



*Comprehensive Annual Financial Report*

*For Fiscal Year Ended*

*September 30, 2018*

**KLEBERG COUNTY, TEXAS**  
***COMPREHENSIVE ANNUAL FINANCIAL REPORT***  
***FOR THE YEAR ENDED SEPTEMBER 30, 2018***

Prepared By;  
Kleberg County - Auditor's Office  
Ms. Melissa S. Green  
County Auditor



Kleberg County, Texas  
 Comprehensive Annual Financial Report  
 For The Year Ended September 30, 2018

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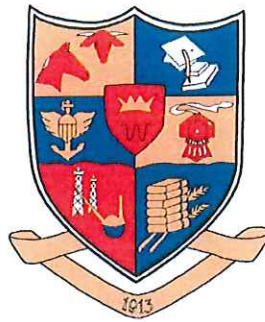
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**Melissa S. Green**  
*County Auditor*



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**COUNTY of KLEBERG**  
KINGSVILLE, TEXAS

June 17, 2019

Honorable Rudy Madrid, County Judge  
Honorable Members of the Kleberg County Commissioners' Court

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the County of Kleberg for the fiscal year ended September 30, 2018.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and compiled sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statement will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Raul Hernandez & Co., P.C. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County, for the fiscal year ended September 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified 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.



The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the other supplementary information section of this report.

## **Reporting**

The accompanying financial statements have been prepared in conformity with general accepted accounting principles (GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted primary standard setting body for establishing governmental accounting and financial principles.

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

## **History of Kleberg County**

Kleberg County was part of the Spanish province of Nuevo Santander, which encompassed the area between Tampico, Mexico and the Guadalupe River in Texas. After Mexico secured her independence in 1821, additional land in the area was granted to various individuals. In 1846, the land that is now in Kleberg County was designated a part of Nueces County and it remained so for many years.

In 1853, Richard King purchased the Santa Gertrudis grant in Kleberg County from the heirs of the original Spanish grantees and started the King Ranch. The history of Kleberg County during the next fifty years is almost indistinguishable from that of the ranch. In 1903, however, the St. Louis, Brownsville, and Mexico Railway was built through South Texas to Brownsville, and Henrietta King, owner of the King Ranch, opened for sale a large tract of her land. A surveyor employed by the ranch laid out the town of Kingsville in a pasture three miles east of the ranch headquarters. Even before the railroad reached the town, numerous lots were sold. By 1912, the population of the town was approximately 4,000. In 1908 Ricardo, located on the railroad six miles south of Kingsville, was started as a trading center for farmers living nearby. Nine miles farther down the tracks, Theodore F. Koch, who had purchased around 20,000 acres from Mrs. King in 1907, established Riviera. On Baffin Bay, a few miles to the east, Koch soon organized Riviera Beach as a vacation resort. Vattman, several miles to the northeast of Riviera, was settled in 1908 by German American families sponsored by the Catholic Colonization Society.

Kingsville grew much more rapidly than the other towns, largely because the railroad placed its general offices and shops there. The railroad employees made up a third of the population of the town and were the main source of income. As the population in the area increased, the citizens of Kingsville and the other communities began to break away from Nueces County. In 1913, the Texas legislature responded to this pressure and organized Kleberg County, named for Robert Justus Kleberg, whose son, also named Robert Justus Kleberg, was manager of the King Ranch. The law setting up the county named five

residents to take care of organizing it, including hiring a surveyor and arranging for the first election. Anton Felix H. von Blucher was employed to do the surveying, and within a short time he delineated the boundaries of the county and drew the lines of the precincts.

At an election on June 27, 1913, the precinct and county officers were chosen, and Kingsville was designated the county seat. The new public officials met in rented offices in downtown Kingsville and began their work. The commissioners' court proposed that a courthouse and hospital be built; the voters approved bond issues for their construction, and both were completed by 1914. Oil exploration began early in the county; with the first producing well discovered in 1919. During the next fifty years, county wells produced around 178 million barrels of oil. The first industry in the county was a cotton mill started in Kingsville in 1921. An additional stimulus occurred in 1925, when South Texas Teachers College (now Texas A&M University-Kingsville) was established.

In 1935, Loyola Beach was developed on the Callo del Grullo, three miles east of Vattman, as a recreational spot for vacationers and fishermen. The 1940's witnessed a period of spectacular growth similar to that of the 1920's. The population rose from 7,782 in 1940 to 16,857 in 1950. This growth was due primarily to the location of the Naval Auxiliary Station (later the Naval Air Station, Kingsville) three miles southeast of Kingsville.

### **Profile of Kleberg County**

Kleberg County is a political subdivision of the State of Texas. It has no legislative powers, and very restricted judicial and administrative powers. The governing body of the County is its Commissioners' Court of which there are five members. The government body of the County is the Commissioners' Court. The Commissioners' Court is comprised of the County Judge (who serves as the presiding officer) and the four Commissioners from one of the County's four road and bridge precincts. Each member of the Commissioners' Court is elected to a four-year term of office.

The Court has only such powers as are conferred upon it by the Constitution and the Statutes or by necessary implication there from. The Commissioners' Court has certain powers expressly granted by the legislature and powers necessarily implied by such grant. One of the most important duties of the Commissioners' Court is the management of the finances of the County. Among other things, it approves the budget, determines the tax rates, approves contracts in the name of the County, establishes policies for County operations, determines whether indebtedness should be authorized and issued, and appoints certain County officials.

The County provides a full range of services, including:

General government services related to the legislative, judicial, and executive branches of the government. This category includes budgets for the various judicial courts, indigent defense, criminal district attorney, district clerk, law library, county judge, county commissioners, tax assessor-collector, county treasurer, county auditor, county clerk, and information technology.

Public safety services related to the protection of persons and property. This category includes budgets for the sheriff, constables, juvenile and adult probation and emergency management.

Highways and streets services related to the construction, repair and maintenance of roadways. This category includes budgets for each of the four commissioners.

Health and welfare services related to public health and public assistance. This category includes budgets for health and human services, welfare and indigent assistance.

Recreational and cultural services for the benefit of residents and visitors. This category includes budgets for the library and parks.

Conservation services designed to conserve and develop natural resources. This category includes the budgets for animal control, and Texas agri-life extension.

