74,617,098</u>	<u>78,785,279</u>	<u>77,941,345</u>
Fiduciary net position, ending (b)	<u>\$ 78,785,279</u>	<u>\$ 77,941,345</u>	<u>\$ 82,642,854</u>
Net pension liability / (asset) , ending = (a) - (b)	<u>\$ 3,367,861</u>	<u>\$ 8,809,211</u>	<u>\$ 9,115,505</u>
Fiduciary net position as a % of total pension liability	95.90%	89.85%	90.06%
Pensionable covered payroll	\$ 16,487,808	\$ 17,659,601	\$ 18,595,226
Net pension liability as a % of covered payroll	20.43%	49.88%	49.02%

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.

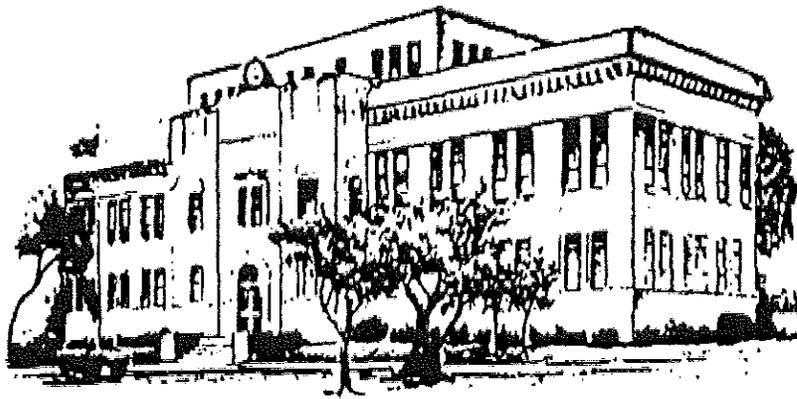


**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR SAN PATRICIO COUNTY**

Year Ending December 31	Actuarially Determined Contribution (1)	Actual Employer Contribution (1)	Contribution Deficiency (Excess)	Pensionable Covered Payroll (2)	Actual Contribution as a % of Covered Payroll
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%
2015	1,882,512	1,882,512	-	17,659,601	10.7%
2016	1,915,306	1,915,306	-	18,595,226	10.3%

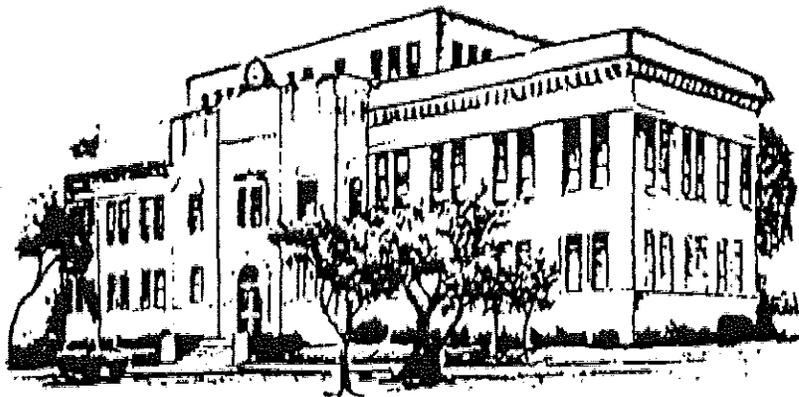
(1) TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis

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



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 funds are Non-Major Governmental Funds. These statements also serve to present budgetary data.



**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 4,733,756	\$ 1,032,917	\$ 4,998,198	\$ 10,764,871
Taxes Receivable		2,079,025		2,079,025
Intergovernmental Receivables	208,979		40,095	249,074
Other Receivables	40,426	330		40,756
TOTAL ASSETS	\$ 4,983,161	\$ 3,112,272	\$ 5,038,293	\$ 13,133,726
LIABILITIES				
Accounts Payable	\$ 133,760		\$ 4,763	\$ 138,523
Intergovernmental Payables	1,165			1,165
Other Liabilities	117,316		0	117,316
Due To Other Funds	185,836		51,070	236,906
TOTAL LIABILITIES	\$ 438,077	\$ 0	\$ 55,833	\$ 493,910
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues-Property Taxes		\$ 151,479		\$ 151,479
Deferred Revenues-Property Taxes		1,927,546		1,927,546
Advance Tax Collections		823,767		823,767
TOTAL DEFERRED INFLOWS OF RESOURCE	\$ 0	\$ 2,902,792	\$ 0	\$ 2,902,792
FUND BALANCES				
Restricted	\$ 4,187,666	\$ 209,480	\$ 869,290	\$ 5,266,436
Committed	366,406			366,406
Assigned			1,521,114	1,521,114
Unassigned	(8,988)		2,592,056	2,583,068
TOTAL FUND BALANCES	4,545,084	209,480	4,982,460	9,737,024
TOTAL LIABILITIES, DEFFERED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 4,983,161	\$ 3,112,272	\$ 5,038,293	\$ 13,133,726

**SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$	\$ 1,977,292	\$	\$ 1,977,292
Intergovernmental	1,332,695		530,046	1,862,741
Charges for Services	609,778			609,778
Fines & Forfeitures	57,667			57,667
Investment Income	59,612	5,215	32,802	97,629
Miscellaneous Revenue	622,923	82,603		705,526
Total Revenues	<u>2,682,675</u>	<u>2,065,110</u>	<u>562,848</u>	<u>5,310,633</u>
EXPENDITURES				
Current				
General Administration	601,563			601,563
Judicial	792,206			792,206
Legal	122,808			122,808
Elections	352,417			352,417
Public Facilities			1,869,369	1,869,369
Public Safety	264,476			264,476
Public Transportation	850,606		471,986	1,322,592
Health & Welfare	1,417,613			1,417,613
Debt Service		1,961,304		1,961,304
Total Expenditures	<u>4,401,689</u>	<u>1,961,304</u>	<u>2,341,355</u>	<u>8,704,348</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,719,014)</u>	<u>103,806</u>	<u>(1,778,507)</u>	<u>(3,393,715)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,167,115		3,168,843	4,335,958
Transfers Out			(74,343)	(74,343)
Total Other Financing Sources (Uses)	<u>1,167,115</u>	<u>0</u>	<u>3,094,500</u>	<u>4,261,615</u>
Net Changes in Fund Balances	(551,899)	103,806	1,315,993	867,900
Fund Balances at Beginning of Year	<u>5,096,983</u>	<u>105,674</u>	<u>3,666,467</u>	<u>8,869,124</u>
Fund Balances at End of Year	<u>\$ 4,545,084</u>	<u>\$ 209,480</u>	<u>\$ 4,982,460</u>	<u>\$ 9,737,024</u>

NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS

Non-Major 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 certain local intergovernmental and other revenues used to fund District Courts Expenditures.
7. 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.
8. The Justice Court Technology Fund accounts for fees and other funds used to enhance Justices of the Peace office technology.
9. The Court Reporter Service Fund accounts for fees and other revenues used for Court Reporter expenditures.
10. The CB COG Grant Fund accounts for grants and other monies used for emergency 911 costs.
11. 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)**

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

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

- 24. The Emergency Food and Shelter Program (EFSP) Fund accounts for Federal Grants used to provide emergency food and shelter to low income families.
- 25. The Clerk Contingency Fund accounts for certain County and District Clerk fees and other monies to be used for contingency costs.
- 26. 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, 2017**

	<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	\$ 165,409	\$ 435,859	\$ 538,326	\$ 439,581
Receivables				
Intergovernmental Receivable				
Other Receivables			2,608	9,805
TOTAL ASSETS	<u>\$ 165,409</u>	<u>\$ 435,859</u>	<u>\$ 540,934</u>	<u>\$ 449,386</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 1,647	\$ 43	\$ 8,394	\$ 13,777
Intergovernmental Payable				
Other Liabilities	92,543			
Due to Other Funds				
Total Liabilities	<u>94,190</u>	<u>43</u>	<u>8,394</u>	<u>13,777</u>
Fund Balances - (Deficits)				
Restricted		435,816	532,540	435,609
Committed	71,219			
Unassigned				
Total Fund Balances	<u>71,219</u>	<u>435,816</u>	<u>532,540</u>	<u>435,609</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 165,409</u>	<u>\$ 435,859</u>	<u>\$ 540,934</u>	<u>\$ 449,386</u>

(Continued)

<u>WIC</u>	<u>DISTRICT COURTS 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>
\$	\$ 44,229	\$ 11,405	\$ 272,778	\$ 113,464	\$ 285,637
117,712	12,462		2,059	557	
<u>\$ 117,712</u>	<u>\$ 56,691</u>	<u>\$ 11,405</u>	<u>\$ 274,837</u>	<u>\$ 114,021</u>	<u>\$ 285,637</u>
\$ 2,368	\$ 1,972	\$ 40 1,165	\$	\$ 113	\$
116,075					
<u>118,443</u>	<u>1,972</u>	<u>1,205</u>	<u>0</u>	<u>113</u>	<u>0</u>
	54,719	10,200	274,837	113,908	285,637
(731)					
<u>(731)</u>	<u>54,719</u>	<u>10,200</u>	<u>274,837</u>	<u>113,908</u>	<u>285,637</u>
<u>\$ 117,712</u>	<u>\$ 56,691</u>	<u>\$ 11,405</u>	<u>\$ 274,837</u>	<u>\$ 114,021</u>	<u>\$ 285,637</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017
(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	\$ 41,795	\$	\$ 761,741	\$ 549,883
Receivables				
Intergovernmental Receivable			8,103	
Other Receivables	<u>1,664</u>		<u>5,400</u>	
TOTAL ASSETS	\$ <u>43,459</u>	\$ <u>0</u>	\$ <u>775,244</u>	\$ <u>549,883</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 7,562	\$	\$ 94,408	\$
Intergovernmental Payable				
Other Liabilities				
Due to Other Funds		<u>8,257</u>		
Total Liabilities	<u>7,562</u>	<u>8,257</u>	<u>94,408</u>	<u>0</u>
Fund Balances - (Deficits)				
Restricted	35,897		680,836	549,883
Committed				
Unassigned		<u>(8,257)</u>		
Total Fund Balances	<u>35,897</u>	<u>(8,257)</u>	<u>680,836</u>	<u>549,883</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>43,459</u>	\$ <u>0</u>	\$ <u>775,244</u>	\$ <u>549,883</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>
\$	\$ 25,311	\$ 102,635	\$ 16,558	\$ 8,038
70,702 433				
<u>\$ 71,135</u>	<u>\$ 25,311</u>	<u>\$ 102,635</u>	<u>\$ 16,558</u>	<u>\$ 8,038</u>
\$ 2,157	\$	\$	\$	\$
61,504				
<u>63,661</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
7,474	25,311	102,635	16,558	8,038
<u>7,474</u>	<u>25,311</u>	<u>102,635</u>	<u>16,558</u>	<u>8,038</u>
<u>\$ 71,135</u>	<u>\$ 25,311</u>	<u>\$ 102,635</u>	<u>\$ 16,558</u>	<u>\$ 8,038</u>

**SAN PATRICIO COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2017
 (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	\$ 5,272	\$ 243,775	\$ 202,550	\$ 229,882
Receivables				
Intergovernmental Receivable				
Other Receivables	<u>25</u>	<u> </u>	<u> </u>	<u>17,685</u>
TOTAL ASSETS	\$ <u>5,297</u>	\$ <u>243,775</u>	\$ <u>202,550</u>	\$ <u>247,567</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$	\$ 54	\$ 1,225	\$
Intergovernmental Payable				
Other Liabilities				24,773
Due to Other Funds	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>0</u>	<u>54</u>	<u>1,225</u>	<u>24,773</u>
Fund Balances - (Deficits)				
Restricted	5,297	243,721	201,325	
Committed				222,794
Unassigned	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>5,297</u>	<u>243,721</u>	<u>201,325</u>	<u>222,794</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>5,297</u>	\$ <u>243,775</u>	\$ <u>202,550</u>	\$ <u>247,567</u>

<u>DISTRICT ATTORNEY FEDERAL FORFEITURE</u>	<u>EFSP GRANT</u>	<u>CLERKS CONTINGENCY FUND</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$ 30,750	\$ 16,847	\$ 192,031	\$ 4,733,756
		190	208,979
			40,426
<u>\$ 30,750</u>	<u>\$ 16,847</u>	<u>\$ 192,221</u>	<u>\$ 4,983,161</u>
\$	\$	\$	\$ 133,760
			1,165
			117,316
			185,836
<u>0</u>	<u>0</u>	<u>0</u>	<u>438,077</u>
30,750	16,847	192,221	4,187,666
			366,406
			(8,988)
<u>30,750</u>	<u>16,847</u>	<u>192,221</u>	<u>4,545,084</u>
<u>\$ 30,750</u>	<u>\$ 16,847</u>	<u>\$ 192,221</u>	<u>\$ 4,983,161</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, 2017**

	<u>INDIGENT HEALTH CARE FUND</u>	<u>SHERIFF STATE FORFEITURE FUND</u>	<u>COURTHOUSE SECURITY FUND</u>	<u>RECORDS MANAGEMENT FUND</u>
REVENUES				
Intergovernmental	\$	\$	\$	\$
Charges for Services			38,127	253,235
Fines & Forfeitures				
Investment Income	2,201	4,976	6,271	9,561
Miscellaneous	<u>97</u>			
Total Revenues	<u>2,298</u>	<u>4,976</u>	<u>44,398</u>	<u>262,796</u>
EXPENDITURES				
General Administration				601,563
Judicial				30,418
Legal				
Elections				
Public Safety		1,815	64,908	
Public Transportation				
Health & Welfare	<u>440,466</u>			
Total Expenditures	<u>440,466</u>	<u>1,815</u>	<u>64,908</u>	<u>631,981</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(438,168)</u>	<u>3,161</u>	<u>(20,510)</u>	<u>(369,185)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	400,000			
Transfers Out				
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	(38,168)	3,161	(20,510)	(369,185)
Fund Balances (Deficits) at Beginning of Year	<u>109,387</u>	<u>432,655</u>	<u>553,050</u>	<u>804,794</u>
Fund Balances (Deficits) at End of Year	\$ <u>71,219</u>	\$ <u>435,816</u>	\$ <u>532,540</u>	\$ <u>435,609</u>

(Continued)

<u>WIC</u>	<u>DISTRICT COURTS 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>
\$ 551,371	\$ 336,175	\$ 53,965	\$ 25,710	\$ 14,518	\$ 52,758
	1,664	422	3,026	1,310	2,958
<u>75</u>	<u>358</u>				
<u>551,446</u>	<u>338,197</u>	<u>54,387</u>	<u>28,736</u>	<u>15,828</u>	<u>55,716</u>
	652,009		4,816	12,526	
		99,382			39,867
<u>569,257</u>					
<u>569,257</u>	<u>652,009</u>	<u>99,382</u>	<u>4,816</u>	<u>12,526</u>	<u>39,867</u>
<u>(17,811)</u>	<u>(313,812)</u>	<u>(44,995)</u>	<u>23,920</u>	<u>3,302</u>	<u>15,849</u>
	323,915	43,200			
<u>0</u>	<u>323,915</u>	<u>43,200</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(17,811)</u>	<u>10,103</u>	<u>(1,795)</u>	<u>23,920</u>	<u>3,302</u>	<u>15,849</u>
<u>17,080</u>	<u>44,616</u>	<u>11,995</u>	<u>250,917</u>	<u>110,606</u>	<u>269,788</u>
\$ <u><u>(731)</u></u>	\$ <u><u>54,719</u></u>	\$ <u><u>10,200</u></u>	\$ <u><u>274,837</u></u>	\$ <u><u>113,908</u></u>	\$ <u><u>285,637</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, 2017**

(Continued)

	LAW LIBRARY	DISTRICT ATTORNEY FORFEITURE FUND	AIRPORT FUND	SHERIFF FORFEITURE FUND
REVENUES				
Intergovernmental	\$	\$	\$ 10,164	\$
Charges for Services	51,122			
Fines & Forfeitures		1,370		56,297
Investment Income	570	29	8,427	6,155
Miscellaneous			462,331	
Total Revenues	51,692	1,399	480,922	62,452
EXPENDITURES				
General Administration				
Judicial	57,356			
Legal				
Elections				
Public Safety				
Public Transportation			850,606	
Health & Welfare				
Total Expenditures	57,356	0	850,606	0
Excess (Deficiency) of Revenues Over Expenditures	(5,664)	1,399	(369,684)	62,452
OTHER FINANCING SOURCES (USES):				
Transfers In			400,000	
Transfers Out				
Total Other Financing Sources (Uses)	0	0	400,000	0
Net Changes in Fund Balances	(5,664)	1,399	30,316	62,452
Fund Balances (Deficits) at Beginning of Year	41,561	(9,656)	650,520	487,431
Fund Balances (Deficits) at End of Year	\$ 35,897	\$ (8,257)	\$ 680,836	\$ 549,883

