

ELLIS COUNTY, TEXAS
Comprehensive Annual Financial
Report
For the Year Ended
September 30, 2014

Prepared by: Ellis County Auditor's Office

**ELLIS COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2014**

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INTRODUCTORY SECTION



ELLIS COUNTY AUDITOR'S OFFICE

**Michael S.
Navarro, CPA**

County Auditor

Staff

Beth Allen
1st Assistant

Devonda Spurlock
Assistant

Kim Brown
Assistant

Lisa Arent
Assistant

Linette Denney
Assistant

Address

101 West Main,
Suite 301
Waxahachie,
Texas 75165

Phone

(972) 825-5120
Fax (972) 825-5124

March 26, 2015

Honorable District Judges of Ellis County and

Honorable Members of the Ellis County Commissioners Court:

As prescribed by Local Government Code Section 114.025 of the State of Texas, the Comprehensive Annual Financial Report of the government of Ellis County, Texas for the fiscal year ended September 30, 2014 is hereby submitted.

These basic financial statements are the responsibility of the County's management. It is my belief that the data, as presented, is accurate in all material aspects; that it is presented in a manner to fairly set forth the financial position and results of operations of the County; and that all disclosures necessary to enable the readers to gain the maximum understanding of the County's financial affairs have been included. The County's accounting system supports an adequate internal control structure. This structure helps to safeguard the County's assets against loss, theft, or misuse. The accounting system provides reliable financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure provides reasonable, but not absolute, assurance that the County's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits require estimates and judgments by management.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

Profile of the Government

Ellis County is located in north central Texas, 20 miles south of Dallas. The County provides a full range of services authorized by statute. These services include general governmental services such as recording and licensing, maintaining the county and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation and maintaining county roads and bridges. The County is a public corporation and political subdivision of the State of Texas, officially established by the State legislature on December 20, 1849. Waxahachie is the county seat and home of the historic Ellis County Courthouse built in 1895 and recognized by many as one of the most picturesque buildings in the state. William Hawkins was the first chief justice (county judge). Judge Oran Milo Roberts presided over the first term of the Ellis County district court during the fall of 1850. The 2010 official US Census population for the County was 149,610. The general governing body of the County is the elected five-member Commissioners Court in accordance with Article, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, every two years, two are up for election. The County Judge is elected at large to serve a four-year term.

Local Economy

Ellis County is transitioning from a rural to a more urbanized economy, however, agriculture is still an important economic factor. Other major industries include honey processing, steel fabricators, automobile shipping, power generation, and manufacturers of fiberglass insulation, cement, vinyl siding, warehousing and much more. The County comprises 939.91 square miles of the Blackland Prairie. Two major north-south interstates, I-35E and I-45, run through Ellis County, and east-west traffic is enhanced by State Highway 287. Local industry benefits from proximity to two major airports as well as railway hubs. The County is home to several institutions of higher education as well as recognized and exemplary public school districts.

Reasonably priced real property has spurred residential development over the last twenty years, which in turn spawns population growth. According to the United States Census Bureau, the population of Ellis County is 149,610, as of the last official Census in 2010. This represents a growth of 34.3% from the 2000 Census. According to Census estimates released in 2013, the estimated population of the county is 155,976, an increase of 4.3% from 2010. Ellis County experienced a 30.8% increase from 1990 to 2000. Ellis County has a diverse population consisting of White 65.4%, Hispanic or Latino 23.5%, Black or African American 9.0%, and other races 2.1%. The most recent data from the US Census Bureau (2013) shows that of persons age 25+, 83.6% in Ellis County are high school graduates compared to the state rate of 81.2%. 20.7% hold a bachelor's degree or higher compared to the state rate of 26.7%. The mean travel time to work for workers age 16+ is 29 minutes compared to the 25 minutes for Texas. Residents are continuing to be drawn to the County due to the small, hometown values and relaxed atmosphere combined with the close proximity to the Dallas/Ft. Worth metroplex that the County offers.

The most recent estimates from the US Census Bureau show that the median household money income in Ellis County is \$61,952 compared to the state median of \$51,900. The home ownership rate in Ellis County is 74.6% compared to the state rate of 63.3%. There are 55,993 housing units in the County, of which 51,016 are occupied. In Ellis County, 11.9% of the population is below the poverty level compared to the state rate of 17.6%. These statistics clearly show that the economic condition in the County makes the area attractive.

Taxable property value increased from \$10,386,783,061 in 2012 to \$10,670,280,653 in 2013. This increase has enabled the Commissioners Court to keep the tax rate constant. In 2014, taxable property values continued to rise. The 2014 taxable value is \$11,135,359,902. From preliminary discussions with the Ellis Central Appraisal District, I expect the 2015 value to once again continue on the positive trend.

Major Initiatives and Capital Planning

The County has opened and evaluated bids for construction of a new elections facility. The facility will be located on existing County owned real estate, with an architectural design style in line with the style of currently existing buildings in historic downtown Waxahachie. The County has not yet finalized a contract for the construction, but is in the negotiation phase with the selected bidder. Preliminary plans call for room for staff, storage, public, as well as implementing a drive through type design for more efficient delivery of voting boxes and ballots during elections. Funding is to be provided through the Permanent Improvement Fund.

In budget year 2014/2015, the County has begun construction on another Judicial District courtroom. Funds for the construction of the courtroom have been allocated in the County's 2014/2015 budget. In 2010, the County completed construction of a modern courts and administration building, which is currently home to the 40th and 378th Judicial District Courts. Within the facility, unfinished space was left for future build out. This space is being utilized for the construction of the new courtroom. The Texas Legislature created the 443rd Judicial

District Court in September, 2014. Funds are available in the Permanent Improvement Fund to provide for the build out.

Long Term Financial Planning

The Ellis County Commissioners Court has passed a policy to set the target level of unassigned General Fund Balance at 33% of General Fund expenditures for future fiscal years. During the second year of implementation, the target level has been obtained as the General Fund Balance has risen to 35.98% of actual General Fund expenditures. When excess Unassigned Fund Balance becomes available, it may be utilized for one-time, non-recurring expenditures such as purchases of real estate or capital assets; however, it cannot be used to justify increased overhead levels of future maintenance and operating costs. The primary mechanisms for keeping the fund balance target level are a) controlling Ellis County expenditures, b) setting proper tax rates or other methods of funding.

If General Fund Unassigned Fund Balance rises above or falls below the target level, then the Ellis County Commissioners Court shall consider remedies during the annual budget process. However, if the change in fund balance is severe, then Commissioners Court may consider implementing remedies at their earliest opportunity. Certain Ellis County financial conditions, economic circumstances or special initiatives may be deemed suitable reasons for temporary non-compliance with this policy statement.

Financial Administration

The officials responsible for the financial administration of the County are the County Auditor, the County Judge and four County Commissioners (the Commissioners Court), the Tax Assessor-Collector, and the County Treasurer.

The County Auditor is the chief financial officer of the County and is responsible for substantially all County financial and accounting control functions. The Auditor's responsibilities include accounting, auditing, and financial operations. The Auditor does not have disbursement responsibilities.

The Commissioners Court is the governing body of the County. It has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other things, it approves the County budget, determines the County tax rate, approves contracts in the name of the County, determines whether a proposition to insure bonds should be submitted to the voters, and appoints certain County officials. The County Judge is the presiding officer of the Commissioners Court. Each Commissioner represents one of the four precincts into which the County is divided and is elected by the voters of his precinct. The County Commissioners are responsible for maintaining road and bridges, personnel and equipment for their precincts.

The Tax Collector is responsible for collecting ad valorem taxes, certain State and County fees and other revenues.

The County Treasurer is responsible for depositing money received by the County in the depository selected by the Commissioners Court. The Treasurer also serves as the County Investment Officer. The Treasurer is also responsible for bank reconciliation and distributing disbursements.

Independent Audit

State statutes do not require an annual audit by independent, certified public accountants. However, the accounting firm of Pattillo, Brown and Hill, L.L.P., was engaged by the County to perform an annual audit in accordance with local policy. The goal of the independent

audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Ellis County, Texas' financial statements for the period ended September 30, 2014, are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ellis County, Texas for its comprehensive annual financial report for the fiscal year ended September 30, 2013. This was the eighteenth consecutive year that this 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.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Auditor's Office staff consisting of Beth Allen, DeVonda Spurlock, Kim Brown, Lisa Arent and Linette Denney. Assistance in gathering information was obtained from numerous sources including the Ellis County Treasurer, Ellis County Judge, Ellis County Tax Assessor-Collector, Ellis County Central Appraisal District, our outside accounting firm, Pattillo, Brown and Hill, L.L.P., and the North Central Texas Council of Governments.

I would like to express my appreciation to all Ellis County Elected Officials and Department Heads for their cooperation and leadership in conducting the financial affairs of the County.

Special thanks are extended to my staff that worked so diligently throughout the year.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael S. Navarro, CPA". The signature is written in a cursive style with a large initial "M".

Michael S. Navarro, CPA
County Auditor



Government Finance Officers Association

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

Presented to

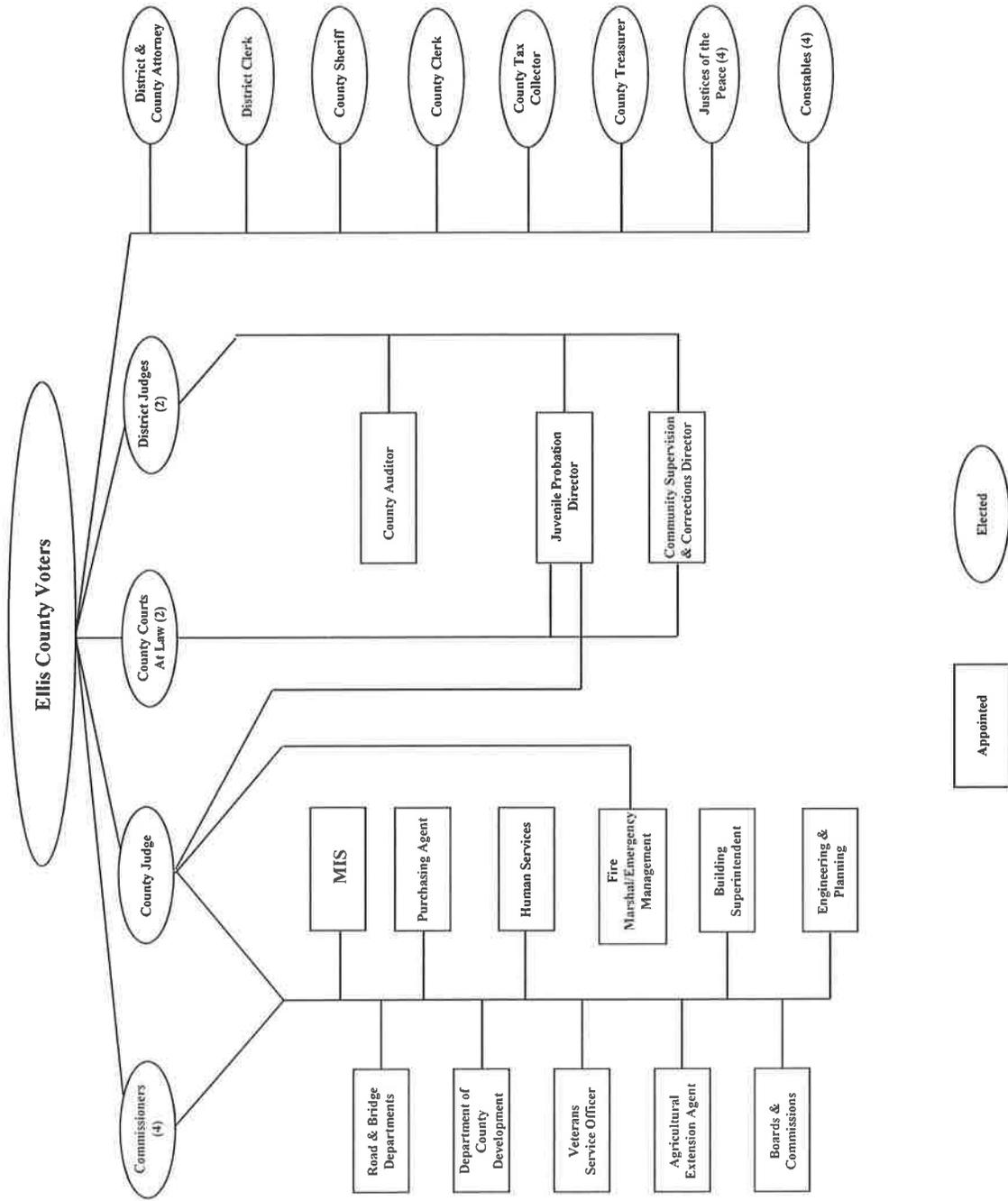
**Ellis County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

ELLIS COUNTY, TEXAS ORGANIZATIONAL CHART



DIRECTORY OF PUBLIC OFFICIALS

COMMISSIONERS COURT

COUNTY JUDGE

Carol Bush

COUNTY COMMISSIONERS

Precinct 1

Dennis Robinson

Precinct 2

Lane Grayson

Precinct 3

Paul Perry

Precinct 4

Kyle Butler

JUDICIAL

DISTRICT JUDGE

40th Judicial District

Bob Carroll

378th Judicial District

Joe Grubbs

COUNTY COURT AT LAW JUDGE I

Jim Chapman

COUNTY COURT AT LAW JUDGE II

Gene Calvert

JUSTICE OF THE PEACE

Precinct 1

Bill Woody

Precinct 2

Jackie Miller

Precinct 3

Curtis Polk

Precinct 4

Steve Egan

LAW ENFORCEMENT AND LEGAL

SHERIFF

Johnny Brown

COUNTY ATTORNEY

Patrick Wilson

CONSTABLES

Precinct 1

Roy Callender

Precinct 2

Terry Nay

Precinct 3

Jimmie Ray

Precinct 4

Michael Jones

ADULT PROBATION OFFICER*

Gary Hunter

JUVENILE PROBATION OFFICER*

Mary Trost

FINANCIAL ADMINISTRATION

COUNTY AUDITOR*

Michael S. Navarro

COUNTY TREASURER

Cheryl Chambers

TAX COLLECTOR

John Bridges

PURCHASING AGENT*

Jodie Platt (Interim)

RECORDING OFFICIALS

DISTRICT CLERK

Melanie Reed

COUNTY CLERK

Cindy Polley

*Denotes appointed officials. All others are elected officials.

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and
Commissioners' Court
Ellis 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 Ellis County, Texas, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise Ellis County, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Ellis County, Texas, as of September 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2014 the County adopted new accounting guidance, GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–11 and 38–49 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 Ellis County, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2015, on our consideration of Ellis 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 Ellis County, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Hillsboro, Texas
March 26, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Ellis County, we offer readers of Ellis County's financial statements this narrative overview and analysis of the financial activities of Ellis County for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages I-IV of this report.

FINANCIAL HIGHLIGHTS

The assets of Ellis County exceeded its liabilities at the close of the most recent fiscal year by \$41,013,401 (*net position*). Of this amount, \$11,493,959 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net position increased by \$704,523.
- As of the close of the current fiscal year, Ellis County's governmental funds reported combined ending fund balances of \$25,140,990, an increase of \$1,591,723 in comparison with the prior year increase of \$2,336,703. This increase was less than the prior year increase primarily due to a \$1,155,370 increase in total revenues offset by a \$1,484,001 increase in expenditures. \$13,137,890 is *available for spending* at the government's discretion (*unassigned fund balance*) in accordance with applicable laws.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$13,137,890 or 35.98% of total General Fund expenditures.
- The County's total debt decreased by \$2,440,678 (4.0%) during the current fiscal year. This decrease is attributed to principal payments made during the current fiscal year offset by the net OPEB obligation.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

Both of the government-wide financial statements distinguish functions of Ellis County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Ellis County include general government, public safety, roads and highways, judicial, and health and welfare.

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

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Ellis County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Ellis County can be divided into two categories: governmental funds and fiduciary funds.

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

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

Ellis County maintains 45 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Permanent Improvement Fund, which are considered to be major funds. Data from the other 43 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.

Ellis County adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for all budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14 – 16 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Ellis County’s own programs.

The basic fiduciary fund financial statements can be found on page 17 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 – 37 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, including Ellis County’s General Fund budget to actual comparison. Required supplementary information can be found on pages 38 – 49 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 50 – 105 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of Ellis County, assets exceeded liabilities by \$41,013,401 at the close of the most recent fiscal year.

Ellis County’s investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is 51.7% of net position. Ellis County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Ellis 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.

Ellis County’s Net Position

| | Governmental Activities | |
|----------------------------------------|-------------------------|----------------------|
| | 2014 | 2013 |
| Current and other assets | \$ 29,143,243 | \$ 27,810,951 |
| Capital assets | 73,443,386 | 76,767,944 |
| Total assets | <u>102,586,629</u> | <u>104,578,895</u> |
| | | |
| Total deferred outflows of resourceecs | <u>29,957</u> | <u>59,917</u> |
| | | |
| Long-term liabilities | 58,331,372 | 60,772,051 |
| Other liabilities | <u>3,271,813</u> | <u>3,162,407</u> |
| Total liabilities | <u>61,603,185</u> | <u>63,934,458</u> |
| | | |
| Net position: | | |
| Net investment in capital assets | 21,185,185 | 20,916,060 |
| Restricted | 8,334,257 | 8,239,636 |
| Unrestricted | <u>11,493,959</u> | <u>11,548,658</u> |
| | | |
| Total net position | <u>\$ 41,013,401</u> | <u>\$ 40,704,354</u> |

An additional portion of Ellis County’s net position (20.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$11,493,959 may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Ellis County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

Governmental activities. Governmental activities increased Ellis County’s net position by \$704,523, thereby accounting for 1.7% of the total net position of Ellis County.

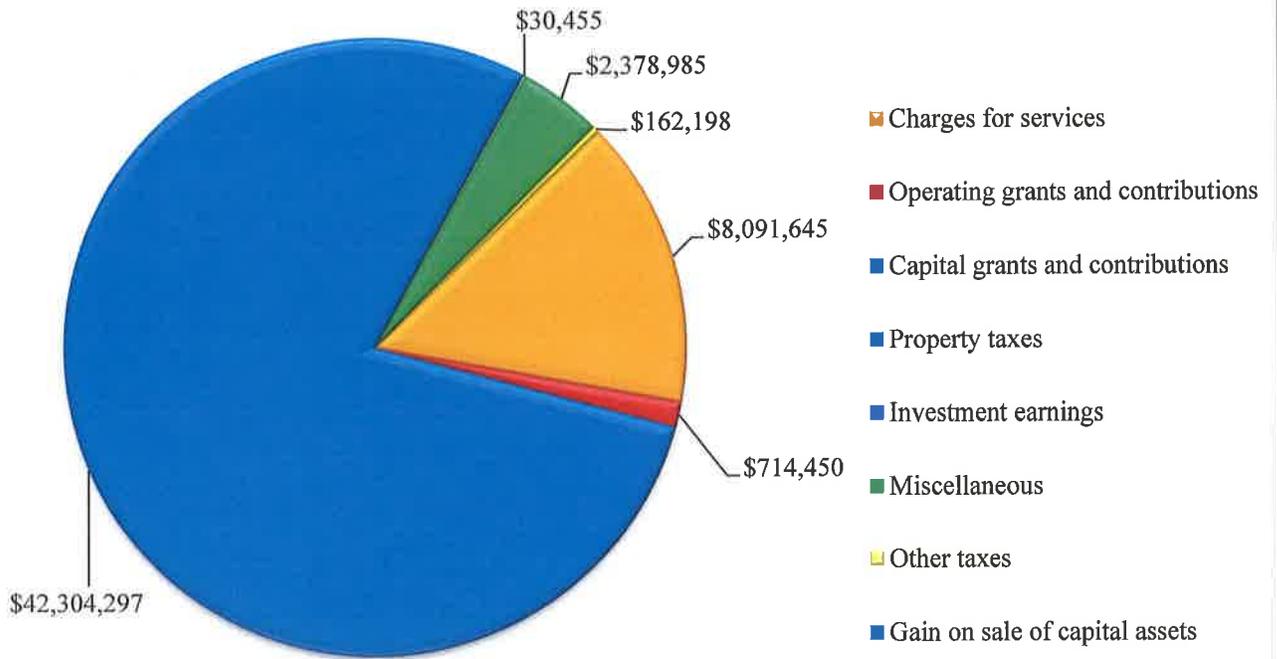
Ellis County’s Changes in Net Position

| | Governmental Activities | |
|--------------------------------------------|-------------------------|----------------------|
| | 2014 | 2013 |
| REVENUES | | |
| Program revenues: | | |
| Charges for services | \$ 8,091,645 | \$ 8,672,649 |
| Operating grants and contributions | 714,450 | 577,083 |
| General revenues: | | |
| Property taxes | 42,304,297 | 41,136,290 |
| Investment earnings | 30,455 | 37,120 |
| Gain on sale of capital assets | - | 402,282 |
| Miscellaneous | 2,378,985 | 1,930,042 |
| Other taxes | 162,198 | 95,207 |
| Total Revenues | <u>53,682,030</u> | <u>52,850,673</u> |
| EXPENSES | | |
| General government | 13,424,500 | 12,417,075 |
| Judicial | 6,106,470 | 5,919,050 |
| Public safety | 20,577,661 | 20,049,301 |
| Health and welfare | 1,621,603 | 1,179,311 |
| Conservation | 188,110 | 194,076 |
| Roads and highways | 8,484,824 | 8,211,435 |
| Community development | 19,305 | - |
| Interest on long-term debt | <u>2,555,034</u> | <u>2,673,882</u> |
| Total Expenses | <u>52,977,507</u> | <u>50,644,130</u> |
| INCREASE (DECREASE) IN NET POSITION | 704,523 | 2,206,543 |
| NET POSITION, BEGINNING | 40,704,354 | 38,497,811 |
| PRIOR PERIOD ADJUSTMENT | <u>(395,476)</u> | <u>-</u> |
| NET POSITION, ENDING | <u>\$ 41,013,401</u> | <u>\$ 40,704,354</u> |

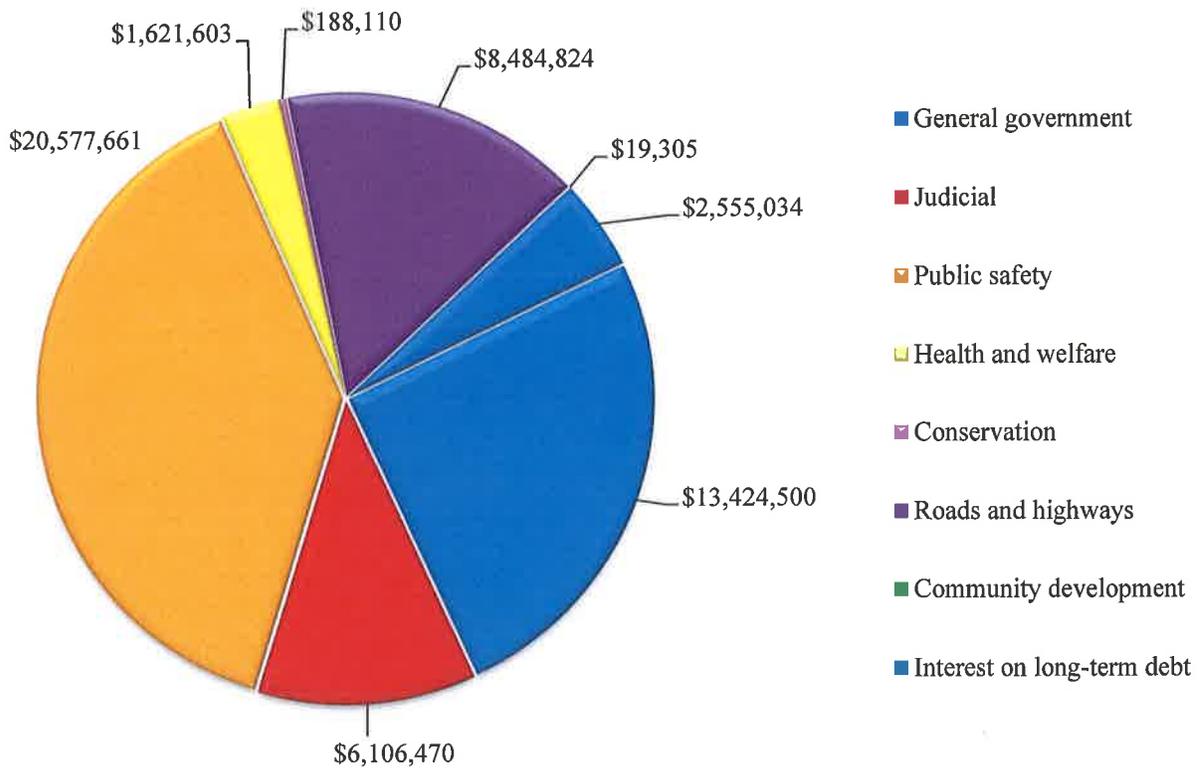
Property taxes increased by \$1,168,007 (2.8%) during the year. This result is mainly due to an increase in assessed taxable values.

Expenses increased in 2014, driven by a 4.6% increase in general government, judicial, public safety, health and welfare and roads and highways offset by a decrease in interest on long-term debt.

REVENUES BY SOURCE



EXPENSES BY SOURCE



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

The General Fund is the chief operating fund of Ellis County. At the end of the current fiscal year, unassigned total fund balance of the General Fund was \$13,137,890. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

The fund balance of Ellis County's General Fund increased by \$1,929,746 during the current fiscal year. This increase is primarily due to a 4.86% increase in current year revenues. The increase in revenues was primarily due to increases in property taxes, intergovernmental revenue and fines and forfeitures.

The Permanent Improvement Fund has an ending fund balance of \$1,983,192, a decrease of \$427,014 from the prior year. This decrease was \$265,001 more than the prior year decrease mainly due to a decrease in sale of capital assets offset by a decrease in capital outlay expenditures.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget consisted of an \$820,486 increase in appropriations and can be briefly summarized as follows:

- Material budget amendments were made to allocate additional funding for election services, sheriff's department, fire marshal services, jail expenditures and indigent legal expenses.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Ellis County's investment in capital assets for its governmental activities as of September 30, 2014, amounts to \$73,443,386 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and system improvements, and machinery and equipment.