The County Auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and “examining, auditing and approving” disbursements from County funds prior to their submission to Commissioners’ Court for approval.

The County provides many varied services to the public it serves. These services include 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 the law enforcement agencies (sheriff and constables), operation of the county jail, operation of the public health department in conjunction with the City of Kingsville, operation of the park services department, operation of the county libraries, assistance to indigents, the provision of juvenile, health, education and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for multiple agencies.

The annual budget serves as the foundation for the County’s financial planning and control. All departments of the County are required to submit requests for appropriation to the Commissioner’s Court on or before June 30 of each year. The Commissioner’s Court uses these requests as the starting point for developing a base line budget, but without any tax increases or personnel changes. The Commissioners’ Court holds several budget workshops to discuss priorities. The County Auditor then reviews the proposed budget with all the revisions as directed by Commissioners’ Court. A copy of the proposed budget is filed with the County Clerk and County Auditor. The Commissioners’ Court then must hold a public hearing on a day within seven calendar days after the date the proposed budget is filed, but before October 31 of the current year. The Commissioners’ Court must take action on the proposed budget at the conclusion of the public hearing.

The appropriated budget is prepared by fund, department, and budget category. On some items of greater importance, the budget is prepared by line item. All transfers between budget categories and departments require the special approval of the Commissioners’ Court with the exception of the special revenue funds other than the road fund and park fund. The appropriate department head can make budget transfers for those special revenue funds other than just previously mentioned.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the Supplemental-Nonmajor Governmental Funds subsection of this report. Also included in the governmental fund

subsection is project-length budget-to-actual comparison for each governmental fund for which a project length budget has been adopted (road & bridges, law library and capital projects fund).

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

### **Local Economy**

*Government* The importance of the government sector across all geographic areas in South Texas, but especially in Kleberg County. Government workers are made up of local (K-12 education), state (Texas A&M University-Kingsville), Federal civil (border patrol), and military (NAS-Kingsville). Not only is the government sector the top industry of the economy of Kleberg County, the government is the largest employer for the County with a majority of the workforce being found in the state, federal and military sectors. With the presence of a large university within the County, the state government level of employment is the largest sector of government.

*Agriculture and Services* Since the 1800's, agribusiness has been a heavy contributor to the economy of the Kingsville area and South Texas. Agribusiness is the second most important source of property tax income for Kleberg County. The majority of the County's land lies within the famed King Ranch.

King Ranch is one of the largest ranches in the world. It comprises 825,000 acres and was founded in 1853 by Richard King and Gideon R. Lewis. The King Ranch, in addition to cattle farming, operates a local museum, maintains other property concerns and works with Texas A&M University-Kingsville to perform agricultural research and development.

The King Ranch is a major employer of Kleberg County, Texas under different categories, Agriculture and Services. The Services are considered the everyday management of the ranch and the Agriculture would be raising cattle, as well as, quarter horses, cutting horses and thoroughbreds.

*Unemployment Rate* The current unemployment rate of Kleberg County, Texas is 5.06%, which is higher than the national unemployment rate of 3.95% and the statewide average rate is 4.13%.

*Healthcare* Kleberg County is serviced by a branch of CHRISTUS Spohn Hospital. It provides medical care services for the entire family, from infants to seniors. As a community hospital, it provides advanced, comprehensive health care services using the latest technology and procedures that is just a short drive away. It provides health care from OB-GYN care through birthing services. It is committed to the overall health of everyone in our area with fitness, health and wellness classes and provides complete rehab services to promote recovery after injury or surgery. CHRISTUS Spohn Hospital Kleberg is home to the only Level IV Trauma Center within several counties, which means we are equipped to provide advanced medical care for everything from traumatic injuries and emergency situations to broken bones and allergic reactions. Healthcare is the third most important sector of the economy of Kleberg County, Texas.

*Major Highways* US Highway 77 provides a major north-south trade corridor between the Port of Corpus Christi, Brownsville, Mexico and all points south.

*Airports* Kleberg County Airport provides a 6,000-foot runway. Corpus Christi International Airport, 35 minutes northeast of Kingsville, provides daily passenger, commercial and cargo service.

Education Within Kleberg County is Texas A& M University – Kingsville which is a public university located in Kingsville, Texas, (which is the county seat) and is one of the campuses comprising the Texas A&M University System. The university has programs in engineering, agriculture, wildlife, music, and the sciences and developed the nation's first doctoral degree in bilingual education.

Texas A&M University–Kingsville is the oldest continuously operating public institution of higher learning in South Texas. The school was chartered as the South Texas Normal School in 1917; however, the opening of the school was delayed due to World War I. Founded in 1925 as South Texas State Teachers College, the university's name changed in 1929 to Texas College of Arts and Industries signaled the broadening of its mission. A 1967 name change to Texas A&I University marked another transition. The university became a member of the Texas A&M University System in 1989 and changed its name to Texas A&M University–Kingsville in 1993.

### **Long-term Financial Planning**

The County's elected and appointed officials and citizens considered many factors when setting the 2017 fiscal year budget and tax rates, and the fees that will be charged for services. The main driver is the Kleberg County economy. The County's employment growth has mirrored its population growth for the last several years.

These indicators were taken into account when adopting the general fund budget for 2018. Amounts available for appropriation in the general fund budget are expected to be slightly over \$15 million. Property taxes (benefiting from increases in assessed valuations), public service taxes, and grant revenue (boosted by increased state and federal funding in several of our current programs) are expected to lead this increase. The County plans to use these revenues to finance programs currently provided and to restore its General Fund fund balance to a respectable level of surplus.

The county had several capital outlay projects that were started in 2010 with the sale of certificate of obligation bonds. This allowed the county to fund six million dollars in projects for the county as follows: two million dollars went to the expansion of the county jail, two million dollars went to the renovation of a county building, one million dollars went to the improvement of the parks system, one million dollars were unrestricted. All of the projects have been completed.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Kleberg County, Texas for its Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2017. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose content conforms to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

**Acknowledgements**

The preparation and execution of this audit could not have been accomplished without the efforts and cooperation of my staff, other County officials, their staffs, and Commissioners' Court. I wish to thank them all.

Respectfully submitted,

A handwritten signature in cursive script that reads "Melissa S. Green".

