



Nacogdoches
COUNTY

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDED

SEPTEMBER 30, 2018

Prepared by
NACOGDOCHES COUNTY AUDITOR'S OFFICE

NACOGDOCHES, TEXAS 75961

**COUNTY OF
NACOGDOCHES, TEXAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018**

Prepared by:

Nacogdoches County Auditor's Office

NACOGDOCHES COUNTY, TEXAS

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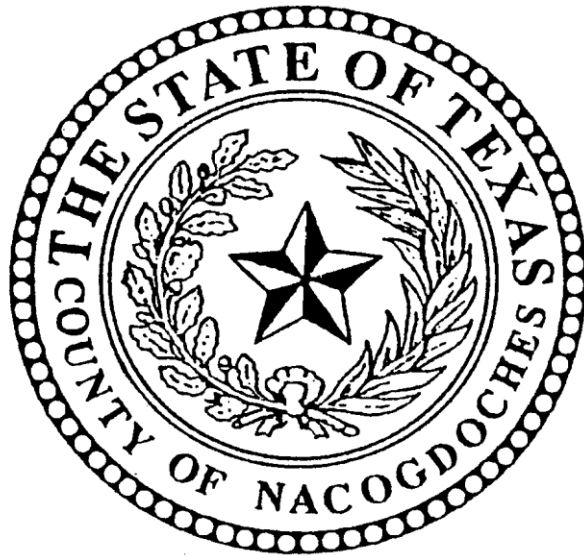
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INTRODUCTORY SECTION





March 27, 2019

The Honorable Campbell Cox, II, Judge, 145th District Court
The Honorable Edwin Klein, Judge, 420th District Court
Honorable County Commissioners' Court
Greg Sowell, County Judge
Jerry Don Williamson, County Commissioner, Precinct 1
Sandy McCorvey, County Commissioner, Precinct 2
Robin Dawley, County Commissioner, Precinct 3
Mark Harkness, County Commissioner, Precinct 4
The Citizens of Nacogdoches County

Conforming to statutory requirements of the duties of the County Auditor, submitted herewith is the Comprehensive Annual Financial Report (CAFR) for Nacogdoches County for the fiscal year ended September 30, 2018. The accompanying financial statements were prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB).

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management assumes full responsibility for the completeness and reliability of the information contained in this report.

Whitley Penn LLP, a firm of licensed certified public accountants, has audited the County's financial statements. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the County's financial statements for the fiscal year ended September 30, 2018 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Immediately following the independent auditors report is a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the 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.

Profile of the Government

Nacogdoches County was created in 1836 and organized in 1837. It is located in the piney woods of East Texas, encompasses 982 total square miles and serves a population of 65,580 according to the Texas Workforce Commission's Labor Market & Career Information Department.

The City of Nacogdoches, the largest city in the County and the oldest town in Texas, serves as the County Seat. It is located at the intersection of U.S. Hwy. 59, State Hwy. 21 and State Hwy. 7. Other cities in the County include Garrison, Cushing, Appleby and Chireno. Smaller communities are Central Heights, Douglass, Etoile, Martinsville, and Woden.

The general governing body of the County is an elected five-member Commissioners' Court (Court) in accordance with Article 5, Paragraph 18 of the Texas Constitution. The Court is comprised of the County Judge, who is the presiding officer, and four Commissioners. The Court's primary function is the administration of the affairs of the County, which includes adopting the County budget, setting the tax rates, approval of contracts, calling of elections and issuance of bonds.

The County provides many varied services for the public it serves. These services include, but are not limited to, the operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of law enforcement agencies (sheriff and constables), operation of the county jail and general governmental administration.

The annual budget serves as the foundation for the County's financial planning and control. The County Judge is by statute the Budget Officer of the County and is responsible for presenting a prepared County budget to the Commissioners' Court for approval. Public hearings are held on the proposed budget. The Commissioners' Court must adopt an annual operating budget by a majority vote before September 30. Commissioners' Court may legally amend the budget. Budget-to-actual comparisons are provided in this report for all budgeted governmental funds. All transfers of appropriations are submitted and approved by the Court.

Local Economy

According to the Texas Workforce Commission's Labor Market and Career Information website (TRACER2), the County's unemployment rate was 3.7% for September 2018. A year ago, the unemployment rate was 3.8%. Texas' unemployment rate was 3.7% and 4.0% respectively for the same periods. The county's September 2018 rate is slightly higher than the national unemployment rate of 3.6%. The national unemployment rate for September 2017 was 4.1%.

Currently, Nacogdoches County has nine public independent school districts and is home to Stephen F. Austin State University. The university has approximately 13,000 students and 1,500 faculty and staff. The university was founded in 1923, and it is a vital transportation, business, medical and tourism center for the area. There are also nearby two-year institutions: Angelina College in Lufkin, TX and Panola College in Carthage, TX.

Nacogdoches County Commissioners' Court, in a joint effort with the Nacogdoches Economic Development Corporation and several local businesses and educational entities, established a Technical Training Center in Nacogdoches for area residents in 2012. The objective is to provide marketable job skills (welding, HVAC, electrician and petroleum technology, etc.) to non-college bound students and increase the skilled workforce available to Nacogdoches County employers. On September 23, 2014, Commissioners' Court awarded a construction contract for renovations of the facility. The renovations were funded by a federal grant from the U.S. Department of Housing Urban Development. Funding was passed through the Texas General Land Office. On August 12, 2015 a Certificate of Construction Completion was executed, on December 4, 2015, a Project Completion Report was submitted to the Texas

General Land Office and on January 14, 2016, the Texas General Land Office issued an Administrative Closeout Notification which served to close the grant contract. Nacogdoches County closed on the sale of the building to the Nacogdoches Independent School District during January 2016. During the same month NISD celebrated the official opening of the Nacogdoches Technical Training Center and the new location of the Technical High School. Angelina College serves as the education partner with the independent school district.

Southern Power Company owns and operates the Nacogdoches Generating Plant, one of the largest wood biomass power generation facilities in the U.S. The 115 megawatt power plant became operational in June 2012 and has a 20 year power purchase agreement with the City of Austin, Texas. Approximately 1 million tons of fuel is required annually, which is procured within a 75 mile radius of the project site – Sacul, Texas. Southern Company owns 14 other natural gas, solar or biomass facilities in Georgia, Nevada, California, New Mexico, North Carolina, Alabama and Florida.

Nacogdoches County was one of the first three communities in Texas to be recognized as a Certified Retirement Community. The GO TEXAN Certified Retirement Community Program is a certification and promotion program provided by the Texas Department of Agriculture (www.retireintexas.org). To become a certified retirement community, each community must complete a rigorous application process to demonstrate that it can meet the living, employment/volunteer, health, entertainment, education and safety needs of its citizens and visitors.

Relevant financial policies and long-term planning

In the past, the County has adopted several financial management policies to provide guidelines to ensure its long-term financial health.

The fund balance policy establishes guidelines for the general and debt service funds. It sets a minimum level of reserve funds in the general fund at 18%-25% of current budgeted expenditures and discourages any dependence on reserves to balance the general fund budget. It also sets a minimum level of reserve funds for debt service at 10%-15% of the following year's debt service requirements.

In an effort to attract long-term investment, establish new jobs and increase the County's revenue raising capabilities, Commissioners' Court established a Tax Abatement Policy in accordance with the Texas Tax Code, Chapter 312. Tax Abatement is one of the principle means by which the public and private sectors can forge a partnership to promote real economic growth within the community.

In accordance with statutory requirements, Nacogdoches County has adopted an investment policy. The policy governs the investment of all financial assets of all funds of Nacogdoches County. The main objectives of the policy are to ensure safety of principal, avoid speculative investing, and strive to maintain adequate liquidity, through scheduled maturity of investments, to cover cash needs. Commissioners' Court reviews and considers proposed changes annually during September.

As a result of discussions during budget workshops, the Director of Human Resources developed a merit pay policy. Court adopted the policy on October 11, 2017 and funded the policy for one year upon the adoption of the FY 2019 Budget. Merit pay increases are intended to provide incentive and reward employees in the long-term for exceptional job performance. Meritorious job performance is job performance that is consistently above the normal expected levels. The policy established guidelines and the process, which includes written performance appraisals for employees. To receive a merit increase, the employee must meet eligibility criteria and Commissioners' Court must provide funding through the annual adopted budget.

Major Initiatives

Nacogdoches County suffered approximately \$2.5 million in damages to roads and bridges due to flooding during May and June 2015. The Nacogdoches County Judge declared a state of disaster on May 28, 2015. On June 9th, the notice of a major disaster declaration for the State of Texas was amended to include Nacogdoches County. As a result, Nacogdoches County became eligible to receive Public Assistance grants from the US Department of Homeland Security/Federal Emergency Management Agency. Grant funding will be passed through the Texas Department of Public Safety/Texas Division of Emergency Management. Road and bridge expenditures related to the disaster were incurred beginning in FY 2015, and they were accounted for in the Road and Bridge Fund. Nacogdoches County Commissioners' Court has accepted grant awards for 8 public assistance projects since September 30, 2015. The grant awards include eligible federal funding totaling approximately \$874,434.69. Nacogdoches County has received \$284,600 for small projects to date. On August 29, 2018, Commissioners' Court acknowledged the submission of a reimbursement request to the Texas Department of Public Safety for the first large public assistance grant project. The estimated reimbursement for 75% of the project is \$107,000.

In a cooperative effort to prevent pavement damage to roadways caused by overweight loads in Nacogdoches County, the Nacogdoches County Commissioners' Court, the Texas Department of Transportation and the Texas Department of Public Safety established a truck weigh station / inspection facility 5 miles south of the City of Nacogdoches. The facility is located in the TXDOT right-of-way; the TXDPS staffs the facility. Nacogdoches County constructed all facilities including the modular office building, scale house and truck scales. Commissioners' Court allocated \$300,000 in the FY 2016 budget for the project. Additionally, Court allocated a portion of the proceeds of the sale of the Technical Training Center. Commissioners' Court executed a memorandum of agreement with TXDOT and TXDPS on 06/29/2015. During FY 2016, Court advertised for proposals for engineering services and executed a contract with Goodwin Lasiter Strong on 11/22/2016. Commissioners' Court decided to move forward with the project during FY 2017 by executing an agreement on 03/14/2017 with Cox Contractors for Construction Manager-at-Risk services, and both parties agreed on a Guaranteed Maximum Price on 10/25/2017. Construction began during December 2017 and the Weigh Station opened 06/21/2018. Costs incurred during FY 2018 are reported in the Other Supplementary Information section of this report - Schedule of Revenues, Expenditures, and Changes in Fund Balance for the Permanent Improvement Fund. Total project construction costs were \$853,867.

Prior to October 1, 2014, courthouse security was provided by contract labor that consisted of one full-time/armed guard and one part-time/unarmed guard. For FY 2015, Court provided funding through the adopted budget for 1 full-time employee, an armed Sheriff's deputy, to work along with one contracted full-time/armed guard. Court continues to allocate resources to this program as actual expenditures in the Courthouse Security Fund increased from \$43,000 for FY 2014 to \$83,000 for FY 2018.

Nacogdoches County Commissioners' Court continues to support the maintenance of county roads. During FY 2018, 9 full-time positions were upgraded through the adopted budget with those changes totaling \$12,000 for the Road and Bridge department. During FY 2016, a Special Projects budget was established in the Road and Bridge Fund to account for the expenditure of \$277,000 from Public Assistance Grant reimbursements and \$600,000 from a transfer from the General Fund to the Road and Bridge Fund to cover costs for road maintenance projects during the summer of 2016. Actual expenditures, for Road and Bridge Special Projects, totaled \$323,000 during FY 2016. During FY 2017, Court continued to support the project by re-appropriating \$554,000 in remaining funds. Actual expenditures, for Road and Bridge Special Projects, totaled \$490,000 during FY 2017 and \$64,000 during FY 2018. This project is now closed.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for the County's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017. This was the fifteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both GAAP 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 for review to GFOA.

The timely completion of this report could not have been accomplished without the efficient and dedicated services of the County Auditor's staff and the professional service provided by our Independent Auditors, Whitley Penn, LLP. We also thank the District Judges, Commissioners' Court, and all other County officials and staff who have given their support in planning and conducting the financial operations of the County in a responsible and professional manner.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jessica Roark Corley". The signature is written in a cursive, flowing style.

Jessica Corley
County Auditor



Government Finance Officers Association

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

Presented to

**County of Nacogdoches
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

NACOGDOCHES COUNTY, TEXAS
LIST OF PRINCIPAL OFFICIALS
September 30, 2018

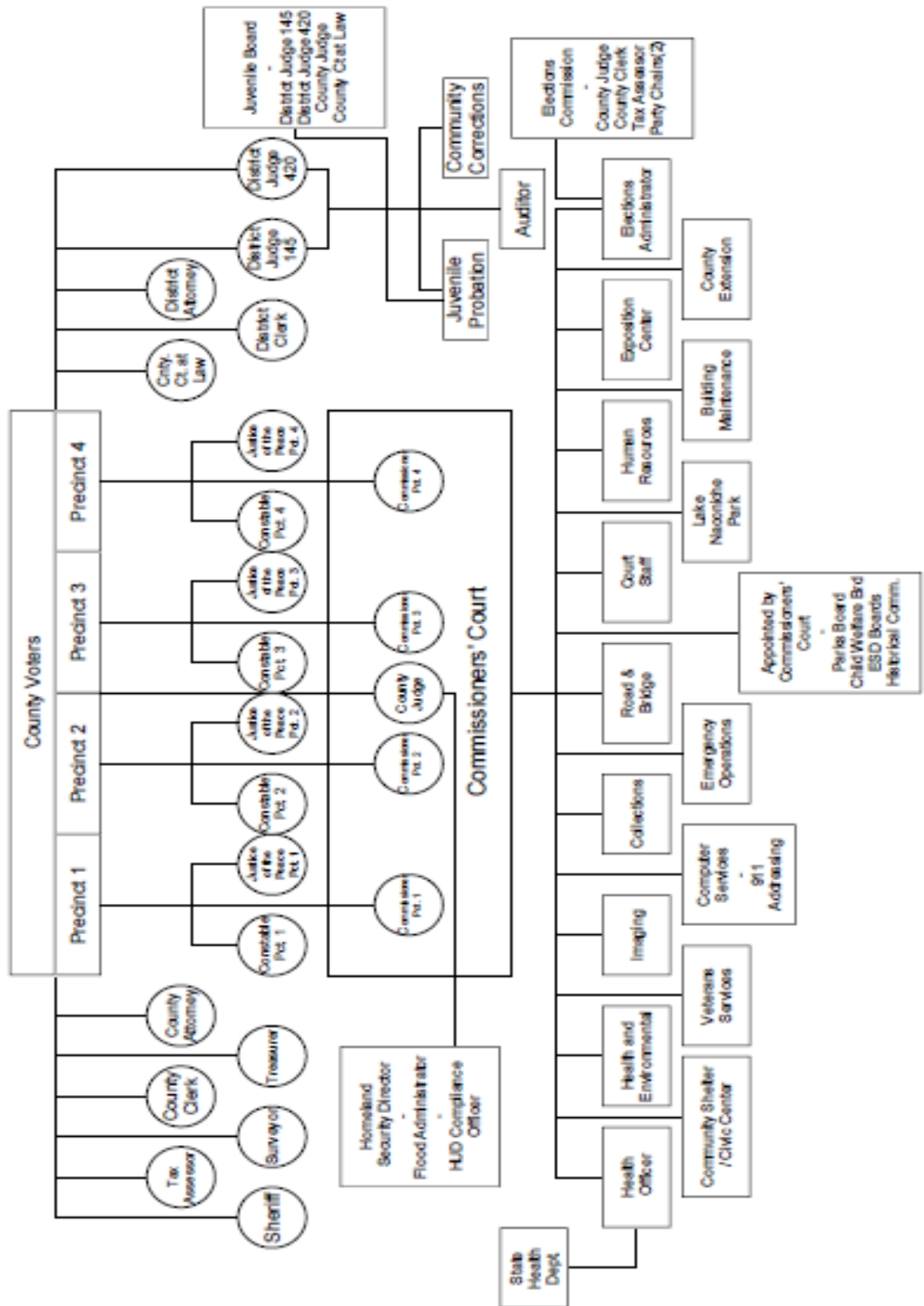
GOVERNING BODY

Greg Sowell County Judge
Jerry Don Williamson Commissioner, Precinct 1
Sandy McCorvey Commissioner, Precinct 2
Robin Dawley Commissioner, Precinct 3
Mark Harkness..... Commissioner, Precinct 4

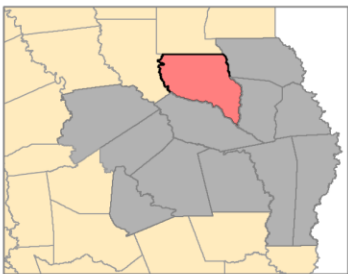
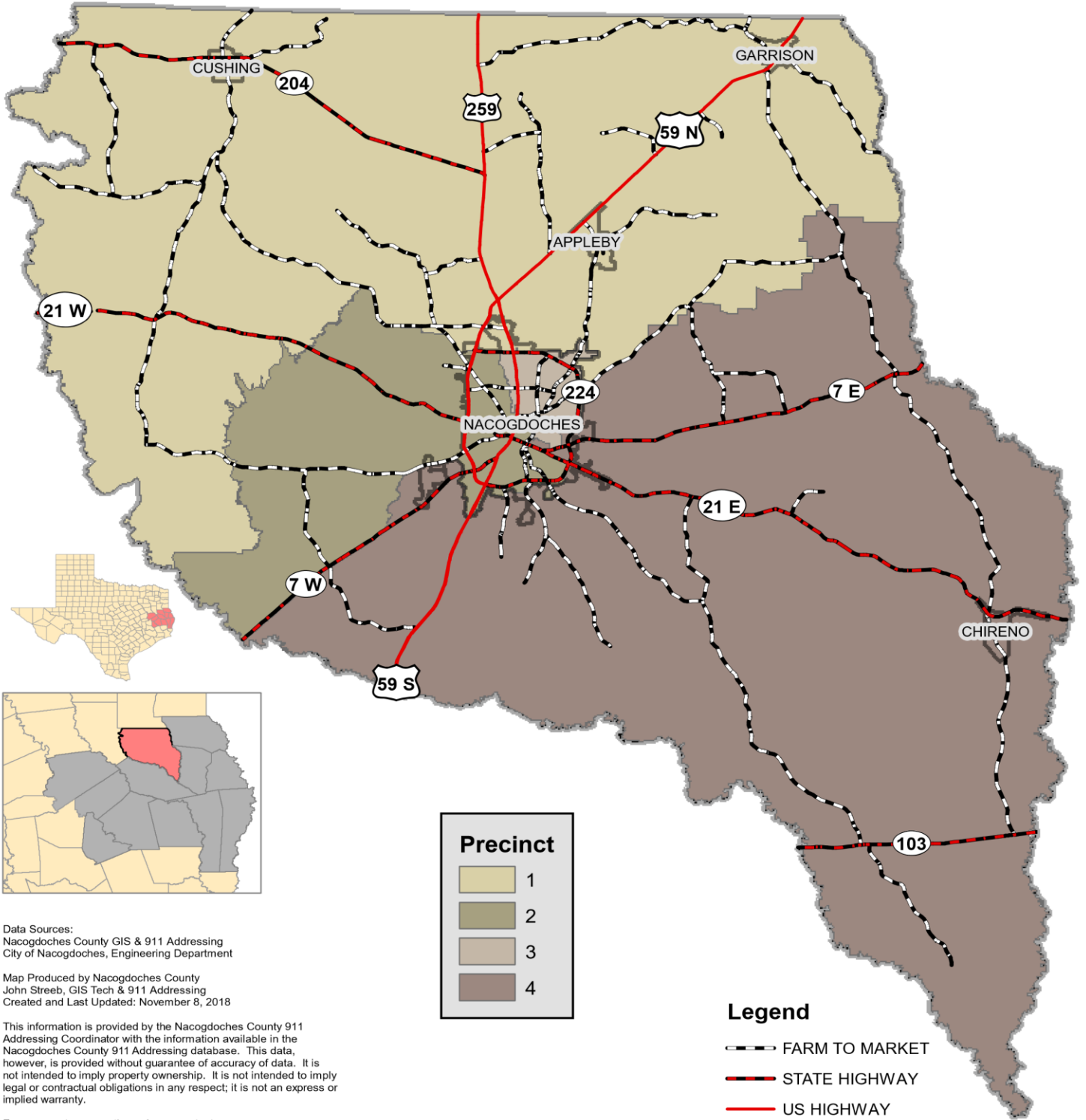
OTHER PRINCIPAL OFFICIALS

Jessica Corley County Auditor
Denise Baublet..... County Treasurer
Kim Morton Tax Assessor-Collector
Jack Sinz County Court-at-Law Judge
John Fleming..... County Attorney
Campbell Cox, II 145th District Judge
Ed Klein..... 420th District Judge
Loretta Cammack..... District Clerk
Nicole Lostracco District Attorney
June Clifton..... County Clerk
Jason Bridges..... County Sheriff
Kerry Don Williamson..... Justice of the Peace, Precinct 1
Dorothy Tigner-Thompson Justice of the Peace, Precinct 2
Leann Goerner..... Justice of the Peace, Precinct 3
David Perkins..... Justice of the Peace, Precinct 4

Organization of County Departments and Agencies



County Commissioner Precincts Nacogdoches County, Texas



Precinct	
	1
	2
	3
	4

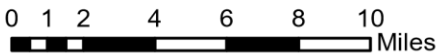
Legend	
	FARM TO MARKET
	STATE HIGHWAY
	US HIGHWAY
	City Boundaries
	County Boundary

Data Sources:
Nacogdoches County GIS & 911 Addressing
City of Nacogdoches, Engineering Department

Map Produced by Nacogdoches County
John Streeb, GIS Tech & 911 Addressing
Created and Last Updated: November 8, 2018

This information is provided by the Nacogdoches County 911 Addressing Coordinator with the information available in the Nacogdoches County 911 Addressing database. This data, however, is provided without guarantee of accuracy of data. It is not intended to imply property ownership. It is not intended to imply legal or contractual obligations in any respect; it is not an express or implied warranty.

For comments or questions please contact:
911 ADDRESSING
203 W MAIN ST STE 105
NACOGDOCHES TX 75961
(936) 560-0658
Fax: (936) 564-0477





FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court
Nacogdoches 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 Nacogdoches County, Texas (the County) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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 of 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 county's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the County as of September 30, 2018, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13, budgetary comparison, and required pension system on pages 46 through 53 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 statement. 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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual non-major 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 non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules is fairly stated in all material respects in relation to the 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.

To the Honorable Greg Sowell, County Judge
and Members of the Commissioners Court

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas
March 27, 2019

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NACOGDOCHES COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Management's Discussion and Analysis* of the County of Nacogdoches' Comprehensive Annual Financial Report (CAFR) presents a discussion and analysis of the County's financial performance during the fiscal year that ended September 30, 2018. It should be read in conjunction with the transmittal letter located at the front of this CAFR and the county's financial statements, which follow this part of the CAFR.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$46.1 million (net position). Of this amount, \$3.7 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$1.3 million which is mainly attributed to its investment in capital assets in relation to debt used to acquire those assets that is still outstanding. While the County's investment in capital assets has remained steady, the debt outstanding to acquire those assets has decreased.
- As of the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$10.4 million, an increase of \$292 thousand from the prior year fund balance.
- At the end of the current fiscal year, the General Fund had approximately \$6.5 million in fund balance of which \$6.3 million is available for spending at the government's discretion (unassigned general fund balance). This fund balance amounts to 39% of total general fund expenditures.
- The County's total bonded debt decreased by approximately \$1.7 million during the current fiscal year. The decrease was the result of debt payments during the year offset by additional debt from capital leases.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

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).

The government-wide financial statements present functions of the County that are principally supported by taxes (governmental activities). The governmental activities of the County include general government, judicial and law enforcement, highway and streets, health and welfare, parks and recreation, and interest on long-term debt. The government-wide financial statements can be found on pages 16 through 17 of this report.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are categorized as governmental funds or 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 balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several 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 the Road and Bridge Fund, both of which are considered to be major funds. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the comprehensive annual financial report.