**Ellis County's Capital Assets
(net of depreciation)**

| | Governmental Activities | |
|-------------------------------|-------------------------|---------------|
| | 2014 | 2013 |
| Land | \$ 2,010,679 | \$ 2,010,679 |
| Construction work in progress | - | 506,020 |
| Buildings and improvements | 68,249,370 | 70,651,806 |
| Machinery and equipment | 3,183,337 | 3,599,439 |
| Total | \$ 73,443,386 | \$ 76,767,944 |

The County had the following additions to fixed assets:

| | |
|------------------------------------|------------|
| Purchase of vehicles and equipment | \$ 580,352 |
|------------------------------------|------------|

Additional information on Ellis County's capital assets can be found in note 4 on page 29 of this report.

Long-term debt. At the end of the current fiscal year, Ellis County had total debt outstanding of \$58,331,373.

**Ellis County's Outstanding Debt
General Obligation Bonds**

| | |
|--------------------------|---------------|
| General Obligation Bonds | \$ 44,590,578 |
| Refunding Bonds | 8,006,090 |
| Total | \$ 52,596,668 |

The County also had vacation payable of \$1,221,723 and net OPEB obligation of \$4,512,982.

The County's overall debt decreased from the prior year due to principal payments made during the fiscal year. Additionally, interest accrued on capital appreciation bonds held by the County in the amount of \$308,510.

Ellis County's bond rating is "AA" rating from Fitch and an "Aa3" rating from Moody's.

Additional information on Ellis County's long-term debt can be found in note 4 on pages 30 – 31 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Ellis County is geographically located in the southern part of the Dallas-Fort Worth metroplex and is positioned for growth with four major transportation corridors. As the economy grows, so will Ellis County. County taxable assessed valuation had been essentially flat but returned to growth in fiscal years 2014 and 2015, with continued near term growth anticipated. The tax rate to fund the 2015 budget has been set at \$0.413599.
- County finances benefit from conservative budgeting practices and sound financial management resulting in the maintenance of solid reserve levels.
- The overall direct debt burden from the County is low, while overlapping debt is high. The high overlapping debt results primarily from significant school district related debt, due in part to aggressive population growth in prior years. County management has no near term debt plans, and assisted by “pay as you go” capital spending, the county’s capital needs appear manageable.
- Unfunded/underfunded mandates imposed by both the State of Texas and the United States continue to be borne on the backs of local taxpayers including programs such as indigent health care, juvenile probation, legal representation for indigent defendants, meeting standards imposed by the Texas Jail Commission, and increases in the cost of health insurance due to ramifications of the Affordable Care Act.
- Estimated Revenue for fiscal year 2015 is \$38,774,995 for the General Fund, and estimated expenditures are \$38,774,995.

All of these factors were considered in preparing Ellis County’s budget for the 2015 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Ellis County’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Michael S. Navarro, CPA, Ellis County Auditor’s Office, 101 West Main, Suite 301, Waxahachie, Texas 75165.

BASIC FINANCIAL SECTION

ELLIS COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

| | Primary Government |
|-------------------------------------------------------|----------------------------|
| | Governmental Activities |
| ASSETS | |
| Cash and investments | \$ 27,475,195 |
| Receivables (net of allowances for uncollectibles) | |
| Taxes | 910,984 |
| Other | 314,069 |
| Intergovernmental receivable | 98,320 |
| Prepays | 9,035 |
| Due from agency fund | 335,640 |
| Capital assets: | |
| Land | 2,010,679 |
| Buildings and improvements | 100,827,445 |
| Furniture and equipment | 13,321,051 |
| Accumulated depreciation | (42,715,789) |
| Total capital assets, net of accumulated depreciation | 73,443,386 |
| Total assets | 102,586,629 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred loss on refunding | 29,957 |
| Total deferred outflows of resources | 29,957 |
| LIABILITIES | |
| Accounts payable | 2,093,540 |
| Accrued liabilities | 816,733 |
| Accrued interest | 361,540 |
| Noncurrent liabilities: | |
| Due within one year | 4,000,431 |
| Due in more than one year | 54,330,942 |
| Total liabilities | 61,603,185 |
| NET POSITION | |
| Net investment in capital assets | 21,185,185 |
| Restricted for: | |
| Road and bridge | 3,220,754 |
| Public safety | 48,693 |
| Law enforcement | 1,948,734 |
| Technology and security | 99,562 |
| Records management | 1,303,384 |
| Other statutorily restricted funds | 48,141 |
| Debt service | 1,664,989 |
| Unrestricted | 11,493,959 |
| Total net position | \$ 41,013,401 |

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

ELLIS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

| Functions/Programs | Expenses | Program Revenues | | | Net (Expenses) Revenues and Changes in Net Position |
|---------------------------------------------|----------------------|-------------------------|------------------------------------------|----------------------------------------|--------------------------------------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government |
| | | | | | Governmental Activities |
| Primary Government: | | | | | |
| Governmental Activities: | | | | | |
| General government | \$ 13,424,500 | \$ 3,363,159 | \$ 509,005 | \$ - | \$(9,552,336) |
| Judicial | 6,106,470 | 2,008,728 | 41,991 | - | (4,055,751) |
| Public safety | 20,577,661 | 582,809 | 100,777 | - | (19,894,075) |
| Health and welfare | 1,621,603 | - | - | - | (1,621,603) |
| Conservation | 188,110 | - | - | - | (188,110) |
| Roads and highways | 8,484,824 | 2,136,949 | 62,677 | - | (6,285,198) |
| Community development | 19,305 | - | - | - | (19,305) |
| Interest on long-term debt | 2,555,034 | - | - | - | (2,555,034) |
| Total governmental activities | <u>52,977,507</u> | <u>8,091,645</u> | <u>714,450</u> | <u>-</u> | <u>(44,171,412)</u> |
| Total primary government | <u>\$ 52,977,507</u> | <u>\$ 8,091,645</u> | <u>\$ 714,450</u> | <u>\$ -</u> | <u>\$(44,171,412)</u> |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property taxes, levied for general purposes | | | | | \$ 36,880,261 |
| Property taxes, levied for debt service | | | | | 5,424,036 |
| Other taxes | | | | | 162,198 |
| Miscellaneous | | | | | 2,378,985 |
| Investment earnings | | | | | 30,455 |
| Total general revenues | | | | | <u>44,875,935</u> |
| Change in net position | | | | | 704,523 |
| Net position, beginning | | | | | 40,704,354 |
| Prior period adjustment | | | | | (395,476) |
| Net position, ending | | | | | <u>\$ 41,013,401</u> |

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

ELLIS COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

| | <u>General</u> | <u>Permanent Improvement</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|------------------------------------------------------------------------|-----------------------------|----------------------------------|-----------------------------------------|-----------------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ 14,612,180 | \$ 1,997,882 | \$ 10,865,133 | \$ 27,475,195 |
| Receivables, net of allowances for uncollectibles: | | | | |
| Taxes receivable | 658,877 | - | 252,107 | 910,984 |
| Due from agency fund | 335,640 | - | - | 335,640 |
| Intergovernmental receivable | 98,320 | - | - | 98,320 |
| Prepaid items | - | - | 9,035 | 9,035 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total assets | \$ 15,705,017 | \$ 1,997,882 | \$ 11,126,275 | \$ 28,829,174 |
| LIABILITIES | | | | |
| Accounts payable | 1,301,566 | 14,690 | 777,284 | 2,093,540 |
| Accrued liabilities | 703,289 | - | 113,444 | 816,733 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities | 2,004,855 | 14,690 | 890,728 | 2,910,273 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue-property taxes | 562,272 | - | 215,639 | 777,911 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total deferred inflows of resources | 562,272 | - | 215,639 | 777,911 |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Prepaid items | - | - | 9,035 | 9,035 |
| Restricted: | | | | |
| Road and bridge | - | - | 3,220,754 | 3,220,754 |
| Public safety | - | - | 48,693 | 48,693 |
| Law enforcement | - | - | 1,948,734 | 1,948,734 |
| Technology and security | - | - | 99,562 | 99,562 |
| Records management | - | - | 1,303,384 | 1,303,384 |
| Other statutorily restricted funds | - | - | 48,141 | 48,141 |
| Debt service | - | - | 1,664,989 | 1,664,989 |
| Assigned: | | | | |
| Capital projects | - | 1,983,192 | 1,676,616 | 3,659,808 |
| Unassigned | | | | |
| | 13,137,890 | - | - | 13,137,890 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total fund balances | 13,137,890 | 1,983,192 | 10,019,908 | 25,140,990 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 15,705,017 | \$ 1,997,882 | \$ 11,126,275 | |

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. | 73,443,386 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. | 1,091,980 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. | (58,662,955) |
| Net position of governmental activities | \$ 41,013,401 |

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

ELLIS COUNTY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | General | Permanent Improvement | Other Governmental Funds | Total Governmental Funds |
|----------------------------------------------------------------------|---------------|--------------------------|--------------------------------|--------------------------------|
| REVENUES | | | | |
| Taxes | \$ 31,494,026 | \$ - | \$ 11,010,580 | \$ 42,504,606 |
| Intergovernmental | 595,287 | - | 119,858 | 715,145 |
| Licenses and permits | - | - | 2,130,728 | 2,130,728 |
| Fees of office | 3,813,629 | - | 488,822 | 4,302,451 |
| Fines and forfeitures | 1,459,085 | - | 100,100 | 1,559,185 |
| Interest earnings | 18,036 | 791 | 11,628 | 30,455 |
| Other | 987,490 | 40,000 | 1,401,071 | 2,428,561 |
| Total revenues | 38,367,553 | 40,791 | 15,262,787 | 53,671,131 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 11,101,235 | 387,489 | 238,627 | 11,727,351 |
| Judicial | 5,538,032 | - | 463,732 | 6,001,764 |
| Public safety | 18,065,268 | - | 278,327 | 18,343,595 |
| Health and welfare | 1,621,603 | - | - | 1,621,603 |
| Conservation | 188,569 | - | - | 188,569 |
| Roads and highways | - | - | 8,240,958 | 8,240,958 |
| Community development | - | - | 19,305 | 19,305 |
| Capital outlay | - | 80,316 | - | 80,316 |
| Debt service: | | | | |
| Principal | - | - | 3,605,000 | 3,605,000 |
| Interest and fiscal charges | - | - | 2,250,947 | 2,250,947 |
| Total expenditures | 36,514,707 | 467,805 | 15,096,896 | 52,079,408 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 1,852,846 | (427,014) | 165,891 | 1,591,723 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 76,900 | - | 12,000 | 88,900 |
| Transfers out | - | - | (88,900) | (88,900) |
| Total other financing sources (uses) | 76,900 | - | (76,900) | - |
| NET CHANGE IN FUND BALANCES | 1,929,746 | (427,014) | 88,991 | 1,591,723 |
| FUND BALANCES, BEGINNING | 11,208,144 | 2,410,206 | 9,930,917 | 23,549,267 |
| FUND BALANCES, ENDING | \$ 13,137,890 | \$ 1,983,192 | \$ 10,019,908 | \$ 25,140,990 |

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

ELLIS COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Amounts reported for governmental activities in the Statement of Activities (page 13) are different because:

Net change in fund balances - total governmental funds (page 15) \$ 1,591,723

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these 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. (3,324,558)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 10,899

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 3,593,684

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (1,167,225)

Change in net position of governmental activities (page 13) \$ 704,523

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

ELLIS COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2014

| | Agency Funds |
|--------------------------|----------------------|
| ASSETS | |
| Cash and investments | \$ <u>12,592,316</u> |
| Total assets | \$ <u>12,592,316</u> |
| LIABILITIES | |
| Due to other governments | \$ 2,543,686 |
| Due to county | 335,640 |
| Due to beneficiaries | <u>9,712,990</u> |
| Total liabilities | \$ <u>12,592,316</u> |

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

NOTES TO FINANCIAL STATEMENTS

ELLIS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Ellis County is a political subdivision of the State of Texas. The County provides a full range of services authorized by statute. Such services include general governmental services such as recording and licensing, maintaining the County and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining County roads and bridges. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the government's operations and so data from those units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Ellis County has neither of these items. The Commissioners' Court, consisting of four Commissioners and the County Judge, all elected by the voters of Ellis County, is the policy-making body of the County, which operates under provisions of state statutes.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenue, fines and fees are reported separately from business-type activities, which rely primarily on fees and charges from services provided for support. Ellis County has no business type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

The fund financial statements provide information about the County's funds. The emphasis of fund financial statements is on major governmental and non-major governmental funds each displayed in a separate column.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. The County has no proprietary funds at this time. The agency funds of the County have no measurement focus. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The government reports the following major governmental funds:

The ***General Fund*** is the primary operating fund to the County. All general tax revenues and other receipts that are not allocated by law, by budget or by contractual agreement to some other fund are accounted for in this fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid from the General Fund. This is considered the major governmental fund of the County.

The ***Permanent Improvement Fund*** is used to account for the renovation of existing county buildings as well as for planning for future county facility needs. It is the primary capital projects fund for the County.

Additionally, the government reports the following fund types:

Governmental Funds:

Special Revenue Funds – ***Special Revenue Funds*** account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specific purposes. Included as a Special Revenue Fund is the Road and Bridge Fund which accounts for revenues and expenditures specifically designated for the maintenance and construction of County roads and bridges.

Debt Service Funds – The ***Debt Service Funds*** account for the accumulation of resources for, and payment of interest and principal on, the County’s general long-term bonded debt.

Capital Projects Funds – The ***Capital Projects Funds*** account for all resources used in the acquisition and construction of major capital facilities other than road and bridge maintenance and construction.

Fiduciary Funds:

Trust and Agency Funds – ***Trust and Agency Funds*** account for assets held by the County in a trustee, custodian, or agent capacity. The Funds are accounted for in essentially the same manner as governmental funds. The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. County offices such as the treasurer, tax collector, county attorney, sheriff, district clerk, county clerk, justice of the peace and juvenile and adult probations have trust accounts.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments between various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenue includes all taxes.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first and then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

Deposits and Investments

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

Statutes authorize the County to invest in (1) obligations of the U. S. Treasury, certain U. S. Agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers’ acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

Investments for the County are reported at fair value in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund’s financial statement of activity or statement of revenues, expenditures and changes in fund balance.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 25% of outstanding property taxes at September 30, 2014.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

GASB Statement 34 requires the County to report and depreciate new infrastructure assets effective with the fiscal year ended September 30, 2006. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first required for the fiscal year ending in 2007.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

| <u>Assets</u> | <u>Years</u> |
|---------------------------------------|--------------|
| Buildings | 20-50 |
| Improvements | 20-50 |
| Equipment | 5-20 |
| Infrastructure (streets and drainage) | 35-50 |

Compensated Absences

It is the government’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements. The general fund typically has been used in prior years to liquidate the liability for compensated absences.

Net Other Post Employment Benefit Obligation

The liability for pension-related debt is fully liquidated by the General Fund.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. The government has no business-type activities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Fund Balance

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) 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 constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by resolution of Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for 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. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Commissioner's Court or the County Auditor who is delegated that authority by ordinance.
- **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 an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net Position

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County only has one item that qualifies for reporting in this category. It is deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Prior Period Adjustment – Change in Accounting Principles

As the result of implementing GASB Statement No. 65, the County has decreased beginning net position as of October 1, 2013 by \$395,476 for the governmental activities. These decreases result from no longer deferring and amortizing bond issuance costs.

Further, the County has reclassified its deferred loss on bond refunding, previously reported as a component of long-term debt, to deferred outflows of resources in the government-wide statements in accordance with GASB Statement No. 65. The effect of this change increases the long-term liabilities of the governmental activities by \$59,917 and corresponds to an increase in deferred outflows of resources as of October 1, 2013.

Insurance

The County maintains third party insurance coverage for general liability, property, automobile liability, public official liability and worker's compensation. The County also provides group health insurance coverage for fulltime employees. There was no significant change in coverage from the prior year. Settlements have not exceeded insurance coverage for each of the past five fiscal years.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, "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 \$58,662,955 difference are as follows:

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| General Obligation Bonds and Certificates of Obligation | \$ 49,821,883 |
| Accreted interest payable | 2,744,828 |
| Accrued interest payable | 361,540 |
| Net OPEB obligation | 4,512,982 |
| Compensated absences | <u>1,221,722</u> |
| Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i> | \$ <u>58,662,955</u> |

Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$(3,324,558) difference are as follows:

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Capital outlay (includes \$500,036 not classified as capital expenditures on the fund statements) | \$ 580,352 |
| Depreciation expense | (3,904,910) |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | \$ (<u>3,324,558</u>) |

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.” The details of this \$3,593,684 difference are as follows:

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Principal repayments: | |
| Bond payments | \$ 3,605,000 |
| Amortization of premium on bond issuance | 18,643 |
| Amortization of deferred loss on refunding | <u>(29,959)</u> |
| Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ 3,593,684</u> |

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets, as required by state statute, are adopted on a basis consistent with generally accepted accounting principles for all governmental funds, except the Trust and Agency Funds. All annual appropriations lapse at year-end.

The government’s department heads may make transfers of appropriations within a department. Transfers of appropriation between departments require the approval of the governing council. The legal level of control is exercised at the department level. State law provides that amendments approved by the Commissioners’ Court may be made to the original budget provided that funds are available for the added disbursements. The original approved budget is issued in a separate report. Reported budgeted amounts reflect the budget as originally adopted and all budget amendments approved by the Commissioners’ Court.

4. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U. S. Treasury, certain U. S. Agencies, and the State of Texas; (2) certificates

of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

The County's investment pools are 2a7-like pools. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The fair value of the County's position in the pool is the same as its value of pool shares.

Regulatory oversight for the operations of this external investment pool are found in the Public Funds Investment Act of the State of Texas. Required oversight for pools includes compliance with investment guidelines, annual independent audits, and the establishment of oversight boards.

In compliance with the **Public Funds Investment Act**, the County has adopted a deposit and investment policy. That policy does address the following risks:

Interest Rate Risk: In accordance with the County's investment policy, the County manages its exposure to declines in fair values by limiting the maximum allowable stated maturity of any individual investment to two years and the weighted average maturity of its pooled investments to 90 days or less, dependent on market conditions.

Custodial Credit Risk: In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2014, all of the County's \$16,920,675 deposit balance was covered by FDIC insurance or collateralized with securities held by the pledging financial institution.

Credit Risk: It is the County's policy to limit investments to investment types with an investment quality rating no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days. The County's investments were rated AAAM by Standard and Poor's Investors Services

Concentration of Credit Risk: The government's investment policy requires the County to diversify its portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investments.

Under provisions of state and local statutes, the County's investment policies, and provisions of the County's depository contracts with an area financial institution, the County is authorized to place available deposits and investments in the following:

1. Obligations of the U. S., its agencies and instrumentalities;
2. Certificates of Deposit issued by state and national banks or savings or loan associations domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation or collateralized in accordance with Section 2256.09, the Texas Government Code;
3. Commercial paper that has a maturity of 270 days or less and is rated at least an A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state;
4. No-load money market mutual funds; and
5. TexPool, Lone Star Investment Pool, Tex Star, Investors Cash Trust and MBIA Class.

As of September 30, 2014, the County had the following investments:

| | Fair Amount | Weighted Average Maturity (Days) |
|-------------------------------------------|----------------------|-------------------------------------|
| General Fund | | |
| Lone Star Pool | \$ 5,633,851 | 53 |
| MBIA - Investment Pool | 2,032,255 | 34 |
| TEXSTAR | 331,410 | 51 |
| Investors' Cash Trust - MMM | 108,309 | 47 |
| Texas TERM | 1,754,748 | 49 |
| Texas Pool | <u>650,970</u> | 55 |
| Total general fund | <u>10,511,543</u> | |
| Permanent Improvement Fund | | |
| Lone Star Pool | 10,401 | 53 |
| Investors' Cash Trust - MMM | 13,485 | 47 |
| TEXSTAR | <u>1,974,470</u> | 51 |
| Total Permanent Improvement Fund | <u>1,998,356</u> | |
| Nonmajor Funds | | |
| Lone Star Pool | 5,588,561 | 53 |
| Investors' Cash Trust - MMM | 625,445 | 47 |
| TEXSTAR | 1,876,469 | 51 |
| MBIA - Investment Pool | 511,499 | 34 |
| Texas TERM | 689,409 | 49 |
| Texas Pool | <u>253,465</u> | 55 |
| Total nonmajor funds | <u>9,544,848</u> | |
| Totals | | |
| Investments Not Subject to Categorization | | |
| Investments Pools/MM | <u>22,054,747</u> | |
| Totals | <u>\$ 22,054,747</u> | |

Property Tax

Property taxes attach as liens on property as of January 1. Taxes are levied on October 1, are due by January 31 and become delinquent on February 1. County property tax revenues are recognized when levied to the extent that they result in available spendable resources. The County is permitted by Section 9 of the Texas Constitution to levy taxes up to \$.80 per \$100 of assessed valuation for general government services, permanent improvement, road and bridge and jury fund purposes other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. The combined tax-rate to finance general government services, permanent improvements, road and bridge and jury fund purposes including payment of principal and interest on long-term debt for the year ended September 30, 2014, was \$0.413599 per \$100 of assessed valuation.

- (1) The County's Tax Collector acts as an agent in the billing and collecting of taxes for other taxing authorities. These transactions are recorded in an agency account.
- (2) The tax rates for the County, computed per \$100 from the present taxable assessed valuation of \$10,670,280,653 for 2013, which funds 2014 is as follows:

| | |
|------------------------------------------|-------------------|
| General Maintenance and Operations Rate: | |
| Interest and Sinking (Debt Rate) | \$0.058783 |
| Operations Rate | 0.321308 |
| Farm to Market Rate | <u>0.033508</u> |
| Total Tax Rate | <u>\$0.413599</u> |

Receivables and Deferred Inflows of Resources

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

| | <u>General</u> | <u>Nonmajor Funds</u> | <u>Total</u> |
|---------------------------------------|---------------------|---------------------------|---------------------|
| Receivables: | | | |
| Taxes | \$ 878,502 | \$ 336,139 | \$ 1,214,641 |
| Due from agency fund | 335,640 | - | 335,640 |
| Intergovernmental receivable | <u>98,320</u> | <u>-</u> | <u>98,320</u> |
| Gross receivables | 1,312,462 | 336,139 | 1,648,601 |
| Less: allowance for uncollectibles | <u>219,625</u> | <u>84,032</u> | <u>303,657</u> |
| Net Total Receivables | <u>\$ 1,092,837</u> | <u>\$ 252,107</u> | <u>\$ 1,344,944</u> |
| Deferred inflows of resources: | | | |
| Property taxes | \$ <u>562,272</u> | \$ <u>215,639</u> | \$ <u>777,911</u> |
| Total deferred inflows | <u>\$ 562,272</u> | <u>\$ 215,639</u> | <u>\$ 777,911</u> |

Capital Assets

Capital asset activity for the year ended September 30, 2014, was as follows:

| | Beginning Balance | Increases | Decreases | Transfers/ Completed Construction | Ending Balance |
|-------------------------------------------------|----------------------|----------------|------------|-----------------------------------------|-------------------|
| Governmental activities: | | | | | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 2,010,679 | \$ - | \$ - | \$ - | \$ 2,010,679 |
| Construction work in progress | 506,020 | - | - | (506,020) | - |
| Total capital assets, not being depreciated | 2,516,699 | - | - | (506,020) | 2,010,679 |
| Capital assets, being depreciated: | | | | | |
| Buildings and improvements | 100,321,425 | - | - | 506,020 | 100,827,445 |
| Machinery and equipment | 13,387,309 | 580,352 | (646,610) | - | 13,321,051 |
| Total capital assets, being depreciated | 113,708,734 | 580,352 | (646,610) | 506,020 | 114,148,496 |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | 29,669,619 | 2,908,456 | - | - | 32,578,075 |
| Machinery and equipment | 9,787,870 | 996,454 | (646,610) | - | 10,137,714 |
| Total accumulated depreciation | 39,457,489 | 3,904,910 | (646,610) | - | 42,715,789 |
| Total capital assets, being depreciated, net | 74,251,245 | (3,324,558) | - | 506,020 | 71,432,707 |
| Governmental activities capital assets, net | \$ 76,767,944 | \$(3,324,558) | \$ - | \$ - | \$ 73,443,386 |

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|------------------------------------------------------|--------------|
| Governmental activities: | |
| General government | \$ 1,476,667 |
| Judicial | 14,714 |
| Public safety | 2,013,378 |
| Roads and highways | 400,151 |
| Total depreciation expense - governmental activities | \$ 3,904,910 |

Capital Leases

The assets acquired through capital leases are as follows:

| | |
|--------------------------------|----------------------------|
| Asset: | Governmental Activities |
| Machinery and equipment | \$ 534,556 |
| Less: Accumulated depreciation | 367,980 |
| Total | \$ 166,576 |

All capital leases associated with the above equipment have been paid in full.

Long-term Debt

Long-term Debt Walk-forward

| | Payable Amounts Outstanding 10/01/13 | Issued | Retired | Accretion | Outstanding 09/30/14 |
|--------------------------|-----------------------------------------------|--------------|--------------|------------|-------------------------|
| General obligation bonds | \$ 45,805,000 | \$ - | \$ 1,550,000 | \$ - | \$ 44,255,000 |
| Premium on issuance | 354,221 | - | 18,643 | - | 335,578 |
| Refunding bonds | 9,752,580 | - | 2,055,000 | 308,510 | 8,006,090 |
| Net OPEB obligation | 3,518,794 | 1,367,158 | 372,970 | - | 4,512,982 |
| Compensated absences | 1,341,456 | 1,098,712 | 1,218,445 | - | 1,221,723 |
| Totals | \$ 60,772,051 | \$ 2,465,870 | \$ 5,215,058 | \$ 308,510 | \$ 58,331,373 |

A summary of the changes in long-term debt for the year ended September 30, 2014, is as follows:

| Description | Interest Rate Payable | Amounts Original Issue | Interest Current Year | Payable Amounts Outstanding 10/01/13 | Issued | Retired | Accretion on Bonds | Outstanding 09/30/14 | Amounts Due Within One Year |
|----------------------------------------------------|-----------------------------|------------------------------|-----------------------------|-----------------------------------------------|--------------|--------------|-----------------------|-------------------------|-----------------------------------|
| General Obligation, Bonds, 2007 | 4.0-5.25% | \$ 53,875,000 | \$ 2,206,200 | \$ 45,805,000 | \$ - | \$ 1,550,000 | \$ - | \$ 44,255,000 | \$ 1,615,000 |
| Premium on Issuance | | | - | 354,221 | - | 18,643 | - | 335,578 | - |
| General Obligation Refunding Bonds, Series 2002 | 3.0-5.56% | 17,146,262 | - | 5,617,580 | - | - | 308,510 | 5,926,090 | - |
| General Obligation Refunding Bonds, Series 2011 | 1.39% | 5,485,000 | 43,194 | 4,135,000 | - | 2,055,000 | - | 2,080,000 | 2,080,000 |
| Net OPEB obligation | N/A | N/A | - | 3,518,794 | 1,367,158 | 372,970 | - | 4,512,982 | - |
| Compensated absences | N/A | N/A | - | 1,341,456 | 1,098,712 | 1,218,445 | - | 1,221,723 | 305,431 |
| Totals | | | \$ 2,249,394 | \$ 60,772,051 | \$ 2,465,870 | \$ 5,215,058 | \$ 308,510 | \$ 58,331,373 | \$ 4,000,431 |

Bonds

General Long-term Debt consists of various issues of General Obligation Bonds, Certificates of Obligation and Tax Notes; the County's accrued liability for compensated absences; and other payables such as capital leases for vehicles and equipment. General Obligation Bonds, Certificates of Obligation and Tax Notes are direct obligations of the County with the County's full faith and credit pledged towards payments of those obligations. Principal and interest payments on the County's bonded debt are secured solely by ad valorem taxes levied on all taxable property within the County.