KLEBERG COUNTY AUDITOR  
Melissa S. Green

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*Introductory Section*





Government Finance Officers Association

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

Presented to

**Kleberg County  
Texas**

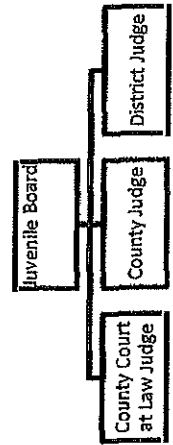
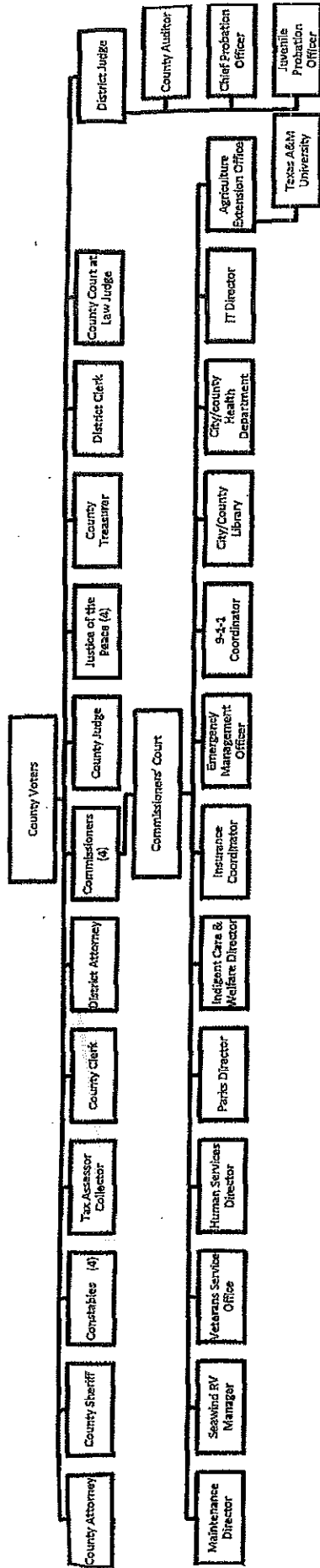
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO

# Kleberg County, Texas Organizational Chart



Kleberg County, Texas

Directory of Officials

September 30, 2018

DISTRICT COURT

Jack Pulcher	105 <sup>th</sup> Judicial District Judge
John T. Hubert	District Attorney
Jennifer Whittington	District Clerk

COMMISSIONERS' COURT

Rudy Madrid	County Judge
O. David Rosse	Commissioner Precinct #1
Joe Hinojosa	Commissioner Precinct #2
Roy Cantu	Commissioner Precinct #3
Crystal Runyon	Commissioner Precinct #4

COUNTY OFFICIALS

Kira Talip	County Attorney
Jaime Carrillo	County Court at Law Judge
Stephanie G. Garza	County Clerk
Richard Kirkpatrick	County Sheriff
Melissa T. De La Garza	Tax Assessor-Collector
Priscilla A. Cantu	County Treasurer
Melissa S. Green	County Auditor

JUSTICE OF THE PEACE

Andy Gonzalez, Jr.	Justice of the Peace, Precinct #1
Carmen Cortez	Justice of the Peace, Precinct #2
Chris Lee	Justice of the Peace, Precinct #3
Esequiel R. De La Paz	Justice of the Peace, Precinct #4

CONSTABLES

Matthew Walbeck	Constable, Precinct #1
Omar Rosales	Constable, Precinct #2
Carlos Del Moral	Constable, Precinct #3
Amando Vidal	Constable, Precinct #4

*Financial Section*

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**Raul Hernandez & Company, P.C.**  
Certified Public Accountants  
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Corpus Christi, Texas 78411  
Office (361) 980-0428 Fax (361) 980-1002

**Independent Auditors' Report**

To the Commissioners' Court  
Kleberg County, Texas  
P.O. Box 72  
Kingsville, Texas 78364

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

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

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

**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 Kleberg County, Texas as of September 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

### *Change in Accounting Principle*

As described in Note J to the financial statements, in 2018, Kleberg County, Texas adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information and schedule of the County's proportionate share of the net pension liability and schedule of County pension contributions, and schedule of the County's proportionate share of the net OPEB liability and schedule of County OPEB contributions identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Kleberg County, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2019 on our consideration of Kleberg County, Texas'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 solely 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 the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kleberg County, Texas's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in blue ink that reads "Raul Hernandez and Company, P.C." The signature is written in a cursive, flowing style.

Raul Hernandez and Company, P.C.

Corpus Christi, Texas  
June 17, 2019



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# KLEBERG COUNTY, TEXAS

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Kleberg County (the County) annual financial report presents Management's Discussion and Analysis (MD&A) of the County's financial performance during the fiscal year ended September 30, 2018. The MD&A should be read in conjunction with the transmittal letter found in the introductory section of this report and the County's financial statements which follow this section.

## FINANCIAL HIGHLIGHTS

- The assets of the Kleberg County exceeded its liabilities at the close of the most recent fiscal year by \$24,984,523 (net position). Of this amount, \$13,450,030, (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$16,607,681 of which, \$5,089,824 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,486,242, or 40%, of total general fund expenditures; these expenditures were \$536,070 more than 2017 due, in part, to increases in public safety and judicial.
- The fund balance for the General fund increased to \$5,744,999 in 2018, an increase of \$2,313,829 from 2017.
- At the end of the current fiscal year, the deferred outflows of resources totaled \$474,508. Furthermore, deferred inflows of resources totaled \$731,934, while net pension liability totaled \$2,180,244. Therefore, the deferred inflows of resources and net pension liability total of \$2,912,178 exceeded the deferred the outflows of resources by \$2,437,670.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer short- and long-term financial information about the activities the government operates like businesses. The County maintains one type of proprietary fund- an internal service fund. The Internal Service Fund is used to report activities of the County's self-insurance program. Because these services predominately

# KLEBERG COUNTY, TEXAS

benefit governmental rather than business-type functions, the Internal Service Fund is reported with governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The Internal Service Fund is presented as a single, aggregated presentation in the proprietary fund financial statements.