The basic governmental fund financial statements can be found on pages 18 through 21 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 the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 22 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 23 through 43 of this report.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. The County adopts an annual appropriated budget for its general, debt service, Road and Bridge and certain special revenue funds. Budgetary comparison statements have been provided for the general fund and the road and bridge fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 46 through 53 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 the County, assets and deferred outflows of resources, exceeded liabilities and deferred inflows of resources by \$46.1 million at the close of the most recent fiscal year.

By far, the largest portion of the County's net position (\$38.5 million or 84%) consists of its investment in capital assets (e.g., land, buildings, vehicles, road equipment, office furniture and equipment, infrastructure, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Nacogdoches County's Net Position

	Governmental Activities	
	2018	2017
Assets		
Current and other assets	\$ 12,562,998	\$ 12,214,669
Capital assets, net	44,327,838	44,625,673
Total Assets	56,890,836	56,840,342
Deferred outflows of resources		
Deferred charge on refunding	283,236	353,794
Deferred pension items	1,190,109	3,753,648
Total deferred outflows of resources	1,473,345	4,107,442
Liabilities		
Other liabilities	1,207,717	1,158,120
Long-term liabilities	10,004,628	14,642,008
Total Liabilities	11,212,345	15,800,128
Deferred inflows of resources		
Deferred pension items	1,064,920	344,451
Total deferred inflows of resources	1,064,920	344,451
Net Position:		
Net Investment in capital assets	38,489,339	37,306,367
Restricted	3,922,371	4,020,899
Unrestricted	3,675,206	3,475,939
Total Net Position	\$ 46,086,916	\$ 44,803,205

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

A portion of the County's net position, \$3.9 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$3.7 million, may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the County's fund designation and fiscal policies.

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$46.1 million, which is an increase of \$1.3 million from the prior year's net position amount of \$44.8 million. Long-term liabilities overall decreased due to payments of bonds and capital leases. A change in pension liabilities of \$2.98 million is a result of Texas County and District Retirement System actuarial valuation. From the Statement of Activities, the increase is primarily related to increases in property tax collections of \$164,000 and investment earnings of \$108,000 compared to the prior year.

Governmental activities change in Net Position for the County was a \$1.3 million increase. The key elements of this increase are as follows:

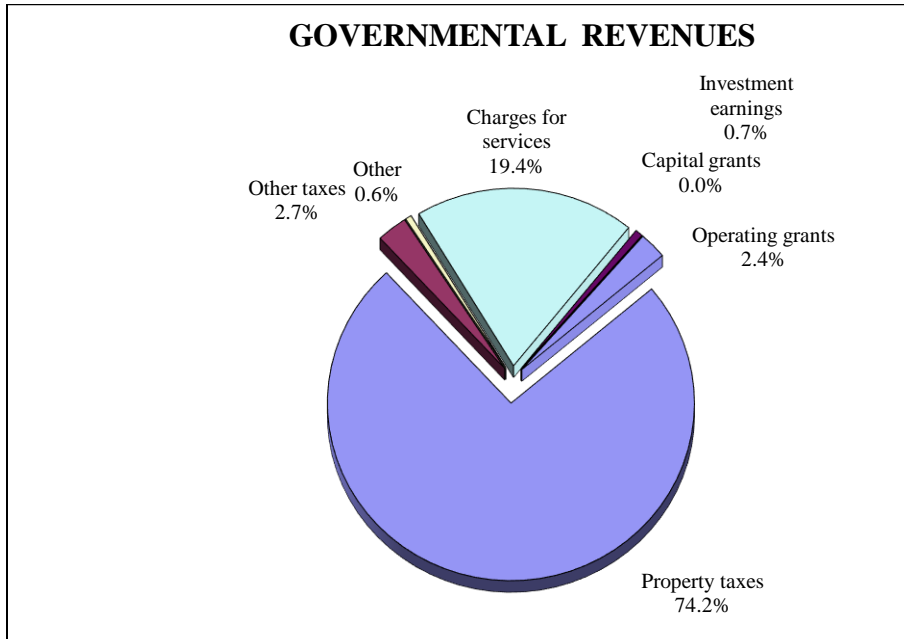
- While the County's investment in capital assets (net of accumulated depreciation) has remained steady at \$44.3 million in fiscal year 2018 and \$44.6 million in fiscal year 2017, the debt outstanding to acquire those assets decreased by \$1.7 million between fiscal year 2017 and fiscal year 2018.
- The effective tax rate was adopted for fiscal year 2018. The effective tax rate was the total tax rate needed to raise the same amount of property tax revenue for the same properties in both the preceding tax year and current tax year. When the budget was adopted, this rate increased the estimated tax levy by 2.36% - mostly from new property added to the tax roll. Revenues from property taxes increased by \$163,729 and revenues from earnings on investments increased by \$108,000. Expenses on the Statement of Activities remained steady in fiscal year 2018 and fiscal year 2017. The combination contributed to the increase in net position.

Nacogdoches County's Changes in Net Position

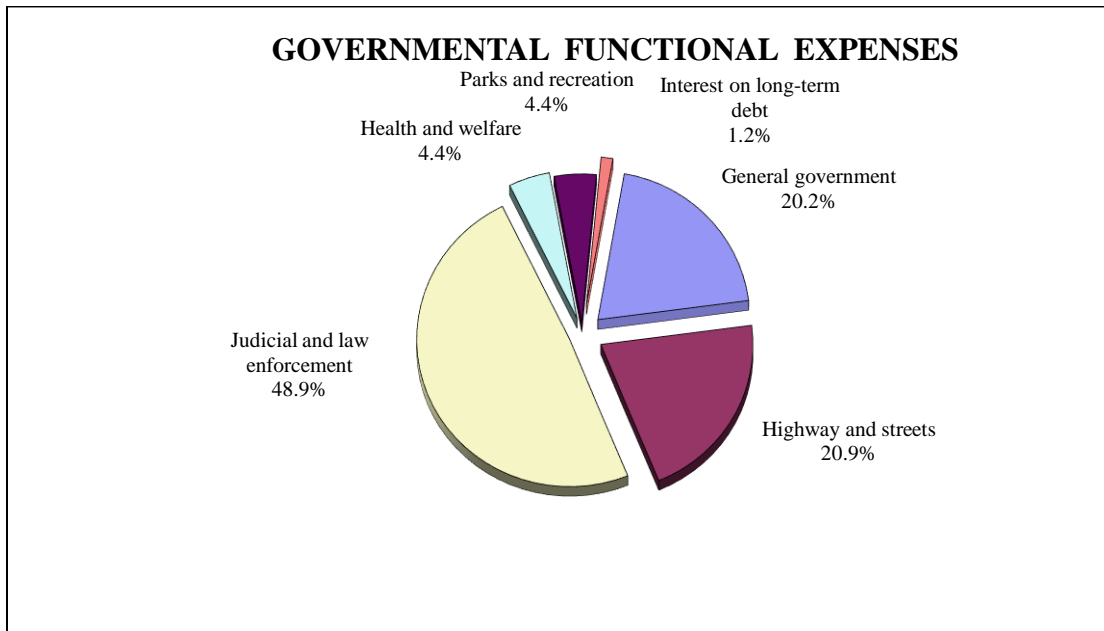
	Governmental Activities	
	2018	2017
Revenues		
Program revenues:		
Charges for services	\$ 4,807,952	\$ 4,794,834
Operating grants and contributions	598,291	550,294
Capital grants and contributions		25,710
General revenues:		
Property taxes	18,371,660	18,207,931
Other taxes	666,299	613,763
Earnings on investments	167,669	59,282
Grants and Contributions not restricted to specific programs	-	9,847
Miscellaneous	137,468	52,889
Total Revenues	<u>24,749,339</u>	<u>24,314,550</u>
Expenses		
General government	4,730,562	5,237,319
Highway and streets	4,898,787	4,061,703
Judicial and law enforcement	11,480,216	11,687,652
Health and welfare	1,023,306	1,023,558
Parks and recreation	1,041,076	1,227,346
Interest on long-term debt	291,681	356,200
Total Expenses	<u>23,465,628</u>	<u>23,593,778</u>
Change in Net Position	1,283,711	720,772
Net Position, Beginning	<u>44,803,205</u>	<u>44,082,433</u>
Net Position, Ending	<u>\$ 46,086,916</u>	<u>\$ 44,803,205</u>

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Governmental activities revenue for fiscal year 2018 are graphically displayed as follows:



Governmental activities functional expenses were as follows:



NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis of the County's Funds

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

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

The County's governmental funds reflect a combined fund balance of \$10.4 million an increase of \$0.3 million compared with the prior year fund balance \$10.1 million. Of the \$10.4 million fund balance, \$6.3 million is unassigned and available for day-to-day operations of the County. The remaining restricted fund balances is approximately \$3.9 million mainly for capital projects and specific purposes of the special revenue funds.

The General Fund Balance increased by \$403 thousand with an ending fund balance of \$6.5 million. Overall, revenue to the General Fund increased by \$157 thousand. This is a combination of increases in current property tax collections of \$100,000 and investment earnings of \$82,000 compared to the prior year. These increases were offset by decreases in charges for services and fee and fine revenues compared to prior year. General Fund expenditures increased by \$350 thousand from prior year which was mainly from increases related to salaries, fringe benefits, and capital lease payments for law enforcement vehicles.

The Road and Bridge Fund Balance decreased by \$27,086 compared to prior year with an ending balance of \$532,700.

General Fund Budgetary Highlights

The County made revisions to the original appropriations approved by the Commissioners' Court. These changes resulted in an increase from the original budget by \$239,126. Although the amended budgeted expenditures totaled \$17,103,511 actual expenditures totaled \$16,140,311, a \$963,200 positive variance. This is a result from all departments not expending their total appropriations.

Total revenue exceeded the final budget by \$175 thousand. This was primarily due to property taxes and increased earnings on investments. Current, delinquent, and penalty and interest tax collections exceeded the budget by \$81,744. Miscellaneous revenue exceeded budget but was offset by fees and fines which were below budget. Actual earnings on investments and charges for services exceeded budget.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Assets and Debt Administration

Capital Assets - At the end of fiscal year 2018, the County's governmental activities had invested \$44.3 million (net of accumulated depreciation). This investment in capital assets includes Land, buildings, equipment, improvements (other than buildings) infrastructure and construction in progress, as reflected in the following schedule. The capital acquisitions were approximately \$2.5 million, offset by \$2.6 million in depreciation expense and \$0.2 million in disposals for a net decrease in Capital Assets of \$297,835 over the previous fiscal year.

	Governmental Activities	
	2018	2017
Non-Depreciable Assets		
Land and intangibles	\$ 2,353,904	\$ 2,353,904
Construction in progress	-	74,166
Other Capital Assets, Net		
Land Improvements	2,864,874	2,856,828
Buildings and improvements	16,046,791	15,911,514
Infrastructure	18,230,244	18,165,292
Machinery and equipment	4,832,025	5,263,969
Total Capital Assets	\$ 44,327,838	\$ 44,625,673

Major capital events occurring during the current year included the following:

- Acquisitions of \$246,112 in leased assets which included patrol vehicles and the County placed into service a Truck Weigh/Inspection Station with a capitalized cost of \$853,867.
- Disposal of vehicles and equipment with total historical cost of \$548,369.

Long-Term Debt - At the end of the current fiscal year, the County had total debt outstanding of \$7.4 million. This is a decrease of \$1.7 million from the prior year due to principal payments made during the year of \$1.9 million offset by additional debt of \$244 thousand on capital leases.

	Governmental Activities	
	2018	2017
Certificates of Obligation	\$ 2,215,000	\$ 2,445,000
Refunding Bonds	3,754,000	4,927,000
Capital Leases	1,459,672	1,721,404
Total	\$ 7,428,672	\$ 9,093,404

Additional information on capital assets and long-term debt is available in Notes 6 and 7, respectively, to the financial statements.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Economic Factors and Outlook

- According to the Texas Workforce Commission's Labor Market and Career Information website (TASER2), the unemployment rate for Nacogdoches County was 3.7% as of September 2018 compared to a Texas statewide unemployment rate of 3.7%. A year ago, Nacogdoches County's unemployment rate was 3.8% and the Texas statewide unemployment rate was 4.0%. The national unemployment rate as of September 2018 and 2017 was 3.6% and 4.1% respectively.
- Sperling's Best Places publishes a Cost of Living Index (www.bestplaces.net) for the City of Nacogdoches – 82.6. The national average is 100. Nearby cities include: Lufkin, TX 83.2, Tyler, TX 88.4, Longview, TX 92.8, Monroe, LA 83.6, Jackson, MS 89.3, College Station, TX 99.1, New Braunfels, TX 108.3, Austin, TX 130.0, Houston, TX 104.8, Dallas, TX 107.7, and San Antonio, TX 96.7.
- The Texas Education Agency reported 10,959 students attending public schools in Nacogdoches County for 2017. Five years prior (2012), the total was 10,844.
- On September 25, 2018, Stephen F. Austin State University announced a fall enrollment of 13,144 students, an all-time high and a 4% increase over the previous year. Fall 2017 enrollment was 12,614. Various factors influence enrollment. The number of college students in the area affects the level of business activity in the county.
- Nacogdoches County continues to monitor revenue from sources other than property taxes. Traffic cases are a source of revenue from court costs and fines. Traffic cases across the state have decreased 38% from its peak in 2006. These cases are at the lowest level in more than 30 years according to the 2018 Annual Statistical Report for the Texas Judiciary released by the Texas Office of Court Administration. In the past, The Texas Department of Public Safety focused on warnings and shifted officers to the Texas border to work. As of September 12, 2017, KXAN News in Austin, Texas reported that the Texas Department of Public Safety is no longer rotating troopers to the Texas border. Overall, with less federal funds available for traffic programs and higher speed limits in Texas, the number of traffic cases is expected to remain low. The decreasing traffic cases are part of a statewide trend of shifting caseloads in Texas Courts. Across all Courts, the economy impacts defendants' ability to pay fines assessed. Furthermore, Courts have observed significant recidivism among indigent mentally ill defendants. As defendants await trial for current cases, payment is not likely to be collected on prior cases. And, Texas House Bill 351 passed June 15, 2017 and became effective September 1, 2017. The bill amended the Texas Code of Criminal Procedure 42.15 and requires the Court to inquire whether the defendant has resources to pay fines and court costs. If the Court finds that the defendant does not have sufficient resources, the Court determines whether the fines should be, among other options, dismissed (and not paid) via an Affidavit of Indigency. In the past, an inquiry by the Court was not required. The County will continue to monitor these trends.

The County Commissioners set fiscal policy, establish service priorities, and allocate resources through the budget. While preparing the FY 2019 budget, the County Commissioners and management considered the following:

- Financing alternatives for law enforcement vehicles and Road and Bridge equipment in an effort to provide service and conserve cash.
- In a continuing effort to meet standards set by the Texas Jail Commission and reduce liability, Court included in the budget increased funding for psychology services and building maintenance.

NACOGDOCHES COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

- The FY 2017 audited fund balance for the General Fund was presented to Court during April 2018, two months before work on the FY 2019 budget began. Audited fund balance was higher than originally projected in the adopted FY2017 budget. During budget workshops, department heads presented several long-term projects needed to improve or maintain services. Considering the FY2017 audited fund balance, the estimated FY2018 ending fund balance and the County's fund balance policy, Court decided to draw down on fund balance by including inter-fund transfers from the General Fund to the Permanent Improvement Fund to: replace electronic voting equipment; purchase land, a roof and air conditioners for the jail; and pay off capital leases for Road and Bridge Equipment.

The budgeted amount from fund balance to be utilized to offset current general fund expenditures and transfers-out was \$2 million. This is an increase of \$1.2 million compared to the prior fiscal year. This is due to an estimated beginning fund balance that is higher than the county's fund balance policy. Court budgeted to draw down the estimated beginning fund balance and adopt the effective tax rate (as opposed to increasing property taxes). The estimated 09/30/2019 ending fund balance in the adopted budget is \$4,573,448 which is 24% of current budgeted expenditures. Nacogdoches County's fund balance policy is to maintain 18%-25% of current budgeted expenditures for unanticipated needs.

Requests for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the County's finances. If you have questions about this report or need any additional information, contact the Nacogdoches County Auditor, at 101 West Main Street; Suite 140, Nacogdoches, Texas 75961.

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BASIC FINANCIAL STATEMENTS

NACOGDOCHES COUNTY, TEXAS**STATEMENT OF NET POSITION**

September 30, 2018

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 10,900,047
Receivables (Net of Allowance for Uncollectibles)	1,416,807
Prepaid items	239,627
Inventory	6,517
Capital assets, not being depreciated	2,353,904
Capital assets, net of accumulated depreciation	41,973,934
Total Assets	56,890,836
Deferred outflows of resources	
Deferred charge on refunding	283,236
Deferred pension items	1,190,109
Total deferred outflows of resources	1,473,345
Liabilities	
Accounts payable and accrued expenses	738,967
Accrued payroll	226,694
Accrued interest payable	80,660
Unearned revenues	116,642
Due to other governments	44,754
Long-term liabilities due within one-year	1,856,472
Compensated absences due within one-year	122,234
Compensated absences due in more than one-year	244,467
Long-term liabilities due in more than one-year	5,696,479
Net pension liability	2,084,976
Total Liabilities	11,212,345
Deferred inflows of resources	
Deferred pension items	1,064,920
Total deferred inflows of resources	1,064,920
Net Position	
Net investment in capital assets	38,489,339
Restricted for:	
Debt Service	328,040
Records management	531,367
Road and bridge	532,700
Judicial and law enforcement	994,115
Other purposes	1,536,149
Unrestricted	3,675,206
Total Net Position	\$ 46,086,916

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS

STATEMENT OF ACTIVITIES

For the year ended September 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and
					Changes in Net Position
					Primary Government
					Governmental Activities
Primary Government					
Governmental Activities:					
General government	\$ 4,730,562	\$ 394,781	\$ 17,999	\$ -	\$ (4,317,782)
Highway and streets	4,898,787	1,147,223	-	-	(3,751,564)
Judicial and law enforcement	11,480,216	2,656,229	580,292	-	(8,243,695)
Health and welfare	1,023,306	-	-	-	(1,023,306)
Parks and recreation	1,041,076	609,719	-	-	(431,357)
Interest	291,681	-	-	-	(291,681)
Total Primary Government	\$ 23,465,628	\$ 4,807,952	\$ 598,291	\$ -	(18,059,385)
General revenues:					
Property taxes, penalties, and interest					18,371,660
Unrestricted earnings on investments					167,669
Other taxes					666,299
Miscellaneous					137,468
Total General Revenues					19,343,096
Changes in Net Position					1,283,711
Net Position, Beginning					44,803,205
Net Position, Ending					\$ 46,086,916

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2018

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 151,771	\$ 239,111	\$ 1,487,281	\$ 1,878,163
Investments	6,647,502	363,238	2,011,144	9,021,884
Receivables (net of allowance for uncollectibles)	976,508	222,856	217,443	1,416,807
Inventory	-	-	6,517	6,517
Prepaid items	176,354	10,919	52,354	239,627
Total Assets	<u>\$ 7,952,135</u>	<u>\$ 836,124</u>	<u>\$ 3,774,739</u>	<u>\$ 12,562,998</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities:				
Accounts payable	\$ 381,049	\$ 111,542	\$ 245,961	\$ 738,552
Accrued expenditures	415	-	-	415
Accrued payroll	186,420	29,526	10,748	226,694
Due to other governments	44,754	-	-	44,754
Unearned revenues	115,833	-	30,699	146,532
Total Liabilities	<u>728,471</u>	<u>141,068</u>	<u>287,408</u>	<u>1,156,947</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	740,274	162,356	84,024	986,654
Total Deferred Inflows of Resources	<u>740,274</u>	<u>162,356</u>	<u>84,024</u>	<u>986,654</u>
Fund Balances:				
Nonspendable				
Inventories and prepaids	176,354	10,919	58,152	245,425
Restricted				
Debt service	-	-	341,677	341,677
Capital projects	-	-	1,428,686	1,428,686
Grants	-	-	17,049	17,049
Records	-	-	554,827	554,827
Public safety	-	-	358,720	358,720
Judicial	-	-	626,277	626,277
Road and bridge	-	521,781	-	521,781
Other	-	-	49,641	49,641
Unassigned	6,307,036	-	(31,722)	6,275,314
Total Fund Balances	<u>6,483,390</u>	<u>532,700</u>	<u>3,403,307</u>	<u>10,419,397</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,952,135</u>	<u>\$ 836,124</u>	<u>\$ 3,774,739</u>	<u>\$ 12,562,998</u>

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
September 30, 2018

Total fund balance, governmental funds \$ 10,419,397

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position. 44,327,838

Unavailable property tax revenues in the governmental fund statements are recognized as revenue in the government wide statements. 1,016,544

Deferred outflows related to pension activities 1,190,109

Some liabilities and deferred inflows of resources are not due and payable in the current period and are not included in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.

Certificates of obligation	(2,215,000)
Premium on bonds	(121,749)
Refunding bond	(3,754,000)
Loss on refunding	283,236
Capital lease payable	(1,462,202)
Compensated absences	(366,701)
Net pension liability	(2,084,976)
Deferred inflows related to pension activities	(1,064,920)
Accrued interest payable	<u>(80,660)</u>

Net Position of Governmental Activities \$ 46,086,916

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2018

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes	\$ 13,741,415	\$ 2,971,740	\$ 1,658,505	\$ 18,371,660
Charges for services	852,374	900,022	-	1,752,396
Fees and fines	966,933	190,271	862,885	2,020,089
Intergovernmental	955,313	-	599,995	1,555,308
Earnings on investments	128,960	16,144	17,714	162,818
Miscellaneous	436,377	3,716	441,679	881,772
Total Revenues	<u>17,081,372</u>	<u>4,081,893</u>	<u>3,580,778</u>	<u>24,744,043</u>
Expenditures				
Current:				
General government	4,861,874	-	1,166,934	6,028,808
Administration of justice	3,582,923	-	718,439	4,301,362
Public safety	6,822,915	-	192	6,823,107
Highway and streets	-	4,018,695	225,054	4,243,749
Health and Welfare	311,220	-	-	311,220
Parks and recreation	-	-	849,372	849,372
Capital Outlay	246,112	-	-	246,112
Debt Service:				
Principal	305,668	199,646	1,403,000	1,908,314
Interest and fiscal charges	9,599	32,170	207,683	249,452
Total Expenditures	<u>16,140,311</u>	<u>4,250,511</u>	<u>4,570,674</u>	<u>24,961,496</u>
Excess (Deficiency) of Revenues			-	
Over (Under) Expenditures	<u>941,061</u>	<u>(168,618)</u>	<u>(989,896)</u>	<u>(217,453)</u>
Other Financing Sources (Uses)				
Sale of capital assets	121,385	141,532	-	262,917
Transfers in	-	-	905,517	905,517
Transfers out	(905,518)	-	-	(905,518)
Issuance of capital lease	246,112	-	-	246,112
Total other financing sources (uses)	<u>(538,021)</u>	<u>141,532</u>	<u>905,517</u>	<u>509,028</u>
Net change in fund balances	403,040	(27,086)	(84,379)	291,575
Fund balances - beginning	<u>6,080,350</u>	<u>559,786</u>	<u>3,487,686</u>	<u>10,127,822</u>
Fund balances - ending	<u>\$ 6,483,390</u>	<u>\$ 532,700</u>	<u>\$ 3,403,307</u>	<u>\$ 10,419,397</u>

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCES (GOVERNMENTAL FUNDS) TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2018

Net change in fund balances - total governmental funds: \$ 291,575

Adjustments for the Statement of Activities:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay of (\$2.54 million) was capitalized on the entity wide statement and the depreciation expense (\$2.59 million) that was expensed in the current period. 2,536,632 (2,588,728)

The statement of activities reports a loss arising from disposal of capital assets as the difference between the proceeds from disposal and the net book value of the assets. (248,186)
The governmental funds report only the proceeds from disposal. This amount represents the net book value of capital assets disposed during the year.