Compensated absences, net pension obligation, and other post-employment benefits are typically liquidated by the fund to which they related including the General Fund.

The debt service requirements on the bonded debt is as follows:

| Year Ended August 31, | General Obligations | | Total Requirements |
|-----------------------------|----------------------|----------------------|-----------------------|
| | Principal | Interest | |
| 2015 | \$ 3,695,000 | \$ 2,154,781 | \$ 5,849,781 |
| 2016 | 3,570,294 | 2,281,394 | 5,851,688 |
| 2017 | 3,554,246 | 2,305,241 | 5,859,487 |
| 2018 | 3,531,621 | 2,327,854 | 5,859,475 |
| 2019 | 2,464,929 | 2,020,946 | 4,485,875 |
| 2020-2024 | 11,120,000 | 7,663,650 | 18,783,650 |
| 2025-2029 | 14,090,000 | 4,698,075 | 18,788,075 |
| 2030-2034 | <u>10,235,000</u> | <u>1,040,250</u> | <u>11,275,250</u> |
| Total | \$ <u>52,261,090</u> | \$ <u>24,492,191</u> | \$ <u>76,753,281</u> |

Accretion on Premium Compound Interest Bonds

A portion of the bonds sold in the Series 2002 refunding bond issue was premium compound interest bonds. These obligations have par values of \$3,181,262 and maturity values of \$7,030,000. The interest on these obligations will be paid upon maturity in the fiscal years ending September 30, 2016 through 2019. The accreted values of these bonds at September 30, 2014, are approximately \$2,744,828 accordingly, accretion on these bonds of approximately \$308,510 has been recorded in the current year.

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the County is in compliance with all significant limitations and restrictions.

Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2014, is as follows:

Interfund transfers:

| | Transfer In: | | |
|-----------------------------|------------------|-----------------------------------|------------------|
| | General | Nonmajor governmental funds | Total |
| Transfer Out: | | | |
| Nonmajor governmental funds | \$ <u>76,900</u> | \$ <u>12,000</u> | \$ <u>88,900</u> |
| Total | \$ <u>76,900</u> | \$ <u>12,000</u> | \$ <u>88,900</u> |

Transfer was used to: (1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them (2) to reclassify prior fund balance for budgetary restrictions.

Other Information

Risk Management

Ellis County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers' compensation. The County carries commercial insurance in order to manage the above listed risks. Amounts of coverage for the above types of risk have not been subject to a significant reduction in the past year. The amounts of settlements have not exceeded insurance coverage in the past three years.

Health Care Coverage

During the year ended September 30, 2014, employees of the County were covered by a health insurance plan (the "Plan"). The County contributed 100% of the premium for each employee to the Plan. Employees, at their option, authorized payroll withholdings to pay contributions for dependents. All contributions were paid to a Preferred Provider Organization. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. The contract between the County and the licensed insurer is renewable, and terms of coverage and contribution costs are included in the contractual provisions.

The latest financial statements for the self-insurance fund are available for the year ended September 30, 2014, have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

Litigation

Various claims and lawsuits are pending against the County. The evaluation of County management is that any liability to the County relating to such claims and lawsuits will not have a material impact on the County's financial position. Historically, the County has not incurred significant losses from claims or lawsuits which arise during the ordinary course of business.

Grants

The County has received Federal and State financial assistance in the form of grants and entitlements that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agencies for expenditures disallowed under terms and conditions specified in the grant agreements. In the opinion of County management such disallowance, if any, will not be significant to the County's financial position.

Retirement Plan

Plan Description

Ellis County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 656 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.

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 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

Funding Policy

The employer has elected the annually determined contribution rate (Variable Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually.

The employer contributed using the actuarially determined rate of 10.07% for the months of the accounting year in 2013, and 10.53% for the months of the calendar year in 2014.

The deposit rate payable by employee members for the calendar year 2014 is the rate of 7.00% as adopted by the governing body of the employer. The employer deposit 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 September 30, 2014, the annual pension cost for the TCDRS plan for its employees was \$3,907,490 and the actual contributions were \$3,907,490.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2011 and December 31, 2012, the basis for determining the contribution rates for calendar years 2013 and 2014. The December 31, 2013, actuarial valuation is the most recent valuation.

Actuarial Valuation Information

| Actuarial Valuation Date | 12/31/11 | 12/31/12 | 12/31/13 |
|-------------------------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| Actuarial cost method | entry age | entry age | entry age |
| Amortization method | level percentage of payroll, closed | level percentage of payroll, closed | level percentage of payroll, closed |
| Amortization period in years | 20 | 20 | 20 |
| Asset valuation method | | | |
| Subdivision Accumulation Fund | 10-yr smoothed value | 10-yr smoothed value | 5-yr smoothed value |
| Employees Saving Fund | Fund value | Fund value | Fund value |
| Assumptions: | | | |
| Investment return - includes inflation at the stated rate | 8.00% | 8.00% | 8.00% |
| Projected salary increases- includes inflation at the stated rate | 5.4% | 5.4% | 4.9% |
| Inflation | 3.5% | 3.5% | 3.0% |
| Cost-of-living adjustments | 0.0% | 0.0% | 0.0% |

Trend Information for the Retirement Plan for the Employees of Ellis County

| Accounting Year Ending | Annual Pension Cost (APC) | Percentage of APC Contributed | Net Pension Obligation |
|------------------------------|---------------------------------|-------------------------------------|------------------------------|
| 09/30/2012 | \$ 3,550,590 | 100% | - |
| 09/30/2013 | 3,669,729 | 100% | - |
| 09/30/2014 | 3,907,490 | 100% | - |

The funded status as of December 31, 2013, is presented as follows:

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Annual Covered Payroll (1) (c) | UAAL as a Percentage of Covered Payroll ((b-a)/c) |
|--------------------------------|----------------------------------------|---------------------------------------------------|------------------------------------|--------------------------|-----------------------------------------|---------------------------------------------------------------|
| 12/31/13 | 51,891,453 | 61,225,655 | 9,334,202 | 84.75% | 21,531,396 | 43.35% |

(1) The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Postemployment Health Care

Plan Description and Funding Policy. In addition to the pension benefits described above, the Commissioners' Court established a medical and dental insurance benefit plan for retirees that choose to participate. The County administers this single-employer defined benefit medical and dental plan ("the Retiree Medical and Dental Plan"). The Retiree Medical and Dental Plan does not issue a publicly available financial report.

Eligible retirees will be provided subsidized medical and dental insurance benefits if they meet the following conditions and elect to participate:

- Must be drawing a monthly annuity from the Texas County & District Retirement System, and who retired directly from active employment with Ellis County.
- Can continue medical and dental benefits that were in effect on date of retirement.
- No open enrollment opportunity (can drop coverage at any time, but cannot add)
- Beneficiary can continue enrollment in plan as long as is drawing monthly annuity.
- Make the following payments to the County:
 1. Retiree - \$344/month
 2. Retiree's spouse - \$344/month
 3. Retiree's dependent - \$344/month
 4. Dental - \$30/month

The County will cease insurance coverage on the retiree and dependent on the last day of the month when the retiree or dependent fails to submit the required set subsidy amount.

Funding Policy and Annual OPEB Cost. The County's annual other postemployment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The annual OPEB cost for the fiscal year ending September 30, 2014, is as follows:

| | |
|----------------------------------------|--------------|
| Fiscal Year | 2014 |
| Annual Required Contribution (ARC) | \$ 1,208,812 |
| Interest on Net OPEB Obligation | 158,346 |
| Adjustment to the ARC | (146,706) |
| Annual OPEB Cost | 1,220,452 |
| Contributions Made | (226,264) |
| Increase in Net OPEB Obligation | 994,188 |
| Net OPEB Obligation, beginning of year | 3,518,794 |
| Net OPEB Obligation, ending of year | \$ 4,512,982 |
| Percentage of ARC contribution | 18.5% |

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2014 and the preceding two fiscal years were as follows:

| Fiscal Year Ended | Annual OPEB Cost | Employer Amount Contributed | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|----------------------|---------------------|-----------------------------------|--------------------------------------------------|---------------------------|
| 09/30/2012 | \$ 803,554 | \$ 251,322 | 31.3% | \$ 2,545,235 |
| 09/30/2013 | 1,182,024 | 208,465 | 17.6% | 3,518,794 |
| 09/30/2014 | 1,220,452 | 226,264 | 18.5% | 4,512,982 |

Funded Status and Funding Progress. The funding status of the County's retiree health care plan, under GASB Statement No. 45 as of September 30, 2014 is as follows:

| <u>Actuarial Valuation Date</u> | <u>9/30/2013</u> |
|------------------------------------------------|------------------|
| Actuarial value of assets | \$ - |
| Actuarial accrued liabilities (AAL) | 8,847,691 |
| Unfunded actuarial accrued liability (UAAL) | 8,847,691 |
| Funded ratio | 0.00% |
| Covered payroll (active plan members) | 21,315,563 |
| UAAL as a percentage of covered payroll | 41.5% |

Under the reporting parameters, the County's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$8,847,691 at September 30, 2014. As of the most recent valuation, the ratio of the unfunded actuarial accrued liability to annual covered payroll is 41.5%.

Actuarial Methods and Assumptions

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

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial Methods and Assumptions

| | |
|----------------------------|-----------------------------------------------------------------------------|
| Inflation Rate | 3.00% per annum |
| Investment rate of return | 4.50% net of expenses |
| Actuarial cost method | Projected Unit Credit Cost Method |
| Amortization method | Level as a percentage of payroll |
| Amortization period | 30-year, open amortization |
| Payroll Growth | 3.0% per annum |
| Healthcare cost trend rate | Initial rate of 7.50% declining to an ultimate rate of 5.00% after 10 years |

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

REQUIRED SUPPLEMENTARY INFORMATION

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|-----------------------------------|----------------------|----------------------|----------------------|-----------------------------------------------------------|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes: | | | | |
| Ad valorem tax | \$ 31,334,748 | \$ 31,334,748 | \$ 31,331,828 | \$ (2,920) |
| Mixed drink tax | 114,000 | 114,000 | 162,198 | 48,198 |
| Total taxes | <u>31,448,748</u> | <u>31,448,748</u> | <u>31,494,026</u> | <u>45,278</u> |
| Intergovernmental: | | | | |
| State - hazardous waste fees | 45,000 | 45,000 | 138,421 | 93,421 |
| Other | 263,739 | 401,209 | 456,866 | 55,657 |
| Total intergovernmental | <u>308,739</u> | <u>446,209</u> | <u>595,287</u> | <u>149,078</u> |
| Fees of Office: | | | | |
| District Clerk | 441,400 | 441,400 | 501,564 | 60,164 |
| County Clerk | 1,056,700 | 1,056,700 | 949,166 | (107,534) |
| Sheriff | 224,400 | 248,353 | 257,077 | 8,724 |
| County Attorney | 61,600 | 63,600 | 68,314 | 4,714 |
| Tax Collector | 1,049,500 | 1,049,500 | 1,191,299 | 141,799 |
| County Court-At-Law | 156,000 | 156,000 | 173,405 | 17,405 |
| Justice of the Peace, Precinct #1 | 31,800 | 31,800 | 37,581 | 5,781 |
| Justice of the Peace, Precinct #2 | 73,100 | 73,100 | 67,686 | (5,414) |
| Justice of the Peace, Precinct #3 | 24,600 | 24,600 | 50,889 | 26,289 |
| Justice of the Peace, Precinct #4 | 33,725 | 33,725 | 32,651 | (1,074) |
| Constable, Precinct #1 | 29,200 | 29,200 | 39,341 | 10,141 |
| Constable, Precinct #2 | 51,000 | 51,000 | 76,358 | 25,358 |
| Constable, Precinct #3 | 35,600 | 35,600 | 45,139 | 9,539 |
| Constable, Precinct #4 | 56,600 | 56,600 | 56,227 | (373) |
| Elections | 9,000 | 9,000 | 4,080 | (4,920) |
| Public Works Administration | 230,800 | 230,800 | 262,852 | 32,052 |
| Total Fees of Office | <u>3,565,025</u> | <u>3,590,978</u> | <u>3,813,629</u> | <u>222,651</u> |
| Fines and forfeitures | <u>1,229,700</u> | <u>1,229,700</u> | <u>1,459,085</u> | <u>229,385</u> |
| Interest earnings | <u>20,000</u> | <u>20,000</u> | <u>18,036</u> | <u>(1,964)</u> |
| Miscellaneous: | | | | |
| Jail pay phone commission | 89,000 | 89,000 | 125,608 | 36,608 |
| Miscellaneous | 509,180 | 562,709 | 861,882 | 299,173 |
| Total miscellaneous | <u>598,180</u> | <u>651,709</u> | <u>987,490</u> | <u>335,781</u> |
| Total revenues | <u>\$ 37,170,392</u> | <u>\$ 37,387,344</u> | <u>\$ 38,367,553</u> | <u>\$ 980,209</u> |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---------------------------------|------------------|------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES | | | | |
| GENERAL GOVERNMENT | | | | |
| County Clerk: | | | | |
| Salaries | \$ 592,838 | \$ 593,166 | \$ 560,264 | \$ 32,902 |
| Benefits | 258,462 | 258,522 | 248,717 | 9,805 |
| Supplies | 23,240 | 23,240 | 22,518 | 722 |
| Capital outlay | 1,500 | 1,500 | - | 1,500 |
| Other | 27,400 | 27,400 | 24,113 | 3,287 |
| Total County Clerk | 903,440 | 903,828 | 855,612 | 48,216 |
| County Judge: | | | | |
| Salaries | 208,676 | 225,695 | 209,571 | 16,124 |
| Benefits | 73,291 | 76,427 | 74,918 | 1,509 |
| Supplies | 4,850 | 8,173 | 4,202 | 3,971 |
| Other | 13,800 | 10,477 | 9,487 | 990 |
| Total County Judge | 300,617 | 320,772 | 298,178 | 22,594 |
| Juvenile Services: | | | | |
| Salaries | 279,940 | 286,217 | 214,349 | 71,868 |
| Benefits | 236,154 | 237,310 | 225,405 | 11,905 |
| Supplies | 7,200 | 3,900 | 1,862 | 2,038 |
| Capital outlay | 6,000 | 9,500 | 9,292 | 208 |
| Other | 61,450 | 53,750 | 47,438 | 6,312 |
| Juvenile detention service | 901,130 | 908,973 | 719,839 | 189,134 |
| Nonresidential | 61,000 | 61,000 | 19,284 | 41,716 |
| Total Juvenile Services | 1,552,874 | 1,560,650 | 1,237,469 | 323,181 |
| Department of Development: | | | | |
| Salaries | 365,450 | 365,473 | 363,695 | 1,778 |
| Benefits | 148,008 | 148,012 | 145,975 | 2,037 |
| Supplies | 4,000 | 4,000 | 2,437 | 1,563 |
| Capital outlay | 6,100 | 6,100 | 4,044 | 2,056 |
| Other | 8,200 | 8,200 | 7,012 | 1,188 |
| Automobile | 17,950 | 17,950 | 11,781 | 6,169 |
| Total Department of Development | 549,708 | 549,735 | 534,944 | 14,791 |
| Veterans Services: | | | | |
| Salaries | 30,962 | 28,462 | 19,205 | 9,257 |
| Benefits | 6,504 | 6,504 | 4,277 | 2,227 |
| Supplies | 1,000 | 1,000 | 355 | 645 |
| Other | 1,200 | 3,700 | 1,290 | 2,410 |
| Total Veterans Services | 39,666 | 39,666 | 25,127 | 14,539 |
| Commissioners' Court: | | | | |
| Salaries | 301,104 | 301,104 | 301,104 | - |
| Benefits | 89,463 | 89,463 | 89,130 | 333 |
| Other | - | - | - | - |
| Total Commissioners' Court | \$ 390,567 | \$ 390,567 | \$ 390,234 | \$ 333 |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|----------------------------------------|------------------|------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| GENERAL GOVERNMENT (Continued) | | | | |
| Community Supervision/Corrections: | | | | |
| Capital outlay | \$ 2,000 | \$ 2,000 | \$ 779 | \$ 1,221 |
| Utilities | 100 | 100 | - | 100 |
| Total Community Supervision/Correction | 2,100 | 2,100 | 779 | 1,321 |
| Nondepartmental: | | | | |
| Payroll insurance expense | 590,000 | 572,576 | 451,555 | 121,021 |
| Other | 1,616,064 | 1,718,397 | 1,662,498 | 55,899 |
| Organizational dues/subscriptions | 185,000 | 201,028 | 201,028 | - |
| Comprehensive insurance | 431,796 | 265,311 | 226,054 | 39,257 |
| Tax appraisal fee | 366,323 | 367,170 | 367,170 | - |
| Legal/professional fees | 47,000 | 47,549 | 47,549 | - |
| Lawsuit settlement | - | 170 | 170 | - |
| Total Nondepartmental | 3,236,183 | 3,172,201 | 2,956,024 | 216,177 |
| Purchasing: | | | | |
| Salaries | 163,505 | 157,689 | 153,444 | 4,245 |
| Benefits | 64,117 | 63,047 | 61,999 | 1,048 |
| Capital outlay - for all departments | 1,403 | 4,703 | 4,607 | 96 |
| Other | 12,185 | 15,771 | 15,119 | 652 |
| Total Purchasing | 241,210 | 241,210 | 235,169 | 6,041 |
| Elections: | | | | |
| Salaries | 159,371 | 244,121 | 231,184 | 12,937 |
| Benefits | 67,193 | 77,216 | 76,075 | 1,141 |
| Capital outlay | 1,300 | 8,946 | 8,946 | - |
| Election workers salaries/benefits | 56,000 | 47,614 | 47,012 | 602 |
| Other | 100,695 | 189,896 | 181,960 | 7,936 |
| Total Elections | 384,559 | 567,793 | 545,177 | 22,616 |
| County Auditor: | | | | |
| Salaries | 305,869 | 306,161 | 292,806 | 13,355 |
| Benefits | 108,228 | 108,285 | 105,306 | 2,979 |
| Supplies | 4,500 | 4,500 | 4,240 | 260 |
| Capital outlay | 2,300 | 8,810 | 5,273 | 3,537 |
| Other | 8,625 | 8,625 | 6,137 | 2,488 |
| Total County Auditor | 429,522 | 436,381 | 413,762 | 22,619 |
| Tax Assessor/Collector: | | | | |
| Salaries | 619,591 | 624,365 | 622,405 | 1,960 |
| Benefits | 271,321 | 272,200 | 270,296 | 1,904 |
| Supplies | 18,500 | 20,656 | 20,656 | - |
| Other | 28,700 | 32,738 | 32,738 | - |
| Telephone | 10,600 | 8,306 | 7,308 | 998 |
| Postage | 35,000 | 31,800 | 30,142 | 1,658 |
| Capital outlay | 700 | - | - | - |
| Total Tax Assessor/Collector | \$ 984,412 | \$ 990,065 | \$ 983,545 | \$ 6,520 |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|----------------------|----------------------|----------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| GENERAL GOVERNMENT (Continued) | | | | |
| Treasurer: | | | | |
| Salaries | \$ 169,908 | \$ 171,481 | \$ 149,940 | \$ 21,541 |
| Benefits | 57,627 | 57,917 | 52,307 | 5,610 |
| Other | 20,025 | 18,587 | 9,355 | 9,232 |
| Capital outlay | 500 | 1,938 | 1,518 | 420 |
| Total Treasurer | <u>248,060</u> | <u>249,923</u> | <u>213,120</u> | <u>36,803</u> |
| Human Services: | | | | |
| Salaries | 192,562 | 193,506 | 187,357 | 6,149 |
| Benefits | 69,683 | 69,782 | 67,701 | 2,081 |
| Supplies | 5,900 | 4,100 | 3,664 | 436 |
| Utilities | 1,100 | 1,000 | 846 | 154 |
| Other | 1,104,891 | 1,005,574 | 1,005,574 | - |
| Total Human Services | <u>1,374,136</u> | <u>1,273,962</u> | <u>1,265,142</u> | <u>8,820</u> |
| Courthouse/Office Building: | | | | |
| Salaries | 202,470 | 210,759 | 210,757 | 2 |
| Benefits | 98,642 | 100,175 | 99,140 | 1,035 |
| Supplies | 19,500 | 17,999 | 17,942 | 57 |
| Capital outlay | 2,000 | 2,000 | 1,964 | 36 |
| Other | 26,570 | 29,171 | 29,171 | - |
| Telephone | 832 | 907 | 517 | 390 |
| Repairs and maintenance | 113,550 | 117,550 | 117,241 | 309 |
| Total Courthouse/Office Buildings | <u>463,564</u> | <u>478,561</u> | <u>476,732</u> | <u>1,829</u> |
| Engineering: | | | | |
| Salaries | 353,996 | 256,497 | 256,497 | - |
| Benefits | 113,377 | 113,474 | 94,619 | 18,855 |
| Supplies | 4,050 | 6,050 | 2,352 | 3,698 |
| Capital outlay | 4,000 | 4,000 | 1,027 | 2,973 |
| Other | 30,950 | 28,950 | 12,964 | 15,986 |
| Utilities | 2,900 | 2,900 | 2,041 | 859 |
| Total Engineering | <u>509,273</u> | <u>411,871</u> | <u>369,500</u> | <u>42,371</u> |
| MIS: | | | | |
| Salaries | 196,320 | 206,945 | 206,945 | - |
| Benefits | 64,044 | 66,001 | 64,196 | 1,805 |
| Supplies | 11,480 | 6,280 | 3,842 | 2,438 |
| Capital outlay | 2,400 | 11,850 | 11,631 | 219 |
| Other | 19,558 | 15,308 | 14,107 | 1,201 |
| Total MIS | <u>293,802</u> | <u>306,384</u> | <u>300,721</u> | <u>5,663</u> |
| Total General Government | <u>\$ 11,903,693</u> | <u>\$ 11,895,669</u> | <u>\$ 11,101,235</u> | <u>\$ 794,434</u> |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|-------------------------------------|-------------------|-------------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| JUDICIAL | | | | |
| 40th Judicial District Judge: | | | | |
| Salaries | \$ 100,813 | \$ 106,435 | \$ 106,435 | \$ - |
| Benefits | 45,494 | 46,512 | 45,724 | 788 |
| Supplies | 6,500 | 7,300 | 6,864 | 436 |
| Capital outlay | 3,500 | 3,500 | 234 | 3,266 |
| Other | 16,550 | 15,750 | 11,263 | 4,487 |
| Total 40th Judicial District Judge | <u>172,857</u> | <u>179,497</u> | <u>170,520</u> | <u>8,977</u> |
| 378th Judicial District Judge: | | | | |
| Salaries | 37,323 | 37,323 | 37,323 | - |
| Benefits | 24,585 | 24,585 | 24,472 | 113 |
| Supplies | 5,500 | 5,500 | 626 | 4,874 |
| Capital outlay | 3,000 | 3,000 | - | 3,000 |
| Other | 14,000 | 14,000 | 7,338 | 6,662 |
| Total 378th Judicial District Judge | <u>84,408</u> | <u>84,408</u> | <u>69,759</u> | <u>14,649</u> |
| District Clerk: | | | | |
| Salaries | 465,807 | 465,807 | 450,877 | 14,930 |
| Benefits | 200,138 | 200,138 | 194,703 | 5,435 |
| Supplies | 17,500 | 20,200 | 19,975 | 225 |
| Capital outlay | 3,500 | 2,995 | 1,953 | 1,042 |
| Other | 109,270 | 107,075 | 101,320 | 5,755 |
| Total District Clerk | <u>796,215</u> | <u>796,215</u> | <u>768,828</u> | <u>27,387</u> |
| County Court-at-Law: | | | | |
| Salaries | 239,813 | 241,093 | 240,837 | 256 |
| Benefits | 71,024 | 71,122 | 70,895 | 227 |
| Capital outlay | 1,000 | 1,000 | 433 | 567 |
| Other | 22,200 | 22,200 | 20,547 | 1,653 |
| Total County Court-at-Law | <u>334,037</u> | <u>335,415</u> | <u>332,712</u> | <u>2,703</u> |
| County Court-at-Law #2: | | | | |
| Salaries | 239,813 | 239,901 | 239,901 | - |
| Benefits | 70,740 | 70,828 | 70,828 | - |
| Other | 15,312 | 17,368 | 15,358 | 2,010 |
| Utilities | 650 | 28 | 28 | - |
| Supplies | 4,400 | 1,990 | 1,760 | 230 |
| Capital outlay | 300 | 1,204 | - | 1,204 |
| Total County Court-at-Law #2 | <u>\$ 331,215</u> | <u>\$ 331,319</u> | <u>\$ 327,875</u> | <u>\$ 3,444</u> |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|------------------------------------|------------------|------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| JUDICIAL (Continued) | | | | |
| Justice of the Peace #1: | | | | |
| Salaries | \$ 154,099 | \$ 154,141 | \$ 154,141 | \$ - |
| Benefits | 63,450 | 63,458 | 62,830 | 628 |
| Capital outlay | 500 | 500 | 328 | 172 |
| Other | 22,650 | 22,650 | 18,781 | 3,869 |
| Total Justice of the Peace #1 | 240,699 | 240,749 | 236,080 | 4,669 |
| Justice of the Peace #2: | | | | |
| Salaries | 212,123 | 212,123 | 207,054 | 5,069 |
| Benefits | 91,069 | 91,069 | 89,340 | 1,729 |
| Capital outlay | 2,250 | 2,817 | 2,816 | 1 |
| Other | 19,410 | 18,843 | 18,438 | 405 |
| Total Justice of the Peace #2 | 324,852 | 324,852 | 317,648 | 7,204 |
| Justice of the Peace #3: | | | | |
| Salaries | 148,296 | 147,095 | 146,420 | 675 |
| Benefits | 55,019 | 53,519 | 52,967 | 552 |
| Capital outlay | 800 | 517 | 517 | - |
| Other | 10,750 | 13,734 | 13,734 | - |
| Total Justice of the Peace #3 | 214,865 | 214,865 | 213,638 | 1,227 |
| Justice of the Peace #4: | | | | |
| Salaries | 154,099 | 154,099 | 147,081 | 7,018 |
| Benefits | 62,598 | 62,598 | 60,420 | 2,178 |
| Capital outlay | 1,000 | 76 | - | 76 |
| Other | 22,394 | 23,318 | 13,918 | 9,400 |
| Total Justice of the Peace #4 | 240,091 | 240,091 | 221,419 | 18,672 |
| Court Reporter: | | | | |
| Other | 96,000 | 96,000 | 84,208 | 11,792 |
| Total Court Reporter | 96,000 | 96,000 | 84,208 | 11,792 |
| County and District Attorney: | | | | |
| Salaries | 1,886,153 | 1,921,919 | 1,903,234 | 18,685 |
| Benefits | 714,982 | 721,570 | 704,041 | 17,529 |
| Supplies | 13,000 | 19,600 | 18,476 | 1,124 |
| Capital outlay | 3,215 | 3,490 | 2,273 | 1,217 |
| Other | 165,612 | 161,709 | 157,599 | 4,110 |
| Total County and District Attorney | 2,782,962 | 2,828,288 | 2,785,623 | 42,665 |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|---------------------------------|------------------|--------------|-------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| JUDICIAL (Continued) | | | | |
| 443th District Court: | | | | |
| Salaries | - | 1,716 | - | 1,716 |
| Benefits | - | 520 | - | 520 |
| Capital outlay | - | 2,000 | - | 2,000 |
| Other | - | 11,764 | 9,722 | 2,042 |
| Total 443th District Court | - | 16,000 | 9,722 | 6,278 |
| Total Judicial | \$ 5,618,201 | \$ 5,687,699 | \$ 5,538,032 | \$ 149,667 |
| PUBLIC SAFETY | | | | |
| Sheriff: | | | | |
| Salaries | \$ 5,208,366 | \$ 5,281,912 | \$ 5,202,488 | \$ 79,424 |
| Benefits | 1,848,674 | 1,862,230 | 1,827,374 | 34,856 |
| Supplies | 40,000 | 30,000 | 23,204 | 6,796 |
| Capital outlay | 21,500 | 9,500 | 9,004 | 496 |
| Other | 472,630 | 450,014 | 362,962 | 87,052 |
| Utilities | 104,080 | 104,080 | 94,234 | 9,846 |
| Automobile Purchases/Expenses | 366,000 | 501,956 | 487,492 | 14,464 |
| Total Sheriff | 8,061,250 | 8,239,692 | 8,006,758 | 232,934 |
| Highway Patrol: | | | | |
| Salaries | 48,058 | 48,058 | 35,578 | 12,480 |
| Benefits | 18,986 | 18,986 | 16,579 | 2,407 |
| Total Highway Patrol | 67,044 | 67,044 | 52,157 | 14,887 |
| Fire Marshall: | | | | |
| Salaries | 210,484 | 194,216 | 158,241 | 35,975 |
| Benefits | 72,771 | 72,779 | 61,760 | 11,019 |
| Automobile | 11,930 | 14,235 | 13,326 | 909 |
| Capital outlay | 18,245 | 31,428 | 21,895 | 9,533 |
| Other | 28,986 | 117,177 | 109,069 | 8,108 |
| Total Fire Marshall | 342,416 | 429,835 | 364,291 | 65,544 |
| Constable #1: | | | | |
| Salaries | 99,313 | 99,313 | 98,489 | 824 |
| Benefits | 35,896 | 35,896 | 35,172 | 724 |
| Capital outlay | 4,338 | 4,195 | 4,195 | - |
| Other | 7,960 | 13,595 | 8,052 | 5,543 |
| Automobile | 9,575 | 8,975 | 8,540 | 435 |
| Total Constable #1 | 157,082 | 161,974 | 154,448 | 7,526 |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|----------------------------------|----------------------|----------------------|----------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| PUBLIC SAFETY (Continued) | | | | |
| Constable #2: | | | | |
| Salaries | 154,654 | 165,033 | 165,033 | - |
| Benefits | 54,980 | 56,315 | 56,315 | - |
| Capital outlay | 1,800 | 10,400 | 7,560 | 2,840 |
| Other | 11,720 | 10,498 | 10,498 | - |
| Automobile | 24,244 | 10,669 | 10,089 | 580 |
| Total Constable #2 | <u>\$ 247,398</u> | <u>\$ 252,915</u> | <u>\$ 249,495</u> | <u>\$ 3,420</u> |
| Constable #3: | | | | |
| Salaries | \$ 99,013 | \$ 99,014 | \$ 99,014 | \$ - |
| Benefits | 35,841 | 35,840 | 35,483 | 357 |
| Capital outlay | 700 | 3,155 | 3,155 | - |
| Other | 7,260 | 11,122 | 7,101 | 4,021 |
| Automobile | 7,400 | 4,550 | 4,202 | 348 |
| Total Constable #3 | <u>150,214</u> | <u>153,681</u> | <u>148,955</u> | <u>4,726</u> |
| Constable #4: | | | | |
| Salaries | 98,113 | 98,599 | 98,599 | - |
| Benefits | 35,321 | 35,181 | 34,625 | 556 |
| Capital outlay | 3,500 | 3,959 | 2,351 | 1,608 |
| Other | 9,510 | 11,747 | 7,427 | 4,320 |
| Automobile | 11,015 | 11,936 | 11,936 | - |
| Total Constable #4 | <u>157,459</u> | <u>161,422</u> | <u>154,938</u> | <u>6,484</u> |
| Jail | | | | |
| Salaries | 4,578,908 | 4,596,635 | 4,432,803 | 163,832 |
| Benefits | 1,875,645 | 1,874,266 | 1,828,904 | 45,362 |
| Utilities | 460,000 | 560,589 | 560,589 | - |
| Repairs | 164,500 | 157,587 | 147,789 | 9,798 |
| Supplies | 1,722,380 | 1,780,782 | 1,780,782 | - |
| Capital outlay | 19,500 | 19,500 | 16,216 | 3,284 |
| Other | 217,760 | 193,383 | 167,143 | 26,240 |
| Total Jail | <u>9,038,693</u> | <u>9,182,742</u> | <u>8,934,226</u> | <u>248,516</u> |
| Total Public Safety | <u>\$ 18,221,556</u> | <u>\$ 18,649,305</u> | <u>\$ 18,065,268</u> | <u>\$ 584,037</u> |