- *Fiduciary fund* statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

**Figure A-1 Major Features of the County’s Government-wide and Fund Financial Statements**

Type of Statements	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire county Government (except Fiduciary funds) and the county’s component units	The activities of the county that are not proprietary or fiduciary	Activities of County similar to private business; self insurance	Instances in which the county is the trustee or agent for someone else’s resources
<i>Required Financial Statements</i>	<i>Statement of Net position</i> <i>Statement of Activities</i>	<i>Balance Sheet</i> <i>Statement of revenues, expenditures &amp; changes in fund balances</i> <i>Statement of cash flows</i>	<i>Statement of net position</i> <i>Statement of rev, exp, &amp; changes in net position</i> <i>Statement of flows</i>	<i>Statement of fiduciary net position</i> <i>Statement of fiduciary net position</i>
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial	Accrual accounting and economic focus	Accrual accounting economic resources focus

Figure A-1 shows how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining statements that provides details about the non-major governmental funds and internal service funds is included.

## Government-wide Statements

The two government-wide statements report the County’s net position and how they have changed. Net Position—the difference between the County’s assets and liabilities—is one way to measure the County’s financial health or position.

- Over time, increases or decreases in the County’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County’s tax base

# KLEBERG COUNTY, TEXAS

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The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, public safety, highways and streets, sanitation, economic development, culture and recreation, and interest on long-term debt. Property taxes and grants finance most of these activities.

## Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Commissioner's Court establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Proprietary funds*- The County maintains one type of proprietary fund, an internal service fund. The Internal Service Fund is used to report activities of the County's self-insurance program. Because these services predominantly benefit governmental rather than business-type functions, the Internal Service Fund is reported with *governmental activities* in the *government-wide financial statements*.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The Internal Service Fund is presented as a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

# KLEBERG COUNTY, TEXAS

## FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

**Net position.** The County's combined net position was \$24,984,523, and \$23,797,383, at September 30, 2018 and 2017, respectively. (See Table A-1).

**Table A-1  
County's Net Position**

	Governmental Activities		Increase (Decrease)
	2018	2017	2018-2017
<b>Current assets:</b>			
Cash/Cash equivalents	17,158,454	14,130,103	3,028,351
Equity in Pooled Cash	1,985,884	848,542	1,137,342
Taxes Receivable	895,430	902,768	(7,338)
Accounts Receivable	839,083	710,166	128,917
Intergovernmental Receivable	1,099,509	926,832	172,677
Prepaid Items	262,406	248,542	13,864
Net other Postemployment Benefit Asset	-	15,691	(15,691)
<b>Total current assets:</b>	<u>\$ 22,240,766</u>	<u>\$ 17,782,644</u>	<u>4,458,122</u>
<b>Capital Assets:</b>			
Capital Assets	35,798,770	35,209,837	588,933
Less Accumulated Depreciation	(18,461,790)	(17,688,699)	(773,091)
<b>Total capital assets:</b>	<u>17,336,980</u>	<u>17,521,138</u>	<u>(184,158)</u>
<b>Total Assets</b>	<u>\$ 39,577,746</u>	<u>\$ 35,303,782</u>	<u>4,273,964</u>
<b>Deferred Outflows of Resources</b>			
Deferred Outflow Related to Pension Plan	731,934	2,011,106	(1,279,172)
Deferred Charge of Refunding Bonds	163,125	-	163,125
<b>Total Deferred Outflows of Resources</b>	<u>895,059</u>	<u>2,011,106</u>	<u>(1,116,047)</u>
<b>Current Liabilities</b>			
Accounts payable and other current liabilities	2,880,506	1,890,379	990,127
Accrued Wages Payable	135,865	158,151	(22,286)
Accrued Interest Payable	42,164	22,185	19,979
Due to Other Governments and Agencies	1,761,560	2,327,271	(565,711)
Due to Others	13,418	77,619	(64,201)
Unearned Revenue	10,207	10,207	-
<b>Total current liabilities</b>	<u>4,843,720</u>	<u>4,485,812</u>	<u>357,908</u>
<b>Long-term liabilities:</b>			
Due within one year	615,000	565,000	50,000
Due in more than one year	6,993,744	4,072,059	2,921,685
Net Pension Liability - due in more than one year	2,180,245	4,366,666	(2,186,421)
Net OPEB Liability - due in more than one year	381,065	-	381,065
<b>Total Liabilities</b>	<u>\$ 15,013,774</u>	<u>\$ 9,122,871</u>	<u>1,524,237</u>
<b>Deferred Inflows of Resources</b>			
Deferred Amounts Related to Pensions	474,508	27,968	446,540
<b>Total Deferred Inflows of Resources</b>	<u>474,508</u>	<u>27,968</u>	<u>446,540</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	10,071,980	13,251,138	(3,179,158)
Restricted For:			
Federal and State Programs	718,478	-	718,478
Debt Service	396,272	327,220	69,052
Capital Projects	347,763	22,331	325,432
Unrestricted	13,450,030	10,196,694	3,253,336
<b>Total Net Position</b>	<u>\$ 24,984,523</u>	<u>\$ 23,797,383</u>	<u>1,187,140</u>

## KLEBERG COUNTY, TEXAS

The County's overall financial position has increased in the amount of \$1,187,140. The largest portion of the County's assets are invested in capital assets (e.g. land, construction in progress, infrastructure, buildings & improvements, machinery and equipment). 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. The unrestricted portion of net assets was \$13,450,030, or 53% of total net position, which is up \$3,253,336 due, in part, to a net increase in assets compared to the prior year.