(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>
\$ 315,845	\$ 12,417	\$ 18,043	\$ 3,699	\$
55,236				
	282	1,445		91
<u>554</u>	<u> </u>	<u>89,008</u>	<u> </u>	<u> </u>
<u>371,635</u>	<u>12,699</u>	<u>108,496</u>	<u>3,699</u>	<u>91</u>
			5,473	
	12,417	340,000		
<u>407,890</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>407,890</u>	<u>12,417</u>	<u>340,000</u>	<u>5,473</u>	<u>0</u>
<u>(36,255)</u>	<u>282</u>	<u>(231,504)</u>	<u>(1,774)</u>	<u>91</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(36,255)</u>	<u>282</u>	<u>(231,504)</u>	<u>(1,774)</u>	<u>91</u>
<u>43,729</u>	<u>25,029</u>	<u>334,139</u>	<u>18,332</u>	<u>7,947</u>
\$ <u>7,474</u>	\$ <u>25,311</u>	\$ <u>102,635</u>	\$ <u>16,558</u>	\$ <u>8,038</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, 2017

(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	374	98,464		45,855
Fines & Forfeitures		2,876	1,973	2,651
Investment Income			60,349	
Miscellaneous				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	374	101,340	62,322	48,506
EXPENDITURES				
General Administration				
Judicial				
Legal		117,335		
Elections				
Public Safety			19,188	39,316
Public Transportation				
Health & Welfare				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	0	117,335	19,188	39,316
Excess (Deficiency) of Revenues Over Expenditures	<hr/> 374	<hr/> (15,995)	<hr/> 43,134	<hr/> 9,190
OTHER FINANCING SOURCES (USES):				
Transfers In				
Transfers Out				
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	374	(15,995)	43,134	9,190
Fund Balances (Deficits) at Beginning of Year	<hr/> 4,923	<hr/> 259,716	<hr/> 158,191	<hr/> 213,604
Fund Balances (Deficits) at End of Year	<hr/> \$ 5,297	<hr/> \$ 243,721	<hr/> \$ 201,325	<hr/> \$ 222,794

<u>DISTRICT ATTORNEY FEDERAL FORFEITURE</u>	<u>EFSP GRANT</u>	<u>CLERKS CONTINGENCY FUND</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$	\$	\$	\$
		5,395	1,332,695
410	191	2,123	609,778
10,151			57,667
			59,612
			622,923
<u>10,561</u>	<u>191</u>	<u>7,518</u>	<u>2,682,675</u>
			601,563
35,081			792,206
			122,808
			352,417
			264,476
			850,606
			<u>1,417,613</u>
<u>35,081</u>	<u>0</u>	<u>0</u>	<u>4,401,689</u>
<u>(24,520)</u>	<u>191</u>	<u>7,518</u>	<u>(1,719,014)</u>
			1,167,115
			0
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,167,115</u>
<u>(24,520)</u>	<u>191</u>	<u>7,518</u>	<u>(551,899)</u>
<u>55,270</u>	<u>16,656</u>	<u>184,703</u>	<u>5,096,983</u>
\$ <u>30,750</u>	\$ <u>16,847</u>	\$ <u>192,221</u>	\$ <u>4,545,084</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
INDIGENT HEALTH CARE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Investment Income	\$ 1,000	\$ 1,000	\$ 2,201	\$ 1,201
Miscellaneous Revenue			97	97
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>2,298</u>	<u>1,298</u>
EXPENDITURES				
Health & Welfare	400,000	400,000	440,466	(40,466)
Total Expenditures	<u>400,000</u>	<u>400,000</u>	<u>440,466</u>	<u>(40,466)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(399,000)</u>	<u>(399,000)</u>	<u>(438,168)</u>	<u>(39,168)</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	1,000	1,000	(38,168)	(39,168)
Fund Balance at Beginning of Year	<u>109,387</u>	<u>109,387</u>	<u>109,387</u>	
Fund Balance at End of Year	<u>\$ 110,387</u>	<u>\$ 110,387</u>	<u>\$ 71,219</u>	<u>(39,168)</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
SHERIFF'S STATE FORFEITURE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$	\$	\$	\$ 0
Fines & Forfeitures				0
Investment Income			4,976	4,976
Miscellaneous Revenue				0
Total Revenues	<u>0</u>	<u>0</u>	<u>4,976</u>	<u>4,976</u>
EXPENDITURES				
Public Safety	<u>283,744</u>	<u>283,744</u>	<u>1,815</u>	<u>281,929</u>
Total Expenditures	<u>283,744</u>	<u>283,744</u>	<u>1,815</u>	<u>281,929</u>
Net Changes in Fund Balances	(283,744)	(283,744)	3,161	286,905
Fund Balance at Beginning of Year	<u>432,655</u>	<u>432,655</u>	<u>432,655</u>	
Fund Balance at End of Year	<u>\$ 148,911</u>	<u>\$ 148,911</u>	<u>\$ 435,816</u>	<u>\$ 286,905</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
COURTHOUSE SECURITY FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 42,000	\$ 42,000	\$ 38,127	\$ (3,873)
Investment Income	3,000	3,000	6,271	3,271
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>44,398</u>	<u>(602)</u>
EXPENDITURES				
Public Safety	152,943	152,943	64,908	88,035
Total Expenditures	<u>152,943</u>	<u>152,943</u>	<u>64,908</u>	<u>88,035</u>
Net Changes in Fund Balances	(107,943)	(107,943)	(20,510)	87,433
Fund Balance at Beginning of Year	<u>553,050</u>	<u>553,050</u>	<u>553,050</u>	
Fund Balance at End of Year	<u>\$ 445,107</u>	<u>\$ 445,107</u>	<u>\$ 532,540</u>	<u>\$ 87,433</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
RECORDS MANAGEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 252,700	\$ 252,700	\$ 253,235	\$ 535
Investment Income	5,000	5,000	9,561	4,561
Miscellaneous Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>257,700</u>	<u>257,700</u>	<u>262,796</u>	<u>5,096</u>
EXPENDITURES				
General Administration	645,328	645,328	601,563	43,765
Judicial	<u>105,854</u>	<u>105,854</u>	<u>30,418</u>	<u>75,436</u>
Total Expenditures	<u>751,182</u>	<u>751,182</u>	<u>631,981</u>	<u>119,201</u>
Excess (Deficiency) of Revenues				
Net Changes in Fund Balances	<u>(493,482)</u>	<u>(493,482)</u>	<u>(369,185)</u>	<u>124,297</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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	(493,482)	(493,482)	(369,185)	124,297
Fund Balance at Beginning of Year	<u>804,794</u>	<u>804,794</u>	<u>804,794</u>	<u>804,794</u>
Fund Balance at End of Year	<u>\$ 311,312</u>	<u>\$ 311,312</u>	<u>\$ 435,609</u>	<u>\$ 124,297</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
WIC FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 636,317	\$ 636,317	\$ 551,371	\$ (84,946)
Investment Income				0
Miscellaneous Revenue			75	75
Total Revenues	<u>636,317</u>	<u>636,317</u>	<u>551,446</u>	<u>(84,871)</u>
EXPENDITURES				
Health & Welfare	<u>629,447</u>	<u>629,447</u>	<u>569,257</u>	<u>60,190</u>
Total Expenditures	<u>629,447</u>	<u>629,447</u>	<u>569,257</u>	<u>60,190</u>
Net Changes in Fund Balances	6,870	6,870	(17,811)	(24,681)
Fund Balance at Beginning of Year	<u>17,080</u>	<u>17,080</u>	<u>17,080</u>	
Fund Balance at End of Year	<u>\$ 23,950</u>	<u>\$ 23,950</u>	<u>\$ (731)</u>	<u>\$ (24,681)</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
DISTRICT COURTS OPERATING FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 336,175	\$ 336,175	\$ 336,175	\$ 0
Investment Income	1,000	1,000	1,664	664
Miscellaneous Revenue			358	358
Total Revenues	<u>337,175</u>	<u>337,175</u>	<u>338,197</u>	<u>1,022</u>
EXPENDITURES				
Judicial	682,541	682,541	652,009	30,532
Total Expenditures	<u>682,541</u>	<u>682,541</u>	<u>652,009</u>	<u>30,532</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(345,366)</u>	<u>(345,366)</u>	<u>(313,812)</u>	<u>31,554</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	323,915	323,915	323,915	0
Total Other Financing Sources (Uses)	<u>323,915</u>	<u>323,915</u>	<u>323,915</u>	<u>0</u>
Net Changes in Fund Balances	(21,451)	(21,451)	10,103	31,554
Fund Balance at Beginning of Year	44,616	44,616	44,616	
Fund Balance at End of Year	<u>\$ 23,165</u>	<u>\$ 23,165</u>	<u>\$ 54,719</u>	<u>\$ 31,554</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
INTOXILIZER PROGRAM FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 52,800	\$ 52,800	\$ 53,965	\$ 1,165
Investment Income	300	300	422	122
Miscellaneous Revenue				0
Total Revenues	<u>53,100</u>	<u>53,100</u>	<u>54,387</u>	<u>1,287</u>
EXPENDITURES				
Public Safety	<u>98,763</u>	<u>98,763</u>	<u>99,382</u>	<u>(619)</u>
Total Expenditures	<u>98,763</u>	<u>98,763</u>	<u>99,382</u>	<u>(619)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(45,663)</u>	<u>(45,663)</u>	<u>(44,995)</u>	<u>668</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>43,200</u>	<u>43,200</u>	<u>43,200</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>43,200</u>	<u>43,200</u>	<u>43,200</u>	<u>0</u>
Net Changes in Fund Balances	(2,463)	(2,463)	(1,795)	668
Fund Balance at Beginning of Year	<u>11,995</u>	<u>11,995</u>	<u>11,995</u>	
Fund Balance at End of Year	<u>\$ 9,532</u>	<u>\$ 9,532</u>	<u>\$ 10,200</u>	<u>\$ 668</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
JUSTICE COURT TECHNOLOGY FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 30,600	\$ 30,600	\$ 25,710	\$ (4,890)
Investment Income	1,000	1,000	3,026	2,026
Total Revenues	<u>31,600</u>	<u>31,600</u>	<u>28,736</u>	<u>(2,864)</u>
EXPENDITURES				
Judicial	<u>44,198</u>	<u>44,198</u>	<u>4,816</u>	<u>39,382</u>
Total Expenditures	<u>44,198</u>	<u>44,198</u>	<u>4,816</u>	<u>39,382</u>
Net Changes in Fund Balances	(12,598)	(12,598)	23,920	36,518
Fund Balance at Beginning of Year	<u>250,917</u>	<u>250,917</u>	<u>250,917</u>	<u></u>
Fund Balance at End of Year	\$ <u>238,319</u>	\$ <u>238,319</u>	\$ <u>274,837</u>	\$ <u>36,518</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
COURT REPORTER SERVICE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 14,400	\$ 14,400	\$ 14,518	\$ 118
Investment Income	600	600	1,310	710
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>15,828</u>	<u>828</u>
EXPENDITURES				
Judicial	<u>76,000</u>	<u>76,000</u>	<u>12,526</u>	<u>63,474</u>
Total Expenditures	<u>76,000</u>	<u>76,000</u>	<u>12,526</u>	<u>63,474</u>
Net Changes in Fund Balances	(61,000)	(61,000)	3,302	64,302
Fund Balance at Beginning of Year	<u>110,606</u>	<u>110,606</u>	<u>110,606</u>	<u></u>
Fund Balance at End of Year	<u>\$ 49,606</u>	<u>\$ 49,606</u>	<u>\$ 113,908</u>	<u>\$ 64,302</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
CB COG GRANT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$ 52,758	\$ 52,758
Investment Income	1,500	1,500	2,958	1,458
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>55,716</u>	<u>54,216</u>
EXPENDITURES				
Public Safety	<u>253,984</u>	<u>253,984</u>	<u>39,867</u>	<u>214,117</u>
Total Expenditures	<u>253,984</u>	<u>253,984</u>	<u>39,867</u>	<u>214,117</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(252,484)</u>	<u>(252,484)</u>	<u>15,849</u>	<u>268,333</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	(252,484)	(252,484)	15,849	268,333
Fund Balance at Beginning of Year	<u>269,788</u>	<u>269,788</u>	<u>269,788</u>	
Fund Balance at End of Year	\$ <u>17,304</u>	\$ <u>17,304</u>	\$ <u>285,637</u>	\$ <u>268,333</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
LAW LIBRARY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 57,000	\$ 57,000	\$ 51,122	\$ (5,878)
Investment Income	250	250	570	320
Total Revenues	<u>57,250</u>	<u>57,250</u>	<u>51,692</u>	<u>(5,558)</u>
EXPENDITURES				
Judicial	72,697	72,697	57,356	15,341
Total Expenditures	<u>72,697</u>	<u>72,697</u>	<u>57,356</u>	<u>15,341</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(15,447)</u>	<u>(15,447)</u>	<u>(5,664)</u>	<u>9,783</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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	(15,447)	(15,447)	(5,664)	9,783
Fund Balance at Beginning of Year	<u>41,561</u>	<u>41,561</u>	<u>41,561</u>	<u>41,561</u>
Fund Balance at End of Year	<u>\$ 26,114</u>	<u>\$ 26,114</u>	<u>\$ 35,897</u>	<u>\$ 9,783</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
DISTRICT ATTORNEY FORFEITURE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$	\$ 0
Fines & Forfeitures			1,370	1,370
Investment Income			29	29
Miscellaneous Revenue			0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>1,399</u>	<u>1,399</u>
EXPENDITURES				
Judicial				0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>1,399</u>	<u>1,399</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Transfers Out				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	0	0	1,399	1,399
Fund Balance at Beginning of Year	<u>(9,656)</u>	<u>(9,656)</u>	<u>(9,656)</u>	
Fund Balance at End of Year	<u>\$ (9,656) \$</u>	<u>\$ (9,656) \$</u>	<u>\$ (8,257) \$</u>	<u>1,399</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
AIRPORT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$ 10,164	\$ 10,164
Investment Income	50	50	8,427	8,377
Miscellaneous Revenue	<u>675,000</u>	<u>675,000</u>	<u>462,331</u>	<u>(212,669)</u>
Total Revenues	<u>675,050</u>	<u>675,050</u>	<u>480,922</u>	<u>(194,128)</u>
EXPENDITURES				
Public Transportation	<u>1,157,650</u>	<u>1,157,650</u>	<u>850,606</u>	<u>307,044</u>
Total Expenditures	<u>1,157,650</u>	<u>1,157,650</u>	<u>850,606</u>	<u>307,044</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(482,600)</u>	<u>(482,600)</u>	<u>(369,684)</u>	<u>112,916</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Net Changes in Fund Balances	(82,600)	(82,600)	30,316	112,916
Fund Balance at Beginning of Year	<u>650,520</u>	<u>650,520</u>	<u>650,520</u>	<u></u>
Fund Balance at End of Year	\$ <u>567,920</u>	\$ <u>567,920</u>	\$ <u>680,836</u>	\$ <u>112,916</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
COMMUNICATIONS SYSTEM FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 75,000	\$ 75,000	\$ 45,855	\$ (29,145)
Investment Income	50	50	2,651	2,601
Miscellaneous Revenue				0
Total Revenues	<u>75,050</u>	<u>75,050</u>	<u>48,506</u>	<u>(26,544)</u>
EXPENDITURES				
Public Safety	194,000	194,000	39,316	154,684
Total Expenditures	<u>194,000</u>	<u>194,000</u>	<u>39,316</u>	<u>154,684</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(118,950)</u>	<u>(118,950)</u>	<u>9,190</u>	<u>128,140</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	(118,950)	(118,950)	9,190	128,140
Fund Balance at Beginning of Year	<u>213,604</u>	<u>213,604</u>	<u>213,604</u>	
Fund Balance at End of Year	<u>\$ 94,654</u>	<u>\$ 94,654</u>	<u>\$ 222,794</u>	<u>\$ 128,140</u>

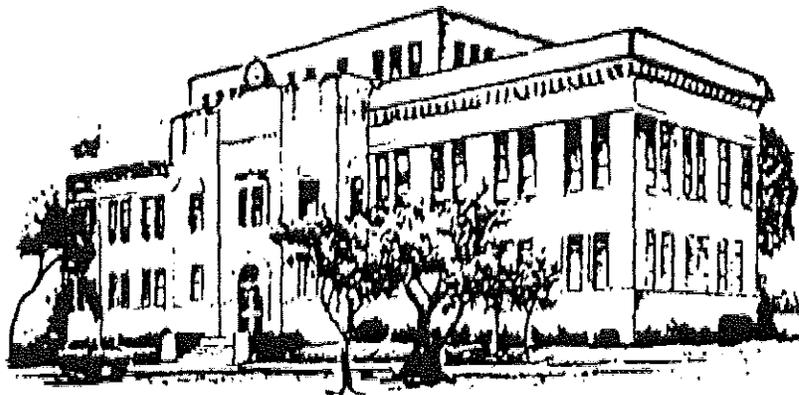
**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
ELECTION SERVICES FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 20,000	\$ 20,000	\$ 18,043	\$ (1,957)
Investment Income	1,500	1,500	1,445	(55)
Miscellaneous Revenue	10,000	10,000	89,008	79,008
Total Revenues	<u>31,500</u>	<u>31,500</u>	<u>108,496</u>	<u>76,996</u>
EXPENDITURES				
Elections	340,000	340,000	340,000	0
Total Expenditures	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(308,500)</u>	<u>(308,500)</u>	<u>(231,504)</u>	<u>76,996</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>(308,500)</u>	<u>(308,500)</u>	<u>(231,504)</u>	<u>76,996</u>
Fund Balance at Beginning of Year	334,139	334,139	334,139	
Fund Balance at End of Year	<u>\$ 25,639</u>	<u>\$ 25,639</u>	<u>\$ 102,635</u>	<u>\$ 76,996</u>

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 and other appropriate debt of the County.