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|----------------------------------------------------------------------|----------------------|----------------------|----------------------|-----------------------------------------------------------|
| | Original | Final | | |
| EXPENDITURES (Continued) | | | | |
| HEALTH AND WELFARE | | | | |
| Mental Health/Juvenile Expense: | | | | |
| Other | \$ 9,000 | \$ 17,955 | \$ 17,955 | \$ - |
| Total Mental Health/Juvenile Expenses | 9,000 | 17,955 | 17,955 | - |
| Indigent Legal: | | | | |
| Other | 22,500 | 22,500 | 15,340 | 7,160 |
| Legal and professional fees | 1,266,000 | 1,588,308 | 1,588,308 | - |
| Total Pauper | 1,288,500 | 1,610,808 | 1,603,648 | 7,160 |
| Total Health and Welfare | 1,297,500 | 1,628,763 | 1,621,603 | 7,160 |
| CONSERVATION | | | | |
| Agricultural Extension Service: | | | | |
| Salaries | 127,868 | 127,868 | 123,718 | 4,150 |
| Benefits | 52,634 | 52,634 | 41,008 | 11,626 |
| Supplies | 5,130 | 5,514 | 5,315 | 199 |
| Capital outlay | 1,860 | 1,850 | 1,850 | - |
| Other | 14,000 | 13,350 | 12,561 | 789 |
| Auto | 2,700 | 2,570 | 1,561 | 1,009 |
| Telephone | 2,150 | 2,556 | 2,556 | - |
| Total Agricultural Extension Service | 206,342 | 206,342 | 188,569 | 17,773 |
| Total Conservation | 206,342 | 206,342 | 188,569 | 17,773 |
| Total Expenditures | 37,247,292 | 38,067,778 | 36,514,707 | 1,553,071 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (76,900) | (680,434) | 1,852,846 | 2,533,280 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 76,900 | 76,900 | 76,900 | - |
| Total other financing sources (uses) | 76,900 | 76,900 | 76,900 | - |
| NET CHANGE IN FUND BALANCES | - | (603,534) | 1,929,746 | 2,533,280 |
| FUND BALANCES, BEGINNING | 11,208,144 | 11,208,144 | 11,208,144 | - |
| FUND BALANCES, ENDING | \$ 11,208,144 | \$ 10,604,610 | \$ 13,137,890 | \$ 2,533,280 |

(continued)

ELLIS COUNTY, TEXAS

SCHEDULE OF FUNDING PROGRESS FOR EMPLOYEE RETIREMENT SYSTEM

SEPTEMBER 30, 2014

| <u>Actuarial Valuation Date</u> | <u>Actuarial Value of Assets</u> | <u>Actuarial Accrued Liability (AAL)</u> | <u>Unfunded AAL (UAAL)</u> | <u>Funded Ratio</u> | <u>Covered Payroll</u> | <u>UAAL as a Percentage of Covered Payroll</u> |
|-----------------------------------------|------------------------------------------|------------------------------------------------------|------------------------------------|-------------------------|----------------------------|------------------------------------------------------------|
| 12/31/10 | \$ 44,744,136 | \$ 53,683,828 | \$ 8,939,692 | 83.35% | \$ 21,363,068 | 41.85% |
| 12/31/12 | 47,522,565 | 57,151,253 | 9,628,688 | 83.15% | 21,028,848 | 45.79% |
| 12/31/13 | 51,891,453 | 61,225,655 | 9,334,202 | 84.75% | 21,531,396 | 43.35% |

ELLIS COUNTY, TEXAS

SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS

SEPTEMBER 30, 2014

| <u>Actuarial Valuation Date</u> | <u>Actuarial Value of Assets</u> | <u>Actuarial Accrued Liability (AAL)</u> | <u>Unfunded AAL (UAAL)</u> | <u>Funded Ratio</u> | <u>Covered Payroll</u> | <u>UAAL as a Percentage of Covered Payroll</u> |
|-----------------------------------------|------------------------------------------|------------------------------------------------------|------------------------------------|-------------------------|----------------------------|------------------------------------------------------------|
| 12/31/10 | \$ - | \$ 6,179,551 | \$ 6,179,551 | - % | \$ 21,363,068 | 28.93% |
| 12/31/12 | - | 8,847,691 | 8,847,691 | - % | 21,531,396 | 41.09% |
| 12/31/13 | - | 8,847,691 | 8,847,691 | - % | 21,531,396 | 41.09% |

ELLIS COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2014

BUDGET INFORMATION

The County follows these procedures in establishing the budgetary data reflected in the financial report:

1. Public workshops are held where department heads present their budget to members of the Commissioners' Court.
2. The County Judge evaluates the requests and considers the feedback of the Commissioners' Court over the next several weeks.
3. The County Auditor projects the revenues of the County for the next fiscal year.
4. The County Judge, assisted by the County Auditor, prepares a proposed budget to file with the County Clerk a minimum of seven days before a scheduled public hearing on the budget.
5. A public hearing is conducted to obtain taxpayer feedback as well as to receive feedback from the Commissioners' Court.
6. If no changes are warranted in the proposed budget, the budget is then legally enacted by the Commissioners' Court on or before September 30, in the timeframe required by statute.

After the adoption of the budget, the government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Commissioners' Court. The legal level of control is exercised at the department level. All governmental funds have legally adopted budgets. State law provides that amendments approved by the Commissioners' Court may be made to the original budget provided that funds are available for the added disbursements. Reported budgeted amounts reflect the budget as originally adopted and all subsequent transfers and amendments. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget appropriations lapse at year end. All encumbrances lapse at year end.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted to expenditures for particular purposes.

ROAD AND BRIDGE FUNDS

These funds, reported by commissioner's precinct, are used to account for revenues and expenditures relating to road and bridge construction and maintenance.

FARM TO MARKET FUNDS

These funds, reported by commissioner's precinct, are used to account for revenues and expenditures relating to construction and maintenance.

LATERAL ROADS

This fund is used to account for state funding and expenditures relating to maintenance of lateral roads.

DISTRICT CLERK ARCHIVES

This fund is used to account for the receipt of archives fees from district court cases. Receipts are restricted to expenditures relating to the maintenance of district clerk records.

JUSTICE COURT TECHNOLOGY FUND

This fund is used to account for funds from court costs received and expenditures relating to justice court technological advances.

COUNTY AND DISTRICT COURT TECHNOLOGY FUND

This fund is used to account for funds from court costs received and expenditures relating to county and district court technological advances.

DISTRICT COURT RECORDS TECHNOLOGY FUND

This fund is used to account for funds from court costs received and expenditures relating to district court records technological advances.

JURY FUND

This fund is used to account for revenues and expenditures relating to various court activities.

LAW LIBRARY FUND

This fund is used to account for the receipt of law library fees collected by the County and District Clerks. Receipts are restricted to payment of the cost of maintaining the law library.

DISTRICT ATTORNEY HOT CHECK

This fund is used to account for fees collected by the District Attorney under the "Hot Check" statute. Expenditures from this fund shall be at the sole discretion of the District Attorney and may be used only to defray the salaries and expenses of their office.

DISTRICT ATTORNEY SEIZURE FUND

This fund is used to account for money and property seized by the District Attorney's Office as a result of drug seizures.

SPECIAL REVENUE FUNDS

(Continued)

DISTRICT ATTORNEY FORFEITURE FUND

This fund is used to account for money and property forfeited to the District Attorney's Office as a result of drug seizures.

SHERIFF SEIZURE FUND

This fund is used to account for money and property seized by the Sheriff's Office as a result of drug seizures.

SHERIFF DRUG FORFEITURE FUND

This fund is used to account for money and property forfeited to the Sheriff's Office as a result of drug seizures.

EMISSIONS ENFORCEMENT

This fund is used to account for money and property related to a grant which provides for enforcement action on facilities which violate emission inspection laws.

CONSTABLE FORFEITURE FUND

This fund is used to account for money and property forfeited to the Constable's Office as a result of drug seizures.

RECORDS MANAGEMENT FUND

This fund is used to account for the cost of records management in the County Clerk's office. Funding is from records management fees charged on transactions in the County Clerk's Office.

GENERAL RECORDS MANAGEMENT PRESERVATION FUND

This fund is used to account for cost of records management for general County records. Funding is from fees charged for County transactions.

COURTHOUSE SECURITY FUND

This fund is used to account for costs relating to security for County offices. Funding is from fees charged for County transactions.

SHERIFF FEDERAL FORFEITURE

This fund is used to account for funds through a sharing agreement with the Federal Government on federal drug cases.

COURT RECORDS PRESERVATION

This fund is used to account for funds from court costs received and expenditures relating to court records preservation.

COUNTY CLERK ARCHIVES MANAGEMENT

This fund is used to account for the receipt of archives fees from County court cases. Expenditures are restricted to items related to the maintenance of county clerk records.

FIRE MARSHAL SPECIAL FUND

This fund is used to account for the receipt of fire code inspection fees and related expenditures.

LAW ENFORCEMENT BLOCK FUND

This fund is used to account for a grant, which provides funds for the purchase of law enforcement related equipment.

CONSTABLE SEIZURE

This fund is used to account for money and properties seized by the Constables as a result of drug seizures.

ELECTIONS ADMINISTRATION

This fund is used to account for revenues and expenses related to Elections Administration activities.

DWI BLOOD DRAW ACCOUNT

This fund is used to account for expenses incurred for on call municipal judges involved in issuing/denying requests for blood draw warrants related to suspected DWI cases.

RECONSTRUCTION FUND

This fund is used to account for revenues/expenses related to a community development block grant.

DEBT SERVICE FUNDS**DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and their subsequent disbursement to pay principal, interest and related costs on the County's long term debt.

2007 DEBT SERVICE FUND

This fund is used to account for the accumulation of resources and their subsequent disbursement to pay principal, interest and related costs on the County's 2007 general obligation bond.

CAPITAL PROJECTS FUNDS

The Capital Projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

RIGHT-OF-WAY AVAILABLE FUND

This fund is used to account for the acquisition of right-of-ways other than those financed by proprietary funds.

ROAD DISTRICT #1 AVAILABLE FUND

This fund is used to account for the acquisition and construction of county roads that lie within the geographical boundaries of Road District #1.

ROAD DISTRICT #5 AVAILABLE FUND

This fund is used to account for the acquisition and construction of county roads that lie within the geographical boundaries of Road District #5.

ROAD DISTRICT #16 AVAILABLE FUND

This fund is used to account for the acquisition and construction of county roads that lie within the geographical boundaries of Road District #16.

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

| | Special Revenue | | | | | |
|--------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|-------------------------|
| | Road and Bridge #1 | Road and Bridge #2 | Road and Bridge #3 | Road and Bridge #4 | Farm to Market #1 | Farm to Market #2 |
| ASSETS | | | | | | |
| Cash and investments | \$ 474,915 | \$ 468,401 | \$ 781,527 | \$ 314,725 | \$ 225,537 | \$ 465,372 |
| Taxes receivable | 11,408 | 9,317 | 15,233 | 7,754 | 19,318 | 19,318 |
| Prepaid items | - | - | 9,035 | - | - | - |
| Total assets | \$ 486,323 | \$ 477,718 | \$ 805,795 | \$ 322,479 | \$ 244,855 | \$ 484,690 |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 44,048 | \$ 144,486 | \$ 54,177 | \$ 133,873 | \$ 58,939 | \$ 73,867 |
| Accrued liabilities | 27,336 | 24,943 | 31,136 | 26,599 | - | - |
| Total liabilities | 71,384 | 169,429 | 85,313 | 160,472 | 58,939 | 73,867 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue-property taxes | 9,735 | 7,950 | 12,999 | 6,618 | 16,610 | 16,610 |
| Total deferred inflows of resources | 9,735 | 7,950 | 12,999 | 6,618 | 16,610 | 16,610 |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid items | - | - | 9,035 | - | - | - |
| Restricted: | | | | | | |
| Road and bridge | 405,204 | 300,339 | 698,448 | 155,389 | 169,306 | 394,213 |
| Public safety | - | - | - | - | - | - |
| Law enforcement | - | - | - | - | - | - |
| Technology and security | - | - | - | - | - | - |
| Records management | - | - | - | - | - | - |
| Other statutorily restricted funds | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Assigned: | | | | | | |
| Capital projects | - | - | - | - | - | - |
| Total fund balances | 405,204 | 300,339 | 707,483 | 155,389 | 169,306 | 394,213 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 486,323 | \$ 477,718 | \$ 805,795 | \$ 322,479 | \$ 244,855 | \$ 484,690 |

Special Revenue

| Farm to Market #3 | Farm to Market #4 | Lateral Road | District Clerk Archives | Justice Court Technology Fund | County & District Court Technology | District Court Records Technology | Jury | Law Library |
|-------------------------|-------------------------|------------------|-------------------------------|----------------------------------------|---------------------------------------------|--------------------------------------------|------------------|------------------|
| \$ 518,280 | \$ 718,606 | \$ 27,549 | \$ 79,996 | \$ 22,697 | \$ 12,403 | \$ 54,300 | \$ 49,225 | \$ 84,833 |
| 19,318 | 19,318 | - | - | - | - | - | 1,759 | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 537,598</u> | <u>\$ 737,924</u> | <u>\$ 27,549</u> | <u>\$ 79,996</u> | <u>\$ 22,697</u> | <u>\$ 12,403</u> | <u>\$ 54,300</u> | <u>\$ 50,984</u> | <u>\$ 84,833</u> |
| \$ 62,771 | \$ 93,476 | \$ 15,749 | \$ - | \$ - | \$ - | \$ - | \$ 4,669 | \$ 7,398 |
| - | - | - | - | - | - | - | - | 1,526 |
| <u>62,771</u> | <u>93,476</u> | <u>15,749</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,669</u> | <u>8,924</u> |
| <u>16,610</u> | <u>16,610</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,501</u> | <u>-</u> |
| <u>16,610</u> | <u>16,610</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,501</u> | <u>-</u> |
| - | - | - | - | - | - | - | - | - |
| 458,217 | 627,838 | 11,800 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | 22,697 | 12,403 | 54,300 | - | - |
| - | - | - | 79,996 | - | - | - | - | 75,909 |
| - | - | - | - | - | - | - | 44,814 | - |
| - | - | - | - | - | - | - | - | - |
| <u>458,217</u> | <u>627,838</u> | <u>11,800</u> | <u>79,996</u> | <u>22,697</u> | <u>12,403</u> | <u>54,300</u> | <u>44,814</u> | <u>75,909</u> |
| <u>\$ 537,598</u> | <u>\$ 737,924</u> | <u>\$ 27,549</u> | <u>\$ 79,996</u> | <u>\$ 22,697</u> | <u>\$ 12,403</u> | <u>\$ 54,300</u> | <u>\$ 50,984</u> | <u>\$ 84,833</u> |

(continued)

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2014

| | Special Revenue | | | | | |
|------------------------------------------------------------------------|-----------------------------------|---------------------------------|------------------------------------|--------------------|-------------------------------|--------------------------|
| | District Attorney Hot Check | District Attorney Seizure | District Attorney Forfeiture | Sheriff Seizure | Sheriff Drug Forfeiture | Emissions Enforcement |
| ASSETS | | | | | | |
| Cash and investments | \$ 297,559 | \$ 523,858 | \$ 278,642 | \$ 326,133 | \$ 141,146 | \$ 9 |
| Taxes receivable | - | - | - | - | - | - |
| Prepaid items | - | - | - | - | - | - |
| Total assets | <u>\$ 297,559</u> | <u>\$ 523,858</u> | <u>\$ 278,642</u> | <u>\$ 326,133</u> | <u>\$ 141,146</u> | <u>\$ 9</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 167 | \$ 10,028 | \$ 1,815 | - | - | - |
| Accrued liabilities | 927 | - | 463 | - | - | - |
| Total liabilities | <u>1,094</u> | <u>10,028</u> | <u>2,278</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue-property taxes | - | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid items | - | - | - | - | - | - |
| Restricted: | | | | | | |
| Road and bridge | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | 9 |
| Law enforcement | 296,465 | 513,830 | 276,364 | 326,133 | 141,146 | - |
| Technology and security | - | - | - | - | - | - |
| Records management | - | - | - | - | - | - |
| Other statutorily restricted funds | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - |
| Assigned: | | | | | | |
| Capital projects | - | - | - | - | - | - |
| Total fund balances | <u>296,465</u> | <u>513,830</u> | <u>276,364</u> | <u>326,133</u> | <u>141,146</u> | <u>9</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 297,559</u> | <u>\$ 523,858</u> | <u>\$ 278,642</u> | <u>\$ 326,133</u> | <u>\$ 141,146</u> | <u>\$ 9</u> |

Special Revenue

| Constable Precinct #1 Forfeiture | Constable Precinct #2 Forfeiture | Constable Precinct #4 Forfeiture | Records Management | General Record Management Preservation | Courthouse Security | Sheriff Federal Forfeiture | Court Records Preservation | County Clerk Archives Management |
|----------------------------------------|----------------------------------------|----------------------------------------|-----------------------|-------------------------------------------------|------------------------|----------------------------------|----------------------------------|----------------------------------------|
| \$ 181 | \$ 165 | \$ 3,013 | \$ 69,589 | \$ 252,201 | \$ 10,162 | \$ 446,312 | \$ 39,999 | \$ 785,690 |
| <u>181</u> | <u>165</u> | <u>3,013</u> | <u>69,589</u> | <u>252,201</u> | <u>10,162</u> | <u>446,312</u> | <u>39,999</u> | <u>785,690</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 51,516 | \$ - | \$ - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>51,516</u> | <u>-</u> | <u>-</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 181 | 165 | 3,013 | 69,589 | 252,201 | 10,162 | 394,796 | 39,999 | 785,690 |
| <u>181</u> | <u>165</u> | <u>3,013</u> | <u>69,589</u> | <u>252,201</u> | <u>10,162</u> | <u>394,796</u> | <u>39,999</u> | <u>785,690</u> |
| \$ 181 | \$ 165 | \$ 3,013 | \$ 69,589 | \$ 252,201 | \$ 10,162 | \$ 446,312 | \$ 39,999 | \$ 785,690 |

(continued)