**Table A-2**  
**Kleberg County's Changes in Net position – Governmental Activities**

	Governmental Activities		Increase (Decrease)
	2018	2017	2018-2017
Revenues:			
Program:			
Charges for services	\$ 6,004,392	\$ 4,638,257	\$ 1,366,135
Operating Grants & Contributions	8,067,707	10,575,981	(2,508,274)
Cap. Grants & Contributions	416,830	-	416,830
General:			
Property Taxes	11,544,360	11,374,157	170,203
Sales Taxes	2,102,581	2,019,853	82,728
Investment Income	278,854	107,693	171,161
Miscellaneous Revenues	145,261	391,851	(246,590)
Total Revenues	<u>\$ 28,559,985</u>	<u>\$ 29,107,792</u>	<u>\$ (547,807)</u>
Cost of Services:			
General Government	5,230,625	8,120,968	(2,890,343)
Judicial	2,858,732	2,680,702	178,030
Public Safety	13,387,829	8,298,233	5,089,596
Public Transportation	1,481,845	1,577,220	(95,375)
Health and Welfare	2,870,485	3,208,405	(337,920)
Culture and Recreation	710,981	783,802	(72,821)
Conservation	70,670	446,305	(375,635)
Economic Development & Assistance	255,680	310,909	(55,229)
Interest on Long-term debt	154,722	178,853	(24,131)
Total Cost of Services	<u>\$ 27,021,569</u>	<u>\$ 25,605,397</u>	<u>\$ 1,416,172</u>
Change in net assets	1,538,416	3,502,395	(1,963,979)
Net position - beginning	23,797,383	20,294,988	3,502,395
Reclassification of Beginning Net Position	(351,276)	-	(351,276)
Net Position - Beginning, as Restated	<u>23,446,107</u>	<u>-</u>	<u>-</u>
Net position - ending	<u>\$ 24,984,523</u>	<u>\$ 23,797,383</u>	<u>\$ 1,187,140</u>

# KLEBERG COUNTY, TEXAS

## Governmental Activities

- Property tax was up \$170,203, or 1.4%, due to an increase in other – miscellaneous taxes in the General Fund. Net taxable property values was \$1,440,875,275 and the total tax levy was \$.79500.
- Operating Grants & Contributions decreased (\$2,508,274) due to a decrease in Judicial, Public Safety, and Public Transportation program revenues compared to the prior year.

**Revenues.** The County’s total revenues were \$28,559,985. A significant portion, 40%, of the County’s revenue comes from property taxes. In addition, 28% comes from operating grants & contributions, and 21% relates to charges for services. (See Figure A-1 and Table A-2)

**Figure A-1**

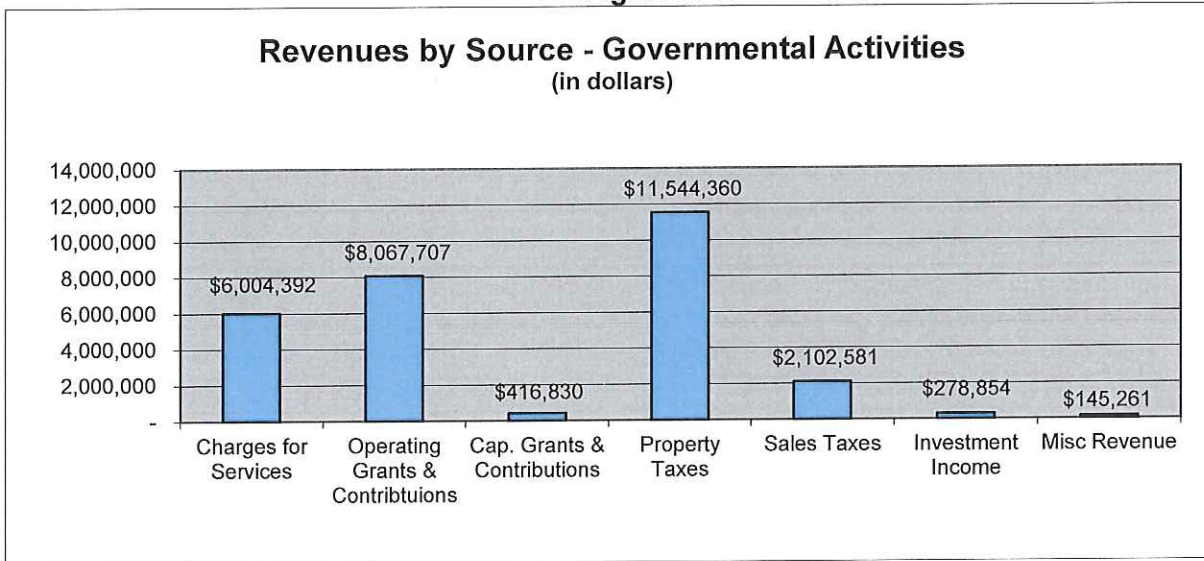


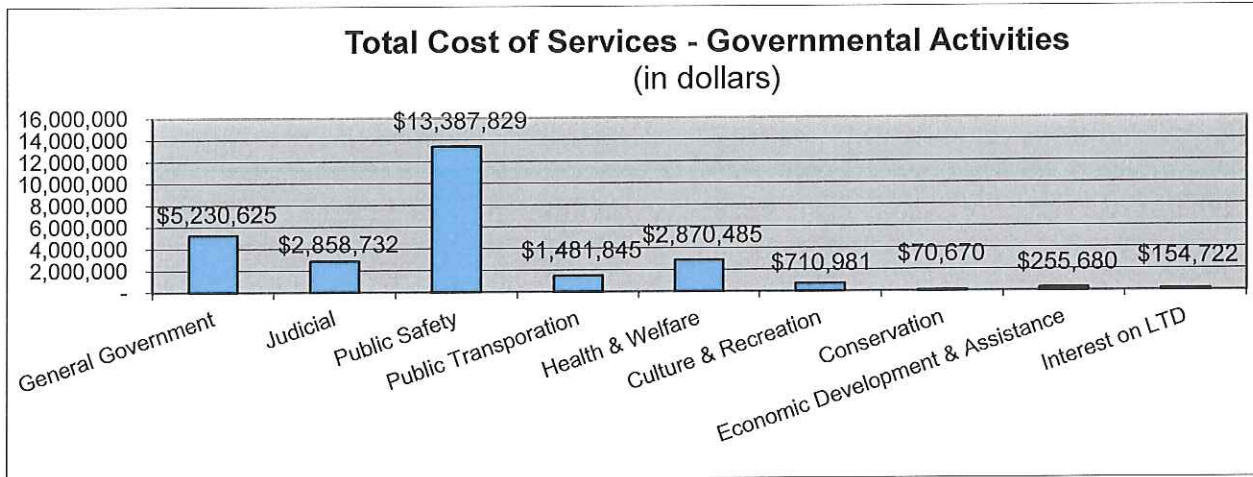
Table A-2 and Figure A-2 present the cost of each of the County’s largest functions.