Proceeds from capital lease are sources of funding for Governmental Funds to acquire assets, but is not included in government wide statement of activities. (243,583)

Repayment of bond principal is an expenditure in the governmental fund, but the repayment of principal reduces long-term liabilities in the Statement of Net Position. 1,403,000

Repayment of capital lease principal is an expenditure in the governmental fund, but the repayment of principal reduces capital lease liabilities in the Statement of Net Position. 505,314

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in governmental funds. This adjustment reflects the net change in:

Accrued interest payable 7,157
Amortization of deferred charges including premiums and discounts on issuance of bonds 21,173
Compensated absences (25,846)
Amortization of refunding loss (70,558)
Net pension liabilities and associated deferred outflows of resources (304,239)

Change in net position of governmental activities \$ 1,283,711

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS
STATEMENT OF AGENCY ASSETS AND LIABILITIES
September 30, 2018

	Agency Fund
Assets	
Cash and cash equivalents	<u>\$ 5,569,577</u>
Total Assets	<u><u>\$ 5,569,577</u></u>
Liabilities	
Due to other agencies and beneficiaries	<u>\$ 5,569,577</u>
Total Liabilities	<u><u>\$ 5,569,577</u></u>

The accompanying notes are an integral part of these financial statements.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

Nacogdoches County, Texas ("County") is an independent governmental entity created under the laws of the State of Texas. The County is governed by an elected Commissioners' Court. The financial statements of the County include all funds and agencies over which the County is considered to be financially accountable.

The County is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity.

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

B. Government-wide and Fund Accounting

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous reporting model emphasized fund types (the total of all funds of a particular type), the GASB 34 reporting model focuses on either the County as a whole or on major individual funds (within the fund financial statements). Typically, both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. All primary activities of the County are considered to be governmental type activities; therefore no business type activities are presented within the basic financial statements. In the government-wide Statement of Net Position, governmental activities are presented on a full accrual, economic resource basis, which incorporates long-term assets and receivables, as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general administration, financial administration, public safety, etc.), which are otherwise being supported by general government revenues (property taxes, earnings on investments, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function (general administration, financial administration, public safety, etc.).

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile fund-based financial statements with the governmental column of the government-wide presentation.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Accounting (continued)

The County's fiduciary funds are presented in the fund financial statements by type. Since, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. Since the County only reports agency funds, a statement of changes in fiduciary net position is not presented. All assets reported in agency funds should be offset by a corresponding liability, resulting in zero net position.

In the fund financial statements, the accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Following is a description of the various funds:

The County reports the following major governmental funds:

General Fund

The General Fund is the County's primary operating fund. It is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is local property taxes. Expenditures include all costs associated with the daily operations of the County.

Road and Bridge Fund

The Road and Bridge Fund is used to account for the proceeds of specific revenue sources, mostly taxes and fees that are legally restricted to expenditures for street and highway improvements.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund-types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net position and statements of activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the balance sheet. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting assets and liabilities.

The accounts of the Governmental Fund Types (the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Available means collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Substantially all revenues, except property taxes, are considered to be susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as expenditures when due.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

C. Basis of Accounting (continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is that interfund services provided and used within the County are not eliminated in the process of consolidation. Elimination of these services would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Revenues that are generated internally are reported as general revenues, including property taxes.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used as an extension of formal budgetary control. Encumbrances outstanding at year-end are reported as assigned or committed fund balances and do not constitute expenditures or liabilities of the current year and are reappropriated in the budget of the subsequent year. Unencumbered appropriations lapse at the end of the year. The County did not have any significant encumbrances at year-end.

E. Cash and Cash Equivalents

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

F. Investments

The County's investments are comprised of certificates of deposit and money market accounts. Obligations with maturities of one year or less when purchased are reported on the balance sheet at their amortized cost, which approximates fair value. All other investments are reported at fair value. The investments in U.S. Government Securities are generally held to maturity.

The County categorizes fair value measurements of its investments based on the hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASB No. 72 focuses on the exit price in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. GASB establishes a fair value reporting hierarchy to maximize the use of observable inputs when measuring fair value and defines the three levels of inputs: Level 1 – Assets or liabilities for which the identical item is traded on an active exchange, such as publicly traded instruments or futures contracts; Level 2 – Assets and liabilities valued based on observable market data for similar instruments. Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for assets and liabilities, either directly or indirectly; and Level 3 – Assets or liabilities for which significant valuation assumptions are not readily observable in the market and instruments, which are valued based on the best available data. Fair value is estimated using unobservable inputs that are significant to the fair value of the assets or liabilities. Level 3

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

F. Investments (continued)

assets may include instruments for which the determination of fair value requires significant management judgment or estimation. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The County's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

H. Due to and Due From Other Funds

During the course of operations, transactions occur between individual funds for specified purposes, such as lending/borrowing arrangements or amounts. These receivables and payables are classified as "due from other funds" or "due to other funds."

I. Interfund Transfers

The County maintains numerous special revenue and capital project funds to account separately for monies that have been set aside for particular purposes. Often, these monies are initially budgeted in the General Fund during the annual budget process and are then transferred to various funds during the course of the fiscal year. In addition, when these projects are complete, these same funds often transfer residual monies back to the General Fund or some other fund, as determined by where the monies should be returned. These interfund transfers are classified as "transfers in" and "transfers out" within the primary government.

J. Interest Receivable

Interest on investments is recorded as revenue in the year the interest is earned and available to pay liabilities of the current period.

K. Capital Assets

Capital assets used in governmental fund types of the government are recorded as expenditures of the General, Special Revenue and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County's capitalization threshold (currently \$5,000) is met. Depreciation is recorded on capital assets on a government-wide basis. Major outlays for capital assets and improvements are capitalized as projects are constructed and subsequently depreciated over their estimated useful lives on a straight-line basis at both the fund and government-wide levels. All capital assets are valued at historical

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

K. Capital Assets (continued)

cost or estimated historical cost if actual cost was not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and resulting gain or loss is included in the results of operations.

The County applies monthly depreciation for all assets. Therefore, depreciation is charged to operations for each month that an asset is in service. Depreciation has been provided for plant and equipment using the straight-line method over the estimated useful life for the type of assets as follows:

<u>Assets</u>	<u>Years</u>
Buildings	27.5 - 40, depending on construction
Building improvements	10-20
Infrastructure	10-50
Roads and horizontal infrastructure	10-50
Electrical systems	20
Plumbing systems	20
Central air/heat systems	15
Equipment (non-office)	7-15
Office furnishings	7-10
Office equipment	7-10
Motor vehicles	5
Used vehicles	3
Computer equipment	3-8

L. Accrued Compensated Absences

County employees earn 12 days of vacation with pay per year during the first 10 years of employment and 17 days of vacation with pay per year for after more than 10 years of continuous employment. Employees may carry over two weeks of unused vacation leave. Employees may also convert one week of vacation to one week sick leave. Vacation in excess of carryover and conversion shall be forfeited. Upon termination, unused vacation, compensation time, and holidays are paid out to the employee. Unused sick leave, 5 days of funeral leave and jury leave are not paid upon termination.

M. Fund Balance

The County follows GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions". The statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

M. Fund Balance (continued)

- **Non-spendable fund balance** – includes amounts that cannot be spent because they are either not spendable in form (inventory, prepaids, long-term portion of notes receivable) or are legally or contractually required to be maintained intact (e.g., the corpus or principal of a permanent fund). As such, the inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet as non-spendable fund balance.
- **Restricted fund balance** – includes amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors. The fund balances for debt service, capital projects from bond sales, federal and other grant funds are classified as restricted.
- **Committed fund balance** – includes amounts that can only be used for specific purposes or constrained to specific purposes as approved through a resolution by the Commissioners' Court which is the highest level of decision making authority of the County. Once amounts are reported as committed, the amounts cannot be used for any other purposes unless the Commissioners' Court approves a resolution to remove or change the constraint.
- **Assigned fund balance** – amounts the County intends to use for a specific purpose. Management Intent can be expressed by Commissioners' Court or by the County Judge to whom the authority to assign fund balance has been give through the County's Fund Balance policy approved by the Commissioner's Court.
- **Unassigned fund balance** - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The General Fund is the only fund that is allowed to have positive amounts reported in this category.

For the purpose of fund balance classification, expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

N. Restricted/Unrestricted Net Position and Fund Balances

It is the County's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted/unassigned net position/fund balance are available.

O. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items are recorded as expenditures when consumed rather than when purchased.

P. Reclassifications

Certain reclassifications to prior year balances have been made to conform to current year presentation. Such reclassifications have had no effect on the excess of revenues over expenditures.

Note 1 - Summary of Significant Accounting Policies (continued)

Q. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

R. Pension

The County reports a liability for pension obligations and related deferred outflows/inflows of resources in accordance with generally accepted accounting principles. Changes in the net pension liability from year-to-year will be recognized as pension expense on the statement of activities or reported as deferred outflows/inflows of resources, depending on the type of change. Deferred inflows/outflows of resources are amounts that are not entirely recognized when they occur and are recognized over a period of time.

S. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government has two items that qualifies for reporting as deferred outflows of resources.

- 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.
- Deferred outflows of resources for pension reported in the government-wide statement of net position. This deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees).

In addition to liabilities, the governmental fund balance sheet and statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for equity as deferred inflows of resources.

- The governmental funds report unavailable revenues - property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- The deferred inflows of resources is reported on the government-wide statement of net position. The deferred inflows is related to pension and they are results primarily from (1) changes in actuarial assumption; and (2) differences between expected and actual actuarial experiences. These pension related deferred inflows will be amortized over the expected remaining service lives of all employees that are provided with pensions.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Note 2 - Deposits (Cash) and Investments

A. Authorization for Deposits and Investments

The County reports all investments at fair value based on quoted market prices at year-end date. The County categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Texas Public Funds Investment Act (PFIA), as prescribed in Chapter 2256 of the Texas Government Code, regulates deposits and investment transactions of the County.

In accordance with applicable statutes, the County has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the County incurs for banking services received. The County may place funds with the depository in interest and non-interest bearing accounts. State law provides that collateral pledged as security for bank deposits must have a market value of not less than the amount of the deposits and must consist of: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas; and/or (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent. County policy requires the collateralization level to be at least 100% of market value of principal and accrued interest.

Commissioners Court has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the County are in compliance with this policy. State statutes authorize the County to invest in fully collateralized or insured time deposits, direct debt obligations of the United States, and certain repurchase agreements. Investments in security repurchase agreements are authorized when the investment has a defined termination date, is secured by obligations described in the Public Funds Investment Act, is pledged to the County, is deposited with a third party selected and approved by the entity, and is placed through a primary government securities dealer or national bank domiciled in the State of Texas. The County did not invest in repurchase agreements for the year ended September 30, 2018.

A. Authorization for Deposits and Investments (continued)

The County's cash and investments are classified as: cash and cash equivalents, and investments. Cash and cash equivalents include cash on hand, and deposits with financial institutions.

At September 30, 2018, the County's cash deposits of \$1.6 million, certificate of deposits of \$6.7 million, and \$1.0 million money market are either insured by FDIC or covered by collateral held by the County's agent in the County's name.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Deposits (Cash) and Investments (continued)

B. Deposit and Investment Amounts

The following schedule shows the County's recorded cash, cash equivalents and investments at year-end, excluding Agency Funds:

	<u>Total Value</u>
Cash deposits	\$ 1,638,408
Certificate of Deposits	6,679,361
Money Market Accounts	1,002,293
Investment Pool	
TexPool	1,579,985
Total cash and investment	<u>\$ 10,900,047</u>

The County's investments are certificates of deposit accounts at Citizen's Bank and Commercial Bank of Texas and a money market account at Commercial Bank of Texas. Investment's fair value measurement at year-end are as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
		<u>Inputs</u>	<u>Inputs</u>	<u>Inputs</u>
Certificates of Deposit	\$ 6,679,361	\$ -	\$ 6,679,361	\$ -
Money Market	1,002,293		1,002,293	-
Total	<u>\$ 7,681,654</u>	<u>\$ -</u>	<u>\$ 7,681,654</u>	<u>\$ -</u>

Interest Rate Risk

In accordance with its investment policy, the government manages its exposure to declines in fair values by limiting the average dollar weighted maturity of its investment portfolios to a maximum of 90 days.

At year-end, the County had the following investments subject to interest rate risk disclosure, under U.S. generally accepted accounting principles:

	<u>Fair Value/ Amortized Cost</u>	<u>Weighted Average Maturity (days)</u>	<u>Percentage of Total Portfolio</u>
Certificate of Deposits	\$ 6,679,361	9	72.1%
Money Market Accounts	1,002,293	1	10.8%
TexPool	1,579,985	28	17.1%
Total Fair Value/Amortized Cost	<u>\$ 9,261,639</u>		
Portfolio weighted average maturity		<u>11</u>	

Portfolio maturities will be structured to meet the obligations of the County first and then to achieve the highest rate of return of interest. When the County has funds not required to meet current-year obligations, maturity restraints will be imposed based upon the investment strategy for the group of funds.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Deposits (Cash) and Investments (continued)

TexPool

As of September 30, 2018, the County's investments included TexPool. The investment pool's investments are not evidenced by securities that exist in physical or book entry form and, accordingly, do not have custodial risk.

TexPool policies require that local government deposits be used to purchase investments authorized by the Public Funds Investment Act (PFIA) of 1987, as amended. The Texas State Comptroller of Public Accounts has oversight responsibility for TexPool. TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool uses amortized cost rather than fair value to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the County's investments in TexPool are stated at cost, which approximates fair value. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Local Government Investment Pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

Concentration of Credit Risk

It is the County's policy to diversify its portfolio to eliminate the risk of loss resulting from a concentration of assets in a specific maturity, a specific issuer or a specific class of investments.

It is the County's policy to select investments in order to provide stability of income and reasonable liquidity.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 3 - Receivables

Receivables, including applicable allowances for uncollectible accounts, as of September 30, 2018, were as follows:

	Governmental Activities			Total
	General	Road and Bridge	Other Governmental Funds	
Receivables:				
Taxes	\$ 785,723	\$ 169,902	\$ 94,907	\$ 1,050,532
Grants	86,708	-	89,257	175,965
Other	135,506	59,750	37,077	232,333
Gross receivables	1,007,937	229,652	221,241	1,458,830
Less: allowance for uncollectibles	(31,429)	(6,796)	(3,798)	(42,023)
Total	\$ 976,508	\$ 222,856	\$ 217,443	\$ 1,416,807

Note 4 - Property Taxes

The County's tax year covers the period October 1 through September 30. The County's property taxes are levied annually in October on the basis of the Nacogdoches Central Appraisal District's (CAD) assessed values as of January 1 of that calendar year. Such taxes become delinquent on February 1 of the subsequent calendar year. The CAD establishes appraised values at 100% of market value less exemptions. The County's property taxes are billed and collected by the County's Tax Assessor/Collector.

A. 2017-18 Tax Year

Property taxes are prorated between the General and Debt Service Funds based on rates adopted for the year of the levy. For the 2018 fiscal year (2017 tax year), the County levied property taxes of \$0.58170 per \$100 of assessed valuation. The 2017 rates resulted in total tax levies of approximately \$18.3 million based on a total adjusted valuation of approximately \$3.26 billion. The total tax rate in the 2017 tax year was prorated as follows:

	Tax Rate
General Fund	\$ 0.43507
Debt Service Fund	0.05106
Road and Bridge	0.09408
Jury	0.00080
Lake Naconiche	0.00070
Total	\$ 0.58170

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 4 - Property Taxes (continued)

B. Nacogdoches Central Appraisal District

The Nacogdoches Central Appraisal District (CAD), a separate governmental entity, is responsible for the recording and appraisal of property for all taxing units in the County.

The CAD is required by state law to assess property at 100% of its appraised value. Further, real property must be appraised at least every four years. Under certain circumstances, the taxpayers and taxing units, including the County, may challenge orders of the CAD's Appraisal Review Board through various appeals and, if necessary, legal action may be taken.

The Commissioners Court will continue to set the tax rates on the property. State law also provides that, if approved by the qualified voters in the County, collection functions may be assigned to the CAD.

Note 5 - Interfund Activity

Interfund transfers

Transfers totaling \$905,518 were made during the year primarily for the purpose of moving unrestricted fund revenues to finance various programs that the government must account for in other funds in accordance with the budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

	Transfers In	Transfers Out
General Fund	\$ -	\$ 905,518
Non-major Governmental Funds	905,518	-
	<u>\$ 905,518</u>	<u>\$ 905,518</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 6 - Capital Assets

A summary of changes in the primary government's capital assets for the year ended September 30, 2018, follows:

	10/1/2017	Additions	Reclassifications/ Decreases	Balance 09/30/18
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,353,904	\$ -	\$ -	\$ 2,353,904
Construction in progress	74,166	-	(74,166)	-
Total capital assets not being depreciated	2,428,070	-	(74,166)	2,353,904
Capital assets being depreciated:				
Land improvements	3,452,891	77,104	-	3,529,995
Buildings and improvements	27,697,288	844,024	74,166	28,615,478
Infrastructure	31,584,664	945,822	-	32,530,486
Machinery and equipment	8,823,222	426,017	(166,543)	9,082,696
Capital leases assets	3,653,799	246,112	(381,826)	3,518,085
Total other capital assets	75,211,864	2,539,079	(474,203)	77,276,740
Accumulated depreciation for:				
Land improvements	(596,063)	(69,058)	-	(665,121)
Buildings and improvements	(11,785,774)	(782,913)	-	(12,568,687)
Infrastructure	(13,419,372)	(880,870)	-	(14,300,242)
Machinery and equipment	(6,223,313)	(569,583)	106,617	(6,686,279)
Capital leases assets	(989,739)	(286,304)	193,566	(1,082,477)
Total accumulated depreciation	(33,014,261)	(2,588,728)	300,183	(35,302,806)
Total capital assets being depreciated, net	42,197,603	(49,649)	(174,020)	41,973,934
Total Net Capital Assets	\$ 44,625,673	\$ (49,649)	\$ (248,186)	\$ 44,327,838

Depreciation expenses were charged to the following functions in the statement of activities:

General Administration	\$ 419,607
Judicial and Law Enforcement	390,437
Highway and Street	1,030,364
Health & Welfare	376,716
Culture and Recreation	371,604
Total Depreciation Expense	\$ 2,588,728

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Debt

A. General Obligation Bonds and Certificates of Obligation

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Long-term bonded debt at September 30, 2018, is as follows:

<u>Original Issue</u>	<u>Description</u>	<u>Interest Rate %</u>	<u>Matures</u>	<u>Debt Outstanding</u>
\$ 4,400,000	Tax & Solid Waste Rev Certificates of Obligation Series 2006	3.93	2026	\$ 2,215,000
5,160,000	General Obligation 2012 Refunding Bond:	2.0-3.0	2024	3,305,000
2,589,000	General Obligation 2014 Refunding Bond:	1.5	2019	<u>449,000</u>
Total General Obligation and Certificate of Obligation Bonds				<u><u>5,969,000</u></u>

A summary of long-term liability transactions of the County for the year ended September 30, 2018, follows:

	October 1, 2017			September 30, 2018		Amounts Due Within One Year
	<u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u>		
Certificates of obligation	\$ 2,445,000	\$ -	\$ 230,000	\$ 2,215,000	\$ 240,000	
Refunding bonds	4,927,000	-	1,173,000	3,754,000	1,199,000	
Premium on bonds	142,922	-	21,173	121,749	-	
Total bonds payable	<u>7,514,922</u>	<u>-</u>	<u>1,424,173</u>	<u>6,090,749</u>	<u>1,439,000</u>	
Capital leases	1,721,404	246,112	505,314	1,462,202	985,887	
Compensated absences	340,855	698,022	672,176	366,701	122,234	
Total Long-Term Liabilities	<u>\$ 9,577,181</u>	<u>\$ 944,134</u>	<u>\$ 2,601,663</u>	<u>\$ 7,919,652</u>	<u>\$ 2,547,121</u>	
Total Long-term liabilities due in more than one year				<u>\$ 5,372,531</u>		

General obligation debt is paid from the debt service fund. In prior years, the general fund's resources have been used to liquidate other long-term liabilities, including accrued compensated absences. Capital Leases will be paid from the General fund and Road and Bridge fund.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Debt (continued)

A. General Obligation Bonds and Certificates of Obligation (continued)

Annual debt service requirements (excluding accrued compensated absences and capital leases) to maturity are summarized as follows:

Year Ending September 30	Principal	Interest	Total
2019	\$ 1,439,000	\$ 173,601	\$ 1,612,601
2020	730,000	142,155	872,155
2021	755,000	117,509	872,509
2022	780,000	92,019	872,019
2023	810,000	65,612	875,612
2024	835,000	38,263	873,263
2025	305,000	18,373	323,373
2026	315,000	6,190	321,190
	<u>\$ 5,969,000</u>	<u>\$ 653,720</u>	<u>\$ 6,622,720</u>

B. Capital Lease Obligations

During the year ended September 30, 2018, the County executed one (1) lease agreement classified as capital lease. The County acquired seven patrol vehicles for the Sheriff's Department. The amount capitalized as equipment was \$246,112. The principal amount of the lease was \$243,582. For the fiscal year ended September 30, 2018, the County recorded \$26,369 in depreciation expense for the new capital lease. The lease agreement qualifies as capital lease for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The total minimum lease payments of \$1,459,656 and the amount representing interest of \$55,576 included prior year's capital leases.

		Governmental Activities
Year Ending September 30:	2019	\$ 985,887
	2020	458,941
	2021	70,404
Less: amount representing interest		<u>(55,576)</u>
Present value of minimum lease payments:		<u>\$ 1,459,656</u>

Note 8 - Retirement Plan

The 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 County 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 677 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.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

The plan provisions are adopted by the County’s Board of Commissioners (the “Board”), 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 30 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any County financed benefit. Vested members are eligible for a partial lump-sum payment option.

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

Funding Policy

The County 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 County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually as a percentage of employee earnings subject to plan changes (e.g. for cost -of-living benefit increases) adopted by the County’s governing body within the constraints of the TCDRS Act. The County contributed using the actuarially determined rate of 10.69% for October through December 2017, and 11.03% for January through September 2018.

The employee contribution rate is also a percentage of employee earnings subject to adjustment by the County’s Board within the constraints of the TCDRS Act. The employee contribution rate was 7% during the current fiscal year.

Actuarial Assumptions

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

The following are the key assumptions and methods applied to this measurement period:

Valuation Date	December 31, 2017
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary Increases	4.9%
Investment Rate of Return	8.10%
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Nacogdoches County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of- living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

Discount Rate

The discount rate used to measure the total pension liability was 8.10%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers and the non-employer contributing entity made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments is 8.10%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the systems target asset allocation as of December 31, 2017 are summarized below:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
International Equities - Developed	MSCI World Ex USA (net)	11.00%	4.55%
International Equities - Emerging	MSCI EM Standard (next) index	8.00%	5.55%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	0.75%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	8.00%	4.12%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.06%
Distressed Debt	Cambridge Associates Distressed Securities Index	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.05%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	6.00%	6.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	18.00%	4.10%

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

Changes in Net Pension Liability

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at 12/31/2016	\$ 50,066,389	\$ 45,001,643	\$ 5,064,746
Changes for the year:			
Service cost	1,483,776	-	1,483,776
Interest on total pension liability	4,076,043	-	4,076,043
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(341,100)	-	(341,100)
Effect of assumptions changes or inputs	215,993	-	215,993
Refund of contributions	(155,923)	(155,923)	-
Benefit payments	(2,350,156)	(2,350,156)	-
Administrative expenses	-	(33,857)	33,857
Member contributions	-	760,906	(760,906)
Net investment income	-	6,558,887	(6,558,887)
Employer contributions	-	1,137,014	(1,137,014)
Other	-	(8,468)	8,468
Balance at 12/31/2017	<u>\$ 52,995,022</u>	<u>\$ 50,910,046</u>	<u>\$ 2,084,976</u>

Sensitivity of the County's share of the net pension liability

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

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total pension liability	\$ 59,922,210	\$ 52,995,021	\$ 47,188,059
Fiduciary net position	50,910,045	50,910,045	50,910,045
Net pension liability/(asset)	<u>\$ 9,012,165</u>	<u>\$ 2,084,976</u>	<u>\$ (3,721,986)</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Retirement Plan (continued)

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

At September 30, 2018, the County reported deferred inflows and outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 430,792
Changes of assumptions	281,919	-
Net difference between projected and actual earnings	-	634,128
Employer contributions made subsequent to measurement date	908,190	-
Totals	<u>\$ 1,190,109</u>	<u>\$ 1,064,920</u>

The \$1,190,110 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended September 30, 2019. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year</u>	<u>Net Deferred Outflows/Inflows of Resources</u>
2019	\$ 214,364
2020	153,478
2021	(562,917)
2022	(587,926)
Total	<u>\$ (783,001)</u>

Note 9 - Contingencies and Commitments

Litigation and Other Contingencies

The County is contingently liable with respect to lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would not materially affect the financial position of the County as of September 30, 2018.