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2014

| | Special Revenue | | | | | |
|--------------------------------------------------------------------------------|---------------------------------|----------------------------------|-------------------------------------|-----------------------------|------------------------------|------------------------|
| | Fire Marshal Special Fund | Law Enforcement Block Fund | Constable Precinct #4 Seizure | Elections Administration | DWI Blood Draw Account | Reconstruction Fund |
| ASSETS | | | | | | |
| Cash and investments | \$ 20,696 | \$ 17,743 | \$ - | \$ 3,327 | \$ 8,400 | \$ 19,305 |
| Taxes receivable | - | - | - | - | - | - |
| Prepaid items | - | - | - | - | - | - |
| Total assets | \$ 20,696 | \$ 17,743 | \$ - | \$ 3,327 | \$ 8,400 | \$ 19,305 |
| LIABILITIES | | | | | | |
| Accounts payable | - | - | - | - | 1,000 | 19,305 |
| Accrued liabilities | 514 | - | - | - | - | - |
| Total liabilities | 514 | - | - | - | 1,000 | 19,305 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable revenue-property taxes | - | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - | - |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid items | - | - | - | - | - | - |
| Restricted: | | | | | | |
| Road and bridge | - | - | - | - | - | - |
| Public safety | 20,182 | 17,743 | - | - | 7,400 | - |
| Law enforcement | - | - | - | - | - | - |
| Technology and security | - | - | - | - | - | - |
| Records management | - | - | - | - | - | - |
| Other statutorily restricted funds | - | - | - | 3,327 | - | - |
| Debt service | - | - | - | - | - | - |
| Assigned: | | | | | | |
| Capital projects | - | - | - | - | - | - |
| Total fund balances | 20,182 | 17,743 | - | 3,327 | 7,400 | - |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 20,696 | \$ 17,743 | \$ - | \$ 3,327 | \$ 8,400 | \$ 19,305 |

| Debt Service | | Capital Projects | | | | | |
|-------------------|----------------------|-------------------|-------------------------|------------------------|------------------------|-------------------------|----------------------|
| Debt Service | 2007 Debt Service | Right of Way | 2008 Right of Way | Road District #1 | Road District #5 | Road District #16 | Totals |
| \$ 869,171 | \$ 776,913 | \$ 119,853 | \$ 116,356 | \$ 1,189,059 | \$ 66,936 | \$ 184,349 | \$ 10,865,133 |
| 43,302 | 85,636 | - | 426 | - | - | - | 252,107 |
| - | - | - | - | - | - | - | 9,035 |
| <u>\$ 912,473</u> | <u>\$ 862,549</u> | <u>\$ 119,853</u> | <u>\$ 116,782</u> | <u>\$ 1,189,059</u> | <u>\$ 66,936</u> | <u>\$ 184,349</u> | <u>\$ 11,126,275</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 777,284 |
| - | - | - | - | - | - | - | 113,444 |
| - | - | - | - | - | - | - | 890,728 |
| 36,953 | 73,080 | - | 363 | - | - | - | 215,639 |
| <u>36,953</u> | <u>73,080</u> | <u>-</u> | <u>363</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>215,639</u> |
| - | - | - | - | - | - | - | 9,035 |
| - | - | - | - | - | - | - | 3,220,754 |
| - | - | - | - | - | - | - | 48,693 |
| - | - | - | - | - | - | - | 1,948,734 |
| - | - | - | - | - | - | - | 99,562 |
| - | - | - | - | - | - | - | 1,303,384 |
| - | - | - | - | - | - | - | 48,141 |
| 875,520 | 789,469 | - | - | - | - | - | 1,664,989 |
| - | - | 119,853 | 116,419 | 1,189,059 | 66,936 | 184,349 | 1,676,616 |
| <u>875,520</u> | <u>789,469</u> | <u>119,853</u> | <u>116,419</u> | <u>1,189,059</u> | <u>66,936</u> | <u>184,349</u> | <u>10,019,908</u> |
| <u>\$ 912,473</u> | <u>\$ 862,549</u> | <u>\$ 119,853</u> | <u>\$ 116,782</u> | <u>\$ 1,189,059</u> | <u>\$ 66,936</u> | <u>\$ 184,349</u> | <u>\$ 11,126,275</u> |

ELLIS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Special Revenue | | | | | |
|----------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|-------------------------|
| | Road and Bridge #1 | Road and Bridge #2 | Road and Bridge #3 | Road and Bridge #4 | Farm to Market #1 | Farm to Market #2 |
| REVENUES | | | | | | |
| Taxes | \$ 536,990 | \$ 445,162 | \$ 720,931 | \$ 366,148 | \$ 854,556 | \$ 854,556 |
| Intergovernmental | - | - | - | - | - | - |
| Auto registration | 526,929 | 523,491 | 525,561 | 554,747 | - | - |
| Fees of office | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Interest earnings | 336 | 378 | 609 | 288 | 301 | 427 |
| Other | 244,666 | 3,603 | 95,770 | 64,067 | 2,533 | 129,857 |
| Total revenues | <u>1,308,921</u> | <u>972,634</u> | <u>1,342,871</u> | <u>985,250</u> | <u>857,390</u> | <u>984,840</u> |
| EXPENDITURES | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - |
| Roads and highways | 1,191,769 | 1,040,741 | 1,220,270 | 1,100,988 | 984,476 | 928,360 |
| Community development | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | <u>1,191,769</u> | <u>1,040,741</u> | <u>1,220,270</u> | <u>1,100,988</u> | <u>984,476</u> | <u>928,360</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>117,152</u> | <u>(68,107)</u> | <u>122,601</u> | <u>(115,738)</u> | <u>(127,086)</u> | <u>56,480</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 117,152 | (68,107) | 122,601 | (115,738) | (127,086) | 56,480 |
| FUND BALANCES, BEGINNING | <u>288,052</u> | <u>368,446</u> | <u>584,882</u> | <u>271,127</u> | <u>296,392</u> | <u>337,733</u> |
| FUND BALANCES, ENDING | <u>\$ 405,204</u> | <u>\$ 300,339</u> | <u>\$ 707,483</u> | <u>\$ 155,389</u> | <u>\$ 169,306</u> | <u>\$ 394,213</u> |

Special Revenue

| Farm to Market #3 | Farm to Market #4 | Lateral Road | District Clerk Archives | Justice Court Technology Fund | County & District Court Technology | District Court Records Technology | Jury | Law Library |
|-------------------------|-------------------------|------------------|-------------------------------|----------------------------------------|---------------------------------------------|--------------------------------------------|------------------|------------------|
| \$ 854,556 | \$ 854,556 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 83,846 | \$ - |
| - | - | 62,677 | - | - | - | - | 37,876 | - |
| - | - | - | 9,800 | 26,491 | 4,032 | 16,320 | - | - |
| 484 | 304 | - | - | - | - | - | 85 | 72 |
| - | 399,363 | - | - | - | - | - | 6,197 | 84,795 |
| <u>855,040</u> | <u>1,254,223</u> | <u>62,677</u> | <u>9,800</u> | <u>26,491</u> | <u>4,032</u> | <u>16,320</u> | <u>128,004</u> | <u>84,867</u> |
| - | - | - | - | 10,000 | - | - | - | - |
| - | - | - | - | - | - | - | 130,778 | 115,701 |
| 911,223 | 793,537 | 66,606 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| <u>911,223</u> | <u>793,537</u> | <u>66,606</u> | <u>-</u> | <u>10,000</u> | <u>-</u> | <u>-</u> | <u>130,778</u> | <u>115,701</u> |
| (56,183) | 460,686 | (3,929) | 9,800 | 16,491 | 4,032 | 16,320 | (2,774) | (30,834) |
| - | - | - | - | - | - | - | - | - |
| <u>(56,183)</u> | <u>460,686</u> | <u>(3,929)</u> | <u>9,800</u> | <u>16,491</u> | <u>4,032</u> | <u>16,320</u> | <u>(2,774)</u> | <u>(30,834)</u> |
| 514,400 | 167,152 | 15,729 | 70,196 | 6,206 | 8,371 | 37,980 | 47,588 | 106,743 |
| <u>\$ 458,217</u> | <u>\$ 627,838</u> | <u>\$ 11,800</u> | <u>\$ 79,996</u> | <u>\$ 22,697</u> | <u>\$ 12,403</u> | <u>\$ 54,300</u> | <u>\$ 44,814</u> | <u>\$ 75,909</u> |

(continued)

ELLIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Special Revenue | | | | | |
|----------------------------------------------------------------------|-----------------------------------|---------------------------------|------------------------------------|--------------------|-------------------------------|--------------------------|
| | District Attorney Hot Check | District Attorney Seizure | District Attorney Forfeiture | Sheriff Seizure | Sheriff Drug Forfeiture | Emissions Enforcement |
| REVENUES | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | - |
| Auto registration | - | - | - | - | - | - |
| Fees of office | 17,505 | - | - | - | - | - |
| Fines and forfeitures | - | 5,204 | 19,064 | 14,430 | 1,497 | - |
| Interest earnings | 333 | 657 | 203 | 112 | 173 | - |
| Other | 23 | - | 24,729 | - | 70,413 | - |
| Total revenues | <u>17,861</u> | <u>5,861</u> | <u>43,996</u> | <u>14,542</u> | <u>72,083</u> | <u>-</u> |
| EXPENDITURES | | | | | | |
| General government | - | - | - | - | - | - |
| Judicial | 23,570 | 43,747 | 145,336 | - | - | - |
| Public safety | - | - | - | 2,851 | 76,327 | - |
| Roads and highways | - | - | - | - | - | - |
| Community development | - | - | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | <u>23,570</u> | <u>43,747</u> | <u>145,336</u> | <u>2,851</u> | <u>76,327</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(5,709)</u> | <u>(37,886)</u> | <u>(101,340)</u> | <u>11,691</u> | <u>(4,244)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | - | - | - | - | (12,000) | - |
| Transfers in | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(12,000)</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | <u>(5,709)</u> | <u>(37,886)</u> | <u>(101,340)</u> | <u>11,691</u> | <u>(16,244)</u> | <u>-</u> |
| FUND BALANCES, BEGINNING | <u>302,174</u> | <u>551,716</u> | <u>377,704</u> | <u>314,442</u> | <u>157,390</u> | <u>9</u> |
| FUND BALANCES, ENDING | <u>\$ 296,465</u> | <u>\$ 513,830</u> | <u>\$ 276,364</u> | <u>\$ 326,133</u> | <u>\$ 141,146</u> | <u>\$ 9</u> |

Special Revenue

| Constable Precinct #1 Forfeiture | Constable Precinct #2 Forfeiture | Constable Precinct #4 Forfeiture | Records Management | General Record Management Preservation | Courthouse Security | Sheriff Federal Forfeiture | Court Records Preservation | County Clerk Archives Management |
|----------------------------------------|----------------------------------------|----------------------------------------|-----------------------|-------------------------------------------------|------------------------|----------------------------------|----------------------------------|----------------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | 251,090 | 44,381 | 73,233 | - | 8,790 | - |
| - | - | - | - | - | - | 59,905 | - | - |
| - | - | 2 | - | 122 | 33 | 522 | - | 186 |
| - | - | 2,636 | - | 17,521 | - | 5,733 | - | 249,165 |
| - | - | 2,638 | 251,090 | 62,024 | 73,266 | 66,160 | 8,790 | 249,351 |
| - | - | - | 188,160 | 15,267 | - | - | - | 5,157 |
| - | - | 913 | - | - | - | 171,874 | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | 913 | 188,160 | 15,267 | - | 171,874 | - | 5,157 |
| - | - | 1,725 | 62,930 | 46,757 | 73,266 | (105,714) | 8,790 | 244,194 |
| - | - | - | - | - | (76,900) | - | - | - |
| - | - | - | - | - | (76,900) | - | - | - |
| - | - | 1,725 | 62,930 | 46,757 | (3,634) | (105,714) | 8,790 | 244,194 |
| 181 | 165 | 1,288 | 6,659 | 205,444 | 13,796 | 500,510 | 31,209 | 541,496 |
| \$ 181 | \$ 165 | \$ 3,013 | \$ 69,589 | \$ 252,201 | \$ 10,162 | \$ 394,796 | \$ 39,999 | \$ 785,690 |

(continued)

ELLIS COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Special Revenue | | | | | Reconstruction Fund |
|----------------------------------------------------------------------|---------------------------------|----------------------------------|-------------------------------------|-----------------------------|------------------------------|------------------------|
| | Fire Marshal Special Fund | Law Enforcement Block Fund | Constable Precinct #4 Seizure | Elections Administration | DWI Blood Draw Account | |
| REVENUES | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | - | - | - | - | - | 19,305 |
| Auto registration | - | - | - | - | - | - |
| Fees of office | 31,911 | - | - | 5,269 | - | - |
| Fines and forfeitures | - | - | - | - | - | - |
| Interest earnings | - | 19 | - | - | - | - |
| Other | - | - | - | - | - | - |
| Total revenues | <u>31,911</u> | <u>19</u> | <u>-</u> | <u>5,269</u> | <u>-</u> | <u>19,305</u> |
| EXPENDITURES | | | | | | |
| General government | - | - | - | 20,043 | - | - |
| Judicial | - | - | - | - | 4,600 | - |
| Public safety | 25,130 | - | 1,232 | - | - | - |
| Roads and highways | - | - | - | - | - | - |
| Community development | - | - | - | - | - | 19,305 |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - |
| Total expenditures | <u>25,130</u> | <u>-</u> | <u>1,232</u> | <u>20,043</u> | <u>4,600</u> | <u>19,305</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>6,781</u> | <u>19</u> | <u>(1,232)</u> | <u>(14,774)</u> | <u>(4,600)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | - | - | - | - | - | - |
| Transfers in | - | - | - | - | 12,000 | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>12,000</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 6,781 | 19 | (1,232) | (14,774) | 7,400 | - |
| FUND BALANCES, BEGINNING | <u>13,401</u> | <u>17,724</u> | <u>1,232</u> | <u>18,101</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES, ENDING | <u>\$ 20,182</u> | <u>\$ 17,743</u> | <u>\$ -</u> | <u>\$ 3,327</u> | <u>\$ 7,400</u> | <u>\$ -</u> |

| Debt Service | | Capital Projects | | | | | |
|-------------------|----------------------|-------------------|-------------------------|------------------------|------------------------|-------------------------|----------------------|
| Debt Service | 2007 Debt Service | Right of Way | 2008 Right of Way | Road District #1 | Road District #5 | Road District #16 | Totals |
| \$ 1,825,441 | \$ 3,593,560 | \$ - | \$ 20,278 | \$ - | \$ - | \$ - | \$ 11,010,580 |
| - | - | - | - | - | - | - | 119,858 |
| - | - | - | - | - | - | - | 2,130,728 |
| - | - | - | - | - | - | - | 488,822 |
| - | - | - | - | - | - | - | 100,100 |
| 1,412 | 2,698 | 145 | - | 1,491 | 81 | 155 | 11,628 |
| - | - | - | - | - | - | - | 1,401,071 |
| <u>1,826,853</u> | <u>3,596,258</u> | <u>145</u> | <u>20,278</u> | <u>1,491</u> | <u>81</u> | <u>155</u> | <u>15,262,787</u> |
| - | - | - | - | - | - | - | 238,627 |
| - | - | - | - | - | - | - | 463,732 |
| - | - | - | - | - | - | - | 278,327 |
| - | - | - | 2,988 | - | - | - | 8,240,958 |
| - | - | - | - | - | - | - | 19,305 |
| 2,055,000 | 1,550,000 | - | - | - | - | - | 3,605,000 |
| 43,997 | 2,206,950 | - | - | - | - | - | 2,250,947 |
| <u>2,098,997</u> | <u>3,756,950</u> | <u>-</u> | <u>2,988</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>15,096,896</u> |
| (272,144) | (160,692) | 145 | 17,290 | 1,491 | 81 | 155 | 165,891 |
| - | - | - | - | - | - | - | (88,900) |
| - | - | - | - | - | - | - | 12,000 |
| - | - | - | - | - | - | - | (76,900) |
| (272,144) | (160,692) | 145 | 17,290 | 1,491 | 81 | 155 | 88,991 |
| <u>1,147,664</u> | <u>950,161</u> | <u>119,708</u> | <u>99,129</u> | <u>1,187,568</u> | <u>66,855</u> | <u>184,194</u> | <u>9,930,917</u> |
| <u>\$ 875,520</u> | <u>\$ 789,469</u> | <u>\$ 119,853</u> | <u>\$ 116,419</u> | <u>\$ 1,189,059</u> | <u>\$ 66,936</u> | <u>\$ 184,349</u> | <u>\$ 10,019,908</u> |

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Road and bridge taxes | \$ 539,272 | \$ 536,990 | \$(2,282) |
| Auto registration | 537,100 | 526,929 | (10,171) |
| Interest earnings | 400 | 336 | (64) |
| Other | <u>15,535</u> | <u>244,666</u> | <u>229,131</u> |
| Total revenues | <u>1,092,307</u> | <u>1,308,921</u> | <u>216,614</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Salaries | 590,600 | 590,226 | 374 |
| Benefits | 244,460 | 237,739 | 6,721 |
| Other | <u>447,947</u> | <u>363,804</u> | <u>84,143</u> |
| Total expenditures | <u>1,283,007</u> | <u>1,191,769</u> | <u>91,238</u> |
| NET CHANGE IN FUND BALANCE | (190,700) | 117,152 | 307,852 |
| FUND BALANCE, BEGINNING | <u>288,052</u> | <u>288,052</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 97,352</u> | <u>\$ 405,204</u> | <u>\$ 307,852</u> |

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #2

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Road and bridge taxes | \$ 442,969 | \$ 445,162 | \$ 2,193 |
| Auto registration | 537,100 | 523,491 | (13,609) |
| Interest earnings | 600 | 378 | (222) |
| Other | <u>3,603</u> | <u>3,603</u> | <u>-</u> |
| Total revenues | <u>984,272</u> | <u>972,634</u> | <u>(11,638)</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Salaries | 637,500 | 575,893 | 61,607 |
| Benefits | 252,744 | 237,159 | 15,585 |
| Other | <u>254,028</u> | <u>227,689</u> | <u>26,339</u> |
| Total expenditures | <u>1,144,272</u> | <u>1,040,741</u> | <u>103,531</u> |
| NET CHANGE IN FUND BALANCE | (160,000) | (68,107) | 91,893 |
| FUND BALANCE, BEGINNING | <u>368,446</u> | <u>368,446</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 208,446</u> | <u>\$ 300,339</u> | <u>\$ 91,893</u> |

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #3

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Road and bridge taxes | \$ 721,092 | \$ 720,931 | \$(161) |
| License and permits | 536,600 | 525,561 | (11,039) |
| Interest earnings | 800 | 609 | (191) |
| Other | <u>-</u> | <u>95,770</u> | <u>95,770</u> |
| Total revenues | <u>1,258,492</u> | <u>1,342,871</u> | <u>84,379</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Salaries | 661,872 | 644,126 | 17,746 |
| Benefits | 263,915 | 256,198 | 7,717 |
| Other | <u>432,705</u> | <u>319,946</u> | <u>112,759</u> |
| Total expenditures | <u>1,358,492</u> | <u>1,220,270</u> | <u>138,222</u> |
| NET CHANGE IN FUND BALANCE | (100,000) | 122,601 | 222,601 |
| FUND BALANCE, BEGINNING | <u>584,882</u> | <u>584,882</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 484,882</u> | <u>\$ 707,483</u> | <u>\$ 222,601</u> |

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #4

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Road and bridge taxes | \$ 367,073 | \$ 366,148 | \$(925) |
| License and permits | 540,600 | 554,747 | 14,147 |
| Interest earnings | 700 | 288 | (412) |
| Other | <u>-</u> | <u>64,067</u> | <u>64,067</u> |
| Total revenues | <u>908,373</u> | <u>985,250</u> | <u>76,877</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Salaries | 545,242 | 518,233 | 27,009 |
| Benefits | 231,415 | 221,672 | 9,743 |
| Other | <u>402,843</u> | <u>361,083</u> | <u>41,760</u> |
| Total expenditures | <u>1,179,500</u> | <u>1,100,988</u> | <u>78,512</u> |
| NET CHANGE IN FUND BALANCE | (271,127) | (115,738) | 155,389 |
| FUND BALANCE, BEGINNING | <u>271,127</u> | <u>271,127</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ -</u> | <u>\$ 155,389</u> | <u>\$ 155,389</u> |

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|-----------------------------------|-------------------|-------------------|------------------------------------|
| REVENUES | | | |
| Farm to market taxes | \$ 854,451 | \$ 854,556 | \$ 105 |
| Interest earnings | 500 | 301 | (199) |
| Other | <u>-</u> | <u>2,533</u> | <u>2,533</u> |
| Total revenues | <u>854,951</u> | <u>857,390</u> | <u>2,439</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Capital outlay | 134,033 | 133,558 | 475 |
| Other | 77,540 | 77,540 | - |
| Road repairs and materials | <u>773,378</u> | <u>773,378</u> | <u>-</u> |
| Total roads and highways | <u>984,951</u> | <u>984,476</u> | <u>475</u> |
| Total expenditures | <u>984,951</u> | <u>984,476</u> | <u>475</u> |
| NET CHANGE IN FUND BALANCE | (130,000) | (127,086) | 2,914 |
| FUND BALANCE, BEGINNING | <u>296,392</u> | <u>296,392</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 166,392</u> | <u>\$ 169,306</u> | <u>\$ 2,914</u> |

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #2

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|-----------------------------------|-------------------|-------------------|------------------------------------|
| REVENUES | | | |
| Farm to market taxes | \$ 854,451 | \$ 854,556 | \$ 105 |
| Interest earnings | 700 | 427 | (273) |
| Other | <u>129,857</u> | <u>129,857</u> | <u>-</u> |
| Total revenues | <u>985,008</u> | <u>984,840</u> | <u>(168)</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Capital outlay | 157,932 | 72,488 | 85,444 |
| Other | 109,498 | 93,901 | 15,597 |
| Road repairs and materials | 821,344 | 734,703 | 86,641 |
| Bridge repairs | <u>28,234</u> | <u>27,268</u> | <u>966</u> |
| Total expenditures | <u>1,117,008</u> | <u>928,360</u> | <u>188,648</u> |
| NET CHANGE IN FUND BALANCE | (132,000) | 56,480 | 188,480 |
| FUND BALANCE, BEGINNING | <u>337,733</u> | <u>337,733</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 205,733</u> | <u>\$ 394,213</u> | <u>\$ 188,480</u> |

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #3

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Farm to market taxes | \$ 854,451 | \$ 854,556 | \$ 105 |
| Interest earnings | <u>600</u> | <u>484</u> | <u>(116)</u> |
| Total revenues | <u>855,051</u> | <u>855,040</u> | <u>(11)</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Capital outlay | 65,000 | - | 65,000 |
| Other | 59,951 | 46,526 | 13,425 |
| Road repairs and materials | 860,100 | 837,594 | 22,506 |
| Bridge repairs | <u>70,000</u> | <u>27,103</u> | <u>42,897</u> |
| Total expenditures | <u>1,055,051</u> | <u>911,223</u> | <u>143,828</u> |
| NET CHANGE IN FUND BALANCE | (200,000) | (56,183) | 143,817 |
| FUND BALANCE, BEGINNING | <u>514,400</u> | <u>514,400</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u>314,400</u> | \$ <u>458,217</u> | \$ <u>143,817</u> |

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #4

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Farm to market taxes | \$ 854,451 | \$ 854,556 | \$ 105 |
| Interest earnings | 400 | 304 | (96) |
| Other | <u>173,858</u> | <u>399,363</u> | <u>225,505</u> |
| Total revenues | <u>1,028,709</u> | <u>1,254,223</u> | <u>225,514</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Capital outlay | 112,950 | 112,950 | - |
| Other | 130,900 | 114,450 | 16,450 |
| Road repairs and materials | 682,909 | 564,187 | 118,722 |
| Bridge repairs | <u>101,950</u> | <u>1,950</u> | <u>100,000</u> |
| Total expenditures | <u>1,028,709</u> | <u>793,537</u> | <u>235,172</u> |
| NET CHANGE IN FUND BALANCE | - | 460,686 | 460,686 |
| FUND BALANCE, BEGINNING | <u>167,152</u> | <u>167,152</u> | - |
| FUND BALANCE, ENDING | <u>\$ 167,152</u> | <u>\$ 627,838</u> | <u>\$ 460,686</u> |

ELLIS COUNTY, TEXAS

LATERAL ROADS

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|---------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Intergovernmental | \$ 62,677 | \$ 62,677 | \$ - |
| Total revenues | <u>62,677</u> | <u>62,677</u> | <u>-</u> |
| EXPENDITURES | | | |
| Roads and highways: | | | |
| Other | <u>78,406</u> | <u>66,606</u> | <u>11,800</u> |
| Total expenditures | <u>78,406</u> | <u>66,606</u> | <u>11,800</u> |
| NET CHANGE IN FUND BALANCE | (15,729) | (3,929) | 11,800 |
| FUND BALANCE, BEGINNING | <u>15,729</u> | <u>15,729</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ -</u> | <u>\$ 11,800</u> | <u>\$ 11,800</u> |

ELLIS COUNTY, TEXAS

DISTRICT CLERK ARCHIVES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------------|-------------------------|---------------------------------------------|
| REVENUES | | | |
| Fees of office | \$ <u>10,000</u> | \$ <u>9,800</u> | \$ <u>(200)</u> |
| Total revenues | <u>10,000</u> | <u>9,800</u> | <u>(200)</u> |
| EXPENDITURES | | | |
| Judicial: | | | |
| Other | <u>10,000</u> | <u>-</u> | <u>10,000</u> |
| Total expenditures | <u>10,000</u> | <u>-</u> | <u>10,000</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>9,800</u> | <u>9,800</u> |
| FUND BALANCE, BEGINNING | <u>70,196</u> | <u>70,196</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u><u>70,196</u></u> | \$ <u><u>79,996</u></u> | \$ <u><u>9,800</u></u> |

ELLIS COUNTY, TEXAS

JUSTICE COURT TECHNOLOGY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-----------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Other fees | \$ 19,800 | \$ 26,491 | \$ 6,691 |
| Total revenues | <u>19,800</u> | <u>26,491</u> | <u>6,691</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>19,800</u> | <u>10,000</u> | <u>9,800</u> |
| Total expenditures | <u>19,800</u> | <u>10,000</u> | <u>9,800</u> |
| NET CHANGE IN FUND BALANCE | - | 16,491 | 16,491 |
| FUND BALANCE, BEGINNING | <u>6,206</u> | <u>6,206</u> | - |
| FUND BALANCE, ENDING | \$ <u>6,206</u> | \$ <u>22,697</u> | \$ <u>16,491</u> |

ELLIS COUNTY, TEXAS

COUNTY & DISTRICT COURT TECHNOLOGY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|-----------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Other fees | \$ 2,800 | \$ 4,032 | \$ 1,232 |
| Total revenues | <u>2,800</u> | <u>4,032</u> | <u>1,232</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>2,800</u> | <u>-</u> | <u>2,800</u> |
| Total expenditures | <u>2,800</u> | <u>-</u> | <u>2,800</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>4,032</u> | <u>4,032</u> |
| FUND BALANCE, BEGINNING | <u>8,371</u> | <u>8,371</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 8,371</u> | <u>\$ 12,403</u> | <u>\$ 4,032</u> |