**SAN PATRICIO COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 DECEMBER 31, 2017**

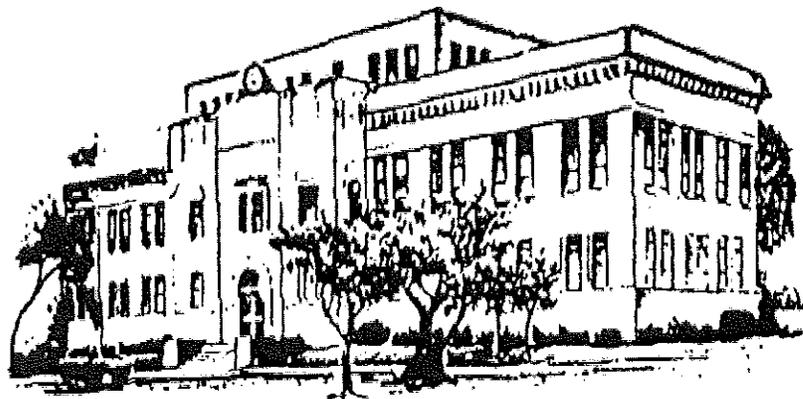
	<u>PERMANENT IMPROVEMENT DEBT SERVICE</u>		<u>TOTAL NONMAJOR DEBT SERVICE FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,032,917	\$	1,032,917
Taxes Receivable	2,079,025		2,079,025
Other Receivables	330		330
	<u>3,112,272</u>		<u>3,112,272</u>
TOTAL ASSETS	\$ <u>3,112,272</u>	\$	<u>3,112,272</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues-Property Taxes	\$ 151,479	\$	151,479
Deferred Revenues-Property Taxes	1,927,546		1,927,546
Advance Tax Collections	823,767		823,767
	<u>2,902,792</u>		<u>2,902,792</u>
Total Deferred Inflows of Resources	<u>2,902,792</u>		<u>2,902,792</u>
FUND BALANCES			
Restricted	<u>209,480</u>		<u>209,480</u>
Total Fund Balances (Deficits)	<u>209,480</u>		<u>209,480</u>
TOTAL DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ <u>3,112,272</u>	\$	<u>3,112,272</u>

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	PERMANENT IMPROVEMENT DEBT SERVICE		TOTAL NONMAJOR DEBT SERVICE FUNDS
REVENUES			
Taxes	\$ 1,977,292	\$	1,977,292
Investment Income	5,215		5,215
Miscellaneous Revenues	82,603		82,603
	2,065,110		2,065,110
EXPENDITURES			
Debt Service	1,961,304		1,961,304
	1,961,304		1,961,304
Excess (Deficiency) of Revenues Over Expenditures	103,806		103,806
OTHER FINANCING SOURCES (USES)			
Bonds Issued	0		0
Bond Premium	0		0
Payment to Refunding Escrow Agent	0		0
	0		0
Total Other Financing Sources (Uses)	0		0
Excess (Deficiency) of Revenues and Other Sources Over Expenditures			
Net Changes in Fund Balances	103,806		103,806
Fund Balances at Beginning of Year	105,674		105,674
Fund Balances (Deficits) at End of Year	\$ 209,480	\$	209,480

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
PERMANENT IMPROVEMENT DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 1,882,310	\$ 1,882,310	\$ 1,977,292	\$ 94,982
Investment Income	3,300	3,300	5,215	1,915
Miscellaneous Revenues			82,603	82,603
Total Revenues	<u>1,885,610</u>	<u>1,885,610</u>	<u>2,065,110</u>	<u>179,500</u>
EXPENDITURES				
Debt Service	<u>1,964,505</u>	<u>1,964,505</u>	<u>1,961,304</u>	<u>3,201</u>
Total Expenditures	<u>1,964,505</u>	<u>1,964,505</u>	<u>1,961,304</u>	<u>3,201</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(78,895)</u>	<u>(78,895)</u>	<u>103,806</u>	<u>182,701</u>
Fund Balance at Beginning of Year	<u>105,674</u>	<u>105,674</u>	<u>105,674</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 26,779</u>	<u>\$ 26,779</u>	<u>\$ 209,480</u>	<u>\$ 182,701</u>



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 Energy Conservation Project Fund accounts for funds used for energy conservation equipment for the County's buildings.
3. The Right-of-Way Fund accounts for monies used for right-of-way purchases for road construction.
4. The Mitigation Action Plan Fund accounts for funds used for emergency facilitation studies.
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, 2017**

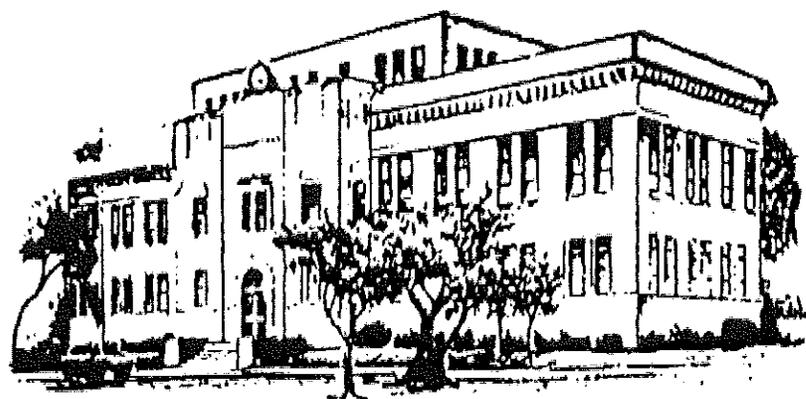
	<u>CAPITAL IMPROVEMENTS</u>	<u>RIGHT-OF-WAY</u>	<u>ENERGY CONSERVATION PROJECT</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,239,048	\$ 736,177	\$ 16,511
Intergovernmental Receivables	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 4,239,048</u>	<u>\$ 736,177</u>	<u>\$ 16,511</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 4,727	\$ 36	\$
Due to Other Funds	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>4,727</u>	<u>36</u>	<u>0</u>
Fund Balances -			
Restricted	846,317		16,511
Assigned	784,973	736,141	
Unassigned	<u>2,603,031</u>	<u> </u>	<u> </u>
Total Fund Balances	<u>4,234,321</u>	<u>736,141</u>	<u>16,511</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,239,048</u>	<u>\$ 736,177</u>	<u>\$ 16,511</u>

	<u>COMMUNITY DEVELOPMENT</u>	<u>MITIGATION ACTION PLAN</u>	<u>CTIF GRANT</u>	<u>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</u>
\$	\$	\$	\$	\$
	5,670	34,425	6,462	4,998,198
	<u>5,670</u>	<u>34,425</u>	<u>6,462</u>	<u>40,095</u>
\$	\$	\$	\$	\$
	5,670	34,425	6,462	5,038,293
	<u>5,670</u>	<u>34,425</u>	<u>6,462</u>	<u>5,038,293</u>
\$	\$	\$	\$	\$
	5,670	45,400		4,763
	<u>5,670</u>	<u>45,400</u>	<u>0</u>	<u>51,070</u>
	5,670	45,400	0	55,833
	<u>5,670</u>	<u>45,400</u>	<u>0</u>	<u>55,833</u>
			6,462	869,290
		(10,975)		1,521,114
		<u>(10,975)</u>	<u>6,462</u>	<u>2,592,056</u>
	0	(10,975)	6,462	4,982,460
	<u>0</u>	<u>(10,975)</u>	<u>6,462</u>	<u>4,982,460</u>
\$	\$	\$	\$	\$
	5,670	34,425	6,462	5,038,293
	<u>5,670</u>	<u>34,425</u>	<u>6,462</u>	<u>5,038,293</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, 2017**

	<u>CAPITAL IMPROVEMENTS</u>	<u>RIGHT-OF-WAY</u>	<u>ENERGY CONSERVATION PROJECT</u>
REVENUES			
Intergovernmental Investment Income	\$ 20,007	\$ 7,555	\$ 5,240
Total Revenues	<u>20,007</u>	<u>7,555</u>	<u>5,240</u>
EXPENDITURES			
Current			
Public Facilities	65,470		1,605,099
Public Transportation		61,884	
Total Expenditures	<u>65,470</u>	<u>61,884</u>	<u>1,605,099</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(45,463)</u>	<u>(54,329)</u>	<u>(1,599,859)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	2,894,500	200,000	
Transfers Out	<u>(74,343)</u>		
Total Other Financing Sources (Uses)	<u>2,820,157</u>	<u>200,000</u>	<u>0</u>
Net Changes in Fund Balances	2,774,694	145,671	(1,599,859)
Fund Balances at Beginning of Year	<u>1,459,627</u>	<u>590,470</u>	<u>1,616,370</u>
Fund Balances at End of Year	<u>\$ 4,234,321</u>	<u>\$ 736,141</u>	<u>\$ 16,511</u>

<u>COMMUNITY DEVELOPMENT</u>	<u>MITIGATION ACTION PLAN</u>	<u>CTIF GRANT</u>	<u>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</u>
\$ 176,150	\$ 34,425	\$ 319,471	\$ 530,046
			32,802
<u>176,150</u>	<u>34,425</u>	<u>319,471</u>	<u>562,848</u>
153,400	45,400		1,869,369
22,750		387,352	471,986
<u>176,150</u>	<u>45,400</u>	<u>387,352</u>	<u>2,341,355</u>
<u>0</u>	<u>(10,975)</u>	<u>(67,881)</u>	<u>(1,778,507)</u>
		74,343	3,168,843
			(74,343)
<u>0</u>	<u>0</u>	<u>74,343</u>	<u>3,094,500</u>
0	(10,975)	6,462	1,315,993
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,666,467</u>
<u>\$ 0</u>	<u>\$ (10,975)</u>	<u>\$ 6,462</u>	<u>\$ 4,982,460</u>



AGENCY FUNDS

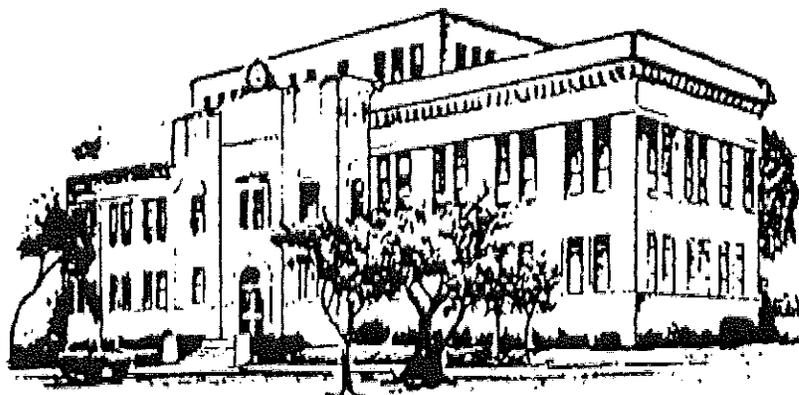
The Agency Funds are a Fiduciary Fund Type and are used to account for monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities.

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 judgment.
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
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 DECEMBER 31, 2017**

	<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	\$ 456,089	\$ 836,293	\$ 2,208	\$ 25,714
Due from Others		4,231		
Due from Other Governments				
TOTAL ASSETS	\$ <u>456,089</u>	\$ <u>840,524</u>	\$ <u>2,208</u>	\$ <u>25,714</u>
<u>LIABILITIES</u>				
Due to Others	\$ 456,089	\$ 840,524	\$ 2,208	\$ 25,714
Due to Other Governments				
TOTAL LIABILITIES	\$ <u>456,089</u>	\$ <u>840,524</u>	\$ <u>2,208</u>	\$ <u>25,714</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>
\$ 706,587	\$ 105,640	\$ 719,162	\$ 24,276	\$	\$ 1,501
<u>\$ 706,587</u>	<u>\$ 105,640</u>	<u>\$ 719,162</u>	<u>\$ 24,276</u>	<u>\$ 0</u>	<u>\$ 1,501</u>
\$ 706,587	\$ 105,640	\$ 719,162	\$ 24,276	\$	\$ 1,501
<u>\$ 706,587</u>	<u>\$ 105,640</u>	<u>\$ 719,162</u>	<u>\$ 24,276</u>	<u>\$ 0</u>	<u>\$ 1,501</u>

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2017
(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 \$	23,446	\$ 464,071	\$ 3,716,545	\$ 12,239	\$ 49,071
Due from Others					
Due from Other Governments					
TOTAL ASSETS	\$ 23,446	\$ 464,071	\$ 3,716,545	\$ 12,239	\$ 49,071
<u>LIABILITIES</u>					
Due to Others	\$ 23,446	\$ 464,071	\$ 3,716,545	\$ 12,239	\$ 49,071
Due to Other Governments					
TOTAL LIABILITIES	\$ 23,446	\$ 464,071	\$ 3,716,545	\$ 12,239	\$ 49,071

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

<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>
\$ 10,753	\$ 61,710	\$ 678	\$ 227,471	\$ 267	\$ 881,950 5,781 17,226	\$ 8,325,671 10,012 17,226
<u>\$ 10,753</u>	<u>\$ 61,710</u>	<u>\$ 678</u>	<u>\$ 227,471</u>	<u>\$ 267</u>	<u>\$ 904,957</u>	<u>\$ 8,352,909</u>
\$ 10,753	\$ 61,710	\$ 678	\$ 227,471	\$ 267	\$ 904,957	\$ 8,352,909 0
<u>\$ 10,753</u>	<u>\$ 61,710</u>	<u>\$ 678</u>	<u>\$ 227,471</u>	<u>\$ 267</u>	<u>\$ 904,957</u>	<u>\$ 8,352,909</u>

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>BALANCE</u> <u>01/01/2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2017</u>
<u>PAYROLL FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 457,743	\$	\$ 1,654	\$ 456,089
Due From Other Governments	<u>0</u>	<u> </u>	<u> </u>	<u>0</u>
	<u>\$ 457,743</u>	<u>\$ 0</u>	<u>\$ 1,654</u>	<u>\$ 456,089</u>
LIABILITIES				
Due to Others	\$ 457,743	\$	\$ 1,654	\$ 456,089
Due to Other Governments	<u>0</u>	<u> </u>	<u> </u>	<u>0</u>
	<u>\$ 457,743</u>	<u>\$ 0</u>	<u>\$ 1,654</u>	<u>\$ 456,089</u>
 <u>DISTRICT ADULT PROBATION DEPARTMENT FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 829,035	\$ 7,258	\$	\$ 836,293
Due from Others	4,231	<u> </u>	<u> </u>	4,231
Due from Other Governments	<u>0</u>	<u> </u>	<u> </u>	<u>0</u>
	<u>\$ 833,266</u>	<u>\$ 7,258</u>	<u>\$ 0</u>	<u>\$ 840,524</u>
LIABILITIES				
Due to Others	\$ 833,266	\$ 7,258	\$	\$ 840,524
Due to Other Governments	<u>0</u>	<u> </u>	<u> </u>	<u>0</u>
	<u>\$ 833,266</u>	<u>\$ 7,258</u>	<u>\$ 0</u>	<u>\$ 840,524</u>
 <u>DISPUTE RESOLUTION CENTER FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 1,877	\$ 331	\$	\$ 2,208
	<u>\$ 1,877</u>	<u>\$ 331</u>	<u>\$ 0</u>	<u>\$ 2,208</u>
LIABILITIES				
Due to Others	\$ 1,877	\$ 331	\$	\$ 2,208
	<u>\$ 1,877</u>	<u>\$ 331</u>	<u>\$ 0</u>	<u>\$ 2,208</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (Continued)