- The cost of all governmental activities this year was \$27,021,569. However, the amount that our taxpayers paid for these activities through property taxes was \$11,544,360.
- Some of the costs, \$6,004,392, or 21%, were paid by those who directly benefited from the programs such as human services, state juvenile and adult probationary fees, and fees of office.
- Of total costs, \$13,387,829 is attributed to Public Safety, which had a net increase from the prior year by \$5,089,596 due, in part, to the increase in expenditures in the General Fund, Task Force Program Income, CPS Exxon Building, Federal Drug Fund, and Sheriff Chapter 59 Forfeiture funds.

## KLEBERG COUNTY, TEXAS

- Total costs of services were up \$1,416,172, or 5.5%, where public safety expenditures had the most significant increases in the amount of \$5,089,596. The majority of the public safety expenditure increases were part of the CPS Exxon Building fund.

**Figure A-2**



### FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements. The County has maintained an AAA/Aaa bond rating since 1978.

**Governmental funds.** The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of the *County's governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$16,607,681, an net increase of \$4,233,607 compared with the prior year. The largest increases in fund balance were in the General Fund and the South Texas Tax Force Federal fund.

The General fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,486,242 in contrast to \$3,183,786 in the prior year. The fund balance of the Task Force Program Income fund increased by \$773,214 from the preceding year due to more revenues than expenditures. In addition, the South Texas Task Force Federal fund balance increased by \$675,582 due to a \$706,823 transfer from the Kingsville Narcotics Task Force Federal fund. The County, in 2018, had an increase in Taxes of \$238,539, which includes general property taxes, general sales & use taxes, gross receipts business taxes, and miscellaneous taxes. In contrast, intergovernmental revenues decreased by (\$2,298,187), as part of an overall net decrease for revenue in the amount of (\$571,288).



# KLEBERG COUNTY, TEXAS

The Debt Service Fund (County-wide) has a total fund balance of \$396,272, an increase of \$69,052. The reserves for the payment of debt service combined with the estimated first quarter collections on current year assessments will cover next year's scheduled debt. The increase in the net fund balance was the result of increases in revenues and issuance of bonds.

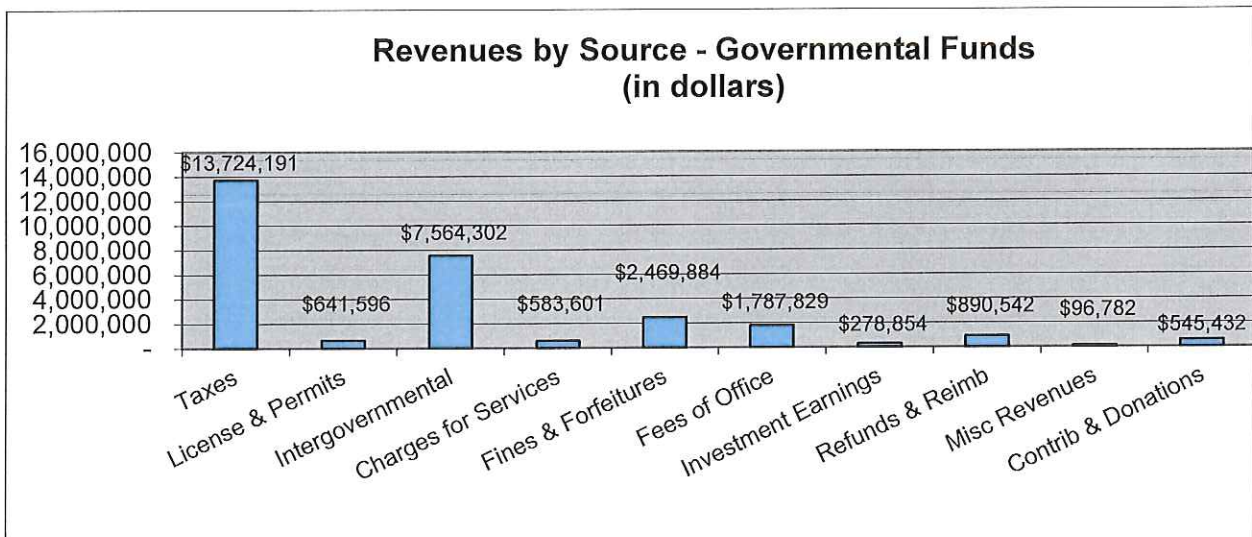
## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

### Revenues

Revenues from governmental fund types totaled \$28,583,013, which was a decrease of (\$571,288) compared to the preceding year. The most significant variances in governmental fund revenues were derived from Intergovernmental and Seawind revenue, which decreased (\$2,298,187), and (\$653,889), respectively. The decrease in intergovernmental revenues was due to, in part, decreases in revenues for the Kingsville Narcotics Task Force Federal Fund, Kleberg 2014 CTIF Grant, Home Grant, TX CEBG-DR, Kleberg Co CD 7214261, Kleberg Co TCF 7214392, South Texas Task Force Federal, Energy Project Fund, Communication Interoperability, Human Services Neighbor to Neighbor, and 2015 Operation Stonegarden Grant.

The County's primary source of revenue consists of taxes, which comprise 48% of the County's total revenues. In addition, intergovernmental, fines & forfeitures, and fees of office comprise 26%, 8.6%, and 6.2% of total revenues, respectively. The County's departments that charge for services include park & recreational, fees of office from justice of the peace precincts, and constables, which are all an important part of the County's revenues. They are an integral part of the County's ability to provide the services to which citizens have become accustomed. (See Figure A-3 and Table A-3