ELLIS COUNTY, TEXAS

DISTRICT COURT RECORDS TECHNOLOGY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Other fees | \$ 9,000 | \$ 16,320 | \$ 7,320 |
| Total revenues | <u>9,000</u> | <u>16,320</u> | <u>7,320</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>9,000</u> | <u>-</u> | <u>9,000</u> |
| Total expenditures | <u>9,000</u> | <u>-</u> | <u>9,000</u> |
| NET CHANGE IN FUND BALANCE | - | 16,320 | 16,320 |
| FUND BALANCE, BEGINNING | <u>37,980</u> | <u>37,980</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 37,980</u> | <u>\$ 54,300</u> | <u>\$ 16,320</u> |

ELLIS COUNTY, TEXAS

JURY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Taxes | \$ 83,700 | \$ 83,846 | \$ 146 |
| Intergovernmental | 40,000 | 37,876 | (2,124) |
| Interest earnings | 100 | 85 | (15) |
| Other fees | <u>5,000</u> | <u>6,197</u> | <u>1,197</u> |
| Total revenues | <u>128,800</u> | <u>128,004</u> | <u>(796)</u> |
| EXPENDITURES | | | |
| Judicial: | | | |
| Jurors fees | <u>131,574</u> | <u>130,778</u> | <u>796</u> |
| Total expenditures | <u>131,574</u> | <u>130,778</u> | <u>796</u> |
| NET CHANGE IN FUND BALANCE | (2,774) | (2,774) | - |
| FUND BALANCE, BEGINNING | <u>47,588</u> | <u>47,588</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 44,814</u> | <u>\$ 44,814</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

LAW LIBRARY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ 100 | \$ 72 | \$(28) |
| Other fees | 91,500 | 84,695 | (6,805) |
| Other | <u>-</u> | <u>100</u> | <u>100</u> |
| Total revenues | <u>91,600</u> | <u>84,867</u> | <u>(6,733)</u> |
| EXPENDITURES | | | |
| Legal: | | | |
| Salaries | 35,096 | 35,096 | - |
| Benefits | 11,511 | 11,511 | - |
| Other | 74,103 | 68,884 | 5,219 |
| Capital outlay | <u>2,000</u> | <u>210</u> | <u>1,790</u> |
| Total expenditures | <u>122,710</u> | <u>115,701</u> | <u>7,009</u> |
| NET CHANGE IN FUND BALANCE | (31,110) | (30,834) | 276 |
| FUND BALANCE, BEGINNING | <u>106,743</u> | <u>106,743</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 75,633</u> | <u>\$ 75,909</u> | <u>\$ 276</u> |

ELLIS COUNTY, TEXAS

DISTRICT ATTORNEY'S HOT CHECK FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ 400 | \$ 333 | \$(67) |
| Other fees | 27,600 | 17,505 | (10,095) |
| Miscellaneous | <u>-</u> | <u>23</u> | <u>23</u> |
| Total revenues | <u>28,000</u> | <u>17,861</u> | <u>(10,139)</u> |
| EXPENDITURES | | | |
| Legal: | | | |
| Salaries | 33,735 | 19,022 | 14,713 |
| Benefits | 3,122 | 1,471 | 1,651 |
| Other | <u>9,158</u> | <u>3,077</u> | <u>6,081</u> |
| Total expenditures | <u>46,015</u> | <u>23,570</u> | <u>22,445</u> |
| NET CHANGE IN FUND BALANCE | (18,015) | (5,709) | 12,306 |
| FUND BALANCE, BEGINNING | <u>302,174</u> | <u>302,174</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 284,159</u> | <u>\$ 296,465</u> | <u>\$ 12,306</u> |

ELLIS COUNTY, TEXAS

DISTRICT ATTORNEY SEIZURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|---------------------------------------|-----------------------|-----------------------|------------------------------------|
| REVENUES | | | |
| Seizures | \$ 27,900 | \$ 5,204 | \$(22,696) |
| Interest earnings | <u>100</u> | <u>657</u> | <u>557</u> |
| Total revenues | <u>28,000</u> | <u>5,861</u> | <u>(22,139)</u> |
| EXPENDITURES | | | |
| Legal: | | | |
| Release of seized funds | <u>65,886</u> | <u>43,747</u> | <u>22,139</u> |
| Total expenditures | <u>65,886</u> | <u>43,747</u> | <u>22,139</u> |
| NET CHANGE IN FUND BALANCE | (37,886) | (37,886) | - |
| FUND BALANCE, BEGINNING | <u>551,716</u> | <u>551,716</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 513,830</u> | <u>\$ 513,830</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

DISTRICT ATTORNEY FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budget | Actual | Variance Positive (Negative) |
|-----------------------------------|------------|------------|------------------------------------|
| REVENUES | | | |
| Forfeitures | \$ 10,000 | \$ 19,064 | \$ 9,064 |
| Other | - | 24,729 | 24,729 |
| Interest earnings | 500 | 203 | (297) |
| Total revenues | 10,500 | 43,996 | 33,496 |
| EXPENDITURES | | | |
| Legal: | | | |
| Salaries | 64,350 | 57,812 | 6,538 |
| Benefits | 21,951 | 11,934 | 10,017 |
| Capital outlay | 5,000 | 1,110 | 3,890 |
| Other | 106,100 | 74,480 | 31,620 |
| Total expenditures | 197,401 | 145,336 | 52,065 |
| NET CHANGE IN FUND BALANCE | (186,901) | (101,340) | 85,561 |
| FUND BALANCE, BEGINNING | 377,704 | 377,704 | - |
| FUND BALANCE, ENDING | \$ 190,803 | \$ 276,364 | \$ 85,561 |

ELLIS COUNTY, TEXAS

SHERIFF SEIZURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Seizures | \$ 15,000 | \$ 14,430 | \$(570) |
| Interest earnings | <u>500</u> | <u>112</u> | <u>(388)</u> |
| Total revenues | <u>15,500</u> | <u>14,542</u> | <u>(958)</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| Forfeited transfers | <u>15,500</u> | <u>2,851</u> | <u>12,649</u> |
| Total expenditures | <u>15,500</u> | <u>2,851</u> | <u>12,649</u> |
| NET CHANGE IN FUND BALANCE | - | 11,691 | 11,691 |
| FUND BALANCE, BEGINNING | <u>314,442</u> | <u>314,442</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 314,442</u> | <u>\$ 326,133</u> | <u>\$ 11,691</u> |

ELLIS COUNTY, TEXAS

SHERIFF DRUG FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|--------------------------------------------------------------|------------------|-------------------|------------------------------------|
| REVENUES | | | |
| Forfeitures | \$ 10,000 | \$ 1,497 | \$(8,503) |
| Interest earnings | 200 | 173 | (27) |
| Other | <u>365</u> | <u>70,413</u> | <u>70,048</u> |
| Total revenues | <u>10,565</u> | <u>72,083</u> | <u>61,518</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| General | <u>76,327</u> | <u>76,327</u> | <u>-</u> |
| Total expenditures | <u>76,327</u> | <u>76,327</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(65,762)</u> | <u>(4,244)</u> | <u>(61,518)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers out | <u>(12,000)</u> | <u>(12,000)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(12,000)</u> | <u>(12,000)</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | <u>(77,762)</u> | <u>(16,244)</u> | 61,518 |
| FUND BALANCE, BEGINNING | <u>157,390</u> | <u>157,390</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 79,628</u> | <u>\$ 141,146</u> | <u>\$ 61,518</u> |

ELLIS COUNTY, TEXAS

EMISSIONS ENFORCEMENT FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|---------------|---------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ - | \$ - | \$ - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| General | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, BEGINNING | <u>9</u> | <u>9</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 9</u> | <u>\$ 9</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #1 FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|----------------------|----------------------|---------------------------------------------|
| REVENUES | | | |
| Fines and forfeitures | \$ - | \$ - | \$ - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| General | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, BEGINNING | <u>181</u> | <u>181</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u><u>\$ 181</u></u> | <u><u>\$ 181</u></u> | <u><u>\$ -</u></u> |

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #2 FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|---------------|---------------|---------------------------------------------|
| REVENUES | | | |
| Fines and forfeitures | \$ - | \$ - | \$ - |
| Interest earnings | <u>-</u> | <u>-</u> | <u>-</u> |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| General | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | - | - | - |
| FUND BALANCE, BEGINNING | <u>165</u> | <u>165</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 165</u> | <u>\$ 165</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #4 FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|-------------------|---------------------|---------------------------------------------|
| REVENUES | | | |
| Other | \$ - | \$ 2,636 | \$ 2,636 |
| Interest | <u>-</u> | <u>2</u> | <u>2</u> |
| Total revenues | <u>-</u> | <u>2,638</u> | <u>2,638</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| General | <u>913</u> | <u>913</u> | <u>-</u> |
| Total expenditures | <u>913</u> | <u>913</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | (913) | 1,725 | 2,638 |
| FUND BALANCE, BEGINNING | <u>1,288</u> | <u>1,288</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 375</u> | <u>\$ 3,013</u> | <u>\$ 2,638</u> |

ELLIS COUNTY, TEXAS

RECORDS MANAGEMENT FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|-----------------------------------|-----------------|------------------|------------------------------------|
| REVENUES | | | |
| Records management fees | \$ 188,160 | \$ 251,090 | \$ 62,930 |
| Total revenues | <u>188,160</u> | <u>251,090</u> | <u>62,930</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>188,160</u> | <u>188,160</u> | <u>-</u> |
| Total expenditures | <u>188,160</u> | <u>188,160</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | - | 62,930 | 62,930 |
| FUND BALANCE, BEGINNING | <u>6,659</u> | <u>6,659</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 6,659</u> | <u>\$ 69,589</u> | <u>\$ 62,930</u> |

ELLIS COUNTY, TEXAS

GENERAL RECORDS MANAGEMENT AND PRESERVATION FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|----------------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| District Clerk records management fees | \$ 19,000 | \$ 18,340 | \$(660) |
| County Clerk records management fees | 20,000 | 26,041 | 6,041 |
| Interest earnings | 100 | 122 | 22 |
| Other | <u>18,000</u> | <u>17,521</u> | <u>(479)</u> |
| Total revenues | <u>57,100</u> | <u>62,024</u> | <u>4,924</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Capital outlay | 25,000 | 15,267 | 9,733 |
| Other | <u>32,100</u> | <u>-</u> | <u>32,100</u> |
| Total expenditures | <u>57,100</u> | <u>15,267</u> | <u>41,833</u> |
| NET CHANGE IN FUND BALANCE | - | 46,757 | 46,757 |
| FUND BALANCE, BEGINNING | <u>205,444</u> | <u>205,444</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 205,444</u> | <u>\$ 252,201</u> | <u>\$ 46,757</u> |

ELLIS COUNTY, TEXAS

COURTHOUSE SECURITY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | Budget | Actual | Variance Positive (Negative) |
|--------------------------------------------------------------|-----------|-----------|------------------------------------|
| REVENUES | | | |
| District clerk courthouse security fees | \$ 11,000 | \$ 10,014 | \$(986) |
| County clerk courthouse security fees | 43,900 | 36,739 | (7,161) |
| JP court courthouse security fees | 22,000 | 26,480 | 4,480 |
| Interest earnings | - | 33 | 33 |
| Total revenues | 76,900 | 73,266 | (3,634) |
| EXPENDITURES | | | |
| General government: | | | |
| Salaries | - | - | - |
| Total expenditures | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 76,900 | 73,266 | (3,634) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers out | (76,900) | (76,900) | - |
| Total other financing sources (uses) | (76,900) | (76,900) | - |
| NET CHANGE IN FUND BALANCE | - | (3,634) | (3,634) |
| FUND BALANCE, BEGINNING | 13,796 | 13,796 | - |
| FUND BALANCE, ENDING | \$ 13,796 | \$ 10,162 | \$(3,634) |

ELLIS COUNTY, TEXAS

SHERIFF FEDERAL FORFEITURE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Seizures | \$ - | \$ 59,905 | \$ 59,905 |
| Other | - | 5,733 | 5,733 |
| Interest earnings | <u>500</u> | <u>522</u> | <u>22</u> |
| Total revenues | <u>500</u> | <u>66,160</u> | <u>65,660</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| Other | <u>188,773</u> | <u>171,874</u> | <u>16,899</u> |
| Total expenditures | <u>188,773</u> | <u>171,874</u> | <u>16,899</u> |
| NET CHANGE IN FUND BALANCE | (188,273) | (105,714) | 82,559 |
| FUND BALANCE, BEGINNING | <u>500,510</u> | <u>500,510</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 312,237</u> | <u>\$ 394,796</u> | <u>\$ 82,559</u> |

ELLIS COUNTY, TEXAS

COURT RECORDS PRESERVATION

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Records management fees | \$ 9,000 | \$ 8,790 | \$(210) |
| Total revenues | <u>9,000</u> | <u>8,790</u> | <u>(210)</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>9,000</u> | <u>-</u> | <u>9,000</u> |
| Total expenditures | <u>9,000</u> | <u>-</u> | <u>9,000</u> |
| NET CHANGE IN FUND BALANCE | - | 8,790 | 8,790 |
| FUND BALANCE, BEGINNING | <u>31,209</u> | <u>31,209</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 31,209</u> | <u>\$ 39,999</u> | <u>\$ 8,790</u> |

ELLIS COUNTY, TEXAS

COUNTY CLERK ARCHIVES MANAGEMENT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ 400 | \$ 186 | \$(214) |
| Other | <u>150,000</u> | <u>249,165</u> | <u>99,165</u> |
| Total revenues | <u>150,400</u> | <u>249,351</u> | <u>98,951</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>150,400</u> | <u>5,157</u> | <u>145,243</u> |
| Total expenditures | <u>150,400</u> | <u>5,157</u> | <u>145,243</u> |
| NET CHANGE IN FUND BALANCE | - | 244,194 | 244,194 |
| FUND BALANCE, BEGINNING | <u>541,496</u> | <u>541,496</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 541,496</u> | <u>\$ 785,690</u> | <u>\$ 244,194</u> |

ELLIS COUNTY, TEXAS

FIRE MARSHAL SPECIAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------------|-------------------------|---------------------------------------------|
| REVENUES | | | |
| Fire code fees | \$ <u>25,130</u> | \$ <u>31,911</u> | \$ <u>6,781</u> |
| Total revenues | <u>25,130</u> | <u>31,911</u> | <u>6,781</u> |
| EXPENDITURES | | | |
| General government: | | | |
| Other | <u>25,130</u> | <u>25,130</u> | <u>-</u> |
| Total expenditures | <u>25,130</u> | <u>25,130</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>6,781</u> | <u>6,781</u> |
| FUND BALANCE, BEGINNING | <u>13,401</u> | <u>13,401</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u><u>13,401</u></u> | \$ <u><u>20,182</u></u> | \$ <u><u>6,781</u></u> |

ELLIS COUNTY, TEXAS

LAW ENFORCEMENT BLOCK FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|------------------|---------------------------------------------|
| REVENUES | | | |
| Interest | \$ - | \$ 19 | \$ 19 |
| Total revenues | <u>-</u> | <u>19</u> | <u>19</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| Capital outlay | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | - | 19 | 19 |
| FUND BALANCE, BEGINNING | <u>17,724</u> | <u>17,724</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 17,724</u> | <u>\$ 17,743</u> | <u>\$ 19</u> |

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #4 SEIZURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|---------------|---------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ - | \$ - | \$ - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Public safety: | | | |
| Other | <u>1,232</u> | <u>1,232</u> | <u>-</u> |
| Total expenditures | <u>1,232</u> | <u>1,232</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | (1,232) | (1,232) | - |
| FUND BALANCE, BEGINNING | <u>1,232</u> | <u>1,232</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

ELECTIONS ADMINISTRATION FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|-----------------------------------|-----------------|-----------------|------------------------------------|
| REVENUES | | | |
| Other | \$ 3,043 | \$ 5,269 | \$ 2,226 |
| Total revenues | <u>3,043</u> | <u>5,269</u> | <u>2,226</u> |
| EXPENDITURES | | | |
| Legal: | | | |
| Other | 20,043 | 20,043 | - |
| Total expenditures | <u>20,043</u> | <u>20,043</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | (17,000) | (14,774) | 2,226 |
| FUND BALANCE, BEGINNING | <u>18,101</u> | <u>18,101</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u>1,101</u> | \$ <u>3,327</u> | \$ <u>2,226</u> |

ELLIS COUNTY, TEXAS

DWI BLOOD DRAW ACCOUNT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|--------------------------------------------------------------|-----------------|-----------------|------------------------------------|
| REVENUES | | | |
| Other | \$ - | \$ - | \$ - |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | |
| Judicial: | | | |
| Other | <u>4,600</u> | <u>4,600</u> | <u>-</u> |
| Total expenditures | <u>4,600</u> | <u>4,600</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(4,600)</u> | <u>(4,600)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>12,000</u> | <u>12,000</u> | <u>-</u> |
| Total other financing sources (uses) | <u>12,000</u> | <u>12,000</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | 7,400 | 7,400 | - |
| FUND BALANCE, BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 7,400</u> | <u>\$ 7,400</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

RECONSTRUCTION FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|---------------|---------------|---------------------------------------------|
| REVENUES | | | |
| Intergovernmental | \$ 19,305 | \$ 19,305 | \$ - |
| Total revenues | <u>19,305</u> | <u>19,305</u> | <u>-</u> |
| EXPENDITURES | | | |
| Community development: | | | |
| General | <u>19,305</u> | <u>19,305</u> | <u>-</u> |
| Total expenditures | <u>19,305</u> | <u>19,305</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | - | - | - |
| FUND BALANCE, BEGINNING | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

ELLIS COUNTY, TEXAS

DEBT SERVICE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|-----------------------|-----------------------|---------------------------------------------|
| REVENUES | | | |
| Taxes | \$ 1,808,194 | \$ 1,825,441 | \$ 17,247 |
| Interest earnings | 1,000 | 1,412 | 412 |
| Total revenues | <u>1,809,194</u> | <u>1,826,853</u> | <u>17,659</u> |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principal | 2,055,000 | 2,055,000 | - |
| Interest | 43,194 | 43,194 | - |
| Other debt service | 11,000 | 803 | 10,197 |
| Total expenditures | <u>2,109,194</u> | <u>2,098,997</u> | <u>10,197</u> |
| NET CHANGE IN FUND BALANCE | (300,000) | (272,144) | 27,856 |
| FUND BALANCE, BEGINNING | <u>1,147,664</u> | <u>1,147,664</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 847,664</u> | <u>\$ 875,520</u> | <u>\$ 27,856</u> |

ELLIS COUNTY, TEXAS

2007 DEBT SERVICE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Taxes | \$ 3,566,200 | \$ 3,593,560 | \$ 27,360 |
| Interest earnings | <u>1,000</u> | <u>2,698</u> | <u>1,698</u> |
| Total revenues | <u>3,567,200</u> | <u>3,596,258</u> | <u>29,058</u> |
| EXPENDITURES | | | |
| Debt service: | | | |
| Principal | 1,550,000 | 1,550,000 | - |
| Interest | <u>2,217,200</u> | <u>2,206,950</u> | <u>10,250</u> |
| Total expenditures | <u>3,767,200</u> | <u>3,756,950</u> | <u>10,250</u> |
| NET CHANGE IN FUND BALANCE | (200,000) | (160,692) | 39,308 |
| FUND BALANCE, BEGINNING | <u>950,161</u> | <u>950,161</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 750,161</u> | <u>\$ 789,469</u> | <u>\$ 39,308</u> |

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

RIGHT-OF-WAY AVAILABLE FUNDS

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|-------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Interest | \$ 200 | \$ 145 | \$(55) |
| Total revenues | <u>200</u> | <u>145</u> | <u>(55)</u> |
| EXPENDITURES | | | |
| Capital outlay: | | | |
| Right-of-way purchase | <u>200</u> | <u>-</u> | <u>200</u> |
| Total expenditures | <u>200</u> | <u>-</u> | <u>200</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>145</u> | <u>145</u> |
| FUND BALANCE, BEGINNING | <u>119,708</u> | <u>119,708</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 119,708</u> | <u>\$ 119,853</u> | <u>\$ 145</u> |

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

RIGHT-OF-WAY 2008 AVAILABLE FUNDS

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|------------------|-------------------|---------------------------------------------|
| REVENUES | | | |
| Taxes | \$ <u>20,000</u> | \$ <u>20,278</u> | \$ <u>278</u> |
| Total revenues | <u>20,000</u> | <u>20,278</u> | <u>278</u> |
| EXPENDITURES | | | |
| Capital outlay: | | | |
| Right-of-way purchase | <u>20,000</u> | <u>2,988</u> | <u>17,012</u> |
| Total expenditures | <u>20,000</u> | <u>2,988</u> | <u>17,012</u> |
| NET CHANGE IN FUND BALANCE | - | 17,290 | 17,290 |
| FUND BALANCE, BEGINNING | <u>99,129</u> | <u>99,129</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u>99,129</u> | \$ <u>116,419</u> | \$ <u>17,290</u> |

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

ROAD DISTRICT #1 AVAILABLE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|---------------------|---------------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ <u>1,200</u> | \$ <u>1,491</u> | \$ <u>291</u> |
| Total revenues | <u>1,200</u> | <u>1,491</u> | <u>291</u> |
| EXPENDITURES | | | |
| Other | <u>1,200</u> | <u>-</u> | <u>1,200</u> |
| Total expenditures | <u>1,200</u> | <u>-</u> | <u>1,200</u> |
| NET CHANGE IN FUND BALANCE | <u>-</u> | <u>1,491</u> | <u>1,491</u> |
| FUND BALANCE, BEGINNING | <u>1,187,568</u> | <u>1,187,568</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u>1,187,568</u> | \$ <u>1,189,059</u> | \$ <u>1,491</u> |

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

ROAD DISTRICT #5 AVAILABLE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------------|-------------------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ <u>200</u> | \$ <u>81</u> | \$ (<u>119</u>) |
| Total revenues | <u>200</u> | <u>81</u> | (<u>119</u>) |
| EXPENDITURES | | | |
| Other | <u>200</u> | <u>-</u> | <u>200</u> |
| Total expenditures | <u>200</u> | <u>-</u> | <u>200</u> |
| NET CHANGE IN FUND BALANCE | - | 81 | 81 |
| FUND BALANCE, BEGINNING | <u>66,855</u> | <u>66,855</u> | <u>-</u> |
| FUND BALANCE, ENDING | \$ <u><u>66,855</u></u> | \$ <u><u>66,936</u></u> | \$ <u><u>81</u></u> |

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

ROAD DISTRICT #16 AVAILABLE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | Variance Positive (Negative) |
|-----------------------------------|-------------------|-------------------|------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ 300 | \$ 155 | \$(145) |
| Total revenues | <u>300</u> | <u>155</u> | <u>(145)</u> |
| EXPENDITURES | | | |
| Capital outlay | <u>300</u> | <u>-</u> | <u>300</u> |
| Total expenditures | <u>300</u> | <u>-</u> | <u>300</u> |
| NET CHANGE IN FUND BALANCE | - | 155 | 155 |
| FUND BALANCE, BEGINNING | <u>184,194</u> | <u>184,194</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 184,194</u> | <u>\$ 184,349</u> | <u>\$ 155</u> |

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

PERMANENT IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2014

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-----------------------------------|-------------------|---------------------|---------------------------------------------|
| REVENUES | | | |
| Interest earnings | \$ 2,800 | \$ 791 | \$ (2,009) |
| Other | <u>-</u> | <u>40,000</u> | <u>40,000</u> |
| Total revenues | <u>2,800</u> | <u>40,791</u> | <u>37,991</u> |
| EXPENDITURES | | | |
| General Government: | | | |
| Other | 600,000 | 387,489 | 212,511 |
| Capital outlay | <u>1,149,800</u> | <u>80,316</u> | <u>1,069,484</u> |
| Total expenditures | <u>1,749,800</u> | <u>467,805</u> | <u>1,281,995</u> |
| NET CHANGE IN FUND BALANCE | (1,747,000) | (427,014) | 1,319,986 |
| FUND BALANCE, BEGINNING | <u>2,410,206</u> | <u>2,410,206</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 663,206</u> | <u>\$ 1,983,192</u> | <u>\$ 1,319,986</u> |

AGENCY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individual organizations, other governments and/or other funds.

COUNTY TREASURER

This fund is used to account for County and employee deposits for health care premiums.

TAX COLLECTOR

This fund is used to record tax collections which are deposited and distributed to other county funds, the State and other taxing authorities.

COUNTY ATTORNEY

This fund is used to account for funds received in criminal investigations awarded by court order and supplemental funds from the State of Texas for use in the County Attorney's office.

SHERIFF COMMISSARY

This fund is used to account for inmate deposits, which may be used by inmates to purchase miscellaneous personal items.

DISTRICT CLERK

This fund is used to account for monies held on behalf of individuals in accordance with court ordered decrees by the District Court.

COUNTY CLERK

This fund is used to account for monies held on behalf of individuals in accordance with court ordered decrees by the County Court.

JUSTICE OF THE PEACE

This fund is used to account for assets and liabilities of cash remitted to them in an agency capacity and related disbursements made by them.

JUVENILE PROBATION CORRECTION

This fund is used to account for funds received from various sources for supervision, rehabilitation and placement of juvenile probationers.

ADULT COMMUNITY SUPERVISION

This fund is used to account for funds received from various sources for supervision, rehabilitation and placement of adult probationers.