	<u>BALANCE</u> 01/01/2017	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 12/31/2017
<u>TRI-COUNTY NARCOTICS TASK FORCE AGENCY FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 25,422	\$ 292	\$ _____	\$ 25,714
	<u>\$ 25,422</u>	<u>\$ 292</u>	<u>\$ 0</u>	<u>\$ 25,714</u>
LIABILITIES				
Due to Others	\$ 25,422	\$ 292	\$ _____	\$ 25,714
	<u>\$ 25,422</u>	<u>\$ 292</u>	<u>\$ 0</u>	<u>\$ 25,714</u>
<u>COUNTY CLERK-TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 526,933	\$ 179,654	\$ _____	\$ 706,587
	<u>\$ 526,933</u>	<u>\$ 179,654</u>	<u>\$ 0</u>	<u>\$ 706,587</u>
LIABILITIES				
Due to Others	\$ 526,933	\$ 179,654	\$ _____	\$ 706,587
	<u>\$ 526,933</u>	<u>\$ 179,654</u>	<u>\$ 0</u>	<u>\$ 706,587</u>
<u>COUNTY CLERK - OTHER FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 72,507	\$ 33,133	\$ _____	\$ 105,640
	<u>\$ 72,507</u>	<u>\$ 33,133</u>	<u>\$ 0</u>	<u>\$ 105,640</u>
LIABILITIES				
Due to Others	\$ 72,507	\$ 33,133	\$ _____	\$ 105,640
	<u>\$ 72,507</u>	<u>\$ 33,133</u>	<u>\$ 0</u>	<u>\$ 105,640</u>
<u>DISTRICT CLERK - TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 888,545	\$ _____	\$ 169,383	\$ 719,162
	<u>\$ 888,545</u>	<u>\$ 0</u>	<u>\$ 169,383</u>	<u>\$ 719,162</u>
LIABILITIES				
Due to Others	\$ 888,545	\$ _____	\$ 169,383	\$ 719,162
	<u>\$ 888,545</u>	<u>\$ 0</u>	<u>\$ 169,383</u>	<u>\$ 719,162</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (Continued)

	<u>BALANCE</u> <u>01/01/2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2017</u>
<u>DISTRICT CLERK - OTHER FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>4,409</u>	\$ <u>19,867</u>	\$ _____	\$ <u>24,276</u>
	\$ <u>4,409</u>	\$ <u>19,867</u>	\$ <u>0</u>	\$ <u>24,276</u>
LIABILITIES				
Due to Others	\$ <u>4,409</u>	\$ <u>19,867</u>	\$ _____	\$ <u>24,276</u>
	\$ <u>4,409</u>	\$ <u>19,867</u>	\$ <u>0</u>	\$ <u>24,276</u>
<u>HEALTH DEPARTMENT FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>0</u>	\$ _____	\$ _____	\$ _____
	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
LIABILITIES				
Due to Others	\$ <u>0</u>	\$ _____	\$ _____	\$ _____
	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<u>FORFEITURE TRUST - SHERIFF</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>1,485</u>	\$ <u>16</u>	\$ _____	\$ <u>1,501</u>
	\$ <u>1,485</u>	\$ <u>16</u>	\$ <u>0</u>	\$ <u>1,501</u>
LIABILITIES				
Due to Others	\$ <u>1,485</u>	\$ <u>16</u>	\$ _____	\$ <u>1,501</u>
	\$ <u>1,485</u>	\$ <u>16</u>	\$ <u>0</u>	\$ <u>1,501</u>
<u>SECTION 125 - TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>0</u>	\$ <u>23,446</u>	\$ _____	\$ <u>23,446</u>
	\$ <u>0</u>	\$ <u>23,446</u>	\$ <u>0</u>	\$ <u>23,446</u>
LIABILITIES				
Due to Others	\$ <u>0</u>	\$ <u>23,446</u>	\$ _____	\$ <u>23,446</u>
	\$ <u>0</u>	\$ <u>23,446</u>	\$ <u>0</u>	\$ <u>23,446</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)

	<u>BALANCE</u> <u>01/01/2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2017</u>
<u>COURT COST AND FEES</u>				
ASSETS				
Cash and Cash Equivalents	\$ 454,778	\$ 9,293	\$ _____	\$ 464,071
	<u>\$ 454,778</u>	<u>\$ 9,293</u>	<u>\$ 0</u>	<u>\$ 464,071</u>
LIABILITIES				
Due to Others	\$ 454,778	\$ 9,293	\$ _____	\$ 464,071
	<u>\$ 454,778</u>	<u>\$ 9,293</u>	<u>\$ 0</u>	<u>\$ 464,071</u>
<u>TAX COLLECTOR</u>				
ASSETS				
Cash and Cash Equivalents	\$ 15,510,405	\$ _____	\$ 11,793,860	\$ 3,716,545
	<u>\$ 15,510,405</u>	<u>\$ 0</u>	<u>\$ 11,793,860</u>	<u>\$ 3,716,545</u>
LIABILITIES				
Due to Others	\$ 15,510,405	\$ _____	\$ 11,793,860	\$ 3,716,545
	<u>\$ 15,510,405</u>	<u>\$ 0</u>	<u>\$ 11,793,860</u>	<u>\$ 3,716,545</u>
<u>SHERIFF REGULAR FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 1	\$ 12,238	\$ _____	\$ 12,239
	<u>\$ 1</u>	<u>\$ 12,238</u>	<u>\$ 0</u>	<u>\$ 12,239</u>
LIABILITIES				
Due to Others	\$ 1	\$ 12,238	\$ _____	\$ 12,239
	<u>\$ 1</u>	<u>\$ 12,238</u>	<u>\$ 0</u>	<u>\$ 12,239</u>
<u>SHERIFF CASH BOND FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 9,003	\$ 40,068	\$ _____	\$ 49,071
	<u>\$ 9,003</u>	<u>\$ 40,068</u>	<u>\$ 0</u>	<u>\$ 49,071</u>
LIABILITIES				
Due to Others	\$ 9,003	\$ 40,068	\$ _____	\$ 49,071
	<u>\$ 9,003</u>	<u>\$ 40,068</u>	<u>\$ 0</u>	<u>\$ 49,071</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (Continued)

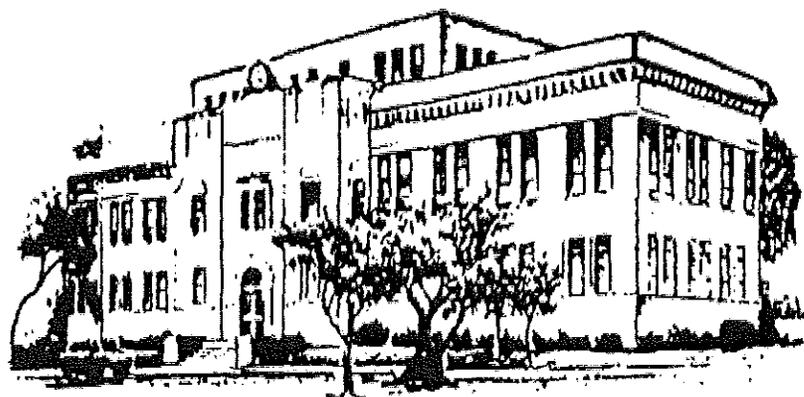
	<u>BALANCE</u> 01/01/2017	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 12/31/2017
<u>INMATE TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 48,376	\$ _____	\$ 37,623	\$ 10,753
	<u>\$ 48,376</u>	<u>\$ 0</u>	<u>\$ 37,623</u>	<u>\$ 10,753</u>
LIABILITIES				
Due to Others	\$ 48,376	\$ _____	\$ 37,623	\$ 10,753
	<u>\$ 48,376</u>	<u>\$ 0</u>	<u>\$ 37,623</u>	<u>\$ 10,753</u>
<u>JUSTICES OF THE PEACE FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 55,150	\$ 6,560	\$ _____	\$ 61,710
	<u>\$ 55,150</u>	<u>\$ 6,560</u>	<u>\$ 0</u>	<u>\$ 61,710</u>
LIABILITIES				
Due to Others	\$ 55,150	\$ 6,560	\$ _____	\$ 61,710
	<u>\$ 55,150</u>	<u>\$ 6,560</u>	<u>\$ 0</u>	<u>\$ 61,710</u>
<u>DISTRICT ATTORNEY</u>				
ASSETS				
Cash and Cash Equivalents	\$ 532	\$ 146	\$ _____	\$ 678
	<u>\$ 532</u>	<u>\$ 146</u>	<u>\$ 0</u>	<u>\$ 678</u>
LIABILITIES				
Due to Others	\$ 532	\$ 146	\$ _____	\$ 678
	<u>\$ 532</u>	<u>\$ 146</u>	<u>\$ 0</u>	<u>\$ 678</u>
<u>DISTRICT ATTORNEY SEIZURE FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 186,756	\$ 40,715	\$ _____	\$ 227,471
	<u>\$ 186,756</u>	<u>\$ 40,715</u>	<u>\$ 0</u>	<u>\$ 227,471</u>
LIABILITIES				
Due to Others	\$ 186,756	\$ 40,715	\$ _____	\$ 227,471
	<u>\$ 186,756</u>	<u>\$ 40,715</u>	<u>\$ 0</u>	<u>\$ 227,471</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)

	<u>BALANCE</u> <u>01/01/2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2017</u>
<u>DISTRICT JUVENILE PROBATION</u>				
ASSETS				
Cash and Cash Equivalents	\$ 0	\$ 267	\$	\$ 267
	<u>\$ 0</u>	<u>\$ 267</u>	<u>\$ 0</u>	<u>\$ 267</u>
LIABILITIES				
Due to Others	\$ 0	\$ 267	\$	\$ 267
	<u>\$ 0</u>	<u>\$ 267</u>	<u>\$ 0</u>	<u>\$ 267</u>
 <u>DISTRICT JUVENILE PROBATION</u> <u>DEPARTMENT FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 718,180	\$ 163,770	\$	\$ 881,950
Due from Others	6,799		1,018	5,781
Due from Other Governments	9,168	8,058		17,226
	<u>\$ 734,147</u>	<u>\$ 171,828</u>	<u>\$ 1,018</u>	<u>\$ 904,957</u>
LIABILITIES				
Due to Others	\$ 734,147	\$ 171,828	\$ 1,018	\$ 904,957
Due to Other Governments	0			0
	<u>\$ 734,147</u>	<u>\$ 171,828</u>	<u>\$ 1,018</u>	<u>\$ 904,957</u>
 <u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 19,791,137	\$ 537,054	\$ 12,002,520	\$ 8,325,671
Due from Others	11,030	0	1,018	10,012
Due from Other Governments	9,168	8,058	0	17,226
TOTAL ASSETS	<u>\$ 19,811,335</u>	<u>\$ 545,112</u>	<u>\$ 12,003,538</u>	<u>\$ 8,352,909</u>
LIABILITIES				
Due to Others	\$ 19,811,335	\$ 545,112	\$ 12,003,538	\$ 8,352,909
Due to Other Governments	0	0	0	0
TOTAL LIABILITIES	<u>\$ 19,811,335</u>	<u>\$ 545,112</u>	<u>\$ 12,003,538</u>	<u>\$ 8,352,909</u>

Note: The only fiduciary funds the County had were Agency Funds.



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, 2017**

CAPITAL ASSETS

Land	\$	3,914,898
Buildings		39,779,529
Improvements, Other than Buildings		7,174,758
Equipment		14,330,711
Infrastructure		59,129,991
Construction in Progress		<u>6,400,962</u>
Total Capital Assets	\$	<u><u>130,730,849</u></u>

INVESTMENTS IN CAPITAL ASSETS BY SOURCE

From Governmental Funds and Other	\$	<u>130,730,849</u>
Total Investment In Capital Assets	\$	<u><u>130,730,849</u></u>

Note: The figures above are presented at cost. Infrastructure consists of \$56,056,796 for roads and \$3,073,195 for bridges.

It is also noted that Construction in Progress (\$6,400,962) at 12/31/2017 consisted of \$6,116,556 for major road repairs, \$64,666 for Plymouth Building handrails and sidewalk \$66,969 for Sinton Airport fuel system, \$87,301 for a new hangar at T.P. McCampbell Airport and \$65,470 for Odem JP 2 Building.

**SAN PATRICIO COUNTY
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2017**

<u>FUNCTION & ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVE- MENTS, OTHER THAN BUILDINGS</u>	<u>EQUIPMENT</u>
<u>GENERAL ADMINISTRATION</u>					
CIVIL DEFENSE	\$ 91,985	\$	\$	\$	\$ 91,985
COUNTY JUDGE	34,492				34,492
COUNTY CLERK	248,167		84,100	34,789	129,278
VETERANS SERVICE	25,210			25,210	
RECORDS MANAGEMENT	13,090				13,090
PRINTING DEPARTMENT	78,605				78,605
PERSONNEL SAFETY	27,949				27,949
INFORMATION SERVICES	155,586				155,586
NON-DEPARTMENTAL	269,163				269,163
TOTAL GENERAL ADMINISTRATION	944,247	0	84,100	59,999	800,148
<u>JUDICIAL</u>					
COUNTY COURT-AT-LAW JUDGE	8,603				8,603
DISTRICT CLERK	100,354				100,354
DISTRICT COURT	16,837				16,837
JUSTICES OF THE PEACE	12,595				12,595
DISTRICT ATTORNEY	90,404				90,404
TOTAL JUDICIAL	228,793	0	0	0	228,793
<u>FINANCIAL ADMINISTRATION</u>					
COUNTY AUDITOR	66,393				66,393
TAX-ASSESSOR COLLECT	0				0
TOTAL FINANCIAL ADMINISTRATION	66,393	0	0	0	66,393
<u>LEGAL</u>					
COUNTY ATTORNEY	5,590				5,590
TOTAL LEGAL	5,590	0	0	0	5,590
<u>ELECTIONS</u>					
ELECTIONS	779,540				779,540
TOTAL ELECTIONS	779,540	0	0	0	779,540
<u>PUBLIC FACILITIES</u>					
LAND & BUILDINGS	22,785,960	2,561,406	16,099,330	3,881,564	243,660
BUILDING SUPERINTENDENT	159,970			279	159,691
AIRPORT - TP McCAMPBELL	5,281,450	697,174	1,651,641	2,368,471	564,164
AIRPORT - SINTON	591,228	153,905	139,974	172,201	125,148
CITIZEN COLLECTION STATIONS	96,075	61,673		11,327	23,075
COUNTY FAIRGROUNDS	21,064,328		20,682,445	41,376	340,507
TOTAL PUBLIC FACILITIES	49,979,011	3,474,158	38,573,390	6,475,218	1,456,245

(Continued)

SAN PATRICIO COUNTY
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2017
(Continued)

<u>FUNCTION & ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVE- MENTS, OTHER THAN BUILDINGS</u>	<u>EQUIPMENT</u>
<u>PUBLIC SAFETY</u>					
CONSTABLES:					
PRECINCT #1	\$ 23,458	\$	\$	\$	23,458
PRECINCT #2	21,284				21,284
PRECINCT #4	40,023				40,023
PRECINCT #5	0				0
PRECINCT #6	49,486				49,486
PRECINCT #8	21,284				21,284
SHERIFF	3,133,814	24,334	136,916		2,972,564
JUVENILE PROBATION AND DETENTION CENTER	183,635		0	27,940	155,695
HIGHWAY PATROL	8,420				8,420
BREATH TESTING	0				0
TOTAL PUBLIC SAFETY	3,481,404	24,334	136,916	27,940	3,292,214
<u>PUBLIC TRANSPORTATION</u>					
ROAD AND BRIDGE:					
PRECINCT #1	1,155,871	2,400	24,000	4,511	1,124,960
PRECINCT #2	2,359,339	13,606	201,318	28,307	2,116,108
PRECINCT #3	2,835,230	14,370	130,899	39,340	2,650,621
PRECINCT #4	1,212,906	10,000	215,644		987,262
GENERAL	52,417				52,417
TOTAL PUBLIC TRANSPORTATION	7,615,763	40,376	571,861	72,158	6,931,368
<u>HEALTH & WELFARE</u>					
COUNTY HEALTH UNIT	280,896				280,896
WOMEN'S, INFANTS AND CHILDREN (GRANT)	182,705		171,000		11,705
TOTAL HEALTH AND WELFARE	463,601	0	171,000	0	292,601
<u>CULTURE & RECREATION</u>					
LIBRARY	22,360				22,360
COUNTY PARKS	1,422,051	375,030	150,346	539,443	357,232
COUNTY FAIRGROUNDS	0				0
TOTAL CULTURE & RECREATION	1,444,411	375,030	150,346	539,443	379,592
<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	\$ 65,199,896	\$ 3,914,898	\$ 39,779,529	\$ 7,174,758	\$ 14,330,711
<u>INFRASTRUCTURE</u>					
ROADS	56,056,796				
BRIDGES	3,073,195				
TOTAL INFRASTRUCTURE	59,129,991				
CONSTRUCTION IN PROGRESS	6,400,962				
TOTAL CAPITAL ASSETS	\$ 130,730,849				

Note: The above figures are presented at cost.