Figure A-3



# KLEBERG COUNTY, TEXAS

**Table A-3  
Governmental Funds – Revenues by Source\***

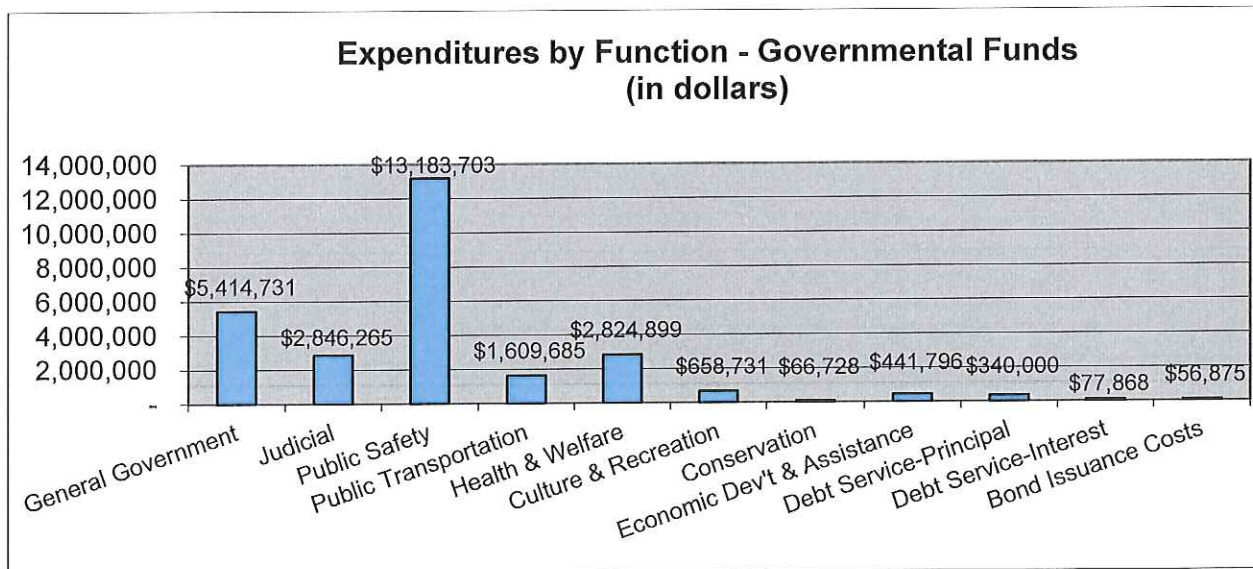
	FY 2018	FY 2017	Increase (Decrease)
Taxes	\$ 13,724,191	\$ 13,485,652	\$ 238,539
License and Permits	641,596	790,702	(149,106)
Intergovernmental	7,564,302	9,862,489	(2,298,187)
Charges for Services	583,601	101,440	482,161
Fines & Forfeitures	2,469,884	1,483,764	986,120
Fees of Office	1,787,829	1,575,824	212,005
Investment Earnings	278,854	107,693	171,161
Refunds & Reimbursements	890,542	690,171	200,371
Seawind Revenue	-	653,889	(653,889)
Miscellaneous Revenues	96,782	346,718	(249,936)
Contributions & Donations	545,432	55,959	489,473
<b>Total Revenues</b>	<b>\$ 28,583,013</b>	<b>\$ 29,154,301</b>	<b>\$ (571,288)</b>

(\*) For comparative purposes: Taxes consists of General Property taxes, General Sales & Use taxes, and other miscellaneous taxes.

### Expenditures

The County's primary expenditures were for public safety, general government, and judicial categories. Public Safety accounts for 48% of total expenditures, and General Government now accounts for 20% of total expenditures. (See Figure A-4 and Table A-4)

**Figure A-4**



## KLEBERG COUNTY, TEXAS

**Table A-4  
Governmental Funds – Expenditures by Function**

	<u>FY 2018</u>	<u>FY 2017</u>	<u>Increase (Decrease)</u>
General Government	\$ 5,414,731	\$ 6,481,749	\$ (1,067,018)
Judicial	2,846,265	2,719,734	126,531
Public Safety	13,183,703	8,340,344	4,843,359
Public Transportation	1,609,685	1,737,659	(127,974)
Health and Welfare	2,824,899	3,082,644	(257,745)
Culture and Recreation	658,731	712,361	(53,630)
Conservation	66,728	442,363	(375,635)
Economic Development and Assistance	441,796	307,759	134,037
Debt Service:			
Principal	340,000	255,000	85,000
Interest and Fiscal Charges	77,868	179,901	(102,033)
Bond Issuance Costs	56,875	-	56,875
<b>Total Expenditures</b>	<u>\$ 27,521,281</u>	<u>\$ 24,259,514</u>	<u>\$ 3,261,767</u>

Other financing sources from the County came from:

**Table A-5  
Other Financing Resources**

	<u>FY 2018</u>	<u>FY 2017</u>	<u>Increase (Decrease)</u>
Transfers In	\$ 1,037,662	\$ 1,198,955	\$ (161,293)
Transfers Out	(1,037,662)	(1,426,453)	388,791
Issuance of Bonds	7,060,000	-	7,060,000
Payment to Refunded Bond Escrow Agent	(3,888,125)	(1,426,453)	(2,461,672)
	<u>\$ 3,171,875</u>	<u>\$ (1,653,951)</u>	<u>\$ 4,825,826</u>

### General Fund Budgetary Highlights

The final budget was adopted with total General Fund revenues of \$16,270,743 and expenditures of \$15,421,059, which both include transfers.

The following are significant variations between the final budget and actual amount.

- Actual revenues (excluding transfers) were lower than budgeted figures by (\$90,010). Of this amount, General Property Taxes had the largest negative variance of (\$90,000).
- Actual expenditures (excluding transfers) were \$795,566 below final budget amounts. The most significant positive variances were in the County Jail, District Court, Health, and Sheriff departments which had positive variances of \$150,337, \$106,552, \$75,976, and \$46,451, respectively. County departments were encouraged to hold the line of salaries and expenditures to support the overall County budget due to the fact that the County was incurring higher costs on items such as medical insurance, data services, and utilities.

# KLEBERG COUNTY, TEXAS

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2018, the County had invested \$35,798,770 in a broad range of capital assets, including land, construction in progress, infrastructure, buildings & improvements, and machinery & equipment. (See Table A-6.)

The capital assets of the County are those assets (land, construction in progress, infrastructure, buildings & improvements, and machinery & equipment), which are used in the performance of the County's functions. At September 30, 2018, net capital assets of the governmental activities totaled \$17,336,981. Depreciation on capital assets is recognized in the Government-wide financial statements. Accumulated depreciation for infrastructure, buildings & improvements, and equipment totaled \$18,461,789. More detailed information about the county's capital assets is presented in the notes to the financial statements on page 49.