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

| | <u>Balance September 30, 2013</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance September 30, 2014</u> |
|--------------------------------|-------------------------------------------|-----------------------|-----------------------|-------------------------------------------|
| <u>COUNTY TREASURER</u> | | | | |
| Assets: | | | | |
| Cash and investments | \$ <u>301,918</u> | \$ <u>5,142,214</u> | \$ <u>5,063,074</u> | \$ <u>381,058</u> |
| Total assets | \$ <u>301,918</u> | \$ <u>5,142,214</u> | \$ <u>5,063,074</u> | \$ <u>381,058</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ <u>301,918</u> | \$ <u>5,142,214</u> | \$ <u>5,063,074</u> | \$ <u>381,058</u> |
| Total liabilities | \$ <u>301,918</u> | \$ <u>5,142,214</u> | \$ <u>5,063,074</u> | \$ <u>381,058</u> |
| <u>TAX COLLECTOR</u> | | | | |
| Assets: | | | | |
| Cash | \$ <u>2,241,464</u> | \$ <u>266,305,845</u> | \$ <u>266,110,167</u> | \$ <u>2,437,142</u> |
| Total assets | \$ <u>2,241,464</u> | \$ <u>266,305,845</u> | \$ <u>266,110,167</u> | \$ <u>2,437,142</u> |
| Liabilities: | | | | |
| Due to other governments | \$ <u>2,225,512</u> | \$ <u>266,289,893</u> | \$ <u>266,094,215</u> | \$ <u>2,421,190</u> |
| Due to beneficiaries | <u>15,952</u> | <u>15,952</u> | <u>15,952</u> | <u>15,952</u> |
| Total liabilities | \$ <u>2,241,464</u> | \$ <u>266,305,845</u> | \$ <u>266,110,167</u> | \$ <u>2,437,142</u> |
| <u>COUNTY ATTORNEY</u> | | | | |
| Assets: | | | | |
| Cash | \$ <u>77,958</u> | \$ <u>489,337</u> | \$ <u>492,495</u> | \$ <u>74,800</u> |
| Total assets | \$ <u>77,958</u> | \$ <u>489,337</u> | \$ <u>492,495</u> | \$ <u>74,800</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ <u>77,958</u> | \$ <u>489,337</u> | \$ <u>492,495</u> | \$ <u>74,800</u> |
| Total liabilities | \$ <u>77,958</u> | \$ <u>489,337</u> | \$ <u>492,495</u> | \$ <u>74,800</u> |

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

| | <u>Balance September 30, 2013</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance September 30, 2014</u> |
|------------------------------|-------------------------------------------|---------------------|---------------------|-------------------------------------------|
| <u>SHERIFF</u> | | | | |
| Assets: | | | | |
| Cash | \$ 116,637 | \$ 2,174,990 | \$ 2,184,692 | \$ 106,935 |
| Total assets | <u>\$ 116,637</u> | <u>\$ 2,174,990</u> | <u>\$ 2,184,692</u> | <u>\$ 106,935</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ 116,637 | \$ 2,174,990 | \$ 2,184,692 | \$ 106,935 |
| Total liabilities | <u>\$ 116,637</u> | <u>\$ 2,174,990</u> | <u>\$ 2,184,692</u> | <u>\$ 106,935</u> |
| <u>DISTRICT CLERK</u> | | | | |
| Assets: | | | | |
| Cash | \$ 1,692,779 | \$ 1,280,974 | \$ 83,606 | \$ 2,890,147 |
| Total assets | <u>\$ 1,692,779</u> | <u>\$ 1,280,974</u> | <u>\$ 83,606</u> | <u>\$ 2,890,147</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ 1,692,779 | \$ 1,280,974 | \$ 83,606 | \$ 2,890,147 |
| Total liabilities | <u>\$ 1,692,779</u> | <u>\$ 1,280,974</u> | <u>\$ 83,606</u> | <u>\$ 2,890,147</u> |
| <u>COUNTY CLERK</u> | | | | |
| Assets: | | | | |
| Cash | \$ 2,331,177 | \$ 4,255,369 | \$ 1,872,419 | \$ 4,714,127 |
| Total assets | <u>\$ 2,331,177</u> | <u>\$ 4,255,369</u> | <u>\$ 1,872,419</u> | <u>\$ 4,714,127</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ 2,331,177 | \$ 4,255,369 | \$ 1,872,419 | \$ 4,714,127 |
| Total liabilities | <u>\$ 2,331,177</u> | <u>\$ 4,255,369</u> | <u>\$ 1,872,419</u> | <u>\$ 4,714,127</u> |

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

| | <u>Balance September 30, 2013</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance September 30, 2014</u> |
|---------------------------------------------------------------|-------------------------------------------|---------------------|---------------------|-------------------------------------------|
| <u>JUSTICE OF THE PEACE</u> | | | | |
| Assets: | | | | |
| Cash | \$ 110,988 | \$ 690,997 | \$ 679,489 | \$ 122,496 |
| Total assets | <u>\$ 110,988</u> | <u>\$ 690,997</u> | <u>\$ 679,489</u> | <u>\$ 122,496</u> |
| Liabilities: | | | | |
| Due to other governments | \$ 110,988 | \$ 690,997 | \$ 679,489 | \$ 122,496 |
| Total liabilities | <u>\$ 110,988</u> | <u>\$ 690,997</u> | <u>\$ 679,489</u> | <u>\$ 122,496</u> |
| <u>JUVENILE PROBATION AND CORRECTIONS</u> | | | | |
| Assets: | | | | |
| Cash and investments | \$ 819,346 | \$ 2,038,281 | \$ 1,922,010 | \$ 935,617 |
| Total assets | <u>\$ 819,346</u> | <u>\$ 2,038,281</u> | <u>\$ 1,922,010</u> | <u>\$ 935,617</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ 456,321 | \$ 1,702,641 | \$ 1,558,985 | \$ 599,977 |
| Due to county | <u>363,025</u> | <u>335,640</u> | <u>363,025</u> | <u>335,640</u> |
| Total liabilities | <u>\$ 819,346</u> | <u>\$ 2,038,281</u> | <u>\$ 1,922,010</u> | <u>\$ 935,617</u> |
| <u>ADULT COMMUNITY SUPERVISION AND CORRECTIONS</u> | | | | |
| Assets: | | | | |
| Cash and investments | \$ 775,768 | \$ 2,029,653 | \$ 1,875,427 | \$ 929,994 |
| Total assets | <u>\$ 775,768</u> | <u>\$ 2,029,653</u> | <u>\$ 1,875,427</u> | <u>\$ 929,994</u> |
| Liabilities: | | | | |
| Due to beneficiaries | \$ 775,768 | \$ 2,029,653 | \$ 1,875,427 | \$ 929,994 |
| Total liabilities | <u>\$ 775,768</u> | <u>\$ 2,029,653</u> | <u>\$ 1,875,427</u> | <u>\$ 929,994</u> |

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014**

| | <u>Balance September 30, 2013</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance September 30, 2014</u> |
|----------------------------------------|-------------------------------------------|-----------------------|-----------------------|-------------------------------------------|
| <u>TOTAL - ALL AGENCY FUNDS</u> | | | | |
| Assets: | | | | |
| Cash and investments | \$ 8,468,035 | \$ 284,407,660 | \$ 280,283,379 | \$ 12,592,316 |
| Total assets | <u>\$ 8,468,035</u> | <u>\$ 284,407,660</u> | <u>\$ 280,283,379</u> | <u>\$ 12,592,316</u> |
| Liabilities: | | | | |
| Due to other governments | \$ 2,336,500 | \$ 266,980,890 | \$ 266,773,704 | \$ 2,543,686 |
| Due to county | 363,025 | 335,640 | 363,025 | 335,640 |
| Due to beneficiaries | <u>5,768,510</u> | <u>17,091,130</u> | <u>13,146,650</u> | <u>9,712,990</u> |
| Total liabilities | <u>\$ 8,468,035</u> | <u>\$ 284,407,660</u> | <u>\$ 280,283,379</u> | <u>\$ 12,592,316</u> |

STATISTICAL SECTION

STATISTICAL SECTION (Unaudited)

This part of the County of Ellis' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

| Contents | Page |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 110 |
| Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue sources. | 116 |
| 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. | 121 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 124 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County's provides and the activities it performs. | 126 |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

ELLIS COUNTY, TEXAS

NET POSITION BY COMPONENT
(Unaudited)
LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|--------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 18,225,600 | \$ 3,318,214 | \$ 4,243,073 | \$ 7,037,029 | \$ 13,138,945 | \$ 15,185,935 | \$ 19,964,231 | \$ 20,020,454 | \$ 20,916,060 | \$ 21,185,185 |
| Restricted | 655,299 | 738,058 | 820,200 | 1,939,499 | 2,486,180 | 2,316,833 | 7,694,058 | 7,726,619 | 8,239,636 | 8,334,257 |
| Unrestricted | 12,939,290 | 25,535,552 | 28,550,362 | 28,951,526 | 23,232,954 | 21,694,182 | 10,672,310 | 10,750,738 | 11,548,658 | 11,493,959 |
| Total governmental activities net position | \$ 31,820,189 | \$ 29,591,824 | \$ 33,613,635 | \$ 37,928,054 | \$ 38,858,079 | \$ 39,196,950 | \$ 38,330,599 | \$ 38,497,811 | \$ 40,704,354 | \$ 41,013,401 |

Governmental activities:
Net investment in capital assets
Restricted
Unrestricted
Total governmental activities net position

TABLE 2

ELLIS COUNTY, TEXAS
CHANGES IN NET POSITION
(Unaudited)
LAST TEN FISCAL YEARS¹

| | Fiscal Year | | | | | | | | | |
|------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| EXPENSES | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 8,845,589 | \$ 9,232,072 | \$ 9,457,567 | \$ 11,027,372 | \$ 12,576,295 | \$ 12,521,992 | \$ 13,621,198 | \$ 12,646,463 | \$ 12,417,075 | \$ 13,424,500 |
| Judicial | 4,046,313 | 4,185,014 | 4,584,015 | 5,242,394 | 5,505,751 | 5,586,861 | 5,565,386 | 5,655,574 | 5,919,050 | 6,106,470 |
| Public safety | 12,452,447 | 14,306,479 | 15,924,850 | 17,125,896 | 17,957,887 | 18,169,820 | 19,288,492 | 19,371,604 | 20,049,301 | 20,577,661 |
| Health and welfare | 2,445,497 | 2,585,252 | 2,363,193 | 1,869,806 | 1,995,092 | 1,599,566 | 1,216,930 | 1,265,966 | 1,179,311 | 1,621,603 |
| Conservation | 142,802 | 161,970 | 169,892 | 196,106 | 189,700 | 184,818 | 192,434 | 190,068 | 194,076 | 188,110 |
| Roads and highways | 5,241,732 | 6,330,052 | 5,576,443 | 7,474,568 | 8,621,000 | 8,632,387 | 8,088,420 | 8,306,733 | 8,211,435 | 8,484,824 |
| Community Development | - | - | - | - | - | - | - | - | - | 19,305 |
| Interest on long-term debt | 931,667 | 907,828 | 941,235 | 3,398,336 | 3,236,353 | 3,131,237 | 2,958,767 | 2,745,033 | 2,673,882 | 2,555,034 |
| Total expenses | \$34,106,047 | \$37,708,667 | \$39,017,195 | \$46,334,478 | \$50,082,078 | \$49,826,681 | \$50,931,627 | \$50,181,441 | \$50,644,130 | \$52,977,507 |
| PROGRAM REVENUES | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Fees, fines and charges for services: | | | | | | | | | | |
| General government | \$ 4,617,338 | \$ 3,626,361 | \$ 3,555,362 | \$ 3,207,150 | \$ 2,840,425 | \$ 2,873,269 | \$ 2,659,585 | \$ 2,872,892 | \$ 3,084,879 | \$ 3,363,159 |
| Judicial | 1,984,611 | 2,174,685 | 2,236,916 | 2,324,047 | 2,266,515 | 1,923,763 | 1,924,482 | 1,903,553 | 2,516,595 | 2,008,728 |
| Public safety | 650,645 | 405,024 | 744,251 | 663,817 | 650,674 | 605,550 | 679,354 | 709,275 | 771,412 | 582,809 |
| Health and welfare | - | - | - | - | - | - | - | - | - | - |
| Conservation | - | - | - | - | - | - | - | - | - | - |
| Roads and highways | 2,198,230 | 2,052,476 | 2,211,088 | 2,214,945 | 2,272,425 | 2,288,106 | 2,292,524 | 2,209,169 | 2,299,763 | 2,136,949 |
| Operating grants and contributions | 82,427 | 1,414,288 | 1,474,198 | 1,132,539 | 1,408,369 | 662,432 | 516,274 | 784,232 | 577,083 | 714,450 |
| Capital grants and contributions | - | - | - | - | - | - | 30,350 | - | - | - |
| Total governmental activities program revenues | 9,533,251 | 9,672,834 | 10,221,815 | 9,542,498 | 9,438,408 | 8,353,120 | 8,102,569 | 8,479,121 | 9,249,732 | 8,806,095 |
| NET (EXPENSE) REVENUES | <u>\$ (24,572,796)</u> | <u>\$ (28,035,833)</u> | <u>\$ (28,795,380)</u> | <u>\$ (36,791,980)</u> | <u>\$ (40,643,670)</u> | <u>\$ (41,473,561)</u> | <u>\$ (42,829,058)</u> | <u>\$ (41,702,320)</u> | <u>\$ (41,394,398)</u> | <u>\$ (44,171,412)</u> |

Continued

ELLIS COUNTY, TEXAS

CHANGES IN NET POSITION
(Unaudited)
LAST TEN FISCAL YEARS¹

| | Fiscal Year | | | | | | | | | |
|---------------------------------------------------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes | \$24,936,383 | \$27,456,824 | \$29,439,346 | \$36,056,133 | \$38,644,038 | \$39,347,184 | \$39,420,596 | \$40,361,150 | \$41,231,497 | \$42,466,495 |
| Investment earnings | 921,390 | 1,190,279 | 1,911,951 | 2,999,772 | 769,177 | 157,483 | 50,629 | 51,111 | 37,120 | 30,455 |
| Loss on disposal of assets | - | (4,463,528) | - | - | - | - | - | - | 402,282 | - |
| Miscellaneous | - | 1,575,759 | 1,465,894 | 2,050,494 | 2,160,005 | 2,307,765 | 2,491,482 | 1,457,271 | 1,930,042 | 2,378,985 |
| Total general revenues | \$25,857,773 | \$25,759,334 | \$32,817,191 | \$41,106,399 | \$41,573,220 | \$41,812,432 | \$41,962,707 | \$41,869,532 | \$43,600,941 | \$44,875,935 |
| Change in position before extraordinary items | \$1,284,977 | \$(2,276,499) | \$4,021,811 | \$4,314,419 | \$929,550 | \$338,871 | \$(866,351) | \$167,212 | \$2,206,543 | \$704,523 |
| Extraordinary items | - | - | - | - | - | - | - | - | - | - |
| CHANGE IN NET POSITION | \$1,284,977 | \$(2,276,499) | \$4,021,811 | \$4,314,419 | \$929,550 | \$338,871 | \$(866,351) | \$167,212 | \$2,206,543 | \$704,523 |
| Prior period adjustment | \$- | \$- | \$48,134 | \$- | \$475 | \$- | \$- | \$- | \$- | \$(395,476) |
| | | | | | | | | | | <i>Concluded</i> |

Source: Comprehensive Annual Financial Report

TABLE 3

ELLIS COUNTY, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS
(Unaudited)
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|---------------|---------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| General fund | | | | | | | | | | |
| Assigned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 610,757 | \$ - | \$ - |
| Unreserved | 5,168,051 | 6,950,191 | 8,666,051 | 8,731,805 | 8,195,164 | 7,771,665 | - | - | - | - |
| Unassigned | - | - | - | - | - | - | 8,208,008 | 8,668,112 | 11,208,144 | 13,137,890 |
| Total general fund | \$ 5,168,051 | \$ 6,950,191 | \$ 8,666,051 | \$ 8,731,805 | \$ 8,195,164 | \$ 7,771,665 | \$ 8,208,008 | \$ 9,278,869 | \$ 11,208,144 | \$ 13,137,890 |
| Road and bridge fund | | | | | | | | | | |
| Unreserved | \$ 1,864,675 | \$ 2,594,738 | \$ 3,632,211 | \$ 3,692,602 | \$ 3,462,937 | \$ 2,599,619 | \$ - | \$ - | \$ - | \$ - |
| Restricted for: | | | | | | | | | | |
| Road and bridge | - | - | - | - | - | - | 2,885,766 | 2,552,772 | 2,843,913 | 3,220,754 |
| Total road & bridge | \$ 1,864,675 | \$ 2,594,738 | \$ 3,632,211 | \$ 3,692,602 | \$ 3,462,937 | \$ 2,599,619 | \$ 2,885,766 | \$ 2,552,772 | \$ 2,843,913 | \$ 3,220,754 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | |
| Prepaid items | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 9,035 |
| Reserved for: | | | | | | | | | | |
| Debt service | \$ 515,570 | \$ 738,058 | \$ 820,200 | \$ 1,939,499 | \$ 2,486,180 | \$ 2,316,833 | \$ - | \$ - | \$ - | \$ - |
| Unreserved | | | | | | | | | | |
| Capital projects funds | 2,159,952 | 13,196,145 | 67,027,599 | 63,149,058 | 33,482,154 | 7,942,736 | - | - | - | - |
| Special revenue funds | 1,439,811 | 1,574,343 | 2,120,482 | 2,337,017 | 2,712,183 | 2,755,363 | - | - | - | - |
| Restricted for: | | | | | | | | | | |
| Public Safety & Law I | - | - | - | - | - | - | 1,758,450 | 1,723,468 | 2,204,109 | 1,997,427 |
| Technology and Secur | - | - | - | - | - | - | 37,193 | 59,771 | 66,353 | 99,562 |
| Records Management | - | - | - | - | - | - | 588,398 | 775,459 | 961,747 | 1,303,384 |
| Other Statutorily Restr | - | - | - | - | - | - | 25,273 | 46,415 | 65,689 | 48,141 |
| Debt Service | - | - | - | - | - | - | 2,398,978 | 2,534,907 | 2,097,825 | 1,664,989 |
| Assigned for: | | | | | | | | | | |
| Capital Projects | - | - | - | - | - | - | 4,724,569 | 4,240,903 | 4,101,487 | 3,659,808 |
| Total other government funds | \$ 4,115,333 | \$ 15,508,546 | \$ 69,968,281 | \$ 67,425,574 | \$ 38,680,517 | \$ 13,014,932 | \$ 9,532,861 | \$ 9,380,923 | \$ 9,497,210 | \$ 8,782,346 |

Source: Comprehensive Annual Financial Report

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

(Unaudited)

LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| REVENUES | | | | | | | | | | |
| Property Taxes | \$ 25,251,205 | \$ 27,347,054 | \$ 29,465,001 | \$ 35,931,673 | \$ 38,869,215 | \$ 39,409,397 | \$ 39,487,352 | \$ 40,374,623 | \$ 41,244,893 | \$ 42,504,606 |
| Intergovernmental | 511,101 | 1,414,288 | 1,474,198 | 1,132,717 | 1,498,727 | 638,103 | 545,630 | 786,116 | 544,152 | 715,145 |
| License & Permits | 2,104,406 | 2,052,476 | 2,211,088 | 2,214,945 | 2,171,078 | 2,267,653 | 2,183,660 | 2,106,952 | 2,205,257 | 2,130,728 |
| Fees of Office | 3,354,366 | 4,218,519 | 4,175,817 | 4,148,627 | 3,858,318 | 3,765,194 | 3,658,367 | 3,812,980 | 3,990,280 | 4,302,451 |
| Fines & Forfeitures | 2,345,817 | 1,933,470 | 2,536,161 | 2,298,259 | 2,135,013 | 1,723,555 | 1,655,636 | 1,628,557 | 2,367,016 | 1,559,185 |
| Interest | 589,713 | 1,190,279 | 1,911,951 | 2,999,772 | 769,177 | 157,483 | 50,629 | 51,111 | 37,120 | 30,455 |
| Other | 5,601,175 | 8,037,275 | 1,465,894 | 2,050,494 | 2,160,005 | 2,337,888 | 2,616,684 | 1,579,948 | 2,127,043 | 2,428,561 |
| Total revenues | 39,757,783 | 46,193,361 | 43,240,110 | 50,776,487 | 51,461,533 | 50,299,273 | 50,197,958 | 50,340,287 | 52,515,761 | 53,671,131 |

EXPENDITURES

| | | | | | | | | | | |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| General Government | 7,960,428 | 8,305,989 | 8,535,648 | 10,557,978 | 11,790,452 | 12,696,707 | 12,161,251 | 10,972,028 | 10,701,581 | 11,727,351 |
| Judicial | 4,052,289 | 4,153,553 | 4,556,045 | 5,177,314 | 5,386,006 | 5,579,419 | 5,521,144 | 5,567,857 | 5,825,557 | 6,001,764 |
| Public Safety | 12,035,044 | 13,858,838 | 15,721,318 | 16,776,899 | 17,375,345 | 17,888,656 | 17,781,056 | 17,269,298 | 18,555,235 | 18,343,595 |
| Health & Welfare | 2,437,956 | 2,579,856 | 2,357,797 | 1,864,410 | 1,989,696 | 1,599,566 | 1,216,930 | 1,265,966 | 1,179,311 | 1,621,603 |
| Conservation | 142,802 | 177,041 | 164,409 | 189,595 | 182,587 | 181,572 | 187,171 | 189,848 | 194,331 | 188,569 |
| Road & Bridge | 5,263,697 | 6,224,065 | 5,686,867 | 7,216,815 | 8,354,654 | 8,642,883 | 7,588,925 | 8,396,593 | 8,113,125 | 8,240,958 |
| Community Development | - | - | - | - | - | - | - | - | - | 19,305 |
| Capital Outlay | 251,260 | 597,882 | 787,964 | 5,737,209 | 30,100,343 | 24,712,424 | 2,996,442 | 441,873 | 256,151 | 80,316 |
| Debt Service | | | | | | | | | | |
| Principal | 1,344,597 | 1,430,843 | 2,058,674 | 2,848,629 | 2,923,749 | 4,660,898 | 3,102,421 | 3,225,000 | 3,420,000 | 3,605,000 |
| Interest | 767,539 | 711,758 | 663,974 | 2,824,200 | 3,038,471 | 2,924,550 | 2,749,699 | 2,486,061 | 2,350,116 | 2,250,947 |
| Total expenditures | 34,255,612 | 38,039,825 | 40,532,696 | 53,193,049 | 81,141,303 | 78,886,675 | 53,305,039 | 49,814,524 | 50,595,407 | 52,079,408 |

EXCESS OF REVENUES

| | | | | | | | | | | |
|---------------------|------------|--------------|--------------|--------------|----------------|-----------------|----------------|------------|--------------|--------------|
| OVER (UNDER) | | | | | | | | | | |
| EXPENDITURES | \$ 589,679 | \$ 5,502,171 | \$ 8,153,536 | \$ 2,707,414 | \$ (2,416,562) | \$ (28,587,402) | \$ (3,107,081) | \$ 525,763 | \$ 1,920,354 | \$ 1,591,723 |

Continued

Continued

Continued

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

(Unaudited)

LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|---------------------------------------|-------------|------------|------------|------------|------------|------------|------------|--------------|------------|-----------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Sale of Capital Assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 347,500 | \$ - | \$ 416,349 | \$ - |
| Transfers in | - | 112,500 | 111,100 | 116,415 | 230,108 | 207,938 | 85,896 | 141,000 | 72,000 | 88,900 |
| Transfers out | - | (112,500) | (111,100) | (116,415) | (230,108) | (207,938) | (85,896) | (141,000) | (72,000) | (88,900) |
| Bonds issued | - | - | 53,875,000 | - | - | - | - | - | - | - |
| Refunding bonds issued | - | - | - | - | - | 1,635,000 | - | 5,485,000 | - | - |
| Capital leases | - | 201,575 | 164,574 | - | 168,407 | - | - | - | - | - |
| Premium on bonds issued | - | - | 466,080 | - | - | - | - | - | - | - |
| Payment to escrow agent | - | - | - | - | - | - | - | (5,424,834) | - | - |
| Total other financing sources (uses) | - | 201,575 | 54,505,654 | - | 168,407 | 1,635,000 | 347,500 | 60,166 | 416,349 | - |

EXTRAORDINARY ITEMS

| | | | | | | | | | | |
|--|--------------|--------------|---------------|----------------|----------------|-----------------|----------------|------------|--------------|--------------|
| | \$ 5,502,171 | \$ 8,355,111 | \$ 57,213,068 | \$(2,416,562) | \$(2,248,155) | \$(26,952,402) | \$(2,759,581) | \$ 585,929 | \$ 2,336,703 | \$ 1,591,723 |
|--|--------------|--------------|---------------|----------------|----------------|-----------------|----------------|------------|--------------|--------------|

| | | | | | | | | | | |
|----------------------------------------------------------------|------|------|------|-------|-------|-------|-------|-------|-------|-------|
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 6.3% | 5.8% | 7.0% | 12.2% | 11.9% | 14.6% | 11.9% | 11.7% | 11.8% | 11.4% |
|----------------------------------------------------------------|------|------|------|-------|-------|-------|-------|-------|-------|-------|

Source: Comprehensive Annual Financial Reports

Concluded

TABLE 5

ELLIS COUNTY, TEXAS

**ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
(Unaudited)
LAST TEN YEARS**

| Tax Year | Real Property | Personal Property | Total Assessed Valuation | Total Direct Rate* | Estimated Actual Value |
|---------------------|--------------------------|------------------------------|-----------------------------------------|-----------------------------------|---------------------------------------|
| 2005 | 8,207,129,335 | 1,956,636,165 | 10,163,765,500 | 0.35 | 10,163,765,500 |
| 2006 | 8,949,770,368 | 1,947,251,600 | 10,897,021,968 | 0.35 | 10,897,021,968 |
| 2007 | 9,879,959,212 | 2,067,783,745 | 11,947,742,957 | 0.3495 | 11,947,742,957 |
| 2008 | 10,753,312,471 | 2,227,142,721 | 12,980,455,192 | 0.3936 | 12,980,455,192 |
| 2009 | 10,845,390,864 | 2,241,049,843 | 13,086,440,707 | 0.3936 | 13,086,440,707 |
| 2010 | 10,832,779,964 | 2,264,703,551 | 13,097,483,515 | 0.3936 | 13,097,483,515 |
| 2011 | 10,821,155,674 | 2,248,039,890 | 13,069,195,564 | 0.4136 | 13,069,195,564 |
| 2012 | 10,921,955,252 | 2,251,629,234 | 13,173,584,486 | 0.4136 | 13,173,584,486 |
| 2013 | 11,096,681,357 | 2,290,554,033 | 13,387,235,390 | 0.4136 | 13,387,235,390 |
| 2014 | 11,742,385,459 | 2,296,298,455 | 14,038,683,914 | 0.4136 | 14,038,683,914 |