Note 10 - Risk Management

The County is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County's risk management program encompasses various means of protecting the County against loss through self-insurance and obtaining property, casualty, and liability coverage through commercial insurance carriers. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 11 - Fund Balance Restrictions

Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors are classified as restricted fund balance. A summary of restricted fund balance in the governmental funds at September 30, 2018, follows:

	Road and Bridge	Other Governmental Funds
Debt Service-payment on debt	\$ -	\$ 341,677
Capital projects		
Acquisition and construction on Lake Naconiche project	-	662,221
Infrastructure improvements	-	668,961
Acquisition of County facilities	-	97,504
	<u>-</u>	<u>1,428,686</u>
Grants		
Voting system program	-	17,049
	<u>-</u>	<u>17,049</u>
Records		
Court System records	-	516,314
County records management and preservation	-	38,514
	<u>-</u>	<u>554,828</u>
Road and Bridge		
Street and bridge maintenance	<u>521,781</u>	<u>-</u>
Public Safety		
Law enforcement	-	16,584
Juvenile programs and probation	-	327,877
Courthouse security	-	14,259
	<u>-</u>	<u>358,720</u>
Judicial		
Law enforcement	-	267,798
Court operations	-	168,003
Maintain law library	-	190,476
	<u>-</u>	<u>626,277</u>
Other		
Lake project	-	32,379
Election services	-	3,906
Veterans memorial	-	13,138
Historical properties	-	45
CETRZ Tax Increment	-	173
	<u>-</u>	<u>49,641</u>
Total	<u>\$ 521,781</u>	<u>\$ 3,376,878</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 12 - Tax Abatements

In March 2014, the County Commissioner's Court approved a resolution electing to become eligible to participate in tax abatement and adopting guidelines and criteria for grant tax abatement. The attraction of long-term investment and the establishment of new jobs in Nacogdoches County would enhance the economic base of the County. The Property Redevelopment and Tax Abatement Act (the "Act") Chapter 312 of the Texas Tax Code authorizes the County to provide property tax abatement for limited periods of time as an inducement for the development or redevelopment of a property. The Act requires eligible taxing jurisdictions to establish guidelines and criteria as to eligibility for tax abatement agreements prior to granting any future tax abatement, said guidelines to be unchanged for a two (2) year period unless amended or repealed by a three-fourths vote of the Court.

The County has developed Guidelines and Criteria for Tax Abatement. All applications must meet the following general criteria before being considered for tax abatement: 1) the tax abatement will comply with Property Redevelopment and Tax Abatement Act Chapter 312 of the Texas Tax Code; 2) the project must reasonably likely to contribute to the retention or expansion of primary employment or attract major investment that will benefit the County's economic development; 3) tax abatement agreements will be considered for both new facilities and structures and for the expansion or modernization of existing facilities and structures; 4) the project expands the local tax base; 5) the project creates or helps maintain permanent full time employment opportunities; 6) the project would not otherwise be developed; 7) the project makes a contribution to enhancing future economic development; 8) the project must remain in good standing with all governmental and environmental regulations; 9) the project has not been started and no construction by applicant has commenced at the time the application is approved; and 10) the project must not have the objections specified in the tax abatement policy. If the project in the application meets the general criteria, is a facility of a Targeted Enterprise and has a capital cost that exceeds One Million and No/100 Dollars (\$1,000,000) then abatement of any or all of the increased value will be considered. The Commissioner's Court will approve or deny a tax abatement request based upon its subjective evaluation of these guidelines and criteria. The Court may in its discretion agree to abate taxes on real property, real property improvements and/or personal property, including equipment, furniture, inventory, and supplies. No tax abatement shall exceed the maximum allowed by state law, presently 100% for ten (10) years.

Currently, the County has six (6) active tax abatement agreements under contract for tax year 2017. These companies comprise of approximately \$ 358 million in real and personal property values. In tax year 2017, the County abated \$1.4 million in property taxes. Property tax collections from these same companies were \$676 thousand based on \$117 million in real and personal property values.

Note 13 - Subsequent Event

In preparing these financial statements, the County has evaluated events and transactions for potential recognition or disclosure through March 27, 2019, the date on which the financial statements were available to be issued. There were no subsequent events that were required to be recognized or disclosed in the financial statements through that date.



REQUIRED SUPPLEMENTARY INFORMATION

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues				
Taxes	\$ 13,659,671	\$ 13,659,671	\$ 13,741,415	\$ 81,744
Charges for services	820,000	820,000	852,374	32,374
Fees and fines	1,037,600	1,041,538	966,933	(74,605)
Intergovernmental	869,516	947,685	955,313	7,628
Earnings on investments	30,500	30,500	128,960	98,460
Miscellaneous	333,034	406,844	436,377	29,533
Total Revenues	16,750,321	16,906,238	17,081,372	175,134
Expenditures				
Current:				
General government				
Commissioners and County Judge	530,077	516,091	478,051	38,040
County clerk	297,067	297,067	290,106	6,961
Veteran's service officer	55,747	55,747	54,451	1,296
Professional services, insurance	811,143	862,743	817,300	45,443
General government-fees-dues	12,810	12,810	10,099	2,711
General programs	32,100	82,993	63,701	19,292
Nondepartmental	424,700	413,610	290,838	122,772
Imaging	59,064	59,064	52,195	6,869
District clerk	373,193	373,193	370,482	2,711
County auditor	331,869	331,869	310,133	21,736
County treasurer	163,412	163,412	162,400	1,012
Computer services	928,548	933,548	831,569	101,979
Building maintenance	485,069	494,069	466,866	27,203
Tax assessor-collector	282,526	282,526	271,343	11,183
Elections	209,732	209,732	198,350	11,382
Personnel department	75,403	79,603	73,500	6,103
Collections department	125,581	125,581	120,490	5,091
Total general government	5,198,041	5,293,658	4,861,874	431,784

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2018

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Administration of justice				
County court-at-law	\$ 417,774	\$ 417,774	\$ 415,546	\$ 2,228
145th district court	270,429	270,429	265,203	5,226
420th district court	268,118	268,118	256,778	11,340
Justice of the peace-precinct 1	169,396	169,396	163,139	6,257
Justice of the peace-precinct 2	159,393	159,393	157,142	2,251
Justice of the peace-precinct 3	118,777	118,777	116,786	1,991
Justice of the peace-precinct 4	171,847	171,847	167,218	4,629
County attorney	843,974	859,765	821,464	38,301
District attorney	679,077	704,077	663,573	40,504
Juvenile probation	182,254	192,254	177,863	14,391
Adult probation	2,700	2,700	1,012	1,688
Public defense - indigent	532,355	532,355	375,812	156,543
Total Administration of justice	<u>3,816,094</u>	<u>3,868,390</u>	<u>3,582,923</u>	<u>285,467</u>
Public safety				
Sheriff	2,377,735	2,378,910	2,320,673	58,237
Jail	3,408,485	3,383,423	3,000,937	382,486
Department of public safety	41,190	43,710	42,922	788
Law enforcement building maintenance	295,427	353,127	352,788	339
Constable-precinct 1	221,654	228,454	215,246	13,208
Constable-precinct 2	77,039	123,649	119,062	4,587
Constable-precinct 3	69,726	69,726	69,154	572
Constable-precinct 4	217,000	217,000	208,405	8,595
Rural fire protection	377,298	377,298	375,779	1,519
Emergency management	121,429	121,429	117,949	3,480
Total public safety	<u>7,206,983</u>	<u>7,296,726</u>	<u>6,822,915</u>	<u>473,811</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Health and welfare				
County extension office	\$ 109,419	\$ 109,419	\$ 97,748	\$ 11,671
Special agencies	218,588	220,058	213,472	6,586
Total Health and welfare	<u>328,007</u>	<u>329,477</u>	<u>311,220</u>	<u>18,257</u>
Capital outlay	-	-	246,112	(246,112)
Debt service				
Principal	<u>305,661</u>	<u>305,661</u>	<u>305,668</u>	<u>(7)</u>
Total Expenditures	<u>16,864,385</u>	<u>17,103,511</u>	<u>16,140,311</u>	<u>963,200</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(114,064)</u>	<u>(197,273)</u>	<u>941,061</u>	<u>1,138,334</u>
Other Financing Sources (Uses)				
Sale of capital assets	70,000	70,000	121,385	51,385
Transfers out	(850,279)	(991,475)	(905,518)	85,957
Issuance of capital lease	<u>-</u>	<u>-</u>	<u>246,112</u>	<u>246,112</u>
Total Other Financing Sources (Uses)	<u>(780,279)</u>	<u>(921,475)</u>	<u>(538,021)</u>	<u>383,454</u>
Net Changes in Fund Balances	(894,343)	(1,118,748)	403,040	1,521,788
Fund Balances, Beginning of Year	<u>6,080,350</u>	<u>6,080,350</u>	<u>6,080,350</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 5,186,007</u>	<u>\$ 4,961,602</u>	<u>\$ 6,483,390</u>	<u>\$ 1,521,788</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
Revenues				
Taxes	\$ 2,951,225	\$ 2,951,225	\$ 2,971,740	\$ 20,515
Charges for Services	887,000	887,000	900,022	13,022
Fees and Fines	137,500	161,467	190,271	28,804
Earnings on investments	1,400	1,400	16,144	14,744
Miscellaneous	2,000	2,000	3,716	1,716
Total Revenues	<u>3,979,125</u>	<u>4,003,092</u>	<u>4,081,893</u>	<u>78,801</u>
Expenditures				
Highway and streets	3,778,467	4,128,363	4,018,695	109,668
Debt Service:				
Principal	199,650	199,650	199,646	4
Interest	32,170	32,170	32,170	-
Total Expenditures	<u>4,010,287</u>	<u>4,360,183</u>	<u>4,250,511</u>	<u>109,672</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,162)	(357,091)	(168,618)	188,473
Other Financing Sources (Uses)				
Sale of capital assets	-	64,941	141,532	76,591
Total Other Financing Sources (Uses)	<u>-</u>	<u>64,941</u>	<u>141,532</u>	<u>76,591</u>
Net Changes in Fund Balances	(31,162)	(292,150)	(27,086)	265,064
Fund Balances - Beginning of Year	<u>559,786</u>	<u>559,786</u>	<u>559,786</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 528,624</u>	<u>\$ 267,636</u>	<u>\$ 532,700</u>	<u>\$ 265,064</u>

NACOGDOCHES COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

1. The County Judge and Commissioners' Court have departmental meetings with management to determine the departmental budget requests.
2. The County Judge and Commissioners must meet in several workshops to establish a proposed budget for the fiscal year commencing the following October. The operational budget includes proposed expenditures and the means of financing them. The proposed budget is filed with County Clerk and made available for public inspection at least 15 days prior to public budget hearing.
3. Public hearings are conducted to obtain taxpayer comments.
4. After the public hearings, the Commissioners' Court reviews the budget and makes any adjustments they feel necessary.
5. The budget is then legally enacted by the Commissioners' Court on or before October 1, in the timeframe required by statute.

Only the governing body, composed of the Commissioners' Court, may amend the budget after its adoption so long as the amendment continues to meet the requirements of Section 111 of the *Local Government Code*. During the year, several supplementary amendments to the original budget were required. Individual amendments were not material in relation to the original appropriations, and all amendments were legally made. The budget amounts shown in the combined financial statements represent the budget as amended at September 30, 2018. Under state statute, actual expenditures cannot exceed budgetary appropriations at any level for which the budget is formally approved. The County's legally adopted budget is at the department level in those funds with multiple departments and at the fund level in single department funds. Management can, with the exception of personnel items, make adjustments to their budget within the departmental level with Commissioners' Court approval. All budgets are fixed in nature. All governmental funds except for one Special Revenue Fund has a legally adopted budget. 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.

One Special Revenue Fund does not issue a budget. The one Special Revenue fund with no budget comparison is County Unearned Fund.

NACOGDOCHES COUNTY, TEXAS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSIONS LIABILITY AND RELATED RATIOS
For the Last Four Measurement Years

	Year Ended December 31			
	2017	2016	2015	2014
Total Pension Liability				
Service cost	\$ 1,483,776	\$ 1,513,785	\$ 1,397,202	\$ 1,332,841
Interest on total pension liability	4,076,043	3,783,371	3,598,136	3,357,254
Effect of plan changes	-	-	(268,129)	-
Effect of assumption changes or inputs	215,994	-	479,695	-
Effect of economic/demographic (gains) or losses	(341,100)	(21,938)	(655,994)	169,135
Benefit payments/refunds of contributions	(2,506,080)	(2,305,046)	(2,133,257)	(1,912,363)
Net change in total pension liability	2,928,633	2,970,172	2,417,653	2,946,867
Total pension liability, beginning	50,066,389	47,096,217	44,678,564	41,731,697
Total pension liability, ending (a)	<u>\$ 52,995,022</u>	<u>\$ 50,066,389</u>	<u>\$ 47,096,217</u>	<u>\$ 44,678,564</u>
Fiduciary Net Position				
Employer contributions	\$ 1,137,014	\$ 1,113,386	\$ 1,074,841	\$ 1,050,271
Member contributions	760,906	794,249	732,644	707,595
Investment income net of investment expenses	6,558,887	3,124,683	(133,178)	2,750,243
Benefit payments/refunds of contributions	(2,506,080)	(2,305,046)	(2,133,257)	(1,912,363)
Administrative expenses	(33,856)	(33,950)	(30,560)	(31,914)
Other	(8,469)	92,620	(17,769)	57,034
Net change in fiduciary net position	5,908,402	2,785,942	(507,279)	2,620,866
Fiduciary net position, beginning	45,001,644	42,215,702	42,722,981	40,102,115
Fiduciary net position, ending (b)	<u>\$ 50,910,046</u>	<u>\$ 45,001,644</u>	<u>\$ 42,215,702</u>	<u>\$ 42,722,981</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ 2,084,976</u>	<u>\$ 5,064,745</u>	<u>\$ 4,880,515</u>	<u>\$ 1,955,583</u>
Fiduciary net position as a % of total pension liability	96.07%	89.88%	89.64%	95.62%
Pensionable covered payroll	\$ 10,870,088	\$ 10,862,251	\$ 10,455,687	\$ 10,108,497
Net pension liability as a % of covered payroll	19.18%	46.63%	46.68%	19.35%

GASB No. 68 and GASB No. 71 were implemented during the fiscal year ended September 30, 2015. Ten years of data should be presented in the schedule, but data was unavailable prior to 2014.

NACOGDOCHES COUNTY, TEXAS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
SCHEDULE OF EMPLOYER CONTRIBUTIONS
For the Last Ten Fiscal Years

Year Ending September 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽¹⁾	Actual Contribution as a % of Covered Payroll
2009	\$ 750,839	\$ 750,839	\$ -	\$ 9,688,241	7.8%
2010	884,636	884,636	-	10,052,686	8.8%
2011	903,491	903,491	-	10,302,084	8.8%
2012	910,090	910,090	-	9,935,534	9.2%
2013	948,488	948,488	-	9,609,872	9.9%
2014	1,050,271	1,050,271	-	10,108,497	10.4%
2015	1,074,841	1,074,841	-	10,455,687	10.3%
2016	1,113,386	1,113,386	-	10,862,251	10.3%
2017	1,137,014	1,137,014	-	10,870,088	10.5%
2018	1,201,905	1,201,905	-	10,955,009	11.0%

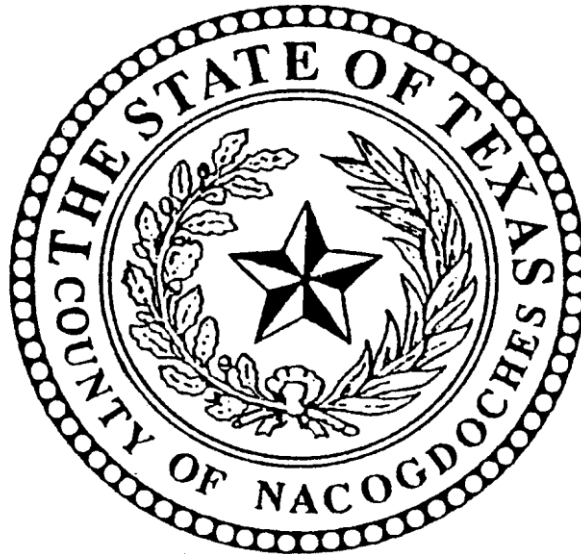
⁽¹⁾ Payroll is calculated based on contributions as reported to TCDRS.

NACOGDOCHES COUNTY, TEXAS

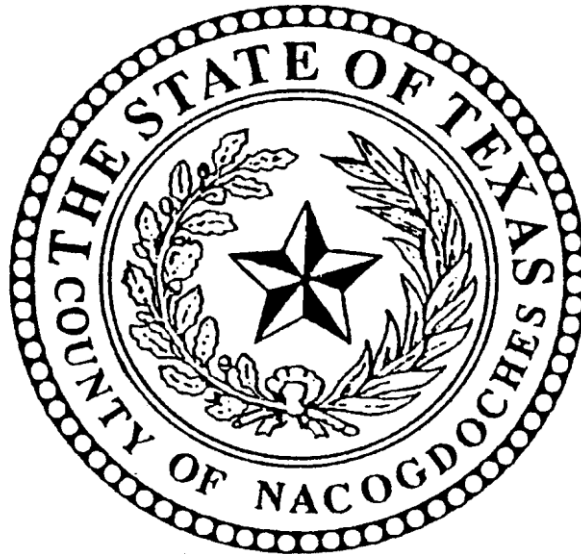
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM

Schedule of Methods and Assumptions Used to Determine Contribution Rates:

Valuation Date	December 31, 2017
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.75%
Salary Increases	4.9%
Investment Rate of Return	8.1% including inflation
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Nacogdoches County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of- living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.



OTHER SUPPLEMENTARY INFORMATION



**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds

County Attorney Fee Fund

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

County Law Library

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

Veterans Memorial Wall

This fund is used to account for the receipt and expenditure of funds used to commemorate U.S. veterans. Funds are received from citizens for the purchase of plaques placed on the Memorial Wall.

Nacogdoches Historical Commission

This fund is used to account for the receipt and expenditure of funds used to support the County’s various historical properties.

Jury Fund

This fund is used to account for the costs of providing jury services for the County’s court system. Funding is primarily from the annual property tax levy.

Justice Court Technology Fund

This fund is used to account for receipts and disbursements of technology fees collected by the Justice Court Clerks. The funds may be used only to finance the purchase of technological enhancements for a Justice Court.

County and District Court Technology

This fund is used to account for receipts and disbursements of technology fees collected by the County and District Court. The funds may be used only to finance the purchase of technological enhancements.

District Clerk Archive

This fund is used to account for receipts and disbursements of resources relating to the archiving of records maintained by the District Clerk.

County Clerk Records Management

This fund is used to account for the receipt and expenditure of preservation fees assessed by the County Clerk. Such fees may only be used for records management or preservation projects for the County Clerk.

District Clerk Records Management

This fund is used to account for the receipt and expenditure of preservation fees assessed by the District Clerk. Such fees may only be used for records management or preservation projects for the District Clerk.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds (continued)

Record Management and Preservation

This fund is used to account for receipt and expenditures of fees assessed on civil findings in the County, District, and Probate courts as required by state law. Such fees may only be spent on records management or preservation projects for the County.

Courthouse Security Fee Fund

This fund is used to account for the receipt and expenditure of courthouse security fees collected pursuant to the Code of Criminal Procedure 102.017. Fees are assessed as court costs and may be used only for security personnel, services, and items related to buildings that house the operations of district, county or justice courts.

LEOSE Training

This fund is used to account for the receipt and expenditure of state funding for the professional training of sheriff's officers and precinct constables. All funding is from state payments.

D. A. Forfeiture Fund

This fund is used to account for the receipt and expenditure of settlements awarded by the District Court. 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 his office.

D. A. Pretrial Intervention Fund

This fund is used to account for monies collected and expensed for a program for first time offenders, concluding in a dismissal of charges without offense.

Constable Precinct 1 Forfeiture

This fund is used to account for the receipt and expenditure of settlements awarded to Constable Precinct 1. Expenditures from this fund shall be at the sole discretion of Constable Precinct 1 and may be used only to defray the expenses of his office.

TJJJD Commitment Diversion Program

This fund is used to account for the receipt and expenditure of Commitment Diversion grant funds from the Texas Juvenile Justice Department. Funds are used for juvenile residential placements.

Constable Precinct 4 Local Forfeiture

This fund is used to account for the receipt and expenditure of settlements awarded to Constable Precinct 4. Expenditures from this fund shall be at the sole discretion of Constable Precinct 4 and may be used only to defray the expenses of his office.

Election Services

This fund is used to account for the receipt and expenditure of funds collected by the Elections office. Revenue from the use of County equipment for City and school elections is used solely for election expenditures and political party primaries.

Chapter 19 Funds

This fund is used to account for receipts and expenditures of funds received from the Texas Secretary of State. These funds are to aid in purchasing items or services that will enhance voter registration.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds (continued)

HAVA Fund

This fund is used to account for the receipt and expenditure of funds received from Help America Vote Act through the U.S. Elections Assistance Commission. These funds are used for voting system replacement, voting system accessibility and general HAVA compliance.

Task Force Local Forfeiture Fund

This fund is used to account for the receipt and expenditure of local forfeitures awarded to the Task Force. Expenditures from this fund shall be at the sole discretion of the Task Force and may be used only to defray the expenses of the office.

DA Juror Donations Fund

This fund is used to account for the receipt and expenditure of juror donations. The funds are used by the Victim Assistance Coordinator for victim assistance programs.

Lake Naconiche Fund

This fund is used to account for revenues and expenditures for the operations of Lake Naconiche.

TJJJ Regionalization Fund

This fund is used to account for the receipt and expenditure of Regional Diversion Alternatives grant funds from the Texas Juvenile Justice Department. Funds are used by the Nacogdoches County Juvenile Probation department to assign services to children closer to home in lieu of commitment to a security facility operated by TJJJ.

TJJJ Interest Fund

This fund is used to account for the receipt and expenditure of interest earned on idle grant funds. These funds are expended on juvenile probation services.

County Court Unearned Fund

This fund is used to account for fees collected by the County Clerk from law offices, etc. to offset their expenses for copies and paperwork obtained from the County Clerk.

Local Juvenile Probation Fund

This fund is used to account for the receipt and expenditure of probation fees received from juvenile offenders. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

DA Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and the US Treasury. Expenditures from this fund shall be at the sole discretion of the District Attorney and may be used only for law enforcement purposes.

Title IV-E Foster Care

This fund is used to account for federal funds received for eligible juvenile probation children for the Title IV-E program.

Vertex Title IV-E Enhanced Claims

This fund is used to account for federal funds received for eligible juvenile probation children and for administrative costs related to administering the Title IV-E program.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds (continued)

TJJJ Basic Probation Services Fund

This fund is used to account for the receipt and expenditure of Basic Probation Services grant funds from the Texas Juvenile Justice Department. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

Road Damage Fund

This fund is to account for revenue & expenses to repair county roads that have been damaged by oil company trucks, etc. The companies reimburse the County for damages to the road and the County repairs the road using these funds.

C.A. Pretrial Intervention Fund

This fund is used to account for monies collected and expensed for a program for first time offenders, concluding in a dismissal of charges without offense. Expenditures from this fund shall be at the sole discretion of the County Attorney.

Civic Center

This fund is used to account for the receipt and expenditure of building rent and equipment rent. Expenditures from this fund are for salaries and expenses associated with operating the Civic Center/Community Shelter.

Exposition Center Fund

This fund is used to account for the receipt and expenditure of inter-local city contributions, earnings from the County fair and other community events. Expenditures from this fund are for salaries and expenses associated with operating the Expo Center.

Victim Coordinator Liaison Grant County Attorney

This fund is used to account for the receipt and expenditure of the Victim Coordinator and Liaison Grant funds from the Texas Office of the Attorney General. Funds are used to pay the salary and associated expenditures for the Victim Assistance Coordinator position.