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>FUNCTION & ACTIVITY</u>	<u>CAPITAL ASSETS 1-1-2017</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>CAPITAL ASSETS 12-31-2017</u>
<u>GENERAL ADMINISTRATION</u>				
CIVIL DEFENSE	\$ 138,007	\$ 28,337	\$ 74,359	\$ 91,985
COUNTY JUDGE	34,492			34,492
COUNTY CLERK	248,167			248,167
VETERANS SERVICE	25,210			25,210
RECORDS MANAGEMENT	13,090			13,090
PRINTING DEPARTMENT	65,088	34,917	21,400	78,605
PERSONNEL SAFETY	0	27,949		27,949
INFORMATION SERVICES	99,931	55,655		155,586
NON-DEPARTMENTAL	276,297		7,134	269,163
TOTAL GENERAL ADMINISTRATION	900,282	146,858	102,893	944,247
<u>JUDICIAL</u>				
COUNTY COURT-AT-LAW JUDGE	8,603			8,603
DISTRICT CLERK	100,354			100,354
DISTRICT COURT	10,837	6,000		16,837
JUSTICES OF THE PEACE	12,595			12,595
DISTRICT ATTORNEY	71,545	35,081	16,222	90,404
TOTAL JUDICIAL	203,934	41,081	16,222	228,793
<u>FINANCIAL ADMINISTRATION</u>				
COUNTY AUDITOR	66,393			66,393
TAX-ASSESSOR COLLECTOR	0			0
TOTAL FINANCIAL ADMINISTRATION	66,393	0	0	66,393
<u>LEGAL</u>				
COUNTY ATTORNEY	26,874		21,284	5,590
TOTAL LEGAL	26,874	0	21,284	5,590
<u>ELECTIONS</u>				
ELECTIONS	246,036	725,254	191,750	779,540
TOTAL ELECTIONS	246,036	725,254	191,750	779,540
<u>PUBLIC FACILITIES</u>				
LAND & BUILDINGS	19,652,905	3,133,055		22,785,960
BUILDING SUPERINTENDENT	168,919		8,949	159,970
AIRPORT - TP McCAMPBELL	5,402,087	38,500	159,137	5,281,450
AIRPORT - SINTON	550,206	41,022		591,228
CITIZEN COLLECTION STATIONS	96,075			96,075
COUNTY FAIRGROUNDS	20,931,510	132,818		21,064,328
TOTAL PUBLIC FACILITIES	46,801,702	3,345,395	168,086	49,979,011

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2017
(Continued)**

<u>FUNCTION & ACTIVITY</u>	<u>CAPITAL ASSETS 1-1-2017</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>CAPITAL ASSETS 12-31-2017</u>
<u>PUBLIC SAFETY</u>				
CONSTABLES:				
PRECINCT #1	\$ 18,751	\$ 23,458	\$ 18,751	\$ 23,458
PRECINCT #2	21,284			21,284
PRECINCT #4	11,614	28,409		40,023
PRECINCT #5	0			0
PRECINCT #6	21,752	27,734		49,486
PRECINCT #8	21,284			21,284
SHERIFF	3,018,160	342,312	226,658	3,133,814
JUVENILE PROBATION AND DETENTION CENTER	183,635			183,635
HIGHWAY PATROL	8,420			8,420
BREATH TESTING	84,284		84,284	0
TOTAL PUBLIC SAFETY	3,389,184	421,913	329,693	3,481,404
<u>PUBLIC TRANSPORTATION</u>				
ROAD AND BRIDGE:				
PRECINCT #1	1,072,238	140,100	56,467	1,155,871
PRECINCT #2	2,248,092	153,027	41,780	2,359,339
PRECINCT #3	2,739,525	371,858	276,153	2,835,230
PRECINCT #4	1,005,615	278,047	70,756	1,212,906
GENERAL	52,417			52,417
TOTAL PUBLIC TRANSPORTATION	7,117,887	943,032	445,156	7,615,763
<u>HEALTH & WELFARE</u>				
COUNTY HEALTH UNIT	257,782	23,114		280,896
WOMEN'S, INFANTS AND CHILDREN (GRANT)	182,705			182,705
TOTAL HEALTH AND WELFARE	440,487	23,114	0	463,601
<u>CULTURE & RECREATION</u>				
LIBRARY	22,360			22,360
COUNTY PARKS	1,035,037	387,014		1,422,051
COUNTY FAIRGROUNDS	0			0
TOTAL CULTURE & RECREATION	1,057,397	387,014	0	1,444,411
<u>CONSERVATION</u>				
COUNTY EXTENSION AGENT	191,143			191,143
EXHIBIT BUILDING	0			0
SHOWBARN	0			0
TOTAL CONSERVATION	191,143	0	0	191,143
<u>INFRASTRUCTURE</u>				
ROADS	53,259,053	4,569,518	1,771,775	56,056,796
BRIDGES	3,073,195			3,073,195
TOTAL INFRASTRUCTURE	56,332,248	4,569,518	1,771,775	59,129,991
CONSTRUCTION IN PROGRESS	2,377,421	6,400,962	2,377,421	6,400,962
TOTAL CAPITAL ASSETS	\$ 119,150,988	\$ 17,004,141	\$ 5,424,280	\$ 130,730,849

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 163-173), 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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 26,006,684	\$ 25,562,621	\$ 26,741,063	\$ 24,379,116
Restricted for Debt Service and Other	9,983,827	10,144,054	9,945,219	8,182,548
Unrestricted	<u>11,487,017</u>	<u>10,268,519</u>	<u>14,355,981</u>	<u>12,288,466</u>
Total governmental activities net position	<u>\$ 47,477,528</u>	<u>\$ 45,975,194</u>	<u>\$ 51,042,263</u>	<u>\$ 44,850,130</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>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	25,138,848	\$ 26,318,086	\$ 28,886,546	\$ 30,640,322	\$ 32,837,782	\$ 33,309,227
	6,944,722	6,252,549	0	0	205,020	444,758
	<u>11,243,567</u>	<u>11,569,502</u>	<u>12,637,553</u>	<u>14,165,679</u>	<u>17,458,342</u>	<u>19,990,260</u>
\$	<u><u>43,327,137</u></u>	<u><u>44,140,137</u></u>	<u><u>41,524,099</u></u>	<u><u>44,806,001</u></u>	<u><u>50,501,144</u></u>	<u><u>53,744,245</u></u>

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

	2017	2016*	2015	2014	2013
Expenses					
Governmental Activities:					
General Administration	\$ 9,482,766	\$ 2,890,841	\$ 2,696,408	\$ 2,530,259	\$ 2,257,556
Judicial	3,989,173	4,013,645	3,549,114	3,599,207	3,236,692
Legal	909,131	835,852	717,260	709,822	824,359
Elections	374,150	387,269	292,270	330,419	272,003
Financial Administration	2,205,486	2,462,535	2,012,455	2,078,564	1,973,481
Public Facilities	2,950,254	3,289,129	3,902,469	5,062,836	3,777,484
Public Safety	12,051,538	11,202,744	9,211,314	10,087,528	9,610,037
Environmental	85,227	121,181	97,735	87,692	90,069
Public Transportation	9,841,933	13,018,356	5,075,370	6,020,513	5,848,842
Health and Welfare	2,250,957	2,325,374	1,920,419	2,226,186	2,216,294
Culture and Recreation	848,958	1,009,554	570,599	370,289	720,409
Conservation	266,814	270,376	220,252	260,400	203,486
Economic Development	1,496,577	421,456	142,230	130,292	0
Amortization of Bond Issuance Costs	0	0	0	0	0
Interest Long Term Debt	1,449,732	874,352	668,175	779,466	798,791
Total Governmental Activities					
Expenses	<u>\$ 48,202,696</u>	<u>\$ 43,122,664</u>	<u>\$ 31,076,070</u>	<u>\$ 34,273,473</u>	<u>\$ 31,829,503</u>

*Restated

(continued)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	2,416,010	\$ 2,537,854	\$ 2,800,597	\$ 2,455,393	\$ 5,023,713
	3,246,614	3,566,865	3,604,665	3,389,464	3,262,148
	664,737	1,035,809	713,260	720,290	543,832
	394,269	338,124	421,241	272,843	362,296
	1,981,284	2,044,998	2,032,576	1,903,478	1,734,888
	3,040,902	4,016,462	4,402,114	4,524,661	3,017,922
	9,824,659	10,260,748	10,201,056	9,829,865	8,682,571
	91,475	109,388	81,231	84,702	90,000
	6,067,055	6,288,960	5,863,906	6,384,212	5,720,000
	2,114,111	2,387,453	2,616,456	2,527,697	2,548,166
	808,262	838,691	959,600	910,603	806,382
	190,098	216,313	210,672	201,375	185,911
	0		0	0	0
	0	0	0	10,404	10,404
	814,339	831,348	847,410	864,134	881,901
<u>\$</u>	<u>31,653,815</u>	<u>\$ 34,473,013</u>	<u>\$ 34,754,784</u>	<u>\$ 34,079,121</u>	<u>\$ 32,870,134</u>

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

	2017	2016*	2015	2014	2013
Program Revenues					
Governmental Activities:					
Charges for Services					
General Administration	\$ 592,228	\$ 512,628	\$ 520,934	\$ 581,567	\$ 452,172
Judicial	512,806	2,666,329	3,108,239	2,131,870	863,848
Legal	117,266	132,373	124,556	110,061	90,194
Elections	107,077	53,329	40,375	35,509	33,258
Financial Administration	953,960	904,637	901,018	790,242	711,999
Public Facilities	81,676	86,834	84,469	391,313	92,600
Public Safety	836,939	976,207	986,665	874,994	803,337
Environmental	63,405	64,421	67,104	60,037	60,969
Public Transportation	1,426,555	1,390,714	1,401,922	1,621,456	1,547,843
Health and Welfare	160,817	158,733	155,083	201,273	251,418
Culture & Recreation	168,916	178,802	195,827	190,641	179,564
Total Charges for Services	5,021,645	7,125,007	7,586,192	6,988,963	5,087,202
Operating Grants & Contributions	6,336,912	1,901,844	2,106,500	1,826,418	1,828,280
Capital Grants & Contributions -					
Public Facilities	530,046	1,399,580	3,407,135	1,162,295	1,024,790
Total Governmental Activities					
Program Revenues	\$ 11,888,603	\$ 10,426,431	\$ 13,099,827	\$ 9,977,676	\$ 7,940,272
Net (Expense) Revenue	\$ (36,314,093)	\$ (32,696,233)	\$ (17,976,243)	\$ (24,295,797)	\$ (23,889,231)
General Revenues and Other Changes					
In Net Position					
Governmental Activities:					
Property Taxes	\$ 33,863,323	\$ 26,765,675	\$ 25,655,399	\$ 24,925,002	\$ 22,477,888
Investment Earnings	540,777	245,643	41,434	25,264	35,380
Other General Activities	3,412,327	617,846	1,056,503	868,533	562,668
Total Governmental Activities	\$ 37,816,427	\$ 27,629,164	\$ 26,753,336	\$ 25,818,799	\$ 23,075,936
Special Items	0	0	0	0	0
Changes in Net Position	\$ 1,502,334	\$ (5,067,069)	\$ 8,777,093	\$ 1,523,002	\$ (813,295)

* Restated

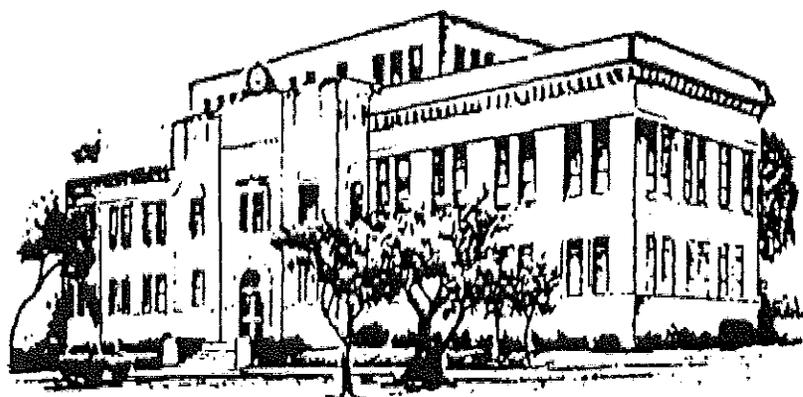
Note: It is noted that during the above years the County did not have any Business-type activities so the information above is the same for the primary government.

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	412,385	\$ 494,541	\$ 383,829	\$ 485,418	\$ 481,893
	3,541,609	1,816,575	2,263,227	2,592,852	2,109,493
	95,046	103,308	83,593	62,649	67,579
	23,953	30,575	50,049	36,844	88,115
	636,175	526,545	926,537	944,130	860,789
	79,008	95,023	81,853	107,934	137,354
	889,013	780,808	818,917	847,294	978,620
	55,775	70,881	45,128	42,502	56,587
	1,496,468	1,317,381	1,211,310	1,213,403	1,304,453
	254,396	307,365	285,674	360,372	335,225
	192,885	133,121	166,810	76,542	34,748
	<u>7,676,713</u>	<u>5,676,123</u>	<u>6,316,927</u>	<u>6,769,940</u>	<u>6,454,856</u>
	2,082,007	2,321,793	2,571,845	2,197,429	2,353,082
	<u>545,913</u>	<u>576,224</u>	<u>184,812</u>	<u>1,100,428</u>	<u>933,234</u>
\$	<u>10,304,633</u>	\$ <u>8,574,140</u>	\$ <u>9,073,584</u>	\$ <u>10,067,797</u>	\$ <u>9,741,172</u>
\$	<u>(21,349,182)</u>	\$ <u>(25,898,873)</u>	\$ <u>(25,681,200)</u>	\$ <u>(24,011,324)</u>	\$ <u>(23,128,962)</u>
\$	21,641,361	\$ 19,938,817	\$ 19,886,367	\$ 20,096,396	\$ 18,947,806
	56,773	38,778	59,837	153,540	872,867
	<u>492,493</u>	<u>582,040</u>	<u>86,019</u>	<u>518,287</u>	<u>629,641</u>
\$	<u>22,190,627</u>	\$ <u>20,559,635</u>	\$ <u>20,032,223</u>	\$ <u>20,768,223</u>	\$ <u>20,450,314</u>
	<u>2,016,772</u>				
\$	<u>2,858,217</u>	\$ <u>(5,339,238)</u>	\$ <u>(5,648,977)</u>	\$ <u>(3,243,101)</u>	\$ <u>(2,678,648)</u>

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

	2017	2016	2015	2014	2013	2012	2011
General Fund							
Nonspendable	\$ 0	\$ 180,180	\$ 0	\$ 0	\$ 25,460	\$ 0	\$ 0
Restricted	0	0	0	0	0	0	0
Committed	0	0	0	0	0	0	0
Assigned	3,100,054	1,354,039	3,012,510	3,974,360	3,843,196	4,138,129	1,192,501
Unassigned	9,564,429	7,458,354	5,913,156	5,252,806	4,973,744	3,936,911	5,158,626
Total General Fund	\$ 12,664,483	\$ 8,992,573	\$ 8,925,666	\$ 9,227,166	\$ 8,842,400	\$ 8,075,040	\$ 6,351,127
All Other Governmental Funds							
Nonspendable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,183	\$ 0	\$ 0
Restricted	9,295,199	10,888,306	8,853,452	7,738,917	6,862,732	6,168,950	4,525,634
Committed	366,406	440,411	416,589	376,149	446,609	904,895	3,102,163
Assigned	1,521,114	1,375,143	922,705	412,207	615,087	796,250	0
Unassigned	2,583,068	(141,162)	(273,600)	(244,830)	(517,245)	0	(95,954)
Total All Other Governmental Funds	\$ 13,765,787	\$ 12,562,698	\$ 9,919,146	\$ 8,282,443	\$ 7,418,366	\$ 7,870,095	\$ 7,531,843
Total for All Governmental Funds	\$ 26,430,270	\$ 21,555,271	\$ 18,844,812	\$ 17,509,609	\$ 16,260,766	\$ 15,945,135	\$ 13,882,970

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



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

	2017	2016*	2015	2014	2013
REVENUES					
Taxes	\$ 33,654,838	\$ 26,642,909	\$ 25,516,946	\$ 24,755,038	\$ 22,517,331
Licenses and Permits	321,000	238,087	235,602	249,399	132,776
Intergovernmental	7,364,027	3,869,873	3,372,169	3,255,701	3,109,686
Charges for Services	3,639,115	3,702,569	3,803,087	3,941,726	3,818,124
Fines & Forfeitures	881,628	1,086,920	1,142,005	1,334,969	1,156,391
Investment Income	516,248	236,442	39,795	24,989	35,365
Miscellaneous Revenue	3,495,273	998,723	1,292,805	1,582,204	1,013,436
Total Revenues	\$ 49,872,129	\$ 36,775,523	\$ 35,402,409	\$ 35,144,026	\$ 31,783,109
EXPENDITURES					
Current					
General Administration	\$ 8,044,232	\$ 3,194,876	\$ 2,921,795	\$ 2,518,268	\$ 2,383,184
Judicial	4,152,111	4,007,530	3,947,526	3,686,005	3,270,481
Legal	933,857	836,024	807,328	725,216	830,258
Elections	1,109,651	384,028	321,425	338,931	275,657
Financial Administration	2,298,440	2,467,126	2,242,383	2,112,020	1,992,823
Public Facilities	3,348,348	3,703,085	2,832,829	4,281,248	3,789,728
Public Safety	12,342,495	11,149,069	11,077,474	10,342,108	9,886,559
Environmental	85,227	121,181	97,735	87,692	90,069
Public Transportation	18,472,392	22,306,473	5,255,290	5,039,006	4,369,762
Health & Welfare	2,323,518	2,336,031	2,115,270	2,247,161	2,278,789
Culture and Recreation	1,167,966	939,879	867,990	882,496	858,083
Conservation	257,730	254,976	228,110	290,705	228,938
Economic Development	1,496,577	421,456	142,230	130,292	0
Debt Service					
Principal	703,530	470,000	750,000	430,000	410,000
Interest	1,256,974	654,925	459,071	783,285	801,135
Other Charges	800	200	245,575	750	2,012
Total Expenditures	\$ 57,993,848	\$ 53,246,659	\$ 34,312,031	\$ 33,895,183	\$ 31,467,478
Excess (Deficiency) of Revenues Over Expenditures	\$ (8,121,719)	\$ (16,471,136)	\$ 1,090,378	\$ 1,248,843	\$ 315,631
OTHER FINANCING SOURCES (USES)					
Bonds Issued	\$ 9,125,000	\$ 8,975,000	\$ 15,415,000	\$	\$
Discount on Bonds		0	0		
Bond Premium		1,021,041	1,307,574		
Payment to Refunding Escrow Agent	-	-	(16,477,749)		
Capital Leases and Others	3,871,718	9,185,555	0		
Transfers In	4,335,958	3,061,919	2,964,357	2,838,507	1,425,362
Transfers Out	(4,335,958)	(3,061,919)	(2,964,357)	(2,838,507)	(1,425,362)
Total Other Financing Sources (Uses)	\$ 12,996,718	\$ 19,181,596	\$ 244,825	\$ 0	\$
Net Changes in Fund Balances	\$ 4,874,999	\$ 2,710,460	\$ 1,335,203	\$ 1,248,843	\$ 315,631
Debt service as a percentage of Noncapital Expenditures	<u>4.5%</u>	<u>2.6%</u>	<u>4.4%</u>	<u>3.7%</u>	<u>4.3%</u>