*The total direct rate applied to Ellis County's revenue base

TABLE 6

ELLIS COUNTY, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(Unaudited)
LAST TEN YEARS

| TAXING JURISDICTION | Fiscal Year | | | | | | | | | |
|---------------------------------------|-------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| <u>DIRECT</u> | | | | | | | | | | |
| COUNTY-WIDE: | | | | | | | | | | |
| Ellis County | \$0.31891 | \$0.32049 | \$0.36460 | \$0.360091 | \$0.360091 | \$0.360091 | \$0.380091 | \$0.380091 | \$0.380091 | \$0.380091 |
| Farm to Market | 0.031093 | 0.029009 | 0.02901 | 0.033508 | 0.033508 | 0.033508 | 0.033508 | 0.033508 | 0.033508 | 0.033508 |
| Total | 0.349999 | 0.349500 | 0.393607 | 0.393599 | 0.393599 | 0.393599 | 0.413599 | 0.413599 | 0.413599 | 0.413599 |
| <u>OVERLAPPING GOVERNMENTS</u> | | | | | | | | | | |
| CITIES: | | | | | | | | | | |
| Bardwell | 0.18625 | 0.18580 | 0.18580 | 0.18580 | 0.195000 | 0.219000 | 0.232000 | 0.251862 | 0.283560 | 0.296582 |
| Cedar Hill | 0.64140 | 0.64140 | 0.64140 | 0.64140 | 0.641400 | 0.067000 | 0.685880 | 0.695690 | 0.698760 | 0.698760 |
| Ennis | 0.73000 | 0.71000 | 0.71000 | 0.69500 | 0.695000 | 0.695000 | 0.695000 | 0.695000 | 0.695000 | 0.695000 |
| Ferris | 0.60000 | 0.60000 | 0.60000 | 0.65000 | 0.648087 | 0.687134 | 0.687134 | 0.687134 | 0.687134 | 0.687134 |
| Garrett | 0.29991 | 0.31984 | 0.33239 | 0.32880 | 0.356600 | 0.395259 | 0.427768 | 0.466566 | 0.445091 | 0.468793 |
| Italy | 0.68000 | 0.69300 | 0.77111 | 0.93673 | 0.934800 | 0.943573 | 0.964139 | 0.996060 | 1.011456 | 1.011600 |
| Maypearl | 0.73716 | 0.73716 | 0.69217 | 0.68440 | 0.688880 | 0.688756 | 0.778179 | 0.775978 | 0.830000 | 0.834661 |
| * Midlothian | 0.64038 | 0.65795 | 0.65000 | 0.65000 | 0.650000 | 0.650000 | 0.650000 | 0.650000 | 0.658244 | 0.708244 |
| Milford | 0.49547 | 0.50157 | 0.48550 | 0.50000 | 0.505800 | 0.409146 | 0.430000 | 0.470000 | 0.500000 | 0.518596 |
| Oak Leaf | 0.34156 | 0.33144 | 0.34854 | 0.34854 | 0.355400 | 0.350785 | 0.354539 | 0.386480 | 0.386480 | 0.386480 |
| Ovilla | 0.68250 | 0.68250 | 0.66800 | 0.66800 | 0.667900 | 0.067460 | 0.663800 | 0.667500 | 0.671900 | 0.671900 |
| Palmer | 0.57165 | 0.62920 | 0.62920 | 0.62920 | 0.629200 | 0.629200 | 0.689500 | 0.689500 | 0.689500 | 0.689500 |
| Pecan Hill | 0.25108 | 0.24066 | 0.25065 | 0.30000 | 0.304700 | 0.311275 | 0.316551 | 0.321756 | 0.328544 | 0.319192 |
| Red Oak | 0.61380 | 0.64000 | 0.63500 | 0.63500 | 0.635000 | 0.649000 | 0.649000 | 0.649000 | 0.649000 | 0.649000 |
| Waxahachie | 0.61500 | 0.61500 | 0.61500 | 0.61500 | 0.611208 | 0.680000 | 0.680000 | 0.680000 | 0.680000 | 0.680000 |
| SCHOOL DISTRICTS: | | | | | | | | | | |
| Avalon | 1.41910 | 1.49380 | 1.37600 | 1.09958 | 1.24613 | 1.23655 | 1.23280 | 1.23220 | 1.21100 | 1.22000 |
| Ennis | 1.65190 | 1.65190 | 1.57000 | 1.40000 | 1.51000 | 1.54000 | 1.54000 | 1.54000 | 1.54000 | 1.54000 |
| Ferris | 1.77190 | 1.77190 | 1.57070 | 1.26970 | 1.27720 | 1.31785 | 1.30630 | 1.31000 | 1.31000 | 1.32500 |
| Italy | 1.56000 | 1.56000 | 1.43300 | 1.11105 | 1.24100 | 1.24100 | 1.24696 | 1.24696 | 1.24696 | 1.24696 |
| Maypearl | 1.77900 | 1.76900 | 1.64800 | 1.34000 | 1.35900 | 1.35900 | 1.35900 | 1.35900 | 1.34659 | 1.34600 |
| Midlothian | 1.76450 | 1.78750 | 1.69750 | 1.36750 | 1.39750 | 1.39750 | 1.54000 | 1.54000 | 1.54000 | 1.54000 |
| Milford | 1.62398 | 1.62400 | 1.49400 | 1.19000 | 1.18830 | 1.17170 | 1.15840 | 1.17000 | 1.17000 | 1.17000 |
| Palmer | 1.61700 | 1.61000 | 1.48000 | 1.50000 | 1.27730 | 1.26761 | 1.27000 | 1.27000 | 1.27000 | 1.55000 |
| Red Oak | 1.64000 | 1.64000 | 1.51000 | 1.30000 | 1.54000 | 1.54000 | 1.54000 | 1.54000 | 1.54000 | 1.54000 |
| Waxahachie | 1.71650 | 1.72080 | 1.59730 | 1.36000 | 1.36000 | 1.42890 | 1.42890 | 1.42890 | 1.42890 | 1.42890 |

Continued

ELLIS COUNTY, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(Unaudited)
LAST TEN YEARS

| TAXING JURISDICTION | Fiscal Year | | | | | | | | | |
|---------------------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| SPECIAL DISTRICTS: | | | | | | | | | | |
| EC ESD #3 | \$0.03000 | \$0.03000 | \$0.03000 | \$0.03000 | \$0.03000 | \$0.03000 | \$0.03000 | \$0.03000 | \$0.06000 | \$0.06000 |
| EC ESD #2 | 0.05750 | 0.06500 | 0.06750 | 0.07025 | 0.07229 | 0.08450 | 0.09100 | 0.09500 | 0.09500 | 0.09500 |
| EC ESD #1 | 0.06700 | 0.07000 | 0.07000 | 0.07350 | 0.07350 | 0.07350 | 0.07350 | 0.07714 | 0.08333 | 0.08900 |
| EC ESD #4 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 |
| EC ESD #5 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 |
| EC ESD #6 | 0.03000 | 0.03000 | 0.03000 | 0.06000 | 0.06000 | 0.06000 | 0.06000 | 0.05000 | 0.05000 | 0.05000 |
| EC ESD #7 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 |
| EC ESD #8 | 0.03000 | 0.08000 | 0.08000 | 0.10000 | 0.10000 | 0.10000 | 0.10000 | 0.10000 | 0.10000 | 0.10000 |
| EC ESD #9 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.06000 | 0.06000 |
| Ellis Co. W C & ID | 0.03000 | 0.03000 | 0.03000 | 0.03000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| * Midlothian Water Co. | 0.19416 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| | | | | | | | | | | <i>Concluded</i> |

Note: Tax rates are stated per \$100 assessed valuation.

Source: Central Appraisal District of Ellis County

* Midlothian Water Co. tax rate included with City of Midlothian beginning 2005.

TABLE 7

ELLIS COUNTY, TEXAS

PRINCIPAL TAXPAYERS

(Unaudited)

SEPTEMBER 30, 2014

| Name | Type of Business | 2014 Assessed Valuations | Percentage of Total Assessed Valuation | 2005 Assessed Valuations | Percentage of Total Assessed Valuation |
|----------------------------------|------------------------|--------------------------|----------------------------------------|--------------------------|----------------------------------------|
| Midlothian Energy LP | Utility | \$ 400,158,030 | 2.85% | \$ 345,015,260 | 3.39% |
| Chaparral Steel Company | Steel Mill | 204,864,170 | 1.46% | 288,379,710 | 2.84% |
| Walgreen Company | Distribution Facility | 188,747,240 | 1.34% | 283,070,590 | 2.79% |
| TXI Operations, L.P. | Cement Plant | 196,407,780 | 1.40% | 242,598,680 | 2.39% |
| HOLCIM (US), Inc. | Cement Plant | 163,064,220 | 1.16% | 21,447,510 | 0.21% |
| Energy Transfer Fuel LP | Pipeline Construction | 109,446,280 | 0.78% | | 0.00% |
| Oncor Electric Delivery Company | Utility | 126,798,400 | 0.90% | | 0.00% |
| Target | Distribution Facility | 99,739,380 | 0.71% | 118,481,190 | 1.17% |
| Ennis Tractebell Power Co., L.P. | Utility | 101,830,400 | 0.73% | | 0.00% |
| Dartco of Texas LTD LP | Manufacturing Facility | | 0.00% | 59,378,820 | 0.58% |
| Elk Roofing Products | Manufacturing Facility | - | 0.00% | 66,248,540 | 0.65% |
| TXU Electric Delivery Co. | Utility | | 0.00% | 114,254,580 | 1.12% |
| North Texas Cement Co. | Cement Plant | 89,628,330 | 0.00% | | 0.00% |
| Toys R Us - Delaware, Inc. | Distribution Center | - | 0.00% | 91,929,820 | 0.90% |
| | | <u>\$ 1,680,684,230</u> | <u>11.97%</u> | <u>\$ 1,630,804,700</u> | <u>16.04%</u> |

Note: Total Assessed Valuation of \$ 14,038,683,914

Source: Ellis County Appraisal District

ELLIS COUNTY, TEXAS
BUDGETED PROPERTY TAX LEVIES AND COLLECTIONS
(Unaudited)
LAST TEN FISCAL YEARS

| <u>FISCAL YEAR</u> | <u>TOTAL TAX LEVY</u> | <u>CURRENT TAX COLLECTIONS</u> | <u>% OF LEVY COLLECTED</u> | <u>DELINQUENT TAX COLLECTIONS</u> | <u>TOTAL TAX COLLECTIONS</u> | <u>% OF TOTAL TAX COLLECTION TO TAX LEVY</u> |
|--------------------|-----------------------|--------------------------------|----------------------------|-----------------------------------|------------------------------|----------------------------------------------|
| 2005 | 24,485,051 | 23,673,110 | 96.68% | 1,182,984 | 24,856,094 | 101.52% |
| 2006 | 26,832,506 | 25,965,504 | 96.77% | 1,379,945 | 27,345,449 | 101.91% |
| 2007 | 28,609,607 | 27,966,441 | 97.75% | 863,202 | 28,829,643 | 100.77% |
| 2008 | 35,334,581 | 34,609,030 | 97.95% | 736,070 | 35,345,100 | 100.03% |
| 2009 | 38,175,425 | 37,430,852 | 98.05% | 735,217 | 38,166,069 | 99.98% |
| 2010 | 38,756,643 | 38,126,672 | 98.37% | 582,826 | 38,709,498 | 99.88% |
| 2011 | 38,662,256 | 38,154,681 | 98.69% | 624,952 | 38,779,633 | 100.30% |
| 2012 | 40,514,980 | 39,930,918 | 98.56% | 14,402 | 39,945,320 | 98.59% |
| 2013 | 40,749,276 | 40,260,285 | 98.80% | 433,828 | 40,694,113 | 99.86% |
| 2014 | 41,834,674 | 41,422,425 | 99.01% | 567,685 | 41,990,110 | 100.37% |

In years prior to 2009, penalty and interest was included in the column delinquent tax collections. This is why collections appear to be over 100% of levy. In 2011, the levy has been adjusted downward to represent the levy after accounting for a loss in value due to a multiyear tax suit of a major industrial taxpayer. The refund was made in 2012, and for presentation purposes, has been taken from delinquent tax collection column, in order to not misstate the current tax collection percentages which are a better indicator of the current economy.

* Does not include Tax Increment Reinvestment Zone levy and collection

TABLE 9

ELLIS COUNTY, TEXAS

**RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUES AND NET BONDED DEBT PER CAPITA
(Unaudited)
LAST TEN FISCAL YEARS**

| Fiscal Year | Population | Assessed Values | General Bonded Debt | Less Amount Available in Debt Service Fund | Net Bonded Debt | Ratio of Bonded Debt to Assessed Values | Net Bonded Debt Per Capita | Ratio of Bonded Debt to Personal Income |
|--------------------|-------------------|------------------------|----------------------------|---------------------------------------------------|------------------------|------------------------------------------------|-----------------------------------|------------------------------------------------|
| 2005 | 131,826 | 10,163,765,500 | 20,567,737 | 681,936 | 19,885,801 | 0.20% | 150.85 | 0.47% |
| 2006 | 139,300 | 10,897,021,968 | 18,701,262 | 738,058 | 17,963,204 | 0.16% | 128.95 | 0.38% |
| 2007 | 143,468 | 11,947,742,957 | 72,492,135 | 820,200 | 71,671,935 | 0.60% | 499.57 | 1.58% |
| 2008 | 147,850 | 12,980,455,192 | 69,982,330 | 1,939,499 | 68,042,831 | 0.53% | 460.22 | 1.40% |
| 2009 | 152,750 | 13,086,440,707 | 67,369,818 | 2,486,180 | 64,883,638 | 0.50% | 424.77 | 1.35% |
| 2010 | 149,610 | 13,097,483,515 | 64,660,277 | 2,316,833 | 62,343,444 | 0.48% | 416.71 | 1.24% |
| 2011 | 149,610 | 13,069,195,564 | 61,844,420 | 2,398,978 | 59,445,442 | 0.45% | 397.34 | 1.12% |
| 2012 | 149,610 | 13,173,584,486 | 58,968,120 | 2,534,907 | 56,433,213 | 0.43% | 377.20 | 1.06% |
| 2013 | 149,610 | 13,387,235,390 | 55,851,885 | 2,097,825 | 53,754,060 | 0.40% | 359.29 | 1.01% |
| 2014 | 149,610 | 14,038,683,914 | 52,596,668 | 1,664,989 | 50,931,679 | 0.36% | 340.43 | 0.91% |

Notes:

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

(1) See Table 12 for population data.

(2) See Table 5 for taxable value of property data.

ELLIS COUNTY, TEXAS

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
(Unaudited)
SEPTEMBER 30, 2014

| <u>Taxing Jurisdiction</u> | <u>Total Funded Debt</u> | <u>Percentage Applicable To Named Government</u> | <u>Overlapping Funded Net Debt</u> |
|-----------------------------------------------------|----------------------------------|--------------------------------------------------------------|--------------------------------------------|
| CITIES: | | | |
| Bardwell | 90,000 | 100.00% | \$ 90,000 |
| Ennis | 27,910,579 | 100.00% | \$ 27,910,579 |
| Ferris | 3,105,000 | 91.87% | \$ 2,852,564 |
| Italy | 2,730,076 | 100.00% | \$ 2,730,076 |
| Maypearl | 70,000 | 100.00% | \$ 70,000 |
| Midlothian | 49,295,635 | 100.00% | \$ 49,295,635 |
| Ovilla | 6,530,000 | 90.93% | \$ 5,937,729 |
| Palmer | 1,550,000 | 100.00% | \$ 1,550,000 |
| Red Oak | 8,721,496 | 100.00% | \$ 8,721,496 |
| Venus | 1,531,000 | 19.87% | \$ 304,210 |
| Waxahachie | 44,797,289 | 100.00% | \$ 44,797,289 |
| COUNTY-LINE CITIES: | | | |
| Cedar Hill | 48,817,308 | 2.66% | \$ 1,298,540 |
| Glenn Heights | 4,570,000 | 31.48% | \$ 1,438,636 |
| Grand Prairie | 149,730,208 | 0.17% | \$ 254,541 |
| Mansfield | 102,165,000 | 0.32% | \$ 326,928 |
| SCHOOL DISTRICTS: | | | |
| Avalon ISD | 1,089,784 | 100.00% | \$ 1,089,784 |
| Italy ISD | 1,234,585 | 100.00% | \$ 1,234,585 |
| Maypearl ISD | 16,509,792 | 100.00% | \$ 16,509,792 |
| Midlothian ISD | 239,180,019 | 100.00% | \$ 239,180,019 |
| Palmer ISD | 20,493,295 | 100.00% | \$ 20,493,295 |
| Red Oak ISD | 107,405,368 | 100.00% | \$ 107,405,368 |
| Waxahachie ISD | 114,263,268 | 100.00% | \$ 114,263,268 |
| COUNTY-LINE SCHOOL DISTRICTS: | | | |
| Ennis ISD | 144,803,642 | 98.97% | \$ 143,312,164 |
| Ferris ISD | 29,748,682 | 95.82% | \$ 28,505,187 |
| Frost ISD | 782,000 | 4.24% | \$ 33,157 |
| TOTAL NET OVERLAPPING DEBT | | | \$ 819,604,842 |
| Ellis County | | | \$ 52,596,668 |
| TOTAL DIRECT AND OVERLAPPING DEBT | | | \$ 872,201,510 |
| TOTAL DIRECT AND OVERLAPPING DEBT PER CAPITA | | | \$ 5,830 |

Overlapping debt is developed by taking the percentage of land mass of an entity within Ellis County, and then applying that percentage to the outstanding debt of that entity.

Source: Texas Municipal Reports

ELLIS COUNTY, TEXAS

COMPUTATION OF LEGAL DEBT MARGIN
(Unaudited)
September 30, 2014

| | |
|-----------------------------------------------|--------------------------|
| Assessed Value of Real Property | 11,742,385,459 |
| Assessed Value of Personal and Other Property | 2,296,298,455 |
| Total Assessed Value | <u>\$ 14,038,683,914</u> |

**Bonds Issued Under Article III,
Section 52 of the Texas Constitution:**

The County is authorized under Article III, Section 52, of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to the rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the county.

| | |
|-------------------------------------------------------------------------|-------------------|
| Debt limit, 25% of Real Property Assessed Value | \$ 2,935,596,365 |
| Amount of Debt Applicable to Debt Limit: | |
| Debt Limit: | |
| Total Bonded Debt Applicable | 52,596,668 |
| Less: Assets in Debt Service Fund available for payment of principal | 1,664,989 |
| | <u>50,931,679</u> |

| | |
|--------------------------------------------------------------------------------------------------------|-------------------------|
| Legal Debt Margin, Bonds Issued Under Article III, Section 52 of the Texas Constitution | <u>\$ 2,884,664,686</u> |
|--------------------------------------------------------------------------------------------------------|-------------------------|

ELLIS COUNTY, TEXAS
DEMOGRAPHIC STATISTICS
(Unaudited)
LAST TEN FISCAL YEARS

| Fiscal Year | (1) Population | Personal Income (thousands of dollars) | (2) Personal Income | (3) Median Age | (4) School Enrollment | (4) Unemployment Rate |
|--------------------|---------------------------|---------------------------------------------------|--------------------------------|---------------------------|----------------------------------|----------------------------------|
| 2005 | 116,555 | 3,722,713 | 31,940 | 33.2 | 25,591 | 5.1% |
| 2006 | 120,052 | 4,066,348 | 33,872 | 33.2 | 25,866 | 5.3% |
| 2007 | 143,468 | 4,547,534 | 31,697 | 33.0 | 29,464 | 4.3% |
| 2008 | 147,850 | 4,859,117 | 32,865 | 33.2 | 30,678 | 5.1% |
| 2009 | 152,750 | 4,808,977 | 31,483 | 33.2 | 30,652 | 7.9% |
| 2010 | 149,610 | 5,020,292 | 33,556 | 33.2 | 30,652 | 8.3% |
| 2011 | 149,610 | 5,328,740 | 35,618 | 35.0 | 32,790 | 8.1% |
| 2012 | 149,610 | 5,328,740 | 35,618 | 35.2 | 32,700 | 6.4% |
| 2013 | 149,610 | 5,449,245 | 36,423 | 35.5 | 32,700 | 5.6% |
| 2014 | 149,610 | 5,627,730 | 37,616 | 35.5 | 33,000 | 4.7% |

Data Sources:

- (1) North Central Council of Governments
- (2) U.S. Census Bureau
- (3) U.S. Bureau of Economic Analysis
- (4) U.S. Bureau of Labor Statistics

ELLIS COUNTY, TEXAS

PRINCIPAL EMPLOYERS
(Unaudited)
CURRENT YEAR

| <u>Employer</u> | <u>2014</u> | |
|--------------------------------|------------------|---------------------------------------------|
| | <u>Employees</u> | <u>% of Total County Employment</u> |
| Wal-Mart Supercenters | 1,548 | 3.45% |
| Waxahachie ISD | 1,148 | 2.55% |
| Gerdau Steel | 1,010 | 2.25% |
| Midlothian ISD | 914 | 2.03% |
| Walgreen's Distribution Center | 700 | 1.56% |
| Red Oak ISD | 859 | 1.91% |
| Ennis ISD | 892 | 1.99% |
| Dart Container Corp. | 830 | 1.85% |
| Sterilite | 650 | 1.45% |
| Ellis County Government | 478 | 1.06% |
| Total | <u>9,029</u> | <u>20.09%</u> |
| Total County Employment | 44,932 | |

Sources: 12 month change in percentage from Bureau of Labor Statistics

Data for the period nine years prior to 2014 is not included as that information was not tracked by Ellis County Government at that time.

ELLIS COUNTY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION
2014
(unaudited)

| Function/Program | 2011 | 2012 | 2013 | 2014 |
|-----------------------------|------|------|------|------|
| General government | | | | |
| Number of Courthouses | 2 | 2 | 2 | 2 |
| Number of Sub-Courthouses | 3 | 3 | 3 | 3 |
| Judicial | | | | |
| District Courtrooms | 2 | 2 | 2 | 2 |
| County Ct. @ Law Courtrooms | 2 | 2 | 2 | 2 |
| Juvenile Courtrooms | 1 | 1 * | 1 | 1 |
| Justice Courts | 4 | 4 | 4 | 4 |
| Public safety | | | | |
| Number of Jails | 1 | 1 | 1 | 1 |
| Bed Capacity of Jail | 868 | 868 | 868 | 868 |
| Health and welfare | | | | |
| Number of Offices | 2 | 2 | 2 | 2 |
| Conservation | | | | |
| Number of Offices | 1 | 1 | 1 | 1 |
| Roads and highways | | | | |
| Number of Bridges | 165 | 165 | 165 | 165 |
| Miles of Hard Surface Road | 786 | 786 | 786 | 786 |
| Miles of Gravel Road | 164 | 164 | 164 | 164 |

Source: Ellis County Internal Department Reports

* Shared with County Ct. @ Law

Data for the period six years prior to 2011 is not included as that information was not tracked by Ellis County Government at that time.

TABLE 15

ELLIS COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
(Unaudited)
LAST EIGHT FISCAL YEARS

| Function/Program | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------------------------------------|---------|---------|---------|--------|---------|---------|---------|---------|
| General Government | | | | | | | | |
| Number of A/P Transactions | 13,789 | 14,253 | 18,072 | 18,492 | 16,946 | 15,611 | 15,195 | 15,049 |
| Flood Plain/Building Permits | 951 | 982 | 558 | 553 | 513 | 636 | 682 | 989 |
| Aerobic Septic Permits | 690 | 702 | 244 | 180 | 193 | 225 | 290 | 418 |
| Other Septic Permits | 108 | 118 | 129 | 19 | 34 | 201 | 208 | 221 |
| Nuisance Complaints | 645 | 680 | 801 | 569 | 765 | 705 | 802 | 705 |
| New Subdivisions | 61 | 50 | 21 | 13 | 14 | 21 | 27 | 31 |
| Number of Employees | | | | | | | | 175 * |
| Judicial | | | | | | | | |
| Hot Check cases | | | | | | | | |
| Number of checks processed | 2,787 | 2,284 | 1,286 | 1,254 | 1,051 | 1,080 | 612 | 686 |
| Number of theft by check cases filed | 479 | 468 | 200 | 190 | 146 | 139 | 86 | 52 |
| Number of employees | | | | | | | | 26 * |
| Public Safety | | | | | | | | |
| Number of 911 calls received | 32,149 | 33,217 | 32,792 | 19,299 | 32,325 | 28,884 | 36,118 | 32,707 |
| Average Jail daily population | 460 | 462 | 347 | 320 | 359 | 334 | 373 | 425 |
| Jail bookings | 5,993 | 6,012 | 5,993 | 5,693 | 5,682 | 5,131 | 5,279 | 4,870 |
| Jail releases | 6,016 | 6,021 | 6,039 | 5,365 | 5,703 | 5,178 | 5,451 | 4,798 |
| Jail inmates at September 30 | 385 | 397 | 302 | 350 | 350 | 357 | 422 | 458 |
| Number of employees | | | | | | | | 212 * |
| Transportation | | | | | | | | |
| Roadway resurfacing (miles) | 95.8 | 108 | 132.0 | 121.1 | 119.5 | 99.2 | 110.7 | 86.6 |
| Mowing along roadways (equipment hours) | 6,826 | 6,897 | 4,091 | 1,938 | 3,728 | 4,184 | 3,432 | 3,458 |
| Ditch and culvert cleaning (miles) | 110 | 112 | 102 | 99 | 90 | 139 | 121 | 47 |
| Number of employees | | | | | | | | 62 * |
| Conservation | | | | | | | | |
| Number of people served in programs | 106,779 | 109,432 | 121,592 | 88,680 | 134,686 | 163,065 | 176,986 | 112,136 |
| Number of employees | | | | | | | | 2 * |
| Health and Welfare | | | | | | | | |
| Number of applications filed | 350 | 403 | 573 | 880 | 893 | 1,009 | 839 | 337 |
| Number of cases approved | 57 | 66 | 94 | 182 | 129 | 593 | 544 | 224 |
| Number of employees | | | | | | | | 1 * |

*Number of full time employees by function are not available prior to 2014

Numbers prior to 2006 are not available

Source: Ellis County Internal Department Reports

Data for the period two years prior to 2007 is not included as that information was not tracked by Ellis County Government at that time.

COMPLIANCE SECTION



P A T T I L L O , B R O W N & H I L L , L . L . P .
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' 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
Commissioners' Court
Ellis 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 Ellis County, Texas, as of and for the year ended September 30, 2014 and the related notes to the financial statements, which collectively comprise Ellis County, Texas' basic financial statements, and have issued our report thereon dated March 26, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Ellis 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 Ellis County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Ellis 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 Ellis 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.

Pattillo, Brown & Hill, L.L.P.

Hillsboro, Texas
March 26, 2015