Constable Precinct 2 State Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the District Courts. Expenditures from this fund may be used for law enforcement purposes pursuant to Code of Criminal Procedure 59.06.

NCSO State Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the District Court. Expenditures from this fund shall be at the sole discretion of the Sheriff and may be used only for law enforcement purposes.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds (continued)

Constable Pct#4 Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and US Treasury. Expenditures from this fund shall be at the sole discretion of Constable Pct#4 and may be used only for law enforcement purposes.

NCSO Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and the US Treasury. Expenditures from this fund shall be at the sole discretion of the Sheriff and may be used only for law enforcement purposes.

Constable Pct#1 Federal Forfeiture Fund

This fund is used to account for the receipt and expenditure of forfeiture judgments awarded by the US Department of Justice and the US Treasury. Expenditures from this fund shall be at the sole discretion of Constable Pct. # I and may be used only for law enforcement purposes.

TJJD Pre/Post Adjudication Fund

This fund is used to account for the receipt and expenditure of Pre/Post Adjudication grant funds from the Texas Juvenile Probation Commission. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

TJJD Mental Health Grant

This fund is used to account for the receipt and expenditure of Mental Health grant funds from the Texas Juvenile Justice Department. Funds are used for juvenile probation mental health services provided by the Nacogdoches County Juvenile Probation department.

Justice Court Building Security

This fund is used to account for the receipt and expenditure of security fees collected pursuant to the Code of Criminal Procedure 102.017(d-2). Fees are assessed as court costs and may be used only for the purpose of providing security personnel, services, and items for a justice court located in a building that is not the county courthouse.

TJJD Community Programs Fund

This fund is used to account for the receipt and expenditure of Community Programs grant funds from the Texas Juvenile Justice Department. Funds are used for juvenile probation services provided by the Nacogdoches County Juvenile Probation department.

County Energy Transportation Reinvestment Zone (CETRZ) No. 1 Tax Increment Fund

This fund is used to account for the receipt and expenditure of ad valorem taxes to be devoted to transportation infrastructure projects with the County pursuant to Texas Transportation Code 222.107.

NACOGDOCHES COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Capital Project Funds

Capital Projects Fund - Lake

The Capital Projects Fund - Lake is used to account for financial resources to be used for the acquisition and construction of land and improvements for the Lake Naconiche project.

Permanent Improvement Fund

This fund is used to account for the receipt and disbursement of funds for long-term capital projects.

2004/2006 Certificates of Obligation

This fund is used to account for financial resources to be used for the acquisition and construction of County facilities.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term bonded debt. The primary source of revenue is local property taxes.

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2018

Special Revenue Funds

	County Attorney Fee Fund	County Law Library Fund	Veterans Memorial Wall Fund	Nacogdoches Historical Commission	Jury Fund
Assets					
Cash and Cash Equivalents	\$ 5,554	\$ 117,588	\$ 13,138	\$ 329	\$ 79,561
Investments	-	76,471	-	-	19,282
Receivables net of allowance for estimated uncollectibles:					
Taxes	-	-	-	-	1,381
Federal and state grants	-	-	-	-	-
Other receivables	-	2,595	-	-	-
Inventory	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Total Assets	\$ 5,554	\$ 196,654	\$ 13,138	\$ 329	\$ 100,224
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities:					
Accounts payable	\$ -	\$ 6,178	\$ -	\$ 284	\$ 343
Accrued payroll	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	-	6,178	-	284	343
Deferred Inflows of Resources					
Unavailable revenue-property taxes	-	-	-	-	1,293
Total Deferred Inflows of Resources	-	-	-	-	1,293
Fund Balances:					
Nonspendable:					
Inventories and prepaids	-	-	-	-	-
Restricted:					
Debt service	-	-	-	-	-
Capital projects	-	-	-	-	-
Grants	-	-	-	-	-
Records	-	-	-	-	-
Public safety	-	-	-	-	-
Judicial	5,554	190,476	-	-	98,588
Other	-	-	13,138	45	-
Unassigned	-	-	-	-	-
Total Fund Balances	5,554	190,476	13,138	45	98,588
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,554	\$ 196,654	\$ 13,138	\$ 329	\$ 100,224

Special Revenue Funds

Justice Court Technology Fund	County and District Court Technology	District Clerk Archive	County Clerk Records Management
\$ 6,413	\$ 7,695	\$ 20,585	\$ 235,187
10,102	1,071	25,406	225,622
-	-	-	-
-	-	-	32
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 16,515</u>	<u>\$ 8,766</u>	<u>\$ 45,991</u>	<u>\$ 460,841</u>
\$ 1,821	\$ -	\$ -	\$ 13,336
-	-	-	643
-	-	-	-
<u>1,821</u>	<u>-</u>	<u>-</u>	<u>13,979</u>
-	-	-	-
-	-	-	-
-	-	-	-
14,694	8,766	45,991	446,862
-	-	-	-
-	-	-	-
-	-	-	-
<u>14,694</u>	<u>8,766</u>	<u>45,991</u>	<u>446,862</u>
<u>\$ 16,515</u>	<u>\$ 8,766</u>	<u>\$ 45,991</u>	<u>\$ 460,841</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2018

	Special Revenue Funds			
	District Clerk Records Management	Record Management and Preservation	Courthouse Security Fee Fund	LEOSE Training
Assets				
Cash and cash equivalents	\$ 8,791	\$ 14,027	\$ 16,825	\$ 16,888
Investments	5,054	11,050	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	38	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 13,845	\$ 25,077	\$ 16,863	\$ 16,888
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 154	\$ 1,765	\$ 304
Accrued payroll	-	254	839	-
Unearned revenues	-	-	-	-
Total Liabilities	-	408	2,604	304
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	-	-	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	13,845	24,669	-	-
Public safety	-	-	14,259	16,584
Judicial	-	-	-	-
Other	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	13,845	24,669	14,259	16,584
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 13,845	\$ 25,077	\$ 16,863	\$ 16,888

Special Revenue Funds

D.A. Forfeiture Funds	D.A. Pretrial Intervention Fund	Constable Precinct 1 Forfeiture	TJJD Commitment Diversion Program	Constable Precinct 4 Local Forfeiture
\$ 19,906	\$ 11,506	\$ 2,097	\$ (7,530)	\$ 3,618
49,794	15,659	-	-	-
-	-	-	-	-
-	-	-	24,469	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 69,700</u>	<u>\$ 27,165</u>	<u>\$ 2,097</u>	<u>\$ 16,939</u>	<u>\$ 3,618</u>
\$ 1,238	\$ 274	\$ -	\$ 15,366	\$ 555
-	451	-	-	-
-	-	-	-	-
<u>1,238</u>	<u>725</u>	<u>-</u>	<u>15,366</u>	<u>555</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
68,462	26,440	2,097	1,573	3,063
-	-	-	-	-
-	-	-	-	-
<u>68,462</u>	<u>26,440</u>	<u>2,097</u>	<u>1,573</u>	<u>3,063</u>
<u>\$ 69,700</u>	<u>\$ 27,165</u>	<u>\$ 2,097</u>	<u>\$ 16,939</u>	<u>\$ 3,618</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2018

	Special Revenue Funds			
	Election Services	Chapter 19 Funds	HAVA Fund	Task Force Local Forfeiture Fund
Assets				
Cash and cash equivalents	\$ 13,189	\$ (1,709)	\$ 17,049	\$ -
Investments	-	-	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	2,339	-	-
Other receivables	3,277	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 16,466	\$ 630	\$ 17,049	\$ -
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,356	\$ 630	\$ -	\$ -
Accrued payroll	909	-	-	-
Unearned revenues	10,295	-	-	-
Total Liabilities	12,560	630	-	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	-	-	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	17,049	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	-	-	-	-
Other	3,906	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,906	-	17,049	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 16,466	\$ 630	\$ 17,049	\$ -

Special Revenue Funds

DA Juror Donations Fund	Lake Naconiche Fund	TJJD Regionalization Fund	TJJD Interest Fund
\$ 1,267	\$ 12,735		\$ 1,156
-	32,267	-	-
-	1,208	-	-
-	-	699	-
-	-	-	-
-	-	-	-
-	1,175	-	-
<u>\$ 1,267</u>	<u>\$ 47,385</u>	<u>\$ 699</u>	<u>\$ 1,156</u>
\$ -	\$ 1,442	\$ 539	\$ -
-	1,261	-	-
-	-	-	-
<u>-</u>	<u>2,703</u>	<u>539</u>	<u>-</u>
-	11,128	-	-
-	11,128	-	-
<u>-</u>	<u>11,128</u>	<u>-</u>	<u>-</u>
-	1,175	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,267	-	160	1,156
-	32,379	-	-
-	-	-	-
<u>1,267</u>	<u>33,554</u>	<u>160</u>	<u>1,156</u>
<u>\$ 1,267</u>	<u>\$ 47,385</u>	<u>\$ 699</u>	<u>\$ 1,156</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2018

	Special Revenue Funds			
	County Court Unearned Fund	Local Juvenile Probation Fund	DA Federal Forfeiture	Title IV-E Foster Care
Assets				
Cash and cash equivalents	\$ 23,400	\$ 19,936	\$ 9,847	\$ 10,074
Investments	-	21,772	-	27,121
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 23,400	\$ 41,708	\$ 9,847	\$ 37,195
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	-	-	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	41,708	-	37,195
Judicial	23,400	-	9,847	-
Other	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	23,400	41,708	9,847	37,195
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 23,400	\$ 41,708	\$ 9,847	\$ 37,195

Special Revenue Funds

Vertex Title IV-E Enhanced Claims	TJJD Basic Probation Services	Road Damage Fund	C.A. Pretrial Intervention Fund
\$ 80,253	\$ (10,197)	\$ 3,092	\$ 12,556
166,286	-	-	30,571
-	-	-	-
-	11,900	-	-
2,283	-	-	-
-	-	-	-
-	351	-	-
<u>\$ 248,822</u>	<u>\$ 2,054</u>	<u>\$ 3,092</u>	<u>\$ 43,127</u>
\$ -	\$ 1,551	\$ -	\$ 241
-	-	-	392
-	-	-	-
<u>-</u>	<u>1,551</u>	<u>-</u>	<u>633</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	351	-	-
-	-	-	-
-	-	3,092	-
-	-	-	-
-	-	-	-
248,822	152	-	-
-	-	-	42,494
-	-	-	-
-	-	-	-
<u>248,822</u>	<u>503</u>	<u>3,092</u>	<u>42,494</u>
<u>\$ 248,822</u>	<u>\$ 2,054</u>	<u>\$ 3,092</u>	<u>\$ 43,127</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2018

	Special Revenue Funds			
	Civic Center	Exposition Center Fund	Victims Coordinator Liaison Grant County Attorney	Constable Precinct 2 State Forfeiture Fund
Assets				
Cash and cash equivalents	\$ 905	\$ 15,964	\$ (7,177)	\$ 1,105
Investments	-	385	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	1,022	-	7,578	-
Other receivables	5,175	25,828	-	-
Inventory	-	6,517	-	-
Prepaid items	5,845	44,264	-	-
Total Assets	\$ 12,947	\$ 92,958	\$ 401	\$ 1,105
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 9,093	\$ 45,505	\$ 401	\$ -
Accrued payroll	1,474	4,525	-	-
Unearned revenues	2,380	18,024	-	-
Total Liabilities	12,947	68,054	401	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	5,845	50,781	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	-	-	-	1,105
Other	-	-	-	-
Unassigned	(5,845)	(25,877)	-	-
Total Fund Balances	-	24,904	-	1,105
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,947	\$ 92,958	\$ 401	\$ 1,105

Special Revenue Funds

NCSO State Forfeiture Fund	Constable Pct 4 Federal Forfeiture Fund	NCSO Federal Forfeiture Fund	Constable Pct 1 Federal Forfeiture	TJJD Pre & Post Adjudication Fund
\$ 13,927	\$ 7,422	\$ 19,571	\$ 600	\$ (23,671)
41,204	-	59,702	-	-
-	-	-	-	-
-	-	-	-	30,999
-	-	-	-	-
-	-	-	-	-
719	-	-	-	-
<u>\$ 55,850</u>	<u>\$ 7,422</u>	<u>\$ 79,273</u>	<u>\$ 600</u>	<u>\$ 7,328</u>
\$ 62	\$ -	\$ 3,025	\$ -	\$ 6,390
-	-	-	-	-
-	-	-	-	-
<u>62</u>	<u>-</u>	<u>3,025</u>	<u>-</u>	<u>6,390</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
55,788	7,422	76,248	600	938
-	-	-	-	-
-	-	-	-	-
<u>55,788</u>	<u>7,422</u>	<u>76,248</u>	<u>600</u>	<u>938</u>
<u>\$ 55,850</u>	<u>\$ 7,422</u>	<u>\$ 79,273</u>	<u>\$ 600</u>	<u>\$ 7,328</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2018

	Special Revenue Funds			
	TJJD Mental Health Grant	Justice Court Building Security	TJJD Community Programs Fund	CETZ No. 1 Tax Increment Fund
Assets				
Cash and cash equivalents	\$ -	\$ 8,607	\$ 2	\$ 173
Investments	-	-	-	-
Receivables net of allowance for estimated uncollectibles:				
Taxes	-	-	-	-
Federal and state grants	5,500	-	2,600	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 5,500	\$ 8,607	\$ 2,602	\$ 173
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities:				
Accounts payable	\$ 4,869	\$ -	\$ 2,241	\$ -
Accrued payroll	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	4,869	-	2,241	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Inventories and prepaids	-	-	-	-
Restricted:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Grants	-	-	-	-
Records	-	-	-	-
Public safety	-	-	-	-
Judicial	631	8,607	361	-
Other	-	-	-	173
Unassigned	-	-	-	-
Total Fund Balances	631	8,607	361	173
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,500	\$ 8,607	\$ 2,602	\$ 173

<u>Capital Project Funds</u>			<u>Debt Service Fund</u>		
<u>Capital Projects Fund- Lake</u>	<u>Permanent Improvement Fund</u>	<u>2004/2006 Certificate of Obligation</u>	<u>Debt Service Fund</u>		<u>Totals Non-Major Funds</u>
\$ 156,961	\$ 443,718	\$ 61,930	\$ 22,418		\$ 1,487,281
505,260	349,149	35,574	302,342		2,011,144
-	-	-	88,520		91,109
-	-	-	-		87,176
-	-	-	-		39,158
-	-	-	-		6,517
-	-	-	-		52,354
<u>\$ 662,221</u>	<u>\$ 792,867</u>	<u>\$ 97,504</u>	<u>\$ 413,280</u>		<u>\$ 3,774,739</u>
\$ -	\$ 126,998	\$ -	\$ -		\$ 245,961
-	-	-	-		10,748
-	-	-	-		30,699
<u>-</u>	<u>126,998</u>	<u>-</u>	<u>-</u>		<u>287,408</u>
-	-	-	71,603		84,024
-	-	-	71,603		84,024
-	-	-	-		58,152
-	-	-	341,677		341,677
662,221	665,869	97,504	-		1,428,686
-	-	-	-		17,049
-	-	-	-		554,827
-	-	-	-		358,720
-	-	-	-		626,277
-	-	-	-		49,641
-	-	-	-		(31,722)
<u>662,221</u>	<u>665,869</u>	<u>97,504</u>	<u>341,677</u>		<u>3,403,307</u>
<u>\$ 662,221</u>	<u>\$ 792,867</u>	<u>\$ 97,504</u>	<u>\$ 413,280</u>		<u>\$ 3,774,739</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2018

Special Revenue Funds

	County Attorney Fee Fund	County Law Library Fund	Veterans Memorial Wall Fund	Nacogdoches Historical Commission	Jury Fund
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 24,998
Fees and fines	2,261	16,912	950	-	3,732
Intergovernmental	-	-	-	-	22,236
Earnings on investments	-	1,222	-	-	498
Miscellaneous	-	9,435	-	-	27
Total Revenues	2,261	27,569	950	-	51,491
Expenditures					
Current:					
General government	-	-	900	955	-
Administration of justice	-	47,256	-	-	41,759
Public safety	-	-	-	-	-
Highway and streets	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	-	47,256	900	955	41,759
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	2,261	(19,687)	50	(955)	9,732
Other Financing Sources (Uses)					
Transfers in	-	-	-	1,000	-
Total other financing sources (uses)	-	-	-	1,000	-
Net change in fund balances					
	2,261	(19,687)	50	45	9,732
Fund balances - beginning	3,293	210,163	13,088	-	88,856
Fund balances - end of year	\$ 5,554	\$ 190,476	\$ 13,138	\$ 45	\$ 98,588

Special Revenue Funds

Justice Court Technology Fund	County and District Court Technology	District Clerk Archive	County Clerk Records Management
\$ -	\$ -	\$ -	\$ -
12,903	8,132	5,980	211,648
-	-	-	-
103	8	272	2,379
-	-	-	-
<u>13,006</u>	<u>8,140</u>	<u>6,252</u>	<u>214,027</u>
15,267	8,140	125	94,250
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>15,267</u>	<u>8,140</u>	<u>125</u>	<u>94,250</u>
<u>(2,261)</u>	<u>-</u>	<u>6,127</u>	<u>119,777</u>
-	-	-	-
-	-	-	-
(2,261)	-	6,127	119,777
16,955	8,766	39,864	327,085
<u>\$ 14,694</u>	<u>\$ 8,766</u>	<u>\$ 45,991</u>	<u>\$ 446,862</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2018

	Special Revenue Funds			
	District Clerk Records Management	Record Management and Preservation	Courthouse Security Fee Fund	LEOSE Training
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	3,238	23,173	27,778	10,223
Intergovernmental	-	-	-	-
Earnings on Investments	53	86	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>3,291</u>	<u>23,259</u>	<u>27,778</u>	<u>10,223</u>
Expenditures				
Current:				
General government	-	13,271	-	-
Administration of justice	2,505	-	82,811	8,225
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>2,505</u>	<u>13,271</u>	<u>82,811</u>	<u>8,225</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>786</u>	<u>9,988</u>	<u>(55,033)</u>	<u>1,998</u>
Other Financing Sources (Uses)				
Transfers in	-	-	55,500	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>55,500</u>	<u>-</u>
Net change in fund balances	786	9,988	467	1,998
Fund balances - beginning	<u>13,059</u>	<u>14,681</u>	<u>13,792</u>	<u>14,586</u>
Fund balances - end of year	<u>\$ 13,845</u>	<u>\$ 24,669</u>	<u>\$ 14,259</u>	<u>\$ 16,584</u>

Special Revenue Funds

D.A. Forfeiture Funds	D.A. Pretrial Intervention Fund	Constable Precinct 1 Forfeiture	TJJD Commitment Diversion Program	Constable Precinct 4 Local Forfeiture
\$ -	\$ -	\$ -	\$ -	\$ -
4,593	10,000	-	-	-
-	-	-	113,220	-
532	184	-	-	-
1,144	-	-	-	-
<u>6,269</u>	<u>10,184</u>	<u>-</u>	<u>113,220</u>	<u>-</u>
-	-	-	115,341	-
15,300	24,008	8	-	1,146
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>15,300</u>	<u>24,008</u>	<u>8</u>	<u>115,341</u>	<u>1,146</u>
<u>(9,031)</u>	<u>(13,824)</u>	<u>(8)</u>	<u>(2,121)</u>	<u>(1,146)</u>
-	-	-	-	-
-	-	-	-	-
(9,031)	(13,824)	(8)	(2,121)	(1,146)
77,493	40,264	2,105	3,694	4,209
<u>\$ 68,462</u>	<u>\$ 26,440</u>	<u>\$ 2,097</u>	<u>\$ 1,573</u>	<u>\$ 3,063</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2018

	Special Revenue Funds			
	Election Services	Chapter 19 Funds	HAVA Fund	Task Force Local Forfeiture Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	33,375	-	-	-
Intergovernmental	-	11,565	-	-
Earnings on Investments	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>33,375</u>	<u>11,565</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
General government	37,007	11,565	-	-
Administration of justice	-	-	-	-
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>37,007</u>	<u>11,565</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(3,632)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,632)	-	-	-
Fund balances - beginning	<u>7,538</u>	<u>-</u>	<u>17,049</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,906</u>	<u>\$ -</u>	<u>\$ 17,049</u>	<u>\$ -</u>

Special Revenue Funds

DA Juror Donations Fund	Lake Naconiche Fund	TJJD Regionalization Fund	TJJD Interest Fund
\$ -	\$ 21,347	\$ -	\$ -
-	55,967	-	-
456	-	8,390	-
-	-	-	86
-	334	-	-
<u>456</u>	<u>77,648</u>	<u>8,390</u>	<u>86</u>
-	-	8,390	-
-	-	-	-
-	-	-	-
-	-	-	-
-	96,801	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>96,801</u>	<u>8,390</u>	<u>-</u>
<u>456</u>	<u>(19,153)</u>	<u>-</u>	<u>86</u>
-	-	-	-
-	-	-	-
456	(19,153)	-	86
811	52,707	160	1,070
<u>\$ 1,267</u>	<u>\$ 33,554</u>	<u>\$ 160</u>	<u>\$ 1,156</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2018

	Special Revenue Funds			
	County Court Unearned Fund	Local Juvenile Probation Fund	DA Federal Forfeiture	Title IV-E Foster Care
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	1,125	-	-
Intergovernmental	-	-	-	-
Earnings on Investments	-	222	-	268
Miscellaneous	(4,181)	-	-	-
Total Revenues	(4,181)	1,347	-	268
Expenditures				
Current:				
General government	-	-	-	-
Administration of justice	-	3,331	-	-
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	3,331	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(4,181)	(1,984)	-	268
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(4,181)	(1,984)	-	268
Fund balances - beginning	27,581	43,692	9,847	36,927
Fund balances - end of year	\$ 23,400	\$ 41,708	\$ 9,847	\$ 37,195

Special Revenue Funds

Vertex Title IV-E Enhanced Claims	TJJD Basic Probation Services	Road Damage Fund	C.A. Pretrial Intervention Fund
\$ -	\$ -	\$ -	\$ -
-	-	147,210	9,950
-	137,191	-	-
1,617	-	-	312
2,283	-	-	-
<u>3,900</u>	<u>137,191</u>	<u>147,210</u>	<u>10,262</u>
-	-	-	-
-	139,979	-	20,969
-	-	-	-
-	-	225,054	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>139,979</u>	<u>225,054</u>	<u>20,969</u>
<u>3,900</u>	<u>(2,788)</u>	<u>(77,844)</u>	<u>(10,707)</u>
-	-	-	-
-	-	-	-
3,900	(2,788)	(77,844)	(10,707)
244,922	3,291	80,936	53,201
<u>\$ 248,822</u>	<u>\$ 503</u>	<u>\$ 3,092</u>	<u>\$ 42,494</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2018

	Special Revenue Funds			
	Civic Center	Exposition Center Fund	Victims Coordinator Liaison Grant County Attorney	Constable Precinct 2 State Forfeiture Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	105,643	-	-	-
Intergovernmental	-	95,000	41,901	-
Earnings on Investments	-	441	-	-
Miscellaneous	-	428,120	-	-
Total Revenues	<u>105,643</u>	<u>523,561</u>	<u>41,901</u>	<u>-</u>
Expenditures				
Current:				
General government	-	-	41,901	-
Administration of justice	-	-	-	592
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Parks and recreation	192,363	560,208	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>192,363</u>	<u>560,208</u>	<u>41,901</u>	<u>592</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(86,720)</u>	<u>(36,647)</u>	<u>-</u>	<u>(592)</u>
Other Financing Sources (Uses)				
Transfers in	<u>86,720</u>	<u>46,700</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>86,720</u>	<u>46,700</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	10,053	-	(592)
Fund balances - beginning	<u>-</u>	<u>14,851</u>	<u>-</u>	<u>1,697</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ 24,904</u>	<u>\$ -</u>	<u>\$ 1,105</u>