* Restated

	2012	2011	2010	2009	2008
\$	21,619,977	\$ 19,996,613	\$ 19,917,045	\$ 20,006,042	\$ 18,858,646
	125,377	229,201	140,023	165,986	118,750
	2,936,847	3,246,062	3,112,718	3,615,328	3,748,422
	3,826,880	3,697,912	3,969,552	4,363,361	4,315,206
	1,238,093	1,322,086	1,613,690	1,484,589	1,430,348
	56,745	38,595	57,852	146,800	833,179
	935,912	817,039	633,024	474,107	592,968
\$	<u>30,739,831</u>	<u>\$ 29,347,508</u>	<u>\$ 29,443,904</u>	<u>\$ 30,256,213</u>	<u>\$ 29,897,519</u>

\$	2,320,461	\$ 2,416,218	\$ 2,362,816	\$ 2,429,490	\$ 2,160,419
	3,194,031	3,369,045	3,391,155	3,265,775	3,154,027
	656,118	999,471	686,833	705,769	526,640
	362,032	300,471	381,515	243,492	332,441
	1,935,498	1,930,099	1,915,928	1,833,328	1,658,420
	1,977,149	2,750,711	3,042,616	5,228,275	9,764,935
	9,553,882	9,652,590	9,778,113	9,383,450	8,517,647
	91,475	109,388	81,231	84,702	90,000
	4,341,984	4,571,187	4,549,007	4,949,096	4,604,233
	2,063,775	2,254,092	2,502,589	2,461,646	2,480,687
	787,033	802,339	916,226	886,385	875,330
	180,692	201,142	188,176	181,729	161,383
	0	0	0	0	0
	395,000	380,000	365,000	429,059	411,055
	818,241	834,710	850,541	868,858	886,418
	295	675	748	295	295
\$	<u>28,677,666</u>	<u>\$ 30,572,138</u>	<u>\$ 31,012,494</u>	<u>\$ 32,951,349</u>	<u>\$ 35,623,930</u>

\$ 2,062,165 \$ (1,224,630) \$ (1,568,590) \$ (2,695,136) \$ (5,726,411)

\$ \$ \$ \$ \$

	1,338,048	3,051,843	2,301,705	4,347,048	1,644,006
	(1,338,048)	(3,051,843)	(2,301,705)	(4,347,048)	(1,644,006)
\$	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$	<u>2,062,165</u>	<u>\$ (1,224,630)</u>	<u>\$ (1,568,590)</u>	<u>\$ (2,695,136)</u>	<u>\$ (5,726,411)</u>

4.1% 4.0% 4.0% 4.8% 5.3%

**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>
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
2016	26,765,675	26,765,675
2017	33,863,323	33,863,323

**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>
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
2016	26,642,909	26,642,909
2017	33,654,838	33,654,838

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

ASSESSED VALUES

<u>YEAR</u>	<u>REAL ESTATE AND PERSONAL</u>	<u>MINERALS AND IMPROVEMENTS</u>
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
2016	4,345,539,908	2,439,375,421
2017	4,703,386,143	2,015,736,918

	<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>
\$	3,830,002,174	\$ 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
	4,913,466,816	4,913,469,783	100	0.51000
	4,960,629,966	4,960,629,966	100	0.46000
	6,784,915,329	6,784,915,329	100	0.491924
	6,719,123,061	6,719,123,061	100	0.516324

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

GOVERNMENTAL SUBDIVISIONS	DATE OF FISCAL YEAR	PERCENTAGE APPLICABLE TO SAN PATRICIO COUNTY	2008	2009
San Patricio County	01-01 / 12-31	100.00	\$ 0.5275	\$ 0.5245
<u>Cities</u>				
Aransas Pass	10-01 / 09-30	91.48	0.58000	0.59286
Gregory	10-01 / 09-30	100.00	0.63229	0.62774
Ingleside	10-01 / 09-30	100.00	0.71500	0.70000
Ingleside on the Bay	10-01 / 09-30	100.00	0.17606	0.18996
Lakeside	10-01 / 09-30	100.00	0.08208	0.08829
Mathis	01-01 / 12-31	100.00	0.97457	0.95789
Odem	10-01 / 09-30	100.00	0.84500	0.83754
Portland	10-01 / 09-30	100.00	0.50689	0.52037
Sinton	10-01 / 09-30	100.00	0.63548	0.63548
Taft	10-01 / 09-30	100.00	0.75000	0.75000
<u>School Districts</u>				
Aransas Pass I.S.D.	09-01 / 08-31	79.68	1.06138	1.07138
Banquete I.S.D.	09-01 / 08-31	0.14		
Corpus Christi I.S.D.	09-01 / 08-31	0.15		
Gregory-Portland I.S.D.	09-01 / 08-31	100.00	1.36000	1.36000
Ingleside I.S.D.	09-01 / 08-31	100.00	1.13000	1.13900
Mathis I.S.D.	09-01 / 08-31	85.56	1.35000	1.35000
Odem I.S.D.	09-01 / 08-31	100.00	1.29244	1.29240
Sinton I.S.D.	09-01 / 08-31	100.00	1.24000	1.35120
Skidmore-Tynan I.S.D.	09-01 / 08-31	4.09	1.27773	1.27901
Taft I.S.D.	09-01 / 08-31	100.00	1.26072	1.30970
<u>Special Districts</u>				
San Patricio Drainage District	01-01 / 12-31	100.00	0.07974	0.07928
San Patricio Navigation District	01-01 / 12-31	100.00	*	*
Industrial	01-01 / 12-31	100.00	0.71500	0.70000
Industrial District 8	01-01 / 12-31	100.00	0.71500	0.70000
Ingleside Industrial	01-01 / 12-31	100.00		
Nueces County Emergency Service Dist. No. 4	01-01 / 12-31	100.00	*	0.07000

* No levy

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

2010	2011	2012	2013	2014	2015	2016	2017
\$ 0.5245	\$ 0.5818	\$ 0.55000	\$ 0.52000	\$ 0.51000	\$ 0.46000	\$ 0.491924	\$ 0.516324

0.60749	0.73020	0.69575	0.69575	0.68035	0.68035	0.688665	0.688655
0.57946	0.60788	0.65000	0.65000	0.89000	0.89000	0.830000	0.803068
0.69750	0.69750	0.68000	0.68000	0.62500	0.60250	0.060250	0.602500
0.18996	0.20726	0.20726	0.20726	0.20927	0.16456	0.178890	0.201020
0.09134	0.10520	0.10995	0.10995	0.11601	0.12873	0.127877	0.125383
0.90010	0.90011	0.84317	0.84317	0.90000	0.96000	1.011695	1.011695
0.80817	0.88525	0.88524	0.88524	0.86117	0.79196	0.785531	0.822850
0.54287	0.61407	0.58184	0.58184	0.57275	0.52964	0.566668	0.597860
0.63548	0.65000	0.65000	0.65000	0.65000	0.64004	0.675046	0.737500
0.75000	0.82745	1.09052	1.09052	1.09052	0.96167	1.203768	1.159166

1.07138	1.07138	1.07138	1.07138	1.57675	1.07138	1.213800	1.222393
	1.51220	1.51320	1.51320	1.51320	1.51320	1.513200	1.513200
	1.23735	1.23735	1.23735	1.23735	1.32132	1.321320	1.321300
1.37000	1.37000	1.35000	1.35000	1.35000	1.30000	1.350000	1.350000
1.15600	1.14000	1.09000	1.09000	1.08000	1.08000	1.095000	1.176000
1.35000	1.42507	1.34780	1.34780	1.28700	1.28700	1.287000	1.434669
1.22646	1.29250	1.66700	1.66700	1.54100	1.62724	1.648900	1.670000
1.25700	1.36120	1.30200	1.30200	1.30200	1.52900	1.509000	1.499000
1.27839	1.60512	1.30200	1.30200	1.47500	1.47500	1.483000	1.518000
1.40639	1.38520	1.47247	1.47247	1.40000	1.50383	1.534900	1.524900

0.07640	0.07178	0.66905	0.6691	0.09860	0.05406	0.057888	0.065390
*	*	*	*	*	*	*	*
0.70000	0.00000		*	0.72070	0.72070	0.720700	0.720700
0.69750	0.69750	0.68000	0.68000	0.72070	0.72070	0.720700	0.720700
		*	*	*	*	*	*
0.69750	0.68750	0.70000	0.70000	0.70000	0.70000	0.700000	0.700000
	0.10000						

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

Fiscal Year	OPERATING FUNDS		
	General	Road and Bridge Special (LM &R)	Total
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
2016	0.418	0.045003	0.463003
2017	0.428129	0.047803	0.475932

<u>Certificates of Obligation and Bonds</u>	<u>Other</u>	<u>Total</u>	<u>Total County-Wide Tax Rate</u>
\$ 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
0.028921	0	0.028921	0.491924
0.040392	0	0.040392	0.516324

**SAN PATRICIO COUNTY, TEXAS
PRINCIPAL TAXPAYERS - 2017 AND NINE YEARS AGO
(UNAUDITED)**

RANK	<u>NAME</u>	<u>ASSESSED VALUE</u>	<u>PERCENT OF TOTAL</u>
1	VOESTALPINE TEXAS LLC	\$ 805,485,590	11.99%
2	OXYMAR	201,790,090	3.00%
3	EC&R PAPALOTE CREEK I LP	201,371,540	2.99%
4	INGLESIDE COGENERATION LP	176,859,370	2.63%
5	CHEMOURS COMPANY FC LLC	159,067,738	2.37%
6	OCCIDENTAL CHEMICAL CORP	129,055,590	1.92%
7	AEP TEXAS CENTRAL COMPANY	98,560,990	1.47%
8	KIEWIT OFFSHORE SERVICES LTD	95,527,770	1.42%
9	EC&R PAPALOTE CREEK II LP	87,046,650	1.30%
10	FLINT HILLS RESOURCES CC LLC	<u>74,067,820</u>	<u>1.10%</u>
	Total (30.19% of Actual Value, \$6,719,123,061)	\$ <u><u>\$2,028,833,148</u></u>	<u><u>30.19%</u></u>

The information on this page is for 2017.

(Continued)

**SAN PATRICIO COUNTY, TEXAS
 PRINCIPAL TAXPAYERS - 2017 AND NINE YEARS AGO
 (UNAUDITED)
 (Continued)**

RANK	NAME	ASSESSED VALUE	PERCENT OF TOTAL
1	OxyMar Chemical Corp.	\$ 249,706,650	6.52%
2	Occidental Chemical Corp.	115,318,820	3.01%
3	E.I. Dupont DeNemours & Co.	113,633,810	2.97%
4	Gregory Power Partners	98,397,490	2.57%
5	Ingleside Cogeneration LP	90,634,930	2.37%
6	Chevron U.S.A. Inc. (CNAEP DW)	75,977,790	1.98%
7	EOG Resources	56,451,670	1.47%
8	Kiewit Offshore Services LTD	47,096,150	1.23%
9	AEP Texas Central Company	40,015,620	1.05%
10	Air Liquide America LP (I)	<u>39,635,090</u>	<u>1.03%</u>
	Total	\$ <u><u>926,868,020</u></u>	<u><u>24.20%</u></u>

(24.20 % of Actual Value, \$3,830,002,174)

The information on this page is for nine years ago, 2008.

**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>
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
2016	33,472,043	25,991,548	77.7%	651,361
2017	31,504,825	27,980,318	88.8%	597,958

*Includes cancellations and supplements

Collections on 2017 tax roll not complete until end of collection period on September 30, 2018. The 2017 roll year total tax levy was \$31,504,825, which will be used for 2018 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>
\$	18,858,646	99.4%	\$ 7,368,142
	19,601,587	96.8%	6,882,139
	19,630,690	98.7%	7,168,271
	19,996,613	98.7%	5,642,113
	21,619,977	95.6%	8,216,285
	22,517,331	98.5%	7,751,438
	24,755,038	94.0%	7,629,791
	25,516,946	98.7%	8,486,490
	26,642,909	79.6%	8,621,687
	28,578,276	90.7%	10,529,709

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 AND LOANS	OTHER			
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
2016	24,090,000	9,185,555	548	35,481,179	1.19	512
2017	32,555,000	12,142,025	735	47,630,610	1.61	690

Note: The details regarding the County's outstanding debt can be found in the Notes to 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>
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
2016	470,000	654,925	200	1,125,125	53,246,659	2.11
2017	660,000	1,134,036	800	1,794,836	57,993,848	3.09

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Assessed Value of Real Property	\$ <u>4,703,386,143</u>	\$ <u>4,345,539,908</u>	\$ <u>2,507,595,578</u>	\$ <u>2,483,756,133</u>	\$ <u>2,696,578,596</u>
Debt Limited to 25% of Assessed Value of Real Property (Article 3, Section 52, Constitution of the State of Texas)	\$ 1,175,846,536	\$ 1,086,384,977	\$ 626,898,895	\$ 620,939,033	\$ 674,144,649
Amount of Debt Applicable to Debt Limit	<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>
Legal Debt Margin	\$ <u>1,174,561,536</u>	\$ <u>1,085,099,977</u>	\$ <u>625,613,895</u>	\$ <u>619,654,033</u>	\$ <u>672,859,649</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>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>\$ 2,362,521,246</u>	<u>\$ 2,436,453,843</u>	<u>\$ 2,443,258,273</u>	<u>\$ 2,314,411,085</u>	<u>\$ 2,265,516,297</u>
\$ 590,630,312	\$ 609,113,461	\$ 610,814,568	\$ 578,602,771	\$ 566,379,074
* <u>(1,285,000)</u> *				
<u>\$ 589,345,312</u>	<u>\$ 607,828,461</u>	<u>\$ 609,529,568</u>	<u>\$ 577,317,771</u>	<u>\$ 565,094,074</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>
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
2016	64,804	6,784,915,329	24,090,000	105,674
2017	64,804	6,719,123,061	32,555,000	209,480

*SOURCE: U.S. Bureau of Census and Texas Almanac published by the Texas State Historical Association, Austin, TX.

	<u>NET BONDED DEBT</u>	<u>RATIO OF NET BONDED DEBT TO ASSESSED VALUES</u>	<u>NET BONDED DEBT PER CAPITA</u>
\$	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	0.44	269
	17,008,451	0.37	262
	16,524,418	0.34	255
	15,444,309	0.31	238
	23,984,326	0.35	370
	32,345,520	0.48	499

SAN PATRICIO COUNTY, TEXAS
COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
DECEMBER 31, 2017
(UNAUDITED)

NAME OF GOVERNMENTAL UNIT	NET DEBT DATE	OUTSTANDING AMOUNT	APPLICABLE TO SAN PATRICIO COUNTY	
			PERCENT	AMOUNT
NET DIRECT				
San Patricio County	12/31/2017	\$ 32,345,520	100.00%	\$ 32,345,520
OVERLAPPING				
Cities				
*Aransas Pass	9/30/2015	16,082,478	88.07%	14,163,838
*Gregory	6/30/2017	2,360,000	100.00%	2,360,000
*Ingleside on the Bay	6/30/2017	1,710,000	100.00%	1,710,000
*Ingleside	9/30/2015	9,470,053	100.00%	9,470,053
*Mathis	6/30/2017	1,070,000	100.00%	1,070,000
*Odem	6/30/2017	1,560,000	100.00%	1,560,000
*Portland	8/31/2016	13,200,000	100.00%	13,200,000
*Sinton	2/29/2016	3,835,000	100.00%	3,835,000
*Taft	8/31/2017	5,441,049	100.00%	5,449,099
School Districts				
*Aransas Pass I.S.D.	8/31/2016	18,450,409	84.03%	15,503,879
*Banquete I.S.D.	8/31/2016	9,150,276	0.14%	12,810
*Corpus Christi I.S.D.	8/31/2016	345,982,160	0.24%	830,357
*Gregory-Portland I.S.D.	8/31/2016	58,247,248	100.00%	58,247,248
*Ingleside I.S.D.	8/31/2015	44,910,981	100.00%	44,910,981
*Mathis I.S.D.	8/31/2016	14,361,337	83.02%	11,922,782
*Odem-Edroy I.S.D.	8/31/2016	26,631,010	100.00%	26,631,010
*Sinton I.S.D.	8/31/2016	25,063,167	100.0%	25,063,167
*Skidmore-Tynan I.S.D.	8/31/2016	16,779,712	4.55%	763,477
*Taft I.S.D.	8/31/2016	27,544,578	100.00%	27,544,578
TOTAL OVERLAPPING		\$ 641,849,458		\$ 264,248,280
GRAND TOTALS		\$ 674,194,978		\$ 296,593,800

* 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 July 17,2017.