Special Revenue Funds

NCSO State Forfeiture Fund	Constable Pct 4 Federal Forfeiture Fund	NCSO Federal Forfeiture Fund	Constable Pct 1 Federal Forfeiture	TJJD Pre & Post Adjudication Fund
\$ -	\$ -	\$ -	\$ -	\$ -
12,435	-	117,304	-	-
-	-	-	-	153,655
403	-	849	-	-
-	-	-	-	-
<u>12,838</u>	<u>-</u>	<u>118,153</u>	<u>-</u>	<u>153,655</u>
-	-	-	-	-
39,816	35	121,442	-	152,717
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>39,816</u>	<u>35</u>	<u>121,442</u>	<u>-</u>	<u>152,717</u>
<u>(26,978)</u>	<u>(35)</u>	<u>(3,289)</u>	<u>-</u>	<u>938</u>
-	-	-	-	-
-	-	-	-	-
(26,978)	(35)	(3,289)	-	938
82,766	7,457	79,537	600	-
<u>\$ 55,788</u>	<u>\$ 7,422</u>	<u>\$ 76,248</u>	<u>\$ 600</u>	<u>\$ 938</u>

NACOGDOCHES COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2018

	Special Revenue Funds			
	TJJD Mental Health Grant	Justice Court Building Security	TJJD Community Programs Fund	CETRZ No. 1 Tax Increment Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and fines	35,174	3,179	-	-
Intergovernmental	-	-	16,381	-
Earnings on Investments	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>35,174</u>	<u>3,179</u>	<u>16,381</u>	<u>-</u>
Expenditures				
Current:				
General government	37,121	-	-	-
Administration of justice	-	-	16,540	-
Public safety	-	192	-	-
Highway and streets	-	-	-	-
Parks and recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>37,121</u>	<u>192</u>	<u>16,540</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,947)</u>	<u>2,987</u>	<u>(159)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,947)	2,987	(159)	-
Fund balances - beginning	<u>2,578</u>	<u>5,620</u>	<u>520</u>	<u>173</u>
Fund balances - end of year	<u>\$ 631</u>	<u>\$ 8,607</u>	<u>\$ 361</u>	<u>\$ 173</u>

Capital Project Funds			Debt Service Fund	
Capital Projects Fund- Lake	Permanent Improvement Fund	2004/2006 Certificate of Obligation	Debt Service Fund	Totals Non-Major Funds
\$ -	\$ -	\$ -	\$ 1,612,160	\$ 1,658,505
-	-	-	-	862,885
-	-	-	-	599,995
5,259	-	550	2,370	17,714
-	4,517	-	-	441,679
<u>5,259</u>	<u>4,517</u>	<u>550</u>	<u>1,614,530</u>	<u>3,580,778</u>
-	782,701	-	-	1,166,934
-	-	-	-	718,439
-	-	-	-	192
-	-	-	-	225,054
-	-	-	-	849,372
-	-	-	1,403,000	1,403,000
-	-	-	207,683	207,683
<u>-</u>	<u>782,701</u>	<u>-</u>	<u>1,610,683</u>	<u>4,570,674</u>
<u>5,259</u>	<u>(778,184)</u>	<u>550</u>	<u>3,847</u>	<u>(989,896)</u>
<u>-</u>	<u>715,597</u>	<u>-</u>	<u>-</u>	<u>905,517</u>
<u>-</u>	<u>715,597</u>	<u>-</u>	<u>-</u>	<u>905,517</u>
5,259	(62,587)	550	3,847	(84,379)
656,962	728,456	96,954	337,830	3,487,686
<u>\$ 662,221</u>	<u>\$ 665,869</u>	<u>\$ 97,504</u>	<u>\$ 341,677</u>	<u>\$ 3,403,307</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY ATTORNEY FEE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and fines	\$ 4,000	\$ 2,261	\$ (1,739)
Total Revenues	<u>4,000</u>	<u>2,261</u>	<u>(1,739)</u>
Expenditures			
Administration of justice	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,000</u>	<u>2,261</u>	<u>(1,739)</u>
Net Changes in Fund Balances	4,000	2,261	(1,739)
Fund Balances - Beginning of Year	<u>3,293</u>	<u>3,293</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 7,293</u>	<u>\$ 5,554</u>	<u>\$ (1,739)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY LAW LIBRARY FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ 17,000	\$ 16,912	\$ (88)
Earnings on investments	500	1,222	722
Miscellaneous	9,435	9,435	-
Total Revenues	<u>26,935</u>	<u>27,569</u>	<u>634</u>
Expenditures			
Administration of justice	43,135	47,256	(4,121)
Total Expenditures	<u>43,135</u>	<u>47,256</u>	<u>(4,121)</u>
Net Changes in Fund Balances	(16,200)	(19,687)	(3,487)
Fund Balances - Beginning of Year	210,163	210,163	-
Fund Balances - End of Year	<u>\$ 193,963</u>	<u>\$ 190,476</u>	<u>\$ (3,487)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VETERANS MEMORIAL WALL FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ 3,750	\$ 950	\$ (2,800)
Total Revenues	<u>3,750</u>	<u>950</u>	<u>(2,800)</u>
Expenditures			
General government	3,750	900	2,850
Total Expenditures	<u>3,750</u>	<u>900</u>	<u>2,850</u>
Net Changes in Fund Balances	-	50	50
Fund Balances - Beginning of Year	<u>13,088</u>	<u>13,088</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 13,088</u>	<u>\$ 13,138</u>	<u>\$ 50</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NACOGDOCHES COUNTY HISTORICAL COMMISSION
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General government	<u>1,000</u>	<u>955</u>	<u>45</u>
Total Expenditures	<u>1,000</u>	<u>955</u>	<u>45</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,000)</u>	<u>(955)</u>	<u>45</u>
Other Financing Sources (Uses)			
Transfers in	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net Changes in Fund Balances	-	45	45
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ -</u></u>	<u><u>\$ 45</u></u>	<u><u>\$ 45</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JURY FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Taxes	\$ 25,258	\$ 24,998	\$ (260)
Fees and fines	2,000	3,732	1,732
Intergovernmental	20,000	22,236	2,236
Earnings on investments	300	498	198
Miscellaneous	27	27	27
Total Revenues	47,558	51,491	3,933
Expenditures			
Administration of justice	78,139	41,759	36,380
Total Expenditures	78,139	41,759	36,380
Net Changes in Fund Balances	(30,581)	9,732	40,313
Fund Balances - Beginning of Year	88,856	88,856	-
Fund Balances - End of Year	\$ 58,275	\$ 98,588	\$ 40,313

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT TECHNOLOGY FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and fines	\$ 14,000	\$ 12,903	\$ (1,097)
Earnings on investments	-	103	103
Total Revenues	<u>14,000</u>	<u>13,006</u>	<u>(994)</u>
Expenditures			
Administration of justice	<u>15,000</u>	<u>15,267</u>	<u>(267)</u>
Total Expenditures	<u>15,000</u>	<u>15,267</u>	<u>(267)</u>
Net Changes in Fund Balances	(1,000)	(2,261)	(1,261)
Fund Balances - Beginning of Year	<u>16,955</u>	<u>16,955</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 15,955</u>	<u>\$ 14,694</u>	<u>\$ (1,261)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY AND DISTRICT COURT RECORD TECHNOLOGY
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ 9,000	\$ 8,132	\$ (868)
Earnings on investments	-	8	8
Total Revenues	<u>9,000</u>	<u>8,140</u>	<u>(860)</u>
Expenditures			
General government	8,140	8,140	-
Administration of justice	-	-	-
Total Expenditures	<u>8,140</u>	<u>8,140</u>	<u>-</u>
Net Changes in Fund Balances	860	-	(860)
Fund Balances - Beginning of Year	8,766	8,766	-
Fund Balances - End of Year	<u>\$ 9,626</u>	<u>\$ 8,766</u>	<u>\$ (860)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK ARCHIVE
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fee and fines	\$ 5,000	\$ 5,980	\$ 980
Earnings on Investments	-	272	272
Total Revenues	<u>5,000</u>	<u>6,252</u>	<u>1,252</u>
Expenditures			
General government	5,000	125	4,875
Total Expenditures	<u>5,000</u>	<u>125</u>	<u>4,875</u>
Net Changes in Fund Balances	-	6,127	6,127
Fund Balances - Beginning of Year	39,864	39,864	-
Fund Balances - End of Year	<u>\$ 39,864</u>	<u>\$ 45,991</u>	<u>\$ 6,127</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK RECORDS MANAGEMENT
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and fines	\$ 195,000	\$ 211,648	\$ 16,648
Earnings on investments	200	2,379	2,179
Total Revenues	<u>195,200</u>	<u>214,027</u>	<u>18,827</u>
Expenditures			
General government	<u>193,907</u>	<u>94,250</u>	<u>99,657</u>
Total Expenditures	<u>193,907</u>	<u>94,250</u>	<u>99,657</u>
Net Changes in Fund Balances	1,293	119,777	118,484
Fund Balances - Beginning of Year	<u>327,085</u>	<u>327,085</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 328,378</u>	<u>\$ 446,862</u>	<u>\$ 118,484</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ 3,600	\$ 3,238	\$ (362)
Earnings on investments	-	53	53
Total Revenues	<u>3,600</u>	<u>3,291</u>	<u>(309)</u>
Expenditures			
General government	10,600	2,505	8,095
Total Expenditures	<u>10,600</u>	<u>2,505</u>	<u>8,095</u>
Net Changes in Fund Balances	(7,000)	786	7,786
Fund Balances - Beginning of Year	<u>13,059</u>	<u>13,059</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 6,059</u></u>	<u><u>\$ 13,845</u></u>	<u><u>\$ 7,786</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
RECORD MANAGEMENT AND PRESERVATION
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ 25,000	\$ 23,173	\$ (1,827)
Earnings on investments	50	86	36
Total Revenues	<u>25,050</u>	<u>23,259</u>	<u>(1,791)</u>
Expenditures			
General government	25,692	13,271	12,421
Total Expenditures	<u>25,692</u>	<u>13,271</u>	<u>12,421</u>
Net Changes in Fund Balances	(642)	9,988	10,630
Fund Balances - Beginning of Year	<u>14,681</u>	<u>14,681</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 14,039</u>	<u>\$ 24,669</u>	<u>\$ 10,630</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURTHOUSE SECURITY FEE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and fines	\$ 28,000	\$ 27,778	\$ (222)
Total Revenues	<u>28,000</u>	<u>27,778</u>	<u>(222)</u>
Expenditures			
Administration of justice	85,837	82,811	3,026
Total Expenditures	<u>85,837</u>	<u>82,811</u>	<u>3,026</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(57,837)</u>	<u>(55,033)</u>	<u>2,804</u>
Other Financing Sources (Uses)			
Transfers in	58,506	55,500	(3,006)
Total Other Financing Sources (Uses)	<u>58,506</u>	<u>55,500</u>	<u>(3,006)</u>
Net Changes in Fund Balances	669	467	(202)
Fund Balances - Beginning of Year	<u>13,792</u>	<u>13,792</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 14,461</u>	<u>\$ 14,259</u>	<u>\$ (202)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LEOSE TRAINING
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and fines	\$ 10,222	\$ 10,223	\$ 1
Total Revenues	<u>10,222</u>	<u>10,223</u>	<u>1</u>
Expenditures			
Administration of justice	<u>24,792</u>	<u>8,225</u>	<u>16,567</u>
Total Expenditures	<u>24,792</u>	<u>8,225</u>	<u>16,567</u>
Net Changes in Fund Balances	(14,570)	1,998	16,568
Fund Balances - Beginning of Year	<u>14,586</u>	<u>14,586</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 16</u>	<u>\$ 16,584</u>	<u>\$ 16,568</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
D.A. FORFEITURE FUNDS
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ -	\$ 4,593	\$ 4,593
Earnings on investments	-	532	532
Miscellaneous	-	1,144	1,144
Total Revenues	<u>-</u>	<u>6,269</u>	<u>6,269</u>
Expenditures			
Administration of justice	<u>27,200</u>	<u>15,300</u>	<u>11,900</u>
Total Expenditures	<u>27,200</u>	<u>15,300</u>	<u>11,900</u>
Net Changes in Fund Balances	(27,200)	(9,031)	18,169
Fund Balances - Beginning of Year	<u>77,493</u>	<u>77,493</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 50,293</u>	<u>\$ 68,462</u>	<u>\$ 18,169</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
D.A. PRETRIAL INTERVENTION FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fee and fines	\$ 10,000	\$ 10,000	\$ -
Earnings on Investments	-	184	184
Total Revenues	<u>10,000</u>	<u>10,184</u>	<u>184</u>
Expenditures			
Administration of justice	28,909	24,008	4,901
Total Expenditures	<u>28,909</u>	<u>24,008</u>	<u>4,901</u>
Net Changes in Fund Balances	(18,909)	(13,824)	5,085
Fund Balances - Beginning of Year	<u>40,264</u>	<u>40,264</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 21,355</u>	<u>\$ 26,440</u>	<u>\$ 5,085</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CONSTABLE PRECINCT 1 FORFEITURE
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of justice	2,103	8	2,095
Total Expenditures	<u>2,103</u>	<u>8</u>	<u>2,095</u>
Net Changes in Fund Balances	(2,103)	(8)	2,095
Fund Balances - Beginning of Year	<u>2,105</u>	<u>2,105</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 2</u>	<u>\$ 2,097</u>	<u>\$ 2,095</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJD COMMITMENT DIVERSION PROGRAM
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 130,924	\$ 113,220	\$ (17,704)
Total Revenues	<u>130,924</u>	<u>113,220</u>	<u>(17,704)</u>
Expenditures			
Administration of justice	130,924	115,341	15,583
Total Expenditures	<u>130,924</u>	<u>115,341</u>	<u>15,583</u>
Net Changes in Fund Balances	-	(2,121)	(2,121)
Fund Balances - Beginning of Year	<u>3,694</u>	<u>3,694</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 3,694</u>	<u>\$ 1,573</u>	<u>\$ (2,121)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CONSTABLE PRECINCT 4 FORFEITURE
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ -	\$ -	
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of justice	4,205	1,146	3,059
Total Expenditures	<u>4,205</u>	<u>1,146</u>	<u>3,059</u>
Net Changes in Fund Balances	(4,205)	(1,146)	3,059
Fund Balances - Beginning of Year	<u>4,209</u>	<u>4,209</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 4</u>	<u>\$ 3,063</u>	<u>\$ 3,059</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ELECTION SERVICES
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and fines	\$ 32,031	\$ 33,375	\$ 1,344
Total Revenues	<u>32,031</u>	<u>33,375</u>	<u>1,344</u>
Expenditures			
General government	<u>31,319</u>	<u>37,007</u>	<u>(5,688)</u>
Total Expenditures	<u>31,319</u>	<u>37,007</u>	<u>(5,688)</u>
Net Changes in Fund Balances	712	(3,632)	(4,344)
Fund Balances - Beginning of Year	<u>7,538</u>	<u>7,538</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 8,250</u></u>	<u><u>\$ 3,906</u></u>	<u><u>\$ (4,344)</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CHAPTER 19 FUNDS
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 9,000	\$ 11,565	\$ 2,565
Total Revenues	<u>9,000</u>	<u>11,565</u>	<u>2,565</u>
Expenditures			
General government	<u>9,000</u>	<u>11,565</u>	<u>(2,565)</u>
Total Expenditures	<u>9,000</u>	<u>11,565</u>	<u>(2,565)</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
HAVA FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>17,049</u>	<u>17,049</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 17,049</u></u>	<u><u>\$ 17,049</u></u>	<u><u>\$ -</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DA JUROR DONATIONS FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 400	\$ 456	\$ 56
Total Revenues	<u>400</u>	<u>456</u>	<u>56</u>
Expenditures			
Current:			
Administration of justice	500	-	500
Total Expenditures	<u>500</u>	<u>-</u>	<u>500</u>
Net Changes in Fund Balances	(100)	456	556
Fund Balances - Beginning of Year	<u>811</u>	<u>811</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 711</u>	<u>\$ 1,267</u>	<u>\$ 556</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LAKE NACONICHE FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Taxes	\$ 22,902	\$ 21,347	\$ (1,555)
Fees and Fines	40,500	55,967	15,467
Miscellaneous	-	334	334
Total Revenues	<u>63,402</u>	<u>77,648</u>	<u>14,246</u>
Expenditures			
Parks and Recreation	<u>99,046</u>	<u>96,801</u>	<u>2,245</u>
Total Expenditures	<u>99,046</u>	<u>96,801</u>	<u>2,245</u>
Net Changes in Fund Balances	(35,644)	(19,153)	16,491
Fund Balances - Beginning of Year	<u>52,707</u>	<u>52,707</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 17,063</u>	<u>\$ 33,554</u>	<u>\$ 16,491</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJD REGIONNALIZATION FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 8,390	\$ 8,390	\$ -
Total Revenues	8,390	8,390	-
Expenditures			
General Administration	8,390	8,390	
Total Expenditures	8,390	8,390	-
Net Changes in Fund Balances			
Fund Balances - Beginning of Year	160	160	-
Fund Balances - End of Year	\$ 160	\$ 160	\$ -

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJD INTEREST FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Earnings on investments	\$ 100	\$ 86	(14)
Total Revenues	<u>100</u>	<u>86</u>	<u>(14)</u>
Expenditures			
Administration of justice	1,000	-	1,000
Total Expenditures	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net Changes in Fund Balances	(900)	86	986
Fund Balances - Beginning of Year	<u>1,070</u>	<u>1,070</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 170</u>	<u>\$ 1,156</u>	<u>\$ 986</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY COURT UNEARNED FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ -	\$ (4,181)	\$ (4,181)
Total Revenues	<u>-</u>	<u>(4,181)</u>	<u>(4,181)</u>
Expenditures			
Administration of justice	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	(4,181)	(4,181)
Fund Balances - Beginning of Year	<u>27,581</u>	<u>27,581</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 27,581</u>	<u>\$ 23,400</u>	<u>\$ (4,181)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL JUVENILE PROBATION FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fee and fines	\$ 1,500	\$ 1,125	\$ (375)
Earnings on Investments	100	222	122
Total Revenues	<u>1,600</u>	<u>1,347</u>	<u>(253)</u>
Expenditures			
Administration of justice	4,700	3,331	1,369
Total Expenditures	<u>4,700</u>	<u>3,331</u>	<u>1,369</u>
Net Changes in Fund Balances	(3,100)	(1,984)	1,116
Fund Balances - Beginning of Year	43,692	43,692	-
Fund Balances - End of Year	<u>\$ 40,592</u>	<u>\$ 41,708</u>	<u>\$ 1,116</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DA FEDERAL FORFEITURE
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fee and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>9,847</u>	<u>9,847</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 9,847</u></u>	<u><u>\$ 9,847</u></u>	<u><u>\$ -</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TITLE IV-E FOSTER CARE
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Earnings on Investments	\$ 100	\$ 268	\$ 168
Total Revenues	<u>100</u>	<u>268</u>	<u>168</u>
Expenditures			
Administration of Justice	10,000	-	10,000
Total Expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net Changes in Fund Balances	(9,900)	268	10,168
Fund Balances - Beginning of Year	<u>36,927</u>	<u>36,927</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 27,027</u>	<u>\$ 37,195</u>	<u>\$ 10,168</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VERTEX TITLE IV-E ENHANCED CLAIMS
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Earnings on Investments	\$ 350	\$ 1,617	\$ 1,267
Miscellaneous	-	2,283	2,283
Total Revenues	<u>350</u>	<u>3,900</u>	<u>3,550</u>
Expenditures			
General government	10,000	-	10,000
Total Expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net Changes in Fund Balances	(9,650)	3,900	13,550
Fund Balances - Beginning of Year	<u>244,922</u>	<u>244,922</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 235,272</u></u>	<u><u>\$ 248,822</u></u>	<u><u>\$ 13,550</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJD BASIC PROBATION SERVICES FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 131,249	\$ 137,191	\$ 5,942
Total Revenues	<u>131,249</u>	<u>137,191</u>	<u>5,942</u>
Expenditures			
Administration of justice	131,249	139,979	(8,730)
Total Expenditures	<u>131,249</u>	<u>139,979</u>	<u>(8,730)</u>
Net Changes in Fund Balances	-	(2,788)	(2,788)
Fund Balances - Beginning of Year	<u>3,291</u>	<u>3,291</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 3,291</u>	<u>\$ 503</u>	<u>\$ (2,788)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD DAMAGE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 147,210	\$ 147,210	\$ -
Total Revenues	<u>147,210</u>	<u>147,210</u>	<u>-</u>
Expenditures			
Highway and streets	228,146	225,054	3,092
Total Expenditures	<u>228,146</u>	<u>225,054</u>	<u>3,092</u>
Net Changes in Fund Balances	(80,936)	(77,844)	3,092
Fund Balances - Beginning of Year	<u>80,936</u>	<u>80,936</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 3,092</u>	<u>\$ 3,092</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
C.A. PRETRIAL INTERVENTION FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and Fines	\$ 20,000	\$ 9,950	\$ (10,050)
Earnings on Investments	-	312	312
Total Revenues	<u>20,000</u>	<u>10,262</u>	<u>(9,738)</u>
Expenditures			
Administration of Justice	22,400	20,969	1,431
Total Expenditures	<u>22,400</u>	<u>20,969</u>	<u>1,431</u>
Net Changes in Fund Balances	(2,400)	(10,707)	(8,307)
Fund Balances - Beginning of Year	53,201	53,201	-
Fund Balances - End of Year	<u>\$ 50,801</u>	<u>\$ 42,494</u>	<u>\$ (8,307)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CIVIC CENTER
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
Revenues			
Fees and Fines	\$ 112,250	\$ 105,643	\$ (6,607)
Total Revenues	<u>112,250</u>	<u>105,643</u>	<u>(6,607)</u>
Expenditures			
Parks and Recreation	194,339	192,363	1,976
Total Expenditures	<u>194,339</u>	<u>192,363</u>	<u>1,976</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(82,089)</u>	<u>(86,720)</u>	<u>(4,631)</u>
Other Financing Sources (Uses)			
Transfers in	87,089	86,720	(369)
Total Other Financing Sources (Uses)	<u>87,089</u>	<u>86,720</u>	<u>(369)</u>
Net Changes in Fund Balances	5,000	-	(5,000)
Fund Balances - Beginning of Year	-	-	-
Fund Balances - End of Year	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ (5,000)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
EXPOSITION CENTER FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 95,000	\$ 95,000	\$ -
Earnings on investments	100	441	341
Events and Miscellaneous	455,370	428,120	(27,250)
Total Revenues	550,470	523,561	(26,909)
Expenditures			
Parks and recreation-Exposition	611,528	560,208	51,320
Total Expenditures	611,528	560,208	51,320
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,058)	(36,647)	24,411
Other Financing Sources (Uses)			
Transfers in	71,058	46,700	(24,358)
Total Other Financing Sources (Uses)	71,058	46,700	(24,358)
Net Changes in Fund Balances	10,000	10,053	53
Fund Balances - Beginning of Year	14,851	14,851	-
Fund Balances - End of Year	\$ 24,851	\$ 24,904	\$ 53

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VICTIMS COORDINATOR LIAISON GRANT COUNTY ATTORNEY
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 42,000	\$ 41,901	\$ (99)
Total Revenues	<u>42,000</u>	<u>41,901</u>	<u>(99)</u>
Expenditures			
General Government	42,000	41,901	99
Total Expenditures	<u>42,000</u>	<u>41,901</u>	<u>99</u>
Net Changes in Fund Balances	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CONSTABLE PRECINCT 2 STATE FORFEITURE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and Fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General Administration	200	-	200
Administration of Justice	1,496	592	904
Total Expenditures	<u>1,696</u>	<u>592</u>	<u>1,104</u>
Net Changes in Fund Balances	(1,696)	(592)	(1,104)
Fund Balances - Beginning of Year	<u>1,697</u>	<u>1,697</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 1</u>	<u>\$ 1,105</u>	<u>\$ (1,104)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NCSO STATE FORFEITURE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and Fines	\$ 500	\$ 12,435	\$ 11,935
Earnings on investments	100	403	303
Total Revenues	<u>600</u>	<u>12,838</u>	<u>12,238</u>
Expenditures			
Administration of justice	36,500	39,816	(3,316)
Total Expenditures	<u>36,500</u>	<u>39,816</u>	<u>(3,316)</u>
Net Changes in Fund Balances	(35,900)	(26,978)	8,922
Fund Balances - Beginning of Year	<u>82,766</u>	<u>82,766</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 46,866</u>	<u>\$ 55,788</u>	<u>\$ 8,922</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CONSTABLE PCT 4 FEDERAL FORFEITURE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of justice	1,355	35	1,320
Total Expenditures	<u>1,355</u>	<u>35</u>	<u>1,320</u>
Net Changes in Fund Balances	(1,355)	(35)	1,320
Fund Balances - Beginning of Year	<u>7,457</u>	<u>7,457</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 6,102</u>	<u>\$ 7,422</u>	<u>\$ 1,320</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NCSO FEDERAL FORFEITURE FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
Revenues			
Fees and Fines	\$ 115,765	\$ 117,304	\$ 1,539
Earnings on investments	-	849	849
Miscellaneous	4,000	-	(4,000)
Total Revenues	<u>119,765</u>	<u>118,153</u>	<u>(1,612)</u>
Expenditures			
Administration of justice	153,943	121,442	32,501
Total Expenditures	<u>153,943</u>	<u>121,442</u>	<u>32,501</u>
Net Changes in Fund Balances	(34,178)	(3,289)	30,889
Fund Balances - Beginning of Year	<u>79,537</u>	<u>79,537</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 45,359</u>	<u>\$ 76,248</u>	<u>\$ 30,889</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CONSTABLE PCT 1 FEDERAL FORFEITURE
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and fines	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Administration of justice	<u>600</u>	<u>-</u>	<u>600</u>
Total Expenditures	<u>600</u>	<u>-</u>	<u>600</u>
Net Changes in Fund Balances	(600)	-	600
Fund Balances - Beginning of Year	<u>600</u>	<u>600</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ 600</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJJ PRE & POST ADJUDICATION FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 130,903	\$ 153,655	\$ 22,752
Total Revenues	<u>130,903</u>	<u>153,655</u>	<u>22,752</u>
Expenditures			
Administration of justice	130,903	152,717	(21,814)
Total Expenditures	<u>130,903</u>	<u>152,717</u>	<u>(21,814)</u>
Net Changes in Fund Balances	-	938	938
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 938</u>	<u>\$ 938</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJD MENTAL HEALTH GRANT
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Fees and Fines	\$ 43,084	\$ 35,174	\$ (7,910)
Total Revenues	<u>43,084</u>	<u>35,174</u>	<u>(7,910)</u>
Expenditures			
General Government	43,084	37,121	5,963
Total Expenditures	<u>43,084</u>	<u>37,121</u>	<u>5,963</u>
Net Changes in Fund Balances	-	(1,947)	(1,947)
Fund Balances - Beginning of Year	<u>2,578</u>	<u>2,578</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 2,578</u>	<u>\$ 631</u>	<u>\$ (1,947)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT BUILDING SECURITY
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Fees and Fines	\$ 3,000	\$ 3,179	\$ 179
Total Revenues	<u>3,000</u>	<u>3,179</u>	<u>179</u>
Expenditures			
Public Safety	<u>3,000</u>	<u>192</u>	<u>2,808</u>
Total Expenditures	<u>3,000</u>	<u>192</u>	<u>2,808</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>2,987</u>	<u>2,987</u>
Net Changes in Fund Balances	-	2,987	2,987
Fund Balances - Beginning of Year	<u>5,620</u>	<u>5,620</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 5,620</u>	<u>\$ 8,607</u>	<u>\$ 2,987</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TJJD COMMUNITY PROGRAMS FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 17,052	\$ 16,381	\$ (671)
Total Revenues	<u>17,052</u>	<u>16,381</u>	<u>(671)</u>
Expenditures			
Administration of justice	17,052	16,540	512
Total Expenditures	<u>17,052</u>	<u>16,540</u>	<u>512</u>
Net Changes in Fund Balances	-	(159)	(159)
Fund Balances - Beginning of Year	520	520	-
Fund Balances - End of Year	<u>\$ 520</u>	<u>\$ 361</u>	<u>\$ (159)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CETRZ NO. 1 TAX INCREMENT FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 14	\$ -	\$ (14)
Total Revenues	<u>14</u>	<u>-</u>	<u>(14)</u>
Expenditures			
General Government	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	14	-	(14)
Fund Balances - Beginning of Year	<u>173</u>	<u>173</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 187</u></u>	<u><u>\$ 173</u></u>	<u><u>\$ (14)</u></u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND - LAKE
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 54,400	\$ -	\$ (54,400)
Earnings on Investments	350	5,259	4,909
Total Revenues	<u>54,750</u>	<u>5,259</u>	<u>(49,491)</u>
Expenditures			
Capital Outlay	277,605	-	277,605
Total Expenditures	<u>277,605</u>	<u>-</u>	<u>277,605</u>
Net Changes in Fund Balances	(222,855)	5,259	228,114
Fund Balances - Beginning of Year	<u>656,962</u>	<u>656,962</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 434,107</u>	<u>\$ 662,221</u>	<u>\$ 228,114</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PERMANENT IMPROVEMENT FUND
For the Year Ended September 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ 4,517	\$ 4,517
Total Revenues	<u>-</u>	<u>4,517</u>	<u>4,517</u>
Expenditures			
General Administration	826,000	782,701	43,299
Capital Outlay	6,600	-	6,600
Total Expenditures	<u>832,600</u>	<u>782,701</u>	<u>49,899</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(832,600)</u>	<u>(778,184)</u>	<u>54,416</u>
Other Financing Sources (Uses)			
Transfers in	773,822	715,597	(58,225)
Total Other Financing Sources (Uses)	<u>773,822</u>	<u>715,597</u>	<u>(58,225)</u>
Net Changes in Fund Balances	(58,778)	(62,587)	(3,809)
Fund Balances - Beginning of Year	<u>728,456</u>	<u>728,456</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 669,678</u>	<u>\$ 665,869</u>	<u>\$ (3,809)</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
2004/2006 CERTIFICATE OF OBLIGATION
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Earnings on investments	\$ -	\$ 550	\$ 550
Total Revenues	<u>-</u>	<u>550</u>	<u>550</u>
Expenditures			
General Administration	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	550	550
Fund Balances - Beginning of Year	<u>96,954</u>	<u>96,954</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 96,954</u>	<u>\$ 97,504</u>	<u>\$ 550</u>

NACOGDOCHES COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2018

	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Property Taxes	\$ 1,598,942	\$ 1,612,160	\$ 13,218
Earnings on investments	1,000	2,370	1,370
Total Revenues	<u>1,599,942</u>	<u>1,614,530</u>	<u>14,588</u>
Expenditures			
Debt Service:			
Principal	1,403,000	1,403,000	-
Interest	210,364	207,683	2,681
Total Expenditures	<u>1,613,364</u>	<u>1,610,683</u>	<u>2,681</u>
Net Changes in Fund Balances	(13,422)	3,847	17,269
Fund Balances - Beginning of Year	<u>337,830</u>	<u>337,830</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 324,408</u>	<u>\$ 341,677</u>	<u>\$ 17,269</u>

Agency Funds

State Agency

This fund is used to account for the receipt and remittance of fees and court costs collected by the County that are solely due to the State.

Cash Bond

This fund is used to account for the deposits from individuals for cash bonds and deposits from bail bondsmen for surety.

Tax Assessor

This fund is used to account for vehicle inventory tax (VIT) collected from new and used auto dealerships and remitted to the State Comptroller's Office.

District Clerk Trust

This fund is used to account for the receipt and expenditure of funds placed in the trust account by court order for settlement of an account.

Sheriff

This fund is used to account for monies seized through the caused law enforcement operations. The money is held in this account pending the outcome of the court case.

District Attorney Seizure

This fund is used to account for monies seized through the course of law enforcement operations. The money is held in this account pending the outcome of the court case.

County Attorney Restitution

This fund is used to account for restitution collected by the County Attorney under the "Hot Check" statute. Restitution from this fund is remitted to the merchants.

County Clerk Trust

This fund is used to account for receipt and expenditure of funds placed in the trust account by court order for the settlement of an account.

Juvenile Probation Restitution

This fund is used to account for restitution payments collected by the Juvenile Probation department.

District Probation Restitution

This fund is used to account for restitution payments collected by the District Probation department.

Other Trust and Agency

These funds account for various small fees that are to be remitted to other agencies.

Agency Funds (continued)

Basic Supervision Fund

This fund is used to account for revenues received from the Texas Department of Criminal Justice-Criminal Justice Assistance Division (TDCJ-CJAD), as well as probation fees collected by the Community Supervision & Corrections Department (CSCD), for adult probation supervision services.

Special Services Fund

This fund is used to account for revenues received from the Texas Department of Criminal Justice – Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department substance abuse and mental health programs.

Sex Offender Caseload Fund

This fund is used to account for revenues received from the Texas Department of Criminal Justice-Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department Sex Offender Caseload Diversion Program Grant.

Community Service Restitution Fund

This fund is used to account for revenues received from the Texas Department of Criminal Justice-Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department community service restitution program.

Sex Offender Counseling Fund

This fund is used to account for revenues received from the Texas Department of Criminal Justice-Criminal Justice Assistance Division (TDCJ-CJAD) for the Community Supervision & Corrections Department sex offender counseling program.

NACOGDOCHES COUNTY, TEXAS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND

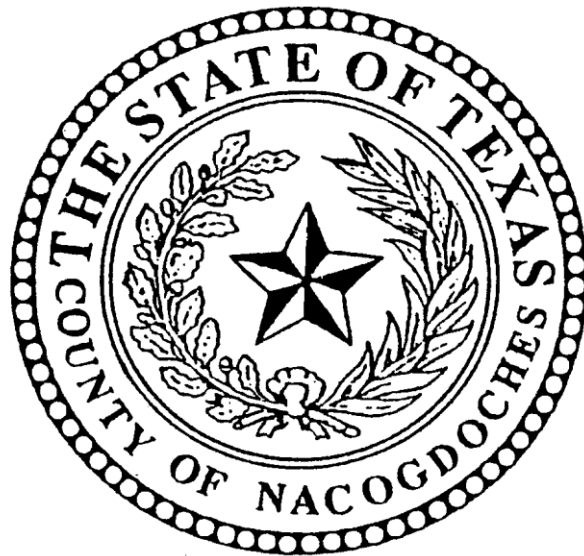
For the Year Ended September 30, 2018

	<u>Balance 10/1/2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 9/30/2018</u>
State Agency				
Assets				
Cash and cash equivalents	\$ 453,708	\$ 25,847,114	\$ 25,880,009	\$ 420,813
Liabilities				
Due to other agencies and beneficiaries	\$ 453,708	\$ 25,847,114	\$ 25,880,009	\$ 420,813
Cash Bond				
Assets				
Cash and cash equivalents	\$ 155,425	\$ 53,807	\$ 62,160	\$ 147,072
Liabilities				
Due to other agencies and beneficiaries	\$ 155,425	\$ 53,807	\$ 62,160	\$ 147,072
Tax Assessor				
Assets				
Cash and cash equivalents	\$ 297,371	\$ 476,913	\$ 461,648	\$ 312,636
Liabilities				
Due to other agencies and beneficiaries	\$ 297,371	\$ 476,913	\$ 461,648	\$ 312,636
District Clerk Trust				
Assets				
Cash and cash equivalents	\$ 1,688,755	\$ 148,109	\$ 137,718	\$ 1,699,146
Liabilities				
Due to other agencies and beneficiaries	\$ 1,688,755	\$ 148,109	\$ 137,718	\$ 1,699,146
Sheriff				
Assets				
Cash and cash equivalents	\$ 1,580,320	\$ 907,423	\$ 904,769	\$ 1,582,974
Liabilities				
Due to other agencies and beneficiaries	\$ 1,580,320	\$ 907,423	\$ 904,769	\$ 1,582,974
District Attorney Seizure				
Assets				
Cash and cash equivalents	\$ 38,116	\$ 80,276	\$ 24,167	\$ 94,225
Liabilities				
Due to other agencies and beneficiaries	\$ 38,116	\$ 80,276	\$ 24,167	\$ 94,225
County Attorney Restitution				
Assets				
Cash and cash equivalents	\$ 2,276	\$ 30,303	\$ 31,224	\$ 1,355
Liabilities				
Due to other agencies and beneficiaries	\$ 2,276	\$ 30,303	\$ 31,224	\$ 1,355
County Clerk Trust				
Assets				
Cash and cash equivalents	\$ 838,624	\$ 1,775,311	\$ 1,758,410	\$ 855,525
Liabilities				
Due to other agencies and beneficiaries	\$ 838,624	\$ 1,775,311	\$ 1,758,410	\$ 855,525
Juvenile Probation Restitution				
Assets				
Cash and cash equivalents	\$ 5,087	\$ 980	\$ 980	\$ 5,087
Liabilities				
Due to other agencies and beneficiaries	\$ 5,087	\$ 980	\$ 980	\$ 5,087

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND

For the Year Ended September 30, 2018

	<u>Balance</u> <u>10/1/2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>9/30/2018</u>
District Probation Restitution				
Assets				
Cash and cash equivalents	\$ 100	\$ 204,728	\$ 204,728	\$ 100
Liabilities				
Due to other agencies and beneficiaries	\$ 100	\$ 204,728	\$ 204,728	\$ 100
Other Trust and Agency				
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Liabilities				
Due to other agencies and beneficiaries	\$ -	\$ -	\$ -	\$ -
Basic Supervision				
Assets				
Cash and cash equivalents	\$ 261,991	\$ 1,407,196	\$ 1,266,668	\$ 402,519
Liabilities				
Due to other agencies and beneficiaries	\$ 261,991	\$ 1,407,196	\$ 1,266,668	\$ 402,519
Special Services				
Assets				
Cash and cash equivalents	\$ 12,907	\$ 64,672	\$ 64,662	\$ 12,917
Liabilities				
Due to other agencies and beneficiaries	\$ 12,907	\$ 64,672	\$ 64,662	\$ 12,917
Sex Offender Caseload				
Assets				
Cash and cash equivalents	\$ 16,976	\$ 80,000	\$ 77,864	\$ 19,112
Liabilities				
Due to other agencies and beneficiaries	\$ 16,976	\$ 80,000	\$ 77,864	\$ 19,112
Community Service Restitution				
Assets				
Cash and cash equivalents	\$ 16,851	\$ 62,498	\$ 63,253	\$ 16,096
Liabilities				
Due to other agencies and beneficiaries	\$ 16,851	\$ 62,498	\$ 63,253	\$ 16,096
Sex Offender Counseling				
Assets				
Cash and cash equivalents	\$ 1		\$ 1	\$ -
Liabilities				
Due to other agencies and beneficiaries	\$ 1		\$ 1	\$ -
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 5,368,508	\$ 31,139,330	\$ 30,938,261	\$ 5,569,577
Total Assets	<u>\$ 5,368,508</u>	<u>\$ 31,139,330</u>	<u>\$ 30,938,261</u>	<u>\$ 5,569,577</u>
Liabilities				
Due to other agencies and beneficiaries	\$ 5,368,508	\$ 31,139,330	\$ 30,938,261	\$ 5,569,577
Total Liabilities	<u>\$ 5,368,508</u>	<u>\$ 31,139,330</u>	<u>\$ 30,938,261</u>	<u>\$ 5,569,577</u>



UNAUDITED STATISTICAL SECTION

This part of the County's 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 government's overall financial health.

Contents	Page
Financial Trends	144
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	148
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity	152
<i>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.</i>	
Demographic and Economic Information	157
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	158
<i>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 provides and the activities it performs.</i>	

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

NACOGDOCHES COUNTY, TEXAS
NET POSITION BY COMPONENT -
ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 1

	Fiscal Year									
	2009	2010	2011	2012 as restated	2013 as restated	2014	2015	2016	2017	2018
Governmental activities:										
Investment in capital assets	\$ 21,210,477	\$ 22,131,260	\$ 25,128,198	\$ 31,771,099	\$ 34,423,191	\$ 36,277,431	\$ 38,323,189	\$ 36,721,196	\$ 37,306,367	\$ 38,489,339
Restricted	3,364,171	2,795,784	2,673,019	3,623,746	4,020,782	3,084,760	2,892,774	4,720,640	4,020,899	3,922,371
Unrestricted	7,060,630	7,914,249	5,711,596	4,515,965	3,378,846	4,306,614	3,800,659	2,640,597	3,475,939	3,675,206
Total governmental activities net position	\$ 31,635,278	\$ 32,841,293	\$ 33,512,813	\$ 39,910,810	\$ 41,822,819	\$ 43,668,805	\$ 45,016,622	\$ 44,082,433	\$ 44,803,205	\$ 46,086,916

* Note: The balances are entirely comprised of governmental activities. Therefore, no primary government totals have been displayed.

Source: County CAFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN NET POSITION - ACCRUAL
BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 2
Page 1 of 2

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
General administration	\$ 5,270,755	\$ 4,833,380	\$ 4,818,604	\$ 4,966,895	\$ 4,938,327	\$ 5,156,024	\$ 3,351,072	\$ 5,291,325	\$ 5,237,319	\$ 4,730,562
Judicial and law enforcement	9,178,094	12,713,898	12,615,792	11,646,953	9,650,725	10,258,897	10,336,758	11,187,905	11,687,652	11,480,216
Highways and streets	3,095,812	3,348,465	3,820,634	1,705,790	3,553,521	2,505,187	4,032,045	4,233,633	4,061,703	4,898,787
Health and welfare	614,387	473,135	235,607	377,876	954,491	1,883,236	2,574,242	1,051,784	1,023,558	1,023,306
Culture and recreation	607,954	854,532	879,640	1,077,685	1,175,569	1,269,430	1,233,468	1,239,338	1,227,346	1,041,076
Solid waste	50,134	43,109	16,230	-	-	-	-	-	-	-
Interest on long-term debt	805,909	736,844	687,834	529,994	493,491	448,224	393,734	378,988	356,200	291,681
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 904,447	\$ 263,078	\$ 324,293	\$ 261,204	\$ 324,413	\$ 291,839	\$ 408,795	\$ 494,374	\$ 399,068	\$ 394,781
Judicial and law enforcement	3,397,445	4,928,604	4,557,432	4,378,408	4,100,166	3,082,801	2,974,002	2,708,756	2,672,948	2,656,229
Highways and streets	1,305,416	1,400,740	1,594,596	1,840,700	1,802,584	1,057,918	1,020,404	998,184	1,084,315	1,147,223
Health and welfare	-	4,595	-	-	40,678	234,320	-	-	-	-
Culture and recreation	325,317	440,374	965,928	504,817	538,303	627,094	599,927	667,357	638,503	609,719
Solid waste	53,140	11,274	5,801	-	-	-	-	-	-	-
Operating Grants and Contributions:	1,661,225	1,134,010	1,517,183	2,163,200	1,248,753	776,462	588,728	726,182	550,294	598,291
Capital grants and contributions:	360,343	36,779	1,632,533	3,479,293	273,627	1,008,896	1,669,176	284,600	25,710	-
Total governmental activities program revenues	<u>\$ 8,007,333</u>	<u>\$ 8,219,454</u>	<u>\$ 10,597,766</u>	<u>\$ 12,627,622</u>	<u>\$ 8,328,524</u>	<u>\$ 7,079,330</u>	<u>\$ 7,261,032</u>	<u>\$ 5,879,453</u>	<u>\$ 5,370,838</u>	<u>\$ 5,406,243</u>

Source: County CAFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN NET POSITION - ACCRUAL
BASIS OF ACCOUNTING (continued)
LAST TEN FISCAL YEARS

Table 2
Page 2 of 2

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Governmental Activities	\$ (11,615,712)	\$ (14,783,909)	\$ (12,476,575)	\$ (7,677,571)	\$ (12,437,600)	\$ (14,441,668)	\$ (14,660,287)	\$ (17,503,520)	\$ (18,222,940)	\$ (18,059,385)
General Revenues and Other										
Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	\$ 13,961,224	\$ 14,389,799	\$ 13,298,430	\$ 13,476,474	\$ 14,415,137	\$ 15,245,797	\$ 15,891,594	\$ 17,580,862	\$ 18,207,931	18,371,660
Other	\$94,266	320,335	370,214	443,408	512,570	584,436	654,769	631,298	613,763	666,299
Earnings on investments	\$186,539	173,729	177,502	147,227	120,483	41,158	42,764	49,448	59,282	167,669
Gain (Loss) on sale of capital assets	-	55,650	30,054	(32,676)	-	391,238	265,296	(2,324,843)	-	-
Grants and Contributions not restricted to specific programs	-	-	-	-	-	-	-	-	9,847	-
Miscellaneous	\$445,142	66,561	159,162	151,702	56,965	25,024	22,538	632,566	52,889	137,468
Total governmental activities	14,687,171	15,006,074	14,035,362	14,186,135	15,105,155	16,287,653	16,876,961	16,569,331	18,943,712	19,343,096
Change in Net Position										
Governmental Activities	\$ 3,071,459	\$ 222,165	\$ 1,558,787	\$ 6,508,564	\$ 2,667,555	\$ 1,845,985	\$ 2,216,674	\$ (934,189)	\$ 720,772	\$ 1,283,711

* Note: The County Activity is entirely comprised of governmental activity. Therefore, no primary government totals have been displayed.

Source: County CAFR

NACOGDOCHES COUNTY, TEXAS
FUND BALANCE OF GOVERNMENTAL FUNDS -
MODIFIED ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 3

	Fiscal Year									
	2009	2010	2011*	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable			\$ 245,100	\$ 227,983	\$ 227,272	\$ 239,126	\$ 300,174	\$ 305,008	\$ 261,977	\$ 176,354
Assigned			1,434,751							
Unassigned			3,611,949	4,334,200	3,805,965	3,831,274	4,445,577	4,397,439	5,818,373	6,307,036
Total General Fund			<u>\$5,291,800</u>	<u>\$4,562,183</u>	<u>\$4,033,237</u>	<u>\$4,070,400</u>	<u>\$ 4,745,751</u>	<u>\$ 4,702,447</u>	<u>\$ 6,080,350</u>	<u>\$ 6,483,390</u>
All Other Governmental Funds										
Nonspendable			\$ 45,417	\$ 31,297	\$ 32,892	\$ 49,346	\$ 38,020	\$ 46,404	\$ 49,703	\$ 69,071
Restricted			3,651,040	3,501,739	3,914,230	3,015,073	2,815,837	4,680,634	4,021,150	3,898,659
Committed			285,713							
Unassigned			(122,151)	(1,306)	(23,592)	(12,777)	(19,191)	(21,411)	(23,381)	(31,721)
Total All other Governmental Funds			<u>\$3,860,019</u>	<u>\$3,531,730</u>	<u>\$3,923,530</u>	<u>\$3,051,642</u>	<u>\$ 2,834,666</u>	<u>\$ 4,705,627</u>	<u>\$ 4,047,472</u>	<u>\$ 3,936,009</u>
Total Fund Balance all Funds			<u>\$9,151,819</u>	<u>\$8,093,913</u>	<u>\$7,956,767</u>	<u>\$7,122,042</u>	<u>\$ 7,580,417</u>	<u>\$ 9,408,074</u>	<u>\$ 10,127,822</u>	<u>\$ 10,419,399</u>
General Fund										
Reserved	\$ 202,748	\$ 199,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,987,061	5,565,635	-	-	-	-	-	-	-	-
Total General Fund	<u>\$ 5,189,809</u>	<u>\$ 5,765,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All Other Governmental Funds										
Reserved	\$ 122,869	\$ 263,405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Special revenue funds	1,563,397	1,826,958	-	-	-	-	-	-	-	-
Capital project funds	2,337,471	2,372,359	-	-	-	-	-	-	-	-
Debt Service	578,998	688,803	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 4,602,735</u>	<u>\$ 5,151,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* Beginning 2011, fund balances are reported using GASB 54 classifications.