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>
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
2016	64,804	35.4	14,620	N/A
2017	64,804	35.5	14,484	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>
\$ 1,965,288,680	\$ 29,272	5.9%
1,952,368,590	29,080	9.7%
1,752,536,666	27,044	10.6%
2,182,999,554	33,686	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%
2,787,654,010	43,017	6.5%
2,764,944,523	42,666	6.9%

**SAN PATRICIO COUNTY, TEXAS
MAJOR EMPLOYERS
DECEMBER 31, 2017 AND NINE YEARS AGO
(UNAUDITED)**

EMPLOYER	2017			2008		
	NUMBER OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	NUMBER OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Kiewit Offshore Services, LI	1,756	1	5.80%	1,400	2	4.70%
Occidental Chemical	702	2	2.32%	430	6	1.44%
TPCO America	701	3	2.31%		9	
HEB	552	4	1.82%		7	
San Patricio County	481	5	1.59%	487	5	1.63%
Walmart	452	6	1.49%	553		1.86%
DuPont Dumours	327	7	1.09%	298	4	1.00%
Care Regional Medical Cen	258	8	0.85%			
Gulf Marine FAB	110	9	0.36%			
North Bay Hospital				200	8	0.67%
Sherwin Alumina Co.	CLOSED			847	3	2.84%
Naval Station Ingleside	CLOSED			1,500	1	5.04%
Total	<u>5,339</u>		<u>17.63%</u>	<u>5,715</u>		<u>19.18%</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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Administration	34	34	34	34	34	34	34	34	34	34
Judicial	43	43	43	44	43	43	43	43	43	43
Legal	23	23	22	21	20	20	20	20	20	20
Elections	2	2	2	2	2	2	2	2	2	2
Financial Administration	35	35	35	35	35	34	35	35	35	33
Public Facilities	18	18	18	18	18	18	18	18	18	17
Public Safety	168	167	162	160	158	157	159	155	144	93
Public Transportation	61	61	61	61	60	60	60	60	60	60
Health and Welfare	37	37	37	37	38	38	38	38	38	38
Culture and Recreation	2	2	2	2	2	2	2	2	2	2
Conservation	<u>5</u>									
Totals	<u><u>428</u></u>	<u><u>427</u></u>	<u><u>421</u></u>	<u><u>419</u></u>	<u><u>415</u></u>	<u><u>413</u></u>	<u><u>416</u></u>	<u><u>412</u></u>	<u><u>401</u></u>	<u><u>347</u></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, 2017
(UNAUDITED)**

NAME	TITLE	AMOUNT OF ANNUAL SALARY	SURETY BOND
Terry Simpson	County Judge	\$ 107,643	\$ 10,000
	Juvenile Board	6,900	
Nina G. Trevino	Commissioner, Pct. No 1	67,674	3,000
Richard Ott	Commissioner, Pct. No 2	67,674	3,000
Alma Moreno	Commissioner, Pct. No 3	67,674	3,000
Howard Gillespie	Commissioner, Pct. No 4	67,674	3,000
Leroy Moody	Sheriff	83,082	15,000
Gracie A. Gonzales	County Clerk	67,674	35,000
Elizabeth Welborn	County Court-at-Law-Judge	150,100	5,000
	Juvenile Board	6,900	
Dalia Sanchez	Tax Assessor-Collector	67,674	50,000
Tamara Cochran-May	County Attorney	140,000	2,500
Denise Janak	County Treasurer	67,674	15,000
Laura Miller	District Clerk	67,674	5,000
David W. Wendel	County Auditor	114,354	5,000
Julius L. Petrus, Jr.	County Surveyor	0	1,000
Samuel B. Smith	District Attorney	6,000	5,000
 <u>JUSTICE OF THE PEACE</u>			
Yolanda Guerrero	Precinct No. 1	53,786	1000
Daniel Garza	Precinct No. 2	52,252	1000
Karen Diaz	Precinct No. 4	52,252	1000
Nere Villarreal	Precinct No. 5	52,252	5000
Susan Price	Precinct No. 6	52,252	5000
Elvia Hernandez	Precinct No. 8	52,252	1000
 <u>CONSTABLES</u>			
Joe Gaitain	Precinct No. 1	42,797	1000
Steve Garcia	Precinct No. 2	42,397	1000
Parnel Haynes	Precinct No. 4	42,397	1000
Valdemar Ramirez	Precinct No. 5	42,397	1000
Don Perkins	Precinct No. 6	42,397	1000
Teresa Gonzales	Precinct No. 8	42,397	1000

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Public Transportation										
Streets Resurfacing (Miles)	33	33	33	33	33	33	33	33	33	33
Public Safety										
Physical Arrests	796	792	789	788	781	768	763	761	762	758
Traffic Violations	1,356	1,354	1,342	1,321	1,301	1,299	1,297	1,294	1,292	1,286

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

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Administration										
Vehicles and Other	25	25	23	23	23	23	23	23	24	24
Judicial										
Vehicles and Other	12	12	12	12	11	11	11	11	11	11
Financial Administration										
Vehicles and Other	12	12	12	12	12	12	12	11	10	10
Legal										
Other	1	1	1	2	1	1	1	1	1	1
Elections										
Other	3	3	3	3	3	3	3	3	3	3
Public Facilities										
Land, Bldgs and Improv.	123	122	122	130	128	125	125	125	125	124
Vehicles and Other	12	12	12	18	17	17	13	13	13	13
Public Safety										
Vehicles and Other	126	126	126	125	125	124	124	124	124	123
Public Transportation										
Road Mileage	613	613	613	613	613	613	613	613	613	613
Bridges	56	56	55	57	55	55	55	55	55	55
Vehicles and Other	214	214	214	214	214	214	218	218	218	217
Health and Welfare										
Vehicles and Other	18	18	18	18	18	18	18	18	18	18
Culture and Recreation										
Vehicles and Other	18	18	18	18	18	18	18	18	18	18
Conservation										
Vehicles and Other	9	9	5	5	5	5	5	5	5	5

Note: All County Land, Building, and Improvement 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>
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
2016	6,784,915,329	118,320,511	659,123,000
2017	6,719,123,061	132,520,619	662,151,000

* 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. Estimates are used when information is not readily available.

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Gross Revenues	\$66,930	\$68,821	\$71,270	\$60,969	\$55,775	\$70,881	\$45,128	\$42,502	\$56,587	\$44,742
Expenses	97,458	102,861	121,191	90,069	91,475	109,338	81,231	84,702	90,000	72,766
Net Revenues	(\$30,528)	(\$34,040)	(\$49,921)	(\$29,100)	(\$35,700)	(\$38,457)	(\$36,103)	(\$42,200)	(\$33,413)	(\$28,024)

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 12:30 PM on Saturday. As of December 31, 2014, the minimum fee charged is \$0.50 per bag of household trash. The fees decrease 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 Precinct # 3 Funds. The annual expenditures are shown above. The information is current as of 12-31-17.

SAN PATRICIO COUNTY, TEXAS
MISCELLANEOUS STATISTICS
DECEMBER 31, 2017
(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 12-31-17 the County had 56 bridges that it was responsible for maintaining.

County Employees: The total number of San Patricio County employees at December 31, 2017, was 481 full time employees and 36 part time employees. Because they are separate districts these figures do not include Juvenile Probation employees (44 full time and 9 part time) or Adult Probation employees (54 full time and 10 part time). The total County Social Security wages paid during the 2017 year were \$18,391,710.

SAN PATRICIO COUNTY, TEXAS
MISCELLANEOUS STATISTICS
DECEMBER 31, 2017
(UNAUDITED)
(Continued)

Agricultural Income: Estimated cash receipts from agricultural production in San Patricio County for 2017 are estimated at \$341 million. This level of agricultural income would probably result in \$151 million of economic effect upon the county. The following table is an overview of 2017 Agricultural Income:

<u>AGRICULTURAL PRODUCT</u>	<u>ACREAGE</u>	<u>VALUE</u>
Cotton & Cottonseed	107,667	\$ 100,723,300
Fed Beef & Cow Calf		4,232,500
Grain Sorghum	91,560	31,244,800
Corn	28,228	12,353,300
Hay	7,000	2,240,000
Sesame	-	-
Wheat	-	-
TOTAL		\$ 150,793,900

Total from Other Livestock - County Shows, Recreational Fishing/Hunting, Commercial Fishing = \$7,750,000

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
DATED AUGUST 15, 2015
MATURITY SCHEDULE
INTEREST AT 2.00% TO 5.00% PAYABLE 4-1 & 10-1
December 31, 2017

ISSUED	\$15,415,000
PAID	<u>(805,000)</u>
OUTSTANDING	<u>\$14,610,000</u>

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
	\$ 14,610,000				
4-01-2018	14,090,000	3.00%	\$520,000	\$317,125	
10-01-2018				<u>\$309,325</u>	<u>\$1,146,450</u>
4-01-2019	13,555,000	3.00%	\$535,000	\$309,325	
10-01-2019				<u>\$301,300</u>	<u>\$1,145,625</u>
4-01-2020	13,000,000	4.00%	\$555,000	\$301,300	
10-01-2020				<u>\$290,200</u>	<u>\$1,146,500</u>
4-01-2021	12,420,000	4.00%	\$580,000	\$290,200	
10-01-2021				<u>\$278,600</u>	<u>\$1,148,800</u>
4-01-2022	11,820,000	4.00%	\$600,000	\$278,600	
10-01-2022				<u>\$266,600</u>	<u>\$1,145,200</u>
4-01-2023	11,195,000	4.00%	\$625,000	\$266,600	
10-01-2023				<u>\$254,100</u>	<u>\$1,145,700</u>
4-01-2024	10,545,000	4.00%	\$650,000	\$254,100	
10-01-2024				<u>\$241,100</u>	<u>\$1,145,200</u>
4-01-2025	9,865,000	5.00%	\$680,000	\$241,100	
10-01-2025				<u>\$224,100</u>	<u>\$1,145,200</u>
4-01-2026	9,155,000	3.00%	\$710,000	\$224,100	
10-01-2026				<u>\$213,450</u>	<u>\$1,147,550</u>
4-01-2027 \$	8,415,000	5.00%	\$740,000	\$213,450	
10-01-2027				<u>\$194,950</u>	<u>\$1,148,400</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
GENERAL OBLIGATION REFUNDING BONDS SERIES 2015
DATED AUGUST 15, 2015
MATURITY SCHEDULE
INTEREST AT 2.00% TO 5.00% PAYABLE 4-1 & 10-1
December 31, 2017
(Continued)

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
4-01-2028	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			\$14,610,000	\$7,158,028	\$21,768,025

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, Dallas, TX. The above debt will be liquidated in 2036.

At December 31, 2017, the amount of the above debt spent was \$15,415,000 and the amount unspent was \$0. Also as of December 31, 2017, the County has made all payments on the debt above timely when due. At 2-20-18 the present credit position of the County has a very good rating of Aa2, according to Moody's Investor Service, New York, NY.

The proceeds of the original debt were accounted for in the Fairgrounds Construction Capital Projects Fund. This fund is no longer used by the County.

SAN PATRICIO COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2016
DATED FEBRUARY 1, 2016
MATURITY SCHEDULE
INTEREST AT 2.00% TO 4.00% PAYABLE 4-1 & 10-1
December 31, 2017

ISSUED	\$8,975,000
PAID	<u>(155,000)</u>
OUTSTANDING	<u><u>\$8,820,000</u></u>

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
	\$ 8,820,000				
4-01-2018	8,480,000	3.00%	\$340,000	\$159,175	
10-01-2018				<u>\$154,075</u>	<u>\$653,250</u>
4-01-2019	8,130,000	3.00%	\$350,000	\$154,075	
10-01-2019				<u>\$148,825</u>	<u>\$652,900</u>
4-01-2020	7,770,000	3.00%	\$360,000	\$148,825	
10-01-2020				<u>\$143,425</u>	<u>\$652,250</u>
4-01-2021	7,400,000	3.00%	\$370,000	\$143,425	
10-01-2021				<u>\$137,875</u>	<u>\$651,300</u>
4-01-2022	7,020,000	3.00%	\$380,000	\$137,875	
10-01-2022				<u>\$132,175</u>	<u>\$650,050</u>
4-01-2023	6,625,000	3.00%	\$395,000	\$132,175	
10-01-2023				<u>\$126,250</u>	<u>\$653,425</u>
4-01-2024	6,220,000	3.00%	\$405,000	\$126,250	
10-01-2024				<u>\$120,175</u>	<u>\$651,425</u>
4-01-2025	5,805,000	3.00%	\$415,000	\$120,175	
10-01-2025				<u>\$113,950</u>	<u>\$649,125</u>
4-01-2026	5,375,000	3.00%	\$430,000	\$113,950	
10-01-2026				<u>\$107,500</u>	<u>\$651,450</u>
4-01-2027	4,930,000	3.00%	\$445,000	\$107,500	
10-01-2027				<u>\$98,600</u>	<u>\$651,100</u>
4-01-2028 \$	4,465,000	4.00%	\$485,000	\$98,600	
10-01-2028				<u>\$89,300</u>	<u>\$652,900</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2016
DATED FEBRUARY 1, 2016
MATURITY SCHEDULE
INTEREST AT 2.00% TO 4.00% PAYABLE 4-1 & 10-1
December 31, 2017
(Continued)

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
4-01-2029	3,980,000	4.00%	\$485,000	\$89,300	
10-01-2029				\$79,600	\$653,900
4-01-2030	3,480,000	4.00%	\$500,000	\$79,600	
10-01-2030				\$69,600	\$649,200
4-01-2031	2,955,000	4.00%	\$525,000	\$69,600	
10-01-2031				\$59,100	\$653,700
4-01-2032	2,410,000	4.00%	\$545,000	\$59,100	
10-01-2032				\$48,200	\$652,300
4-01-2033	1,845,000	4.00%	\$565,000	\$48,200	
10-01-2033				\$36,900	\$650,100
4-01-2034	1,255,000	4.00%	\$590,000	\$36,900	
10-01-2034				\$25,100	\$652,000
4-01-2035	640,000	4.00%	\$615,000	\$25,100	
10-01-2035				\$12,800	\$652,900
4-01-2036		4.00%	\$640,000	\$12,800	\$652,800
TOTALS			<u>\$ 8,820,000</u>	<u>\$ 3,566,075</u>	<u>\$ 12,386,075</u>

The above debt was issued for major road repairs and is serviced by the Permanent Improvement Debt Service fund. Payments are made to BOKF, NA, Dallas, TX. The above debt will be liquidated in 2036.

At December 31, 2017, the amount of above debt spent was \$8,975,000 and the amount unspent was \$ 0. Also as of December 31, 2017, the County has made all payments on the debt above timely when due. At 2-20-18 the present credit position of the County has a very good rating of Aa2, according to Moody's Investor Service, New York, NY.

The proceeds of the above debt were/are accounted for in the Road Improvements Program Capital Projects Fund.