Source: County CAFR

NACOGDOCHES COUNTY, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS -
MODIFIED ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

Table 4

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$14,191,478	\$14,418,826	\$13,225,273	\$13,468,338	\$14,382,719	\$ 15,234,720	\$15,921,974	\$17,667,941	\$18,053,002	\$18,371,660
Intergovernmental	1,991,829	2,062,528	4,563,663	6,594,491	2,426,628	2,858,092	3,133,773	1,928,755	1,444,158	1,555,308
Charges for services	2,975,119	2,152,797	2,137,650	1,914,228	1,824,008	1,754,325	1,734,003	1,716,228	1,761,931	1,752,396
Fines, fees and forfeitures	2,636,560	3,425,196	3,156,568	4,005,717	3,908,058	2,374,696	2,245,439	1,971,496	1,988,206	2,020,089
Earnings on investments	186,539	174,314	178,170	148,378	121,503	41,114	43,453	47,918	57,889	162,819
Miscellaneous	449,163	1,007,724	1,272,404	718,607	813,449	777,454	892,528	1,000,638	928,682	881,772
Total Revenues	22,430,688	23,241,385	24,533,728	26,849,759	23,476,365	23,040,401	23,971,170	24,332,976	24,233,868	24,744,044
Expenditures										
Current:										
General government	4,760,617	4,944,191	4,990,926	5,790,448	5,430,722	4,905,626	4,868,429	5,128,397	5,235,090	6,028,808
Judicial and law enforcement-public safety	8,851,653	11,485,099	11,579,936	11,086,719	10,898,884	10,072,988	10,433,836	10,860,327	10,990,311	11,439,736
Highways and streets	2,027,717	3,195,667	3,460,191	3,621,760	3,815,232	4,136,567	3,571,199	3,814,211	4,142,157	4,475,565
Health and welfare	552,141	225,016	1,824,075	4,038,476	514,951	257,160	299,611	320,100	312,309	311,220
Culture parks and recreation	521,162	552,484	556,250	671,095	948,947	912,561	847,446	881,621	837,319	849,372
Solid Waste	50,134	43,195	16,230	-	-	-	-	-	-	-
Capital Outlay	2,830,137	1,713,300	1,447,242	208,817	55,712	2,100,275	2,193,460	869,425	268,918	-
Debt Service:										
Principal	1,395,000	1,455,000	1,796,000	1,862,000	1,505,000	1,536,184	1,535,157	1,718,835	1,841,283	1,403,000
Interest and fiscal charges	768,376	733,319	654,022	785,375	457,898	410,541	302,710	302,603	279,500	207,683
Bond issuance costs							45,477			
Total Expenditures	21,756,937	24,347,271	26,324,872	28,064,690	23,627,346	24,331,902	24,097,325	23,895,519	23,906,887	24,715,384
Excess (Deficiency) of Revenues Over (Under) Expenditures	673,751	(1,105,886)	(1,791,144)	(1,214,931)	(150,981)	(1,291,501)	(126,155)	437,457	326,981	28,660
Other Financing Sources (Uses)										
Sale of capital assets	64,016	13,424	26,240	44,104	13,834	24,082	25,183	532,930	130,989	262,917
Issuance of debt	-	1,225,000	-	5,160,000	-	-	-	-	-	-
Payments to escrow agent	-	-	-	(5,301,161)	-	-	-	-	-	-
Premium on bonds issued	-	-	-	254,080	-	-	-	-	-	-
Transfers in	273,133	717,127	-	613,958	514,313	322,496	177,244	1,598,374	129,055	905,518
Transfers out	(273,133)	(717,127)	(363,544)	(613,958)	(514,313)	(322,496)	(177,244)	(1,598,374)	(129,055)	(905,518)
Proceeds from issuance of debt	-	-	-	-	-	-	2,589,000	-	-	-
Proceeds from capital leases	-	-	-	-	-	1,188,239	583,576	857,270	261,778	-
Payments to escrow agent	-	-	-	-	-	-	(2,613,229)	-	-	-
Total other financing sources (uses)	64,016	1,238,424	(337,304)	157,023	13,834	1,212,321	584,530	1,390,200	392,767	262,917
Net Change in Fund Balances	\$ 737,767	\$ 132,538	\$ (2,128,448)	\$ (1,057,908)	\$ (137,147)	\$ (79,180)	\$ 458,375	\$ 1,827,657	\$ 719,748	\$ 291,577
Debt service as a percentage of noncapital expenditures	11.43%	9.67%	9.85%	9.50%	8.33%	8.76%	8.39%	8.78%	8.97%	6.52%

NACOGDOCHES COUNTY, TEXAS
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN TAX YEARS

Table 5

Fiscal Year	Residential Property	Commercial Property	Mineral Property	Industrial Property	Other property and adjustments	Total Taxable Assessed Value	Total Direct Tax Rate
2009	\$ 1,130,366,913	\$ 275,707,800	\$ 704,900,350	\$ 35,771,330	\$ 1,105,108,845	\$ 3,251,855,238	0.4343
2010	1,276,415,404	328,192,965	838,653,970	36,340,140	625,388,311	3,104,990,790	0.4343
2011	1,304,820,250	326,963,700	615,537,160	36,074,840	989,777,976	3,273,173,926	0.4343
2012	1,332,945,530	338,880,230	468,983,880	52,041,470	904,261,080	3,097,112,190	0.4343
2013	1,353,439,299	343,414,570	524,381,220	37,409,930	842,706,689	3,101,351,708	0.4543
2014	1,336,396,600	351,417,240	424,453,240	36,773,690	935,638,270	3,084,679,040	0.5043
2015	1,460,880,920	342,585,420	264,831,040	31,144,180	974,812,910	3,074,254,470	0.5290
2016	1,511,952,777	350,873,957	244,414,690	38,089,530	950,573,130	3,095,904,084	0.5855
2017	1,530,665,605	367,188,790	119,968,460	104,847,060	932,338,640	3,055,008,555	0.6065
2018	1,626,386,224	394,106,560	146,491,300	133,704,660	958,288,410	3,258,977,154	0.5817

Source: Nacogdoches County Central Appraisal District
Ratio of total assessed value to total estimated value is 100%.
Tax rates are reported in dollars per \$100 value.

NACOGDOCHES COUNTY, TEXAS
PROPERTY TAX RATES - DIRECT AND
OVERLAPPING GOVERNMENTS
Last Ten Tax Years

Table 6

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Direct Rates										
M & O	\$0.3659	\$0.3611	\$0.3567	\$0.3567	\$0.3894	\$0.4437	\$0.4768	\$0.5280	\$ 0.5575	\$ 0.5306
Interest and Sinking	0.0684	0.0732	0.0776	0.0776	0.0649	0.0606	0.0522	0.0575	0.0490	0.0511
Total Direct Rates	<u>0.4343</u>	<u>0.4343</u>	<u>0.4343</u>	<u>0.4343</u>	<u>0.4543</u>	<u>0.5043</u>	<u>0.5290</u>	<u>0.5855</u>	<u>0.6065</u>	<u>0.5817</u>
Overlapping rates:										
City of Cushing	0.2198	0.2198	0.2462	0.2552	0.2802	0.2802	0.2829	0.3398	0.3672	0.3735
City of Garrison	0.2084	0.2232	0.2474	0.2612	0.2764	0.2764	0.2859	0.2857	0.3112	0.3175
City of Nacogdoches	0.5500	0.5694	0.5690	0.5620	0.5639	0.5639	0.5639	0.5681	0.5928	0.5928
Central Heights ISD	1.3500	1.4500	1.4000	1.3800	1.3800	1.3800	1.3700	1.3700	1.3700	1.3200
Chireno ISD	1.1117	1.1117	1.1117	1.1117	1.1117	1.1117	1.1117	1.1117	1.1117	1.1117
Cushing ISD	1.2800	1.2800	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000	1.3000
Douglass ISD	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Etoile ISD	1.3100	1.3100	1.3100	1.3100	1.3100	1.3100	1.3100	1.3100	1.3100	1.3100
Garrison ISD	1.0724	1.0890	1.0950	1.0950	1.0970	1.0970	1.1080	1.1109	1.1065	1.1065
Martinsville ISD	1.1134	1.1840	1.1840	1.1840	1.1840	1.1840	1.1840	1.2470	1.2618	1.2008
Nacogdoches ISD	1.3700	1.3700	1.3700	1.3700	1.3575	1.3575	1.3575	1.3575	1.3575	1.3325
Woden ISD	1.1090	1.1090	1.1090	1.1090	1.1090	1.1090	1.1090	1.1090	1.1090	1.1090
Douglass Fire District	0.0309	0.0300	0.0300	0.0300	0.0300	0.0300	0.0282	0.0300	0.0300	0.0300
Cushing Fire Department	0.0267	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
ESD #3 Central Heights	0.0550	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
ESD #4 Nacogdoches	0.0327	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
ESD #6 Northeast	-	-	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300

Source: Nacogdoches Central Appraisal District

Note: ESD #3 and #4 are new additions for fiscal year 2007.

Tax rates are reported in dollars per \$100 of value.

Overlapping rates are those of local and county governments that apply to property owners within Nacogdoches County. Not all overlapping rates apply to all Nacogdoches County property owners (e.g. the rates for school districts and special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

NACOGDOCHES COUNTY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS

Current and Nine years ago

(amounts expressed in thousands)

Taxpayer	2018			Total Assessed Value
	Total Assessed Value	Rank	% of Total Assessed Valuation	
Southern Power Company	\$ 131,452	1	4.0%	\$ -
TransCanada Keystone Pipeline	50,451	2	1.5%	-
Oncor Electric Delivery LLC	48,556	3	1.5%	35,985
BP America Production Company	39,912	4	1.2%	-
Norbord Texas LP	36,197	5	1.1%	31,780
Pilgrim's Pride Corporation	30,524	6	0.9%	-
SFA 1411 Owner LP	26,562	7	0.8%	-
BTA ETG Gathering LLC	25,779	8	0.8%	-
Rockcliff Energy OP LLC (PL)	25,350	9	0.8%	-
Union Pacific Railroad	25,246	10	0.8%	-
Samson Lone Star LLC	-	-	-	209,754
Exxon Mobile	-	-	-	171,300
Chesapeake Operating	-	-	-	41,440
Samson Lone Star (Pipeline)	-	-	-	35,556
EOG Resources	-	-	-	27,823
Enerquest Corp.	-	-	-	25,385
Southwestern Energy Products	-	-	-	24,381
Nabors Drilling USA	-	-	-	23,931
Totals	\$ 440,029		13.50%	\$ 627,335

Total assessed values

\$3,258,977

Source: Nacogdoches Central Appraisal District

NACOGDOCHES COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
(UNAUDITED)
(\$ amounts expressed in thousands)

Table 8

Tax Year	Fiscal Year	Total Taxes Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Tax Collections	Total Tax Collections as a Percentage of Current Levy	Outstanding Delinquent Taxes	Delinquent Taxes as a Percentage of Current Levy
			Amount	Percentage of Levy Collected					
2008	2009	\$ 13,774	\$ 13,414	97.39%	\$ 105	\$ 13,519	98.15%	\$ 255	1.85%
2009	2010	14,212	13,891	97.74%	67	13,958	98.21%	254	1.79%
2010	2011	13,215	12,919	97.76%	74	12,993	98.32%	222	1.68%
2011	2012	13,287	12,921	97.25%	199	13,120	98.74%	167	1.26%
2012	2013	13,863	13,474	97.19%	59	13,533	97.62%	330	2.38%
2013	2014	15,232	14,798	97.15%	82	14,880	97.69%	352	2.31%
2014	2015	15,917	15,505	97.41%	45	15,550	97.69%	367	2.31%
2015	2016	17,464	17,179	98.37%	25	17,204	98.51%	260	1.49%
2016	2017	17,832	17,710	99.32%	23	17,733	99.44%	99	0.56%
2017	2018	18,253	17,944	98.31%	62	18,006	98.65%	247	1.35%

Source: Nacogdoches Central Appraisal District

NACOGDOCHES COUNTY, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(amounts expressed in thousands)

Table 9

Fiscal Year	Governmental Activities					Total Primary Government	Percentage of Personal Income	Per Capita*
	General Obligation Bonds	Refunding Bonds	Tax Notes	Capital Leases	Issuance Premiums/ (Discount)			
2009	\$ 10,530	\$ 7,615	\$ -	\$ -	\$ -	\$ 18,145	1.19%	289
2010	10,145	6,545	1,225	-	-	17,915	1.07%	279
2011	9,750	5,435	934	-	-	16,119	0.89%	251
2012	4,710	9,605	-	-	249	14,564	0.74%	219
2013	4,125	8,685	-	-	228	13,038	0.66%	194
2014	3,510	7,835	-	1,117	206	12,668	0.55%	174
2015	2,885	7,209	-	1,440	185	11,719	0.57%	179
2016	2,670	6,076	-	1,927	164	10,837	0.44%	151
2017	2,445	4,927	-	1,721	143	9,236	0.44%	151
2018	2,215	3,754	-	1,462	122	7,553	0.42%	151

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

* See Demographic and Economic Statistics schedule for personal income and population data.

These ratios are calculated using personal income and population for the prior fiscal year.

Source: County CAFR

NACOGDOCHES COUNTY, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)

Table 10

Fiscal Year	General Bonded Debt Outstanding					Total Primary Government	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Refunding Bonds	Tax Notes	Less amounts Available in Debt Service Fund				
2009	\$ 10,530	\$ 7,615	\$ -	\$ 579	\$ 17,566	0.57%	280	
2010	10,145	6,545	1,225	689	17,226	0.49%	250	
2011	9,750	5,435	934	489	15,630	0.51%	247	
2012	4,710	9,854	-	368	14,196	0.45%	213	
2013	4,125	8,913	-	469	12,569	0.41%	187	
2014	3,510	7,835	-	427	10,918	0.35%	167	
2015	2,885	7,394	-	364	9,915	0.32%	149	
2016	2,670	6,076	-	485	8,261	0.27%	126	
2017	2,445	4,927	-	337	7,035	0.27%	126	
2018	2,215	3,754	-	342	5,627	0.25%	126	

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

See Table 5 for property value data.

See Table 13 for population data.

NACOGDOCHES COUNTY, TEXAS

Table 11

DIRECT AND OVERLAPPING DEBT

Fiscal Year 2018

<u>Government Unit</u>	<u>Long-Term Debt Outstanding</u>	<u>Applicable Percentage</u>	<u>Overlapping Debt</u>
Debt repaid with property taxes			
City of Nacogdoches	\$ 31,460,000	100.00%	\$ 31,460,000
Central Heights ISD	12,540,000	100.00%	12,540,000
Etoile ISD	2,210,000	100.00%	2,210,000
Martinsville ISD	3,780,000	100.00%	3,780,000
Nacogdoches ISD	33,465,000	100.00%	33,465,000
Woden ISD	1,095,000	100.00%	1,095,000
Chireno ISD	850,000	71.59%	608,515
Cushing ISD	12,318,000	98.69%	12,156,634
Douglass ISD	-	100.00%	-
City of Garrison	29,000	100.00%	29,000
Garrison ISD	1,510,000	90.29%	1,363,379
	<hr/>		<hr/>
Subtotal overlapping debt	99,257,000		98,707,528
			<hr/>
Nacogdoches County direct debt			6,090,749
			<hr/>
Total Direct and Overlapping debt			<u>\$ 104,798,277</u>

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Nacogdoches County. This process recognizes that, when considering the Government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

(2) The percentage of overlapping debt applicable is estimated using the assessed values of the overlapping government property within the county compared to the total value in the overlapping government's boundaries.

Source: Lawrence Financial Consulting, LLC

NACOGDOCHES COUNTY, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

Table 12

Legal Debt Margin Calculation for Fiscal Year 2018 (in thousands)	
Assessed Value	\$3,258,977
Debt limit (25% of Assessed Value)	814,744
Debt applicable to limit:	
General obligation bonds	5,969
Less: Amount set aside for repayment of general obligation debt	342
Total net debt applicable to limit	5,627
Legal debt margin	\$ 809,117

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 831,535	\$ 802,292	\$ 760,598	\$ 775,338	\$ 771,170	\$ 771,170	\$ 768,564	\$ 773,976	\$ 814,744	\$ 814,744
Total net debt applicable to limit	<u>16,690</u>	<u>16,001</u>	<u>13,680</u>	<u>13,951</u>	<u>12,569</u>	<u>10,921</u>	<u>9,730</u>	<u>8,261</u>	<u>5,627</u>	<u>5,627</u>
Legal debt margin	<u>\$ 814,845</u>	<u>\$ 786,291</u>	<u>\$ 746,918</u>	<u>\$ 761,387</u>	<u>\$ 758,601</u>	<u>\$ 760,249</u>	<u>\$ 758,834</u>	<u>\$ 765,715</u>	<u>\$ 809,117</u>	<u>\$ 809,117</u>
Total net debt applicable to the limit as a % of debt limit	2.01%	1.99%	1.80%	1.80%	1.63%	1.42%	1.27%	1.07%	0.69%	0.69%

Note: Under state law, the County's outstanding general obligation debt can not exceed 25 percent of total assessed property value.

NACOGDOCHES COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 13

Fiscal Year	County Population ¹	Personal Income ¹	Per Capita Income ²	Median Age ²	Unemployment Rate ¹	School Enrollment ³
2009	62,768	1,523,868,000	24,491	29.70	7.00%	10,325
2010	64,117	1,676,050,000	26,457	29.70	6.30%	10,569
2011	64,524	1,804,345,000	28,141	30.30	7.10%	10,931
2012	65,466	1,927,413,000	29,441	30.30	5.80%	11,132
2013	66,034	1,950,059,000	29,531	27.80	6.40%	11,050
2014	65,330	2,063,904,000	31,592	27.80	5.00%	11,069
2015	65,301	2,063,904,000	31,592	29.90	4.70%	11,188
2016	65,664	2,249,541,000	34,258	29.90	5.10%	11,198
2017	65,806	2,249,541,000	34,258	31.30	3.80%	11,238
2018	65,580	2,386,951,000	36,398	31.30	3.70%	11,160

Sources:

- 1 Texas Workforce Commission and The County Information Program Texas Association of Counties
- 2 Nacogdoches Economic Development Corporation
- 3 Texas Education Agency & Nacogdoches Co. School District

NACOGDOCHES COUNTY, TEXAS

Table 14

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2018			2009		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Stephen F. Austin State University	1,706	1	7.59%	1,372	2	5.97%
Pilgrim's Pride	1,562	2	6.95%	1,450	1	6.31%
Nacogdoches ISD	987	3	4.39%	957	3	4.16%
Nacogdoches County Hospital Dist.	738	4	3.28%	747	5	3.25%
Etech Global Services	615	5	2.73%	900	4	3.92%
Nacogdoches Medical Center	543	6	2.41%	412	7	1.79%
Wal-Mart Supercenter	412	7	1.83%	460	6	2.00%
City of Nacogdoches	324	8	1.44%	350	8	1.52%
Nacogdoches County	277	9	1.23%	285	10	1.24%
Cal-Tex	194	10	0.86%	-	-	-
NIBCO Inc.	-	-	0.00%	300	9	1.31%
Total	7,358		32.72%	7,233		31.47%

Source: NEDCO and Texas Workforce Commission

NACOGDOCHES COUNTY, TEXAS

Table 15

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
General	44	46	46	44	45	46	45	46	49	48
Finance	9	9	9	9	9	8	8	8	8	8
Law Enforcement										
Officers	126	128	127	125	117	119	115	114	108	113
Civilians	16	15	15	15	11	12	12	13	14	14
Judicial										
Judges	7	7	7	7	7	7	7	7	7	7
Other	34	35	35	37	38	38	37	37	38	38
Health and Welfare	8	8	7	7	7	7	7	5	5	5
Streets and Highway	33	33	34	29	29	32	32	32	36	36
Recreation	5	5	6	6	8	8	8	8	8	8
Solid Waste	1	-	-	-	-	-	-	-	-	- **
TOTAL	283	286	286	279	271	277	271	270	273	277

Source: Nacogdoches County Budget

** Transfer stations were closed 3/31/11.

NACOGDOCHES COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Table 16

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Birth certificates issued	3,583	3,399	3,374	3,349	3,053	2,979	2,962	2,979	3,272	3,359
Marriage licenses issued	477	504	491	540	530	479	472	497	526	468
Septic permits processed	100	180	119	137	164	95	119	132	144	119
Law Enforcement										
Average number of inmates per day	213	211	209	241	219	245	235	260	252	253
Highways & Streets										
New roads	-	-	-	-	-	-	-	-	-	-
Roads resurfaced (miles)	32	30	5	48	50	26	12	37	77	166
Bridges new	-	-	2	1	-	-	-	-	-	-
Bridges repaired	3	3	6	4	25	10	4	9	6	8
Bridges closed	-	-	-	-	-	-	-	-	-	-
Recreation										
Expo Center and Civic Center events***	38	40	32	30	59	101	126	115	84x	101
Solid Waste										
Refuse collected (cubic yds)	2,049	1,095	697	**	**	**	**	**	**	**

Source: Various County departments.

x Seven events cancelled due to Hurricane Harvey in FY 2017. The Civic Center is also an emergency shelter and was used to house evacuees.

** The transfer stations were closed 3/31/11.

***Civic Center not available for rent until Sept. 2012

NACOGDOCHES COUNTY, TEXAS

Table 17

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

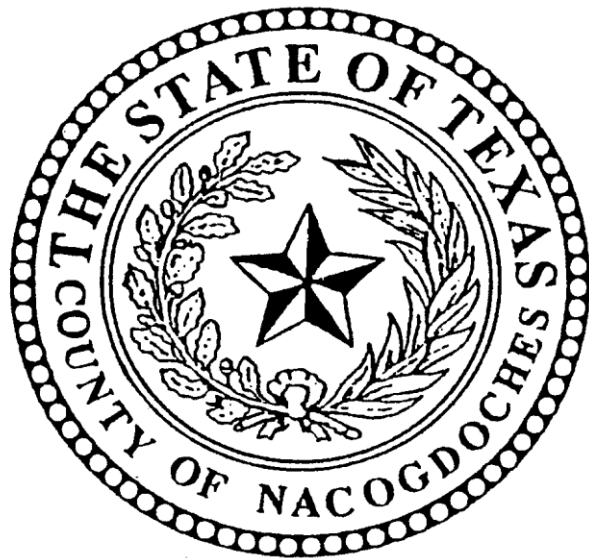
SCHEDULE BY ACTIVITY

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Courthouse	1	1	1	1	1	1	1	1	1	1
Annex	1	1	1	1	1	1	1	1	1	1
Storage building	2	2	1	1	1	1	1	1	1	1
Maintenance building	1	1	1	1	1	1	1	1	1	1
Records storage building	-	1	1	1	1	1	1	1	1	1
*** Vocational school	-	1	1	1	1	1	1	-	-	-
Weigh Station	-	-	-	-	-	-	-	-	-	1
Law Enforcement										
Law Enforcement Center (jail)	1	1	1	1	1	1	1	1	1	1
JP and Constable Offices	4	4	4	3	3	3	3	3	3	3
District Probation building	1	1	1	1	1	1	1	1	1	1
Community Service building	1	1	1	1	1	1	1	1	1	1
Juvenile Probation building	1	1	1	1	1	1	1	1	1	1
Patrol units	17	17	17	17	17	17	19	19	21	21
Other Public Works										
County roads	778	778	778	778	778	778	778	778	778	778
Bridges	106	106	108	109	109	109	109	109	109	109
Dams	4	4	4	4	4	4	4	4	4	4
Road and Bridge shops	5	5	5	5	5	5	5	5	5	5
Road and Bridge Washday/Storage	1	1	1	1	1	1	1	1	1	1
Road and Bridge radio towers	2	2	2	2	1	1	1	1	1	1
Road and Bridge transmitters	2	2	2	2	1	1	1	1	1	1
Water supply system extension & improvements	-	1	1	1	1	1	1	1	1	1
Recreation										
Expo Center Arena	1	1	1	1	1	1	1	1	1	1
Expo Barns	3	3	3	3	3	3	3	3	3	3
Expo Storage	1	1	1	1	1	1	1	1	1	1
Expo Shop	1	1	1	1	1	1	1	1	1	1
Expo Midway restroom	1	1	1	1	1	1	1	1	1	1
Lake park	1	1	1	1	1	1	1	1	1	1
Park Guard House	-	-	-	1	1	1	1	1	1	1
Park Restrooms	-	-	-	3	3	3	3	3	3	3
Park pavilion	-	-	-	-	-	1	1	1	1	1
Park Playground	-	-	-	-	-	-	-	-	-	1
Health & Welfare										
Senior Center	1	1	1	1	1	1	1	1	1	1
Shelter/Civic Center	-	-	-	1	1	1	1	1	1	1
Emergency Operations Center	-	-	-	-	1	1	1	1	1	1
Solid Waste										
Transfer stations	3	3	**	-	-	-	-	-	-	-

Source: Various County departments

** The transfer stations were closed 3/31/11.



GOVERNMENTAL REPORTING SECTION



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

To the Honorable County Judge and
Members of the Commissioners Court
Nacogdoches 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 Nacogdoches County (the “County”) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated March 27, 2019.

Internal Control Over Financial Reporting

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

To the Honorable County Judge and
Members of the Commissioners Court

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's 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 instance 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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Whitley Penn LLP

Houston, Texas
March 27, 2019