SAN PATRICIO COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2017
DATED APRIL 27, 2017
MATURITY SCHEDULE
INTEREST AT 3.00% TO 4.00% PAYABLE 4-1 & 10-1
December 31, 2017

ISSUED	\$9,125,000
PAID	<u>-</u>
OUTSTANDING	<u><u>\$9,125,000</u></u>

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
	\$ 9,125,000				
4-01-2018 10-01-2018	8,945,000	3.00%	\$180,000	\$320,501 \$170,025	<u>\$670,526</u>
4-01-2019 10-01-2019	8,610,000	3.00%	\$335,000	\$170,025 \$165,000	<u>\$670,025</u>
4-01-2020 10-01-2020	8,265,000	3.00%	\$345,000	\$165,000 \$159,825	<u>\$669,825</u>
4-01-2021 10-01-2021	7,910,000	3.00%	\$355,000	\$159,825 \$154,500	<u>\$669,325</u>
4-01-2022 10-01-2022	7,545,000	3.00%	\$365,000	\$154,500 \$149,025	<u>\$668,525</u>
4-01-2023 10-01-2023	7,170,000	3.00%	\$375,000	\$149,025 \$143,400	<u>\$667,425</u>
4-01-2024 10-01-2024	6,780,000	4.00%	\$390,000	\$143,400 \$135,600	<u>\$669,000</u>
4-01-2025 10-01-2025	6,375,000	4.00%	\$405,000	\$135,600 \$127,500	<u>\$668,100</u>
4-01-2026 10-01-2026	5,950,000	4.00%	\$425,000	\$127,500 \$119,000	<u>\$671,500</u>
4-01-2027 10-01-2027	5,510,000	4.00%	\$440,000	\$119,000 \$110,200	<u>\$669,200</u>
4-01-2028 \$ 10-01-2028	5,050,000	4.00%	\$460,000	\$110,200 \$101,000	<u>\$671,200</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2017
DATED APRIL 27, 2017
MATURITY SCHEDULE
INTEREST AT 3.00% TO 4.00% PAYABLE 4-1 & 10-1
December 31, 2017
(Continued)

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	ANNUAL REQUIREMENT
4-01-2029	4,575,000	4.00%	\$475,000	\$101,000	
10-01-2029				\$91,500	\$667,500
4-01-2030	4,080,000	4.00%	\$495,000	\$91,500	
10-01-2030				\$81,600	\$668,100
4-01-2031	3,565,000	4.00%	\$515,000	\$81,600	
10-01-2031				\$71,300	\$667,900
4-01-2032	3,030,000	4.00%	\$535,000	\$71,300	
10-01-2032				\$60,600	\$666,900
4-01-2033	2,470,000	4.00%	\$560,000	\$60,600	
10-01-2033				\$49,400	\$670,000
4-01-2034	1,890,000	4.00%	\$580,000	\$49,400	
10-01-2034				\$37,800	\$667,200
4-01-2035	1,285,000	4.00%	\$605,000	\$37,800	
10-01-2035				\$25,700	\$668,500
4-01-2036	655,000	4.00%	\$630,000	\$25,700	
10-01-2035				\$13,100	\$668,800
4-01-2037		4.00%	\$655,000	\$13,100	\$668,100
TOTALS			<u>\$ 9,125,000</u>	<u>\$ 4,252,651</u>	<u>\$ 13,378,651</u>

The above debt was issued for major road repairs 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, 2017, the amount of above debt spent was \$7,936,990 and the amount unspent was \$1,188,010. Also as of December 31, 2017, the County has made all payments on the debt above timely when due. At 2-20-18 the present credit position of the County has a very good rating of Aa2, according to Moody's Investor Service, New York, NY.

The proceeds of the above debt were/are accounted for in the Road Improvements Program Capital Projects Fund.

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SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF GENERAL LONG-TERM BONDED DEBT REQUIREMENTS
December 31, 2017

The annual requirements of general long-term bonded debt requirements outstanding at December 31, 2017 are as follows:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2018	\$ 1,040,000	\$ 1,430,226	\$ 2,470,226
2019	1,220,000	1,248,550	2,468,550
2020	1,260,000	1,208,575	2,468,575
2021	1,305,000	1,164,425	2,469,425
2022	1,345,000	1,118,775	2,463,775
2023	1,395,000	1,071,550	2,466,550
2024	1,445,000	1,020,625	2,465,625
2025	1,500,000	962,425	2,462,425
2026	1,565,000	905,500	2,470,500
2027	1,625,000	843,700	2,468,700
2028	1,700,000	769,625	2,469,625
2029	1,770,000	696,350	2,466,350
2030	1,835,000	625,825	2,460,825
2031	1,920,000	547,900	2,467,900
2032	2,000,000	460,500	2,460,500
2033	2,100,000	369,025	2,469,025
2034	2,195,000	273,125	2,468,125
2035	2,290,000	172,950	2,462,950
2036	2,390,000	74,000	2,464,000
2037	655,000	13,100	668,100
TOTALS	\$ 32,555,000	\$ 14,976,751	\$ 47,531,751

At December 31, 2016 the above debt consisted of the Series 2015 Refunding Bonds, the Series 2016 Certificates of Obligation, and the Series 2017 Certificates of Obligation.

SAN PATRICIO COUNTY, TEXAS
QECB CAPITAL LEASE DATED AUGUST 2, 2016
AMORTIZATION SCHEDULE
INTEREST AT 3.87%, PAYABLE 2-1 & 8-1
December 31, 2017

AMOUNT BORROWED FOR ENERGY CONSERVATION EQUIPMENT	\$ 3,185,555
PAID	<u>\$ (43,530)</u>
OUTSTANDING	<u><u>\$ 3,142,025</u></u>

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	TOTAL PAYMENT AMOUNT
	\$ 3,142,025				
2-01-2018	\$ 3,078,313	3.87%	\$ 63,712	\$ 60,798	\$124,510
8-01-2018	\$ 3,034,396	3.87%	\$ 43,917	\$ 59,565	\$103,482
2-01-2019	\$ 2,990,205	3.87%	\$ 44,191	\$ 58,716	\$102,907
8-01-2019	\$ 2,943,126	3.87%	\$ 47,079	\$ 57,861	\$104,940
2-01-2020	\$ 2,895,753	3.87%	\$ 47,373	\$ 56,950	\$104,323
8-01-2020	\$ 2,845,373	3.87%	\$ 50,380	\$ 56,033	\$106,413
2-01-2021	\$ 2,794,678	3.87%	\$ 50,695	\$ 55,058	\$105,753
8-01-2021	\$ 2,740,852	3.87%	\$ 53,826	\$ 54,077	\$107,903
2-01-2022	\$ 2,686,690	3.87%	\$ 54,162	\$ 53,035	\$107,197
8-01-2022	\$ 2,629,267	3.87%	\$ 57,423	\$ 51,987	\$109,410
2-01-2023	\$ 2,571,485	3.87%	\$ 57,782	\$ 50,876	\$108,658
8-01-2023	\$ 2,510,309	3.87%	\$ 61,176	\$ 49,758	\$110,934
2-01-2024	\$ 2,448,751	3.87%	\$ 61,558	\$ 48,574	\$110,132
8-01-2024	\$ 2,383,659	3.87%	\$ 65,092	\$ 47,383	\$112,475
2-01-2025	\$ 2,318,160	3.87%	\$ 65,499	\$ 46,124	\$111,623
8-01-2025	\$ 2,248,982	3.87%	\$ 69,178	\$ 44,856	\$114,034

(Continued)

SAN PATRICIO COUNTY, TEXAS
QECB CAPITAL LEASE DATED AUGUST 2, 2016
AMORTIZATION SCHEDULE
INTEREST AT 3.87%, PAYABLE 2-1 & 8-1
December 31, 2017
(Continued)

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	TOTAL PAYMENT AMOUNT
2-01-2026	\$ 2,179,372	3.87%	\$ 69,610	\$ 43,518	\$113,128
8-01-2026	\$ 2,105,933	3.87%	\$ 73,439	\$ 42,171	\$115,610
2-01-2027	\$ 2,032,035	3.87%	\$ 73,898	\$ 40,750	\$114,648
8-01-2027	\$ 1,954,151	3.87%	\$ 77,884	\$ 39,320	\$117,204
2-01-2028	\$ 1,875,780	3.87%	\$ 78,371	\$ 37,813	\$116,184
8-01-2028	\$ 1,793,262	3.87%	\$ 82,518	\$ 36,296	\$118,814
2-01-2029	\$ 1,710,228	3.87%	\$ 83,034	\$ 34,700	\$117,734
8-01-2029	\$ 1,622,877	3.87%	\$ 87,351	\$ 33,093	\$120,444
2-01-2030	\$ 1,534,980	3.87%	\$ 87,897	\$ 31,403	\$119,300
8-01-2030	\$ 1,442,591	3.87%	\$ 92,389	\$ 29,702	\$122,091
2-01-2031	\$ 1,349,624	3.87%	\$ 92,967	\$ 27,914	\$120,881
8-01-2031	\$ 1,251,983	3.87%	\$ 97,641	\$ 26,115	\$123,756
2-01-2032	\$ 1,153,731	3.87%	\$ 98,252	\$ 24,226	\$122,478
8-01-2032	\$ 1,050,616	3.87%	\$ 103,115	\$ 22,325	\$125,440
2-01-2033	\$ 946,857	3.87%	\$ 103,759	\$ 20,330	\$124,089
8-01-2033	\$ 838,037	3.87%	\$ 108,820	\$ 18,321	\$127,141
2-01-2034	\$ 728,537	3.87%	\$ 109,500	\$ 16,216	\$125,716
8-01-2034	\$ 613,773	3.87%	\$ 114,764	\$ 14,097	\$128,861
2-01-2035	\$ 498,291	3.87%	\$ 115,482	\$ 11,877	\$127,359
8-01-2035	\$ 377,332	3.87%	\$ 120,959	\$ 9,642	\$130,601

(Continued)

**SAN PATRICIO COUNTY, TEXAS
 QECB CAPITAL LEASE DATED AUGUST 2, 2016
 AMORTIZATION SCHEDULE
 INTEREST AT 3.87%, PAYABLE 2-1 & 8-1
 December 31, 2017
 (Continued)**

DUE DATE	UNPAID BALANCE	COUPON	PRINCIPAL	INTEREST	TOTAL PAYMENT AMOUNT
2-01-2036	\$ 255,618	3.87%	\$ 121,714	\$ 7,301	\$129,015
8-01-2036	\$ 128,207	3.87%	\$ 127,411	\$ 4,946	\$132,357
2-01-2037	\$ -	3.87%	<u>\$ 128,207</u>	<u>\$ 2,481</u>	<u>\$130,688</u>
			<u>\$ 3,142,025</u>	<u>\$ 1,426,208</u>	<u>\$4,568,233</u>

The above debt was issued to purchase energy conservation equipment for County buildings. Payments are made to the Bank of New York Mellon, New York, NY. This debt is serviced by the Permanent Improvement Debt Service Fund, and will be liquidated in 2037.

At December 31, 2017 the amount of above debt spent was \$3,169,044 and the amount unspent was \$16,511. Also as of December 31, 2017 the County has made all payments on the debt above timely when due

The proceeds of the above debt were/are accounted for in the Energy Conservation Project Capital Projects Fund.

The Qualified Energy Conservation Bonds (QECB) loan is in effect a Capital Lease.

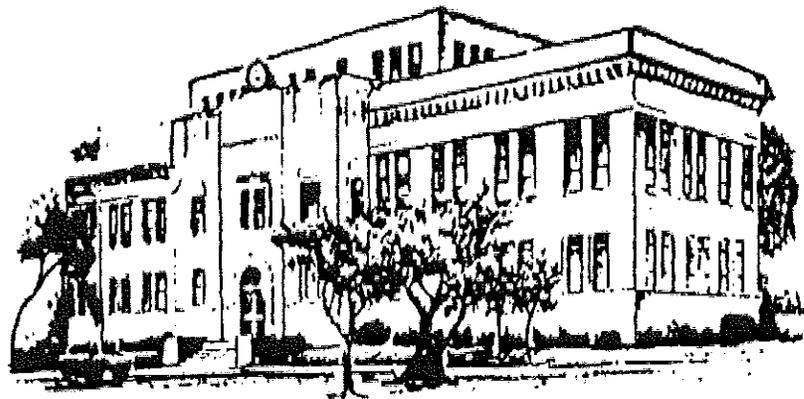
The QECB Capital Lease was approved for \$3,185,000 and at 12-31-17 the remaining principal was \$3,142,025 and total requirements were \$4,568,233.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF ANNUAL CAPITAL LEASE DEBT REQUIREMENTS
December 31, 2017

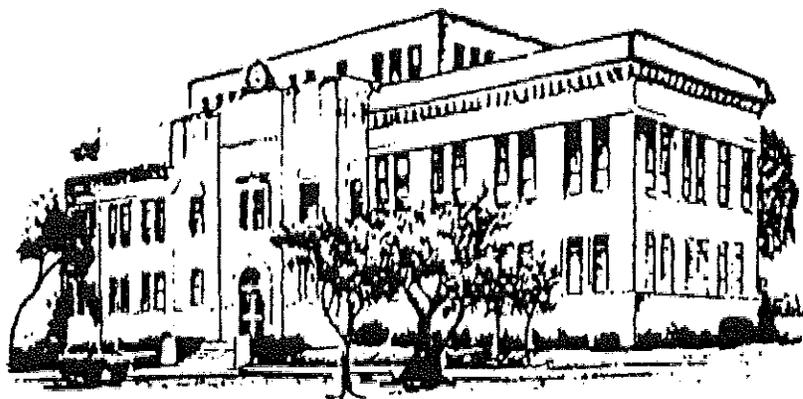
The annual requirements of the general Capital Lease long-term debt requirements outstanding at December 31, 2017 are as follows:

YEAR ENDING DECEMBER 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2018	\$ 107,629	\$ 120,363	\$ 227,992
2019	91,270	116,577	207,847
2020	97,753	112,983	210,736
2021	104,521	109,135	213,656
2022	111,585	105,022	216,607
2023	118,958	100,634	219,592
2024	126,650	95,957	222,607
2025	134,677	90,980	225,657
2026	143,049	85,689	228,738
2027	151,782	80,070	231,852
2028	160,889	74,109	234,998
2029	170,385	67,793	238,178
2030	180,286	61,105	241,391
2031	190,608	54,029	244,637
2032	201,367	46,551	247,918
2033	212,579	38,651	251,230
2034	224,264	30,313	254,577
2035	236,441	21,519	257,960
2036	249,125	12,247	261,372
2037	128,207	2,481	130,688
TOTALS	\$ 3,142,025	\$ 1,426,208	\$ 4,568,233

At December 31, 2017 the above debt consisted of the QECB Capital Lease Payable.



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, 2017, 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 July 2, 2018.

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

July 2, 2018



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, 2017. 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, 2017.

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

July 2, 2018

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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:

CFDA Numbers(s)
97.036

Name of Federal Program or Cluster
Disaster Grants--Public Assistance
(Presidentially Declared Disasters)

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, 2017

<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, 2017

Program

None

Corrective Action Plan

No corrective action required

SAN PATRICIO COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Texas Department of State Health Services</i>				
WIC Program Fiscal Year 2016	10.557	2017-049811	\$ 0	\$ 430,094
	10.557	2017-049811	0	214,218
Total U.S. Department of Agriculture			0	644,311
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Passed Through Texas Department of Agriculture</i>				
TDA Grant	14.228	7215105	0	153,400
TDA Grant	14.228	713105	0	-
TDA Grant	14.228	713135	0	-
Total Passed Through Office of Rural Community Affairs			0	153,400
<i>Passed Through General Land Office - Disaster Recovery</i>				
CDBG	14.228	DRS0210166	0	22,750
Total Passed Through General Land Office- Disaster Recovery			0	22,750
Total U.S. Department of Housing and Urban Development			0	176,150
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through Texas Department of State Health Services</i>				
Drug prevention education & skills training for youth	93.959	2016-047976-002	0	80,279
		2016-047976-003	0	42,126
Total Drug Prevention Education & Skills Training for Youth			0	122,405
Centers for Disease Control and Prevention				
CPS/Hazards	93.069	2016-001270-02	0	44,143
		2016-001270-02	0	44,069
			0	88,212
CPS/Ebola	93.069	2015-003609-01	0	15,690
<i>Total Center for Disease Control and Prevention</i>				103,902
Immunization Grants	93.268	2017-001297-01	0	89,322
		531-18-0081-00001	0	37,005
			0	126,327
Preventitive Health - RLSS/LPHS	93.758	2017-001360-00	0	83,541
		537-18-01246-00001	0	41,059
			0	124,600
Total U.S. Department of Health and Human Services			0	477,234
U.S. DEPARTMENT OF THE INTERIOR				
<i>Direct:</i>				
GOMESA	15.435		0	659
Total U.S. Department of Interior			0	659

U.S. DEPARTMENT OF HOMELAND SECURITY

Direct:

DEM- Operation Stone Garden 97.067 \$ 0 \$ 88,163

Passed Through Texas Department of Public Safety

Disaster Grants - Public Assistance 97.036 0 1,604,351
(Presidentially Declared Disasters)

Total Disaster Grants - Public Assistance 0 1,604,351
(Presidentially Declared Disasters)

Total U.S. Department of Homeland Security 0 1,692,514

FEDERAL EMERGENCY MANAGEMENT ADMINISTRATION

Passed Through Texas Department of Public Safety

Hazard Assistance Mitigation Program Grant 97.039 DR 4245 0 45,400
0 45,400

U.S. DEPARTMENT GENERAL SERVICE ADMINISTRATION

Passed Through Texas Facilities Donations of Federal

Surplus Personal Property 39.003 0 247

Total U.S. General Service Administration 247

TOTAL EXPENDITURES OF FEDERAL AWARDS

\$ 0 \$ 3,036,516

SAN PATRICIO COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

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. San Patricio County has elected not to use the 10-percent de minimis interest cost rate allowed under the Uniform Guidance.