**Table A-6**  
**County's Capital Assets**

	Governmental Activities		Increase (Decrease)
	2018	2017	2018-2017
Land	\$ 2,047,738	\$ 1,860,368	\$ 187,370
Construction in Progress	5,885,878	5,885,878	-
Infrastructure	1,241,250	1,159,363	81,887
Buildings and Improvements	15,719,527	15,683,183	36,344
Machinery & Equipment	10,904,377	10,621,045	283,332
Total at historical cost	\$ 35,798,770	\$ 35,209,837	\$ 588,933
Total Accumulated Depreciation	(18,461,790)	(17,688,699)	(773,091)
Net Capital Assets	\$ 17,336,980	\$ 17,521,138	\$ (184,158)

### Long Term Debt

At year-end, the County had \$7,608,744 in bonds, and compensated absences, as shown in Table A-7. The County's total debt had a net increase from the prior year, due to additional bond debt in 2018. More detailed information about the County's debt is presented in the notes to the financial statements on page 51.

**Table A-7**  
**Long Term Debt**

	Governmental Activities	
	2018	2017
General obligation bonds	\$ 7,265,000	\$ 4,270,000
Compensated absences	343,744	367,060
Total governmental activities	\$ 7,608,744	\$ 4,637,060

# KLEBERG COUNTY, TEXAS

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## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Appraised value used for the 2019 budget preparation increased \$92,399,148 to \$1,538,274,423. With a tax rate of \$.78145, the County expects tax revenues to remain stable.
- General operating fund spending in the 2019 budget is expected to have a slight increase as compared to 2018.
- All other funding sources are expected to stay somewhat stable with the above property tax providing the needed funding for 2019.

These indicators were taken into account when adopting the general fund budget for 2019. This budget will increase revenue from property taxes than last year's budget by an amount of \$363,877.00, which is an increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$139,306.18.

Expenditures are budgeted to decrease by \$4,480.08. The decrease was in expenses.

If these estimates are realized, the County's budgetary general fund balance is expected to increase. If this estimate holds true, the County will have a fund balance of an estimated \$6,412,299. In light of the County's building fund balance, the Commissioners' Court is constantly monitoring the budget. Such concerns will also be reflected in the upcoming preparation of the 2019 budget to ensure that the County continues to build a positive fund balance.

## **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

County Auditor's Department  
700 East Kleberg  
Kingsville, Texas 78363  
(361)595-8526

*Basic Financial Statements*

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**KLEBERG COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2018**

	Governmental Activities
<b>ASSETS:</b>	
<i>Cash and Cash Equivalents</i>	\$ 17,158,454
<i>Equity in Pooled Cash</i>	1,985,884
<i>Taxes Receivables ( net of allowances for uncollectibles):</i>	895,430
<i>Accounts Receivable</i>	839,083
<i>Intergovernmental Receivable</i>	1,099,509
<i>Prepaid items</i>	262,406
Capital Assets ( net of accumulated depreciation):	
<i>Land</i>	2,047,738
<i>Buildings and System</i>	5,331,747
<i>Improvements other than Buildings</i>	965,868
<i>Machinery and Equipment</i>	2,081,181
<i>Infrastructure</i>	1,024,568
<i>Construction in Progress</i>	5,885,878
Total Assets	<u>39,577,746</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflow Related to Pension Plan	731,934
Deferred Charge of Refunding Bonds	163,125
Total Deferred Outflows of Resources	<u>895,059</u>
<b>LIABILITIES:</b>	
<i>Accounts Payable and Other Current Liabilities</i>	2,880,506
<i>Accrued Wages Payable</i>	135,865
<i>Accrued Interest Payable</i>	42,164
<i>Due to Other Governments and Agencies</i>	1,761,560
<i>Due to Others</i>	13,418
<i>Unearned Revenue</i>	10,207
Noncurrent Liabilities-	
<i>Due within one year</i>	615,000
<i>Due in more than one year</i>	6,993,744
<i>Net Pension Liability-due in more than one year</i>	2,180,245
<i>Net OPEB Liability-due in more than one year</i>	381,065
Total Liabilities	<u>15,013,774</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Amounts Related to Pensions	474,508
Total Deferred Inflows of Resources	<u>474,508</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	10,071,980
Restricted For:	
Federal and State Programs	718,478
Debt Service	396,272
Capital Projects	347,763
Unrestricted	13,450,030
Total Net Position	<u>\$ 24,984,523</u>

The accompanying notes are an integral part of this statement.



**KLEBERG COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT:</b>				
Governmental Activities:				
<i>General Government</i>	\$ 5,230,625	\$ 2,485,776	\$ --	\$ --
<i>Judicial</i>	2,858,732	12,362	990,609	--
<i>Public Safety</i>	13,387,829	1,963,225	5,277,300	--
<i>Public Transportation</i>	1,481,845	1,525,066	48,539	--
<i>Health and Welfare</i>	2,870,485	17,963	1,751,259	--
<i>Culture and Recreation</i>	710,981	--	--	416,830
<i>Conservation</i>	70,670	--	--	--
<i>Economic Development and Assistance</i>	255,680	--	--	--
<i>Interest on Long-term Debt</i>	154,722	--	--	--
Total Governmental Activities	<u>27,021,569</u>	<u>6,004,392</u>	<u>8,067,707</u>	<u>416,830</u>
Total Primary Government	<u>\$ 27,021,569</u>	<u>\$ 6,004,392</u>	<u>\$ 8,067,707</u>	<u>\$ 416,830</u>

General Revenues:  
*Property Taxes*  
*Sales Taxes*  
*Investment Income*  
*Miscellaneous Revenues*  
Total General Revenues  
Change in Net Assets  
Net Position - Beginning  
Reclassification of Beginning Net Position  
Net Position - Beginning, as Restated  
Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense)  
Revenue and  
Changes in  
Net Position

Governmental  
Activities

\$	(2,744,849)
	(1,855,761)
	(6,147,304)
	91,760
	(1,101,263)
	(294,151)
	(70,670)
	(255,680)
	(154,722)
	<u>(12,532,640)</u>
	<u>(12,532,640)</u>

	11,544,360
	2,102,581
	278,854
	145,261
	<u>14,071,056</u>
	1,538,416
	23,797,383
	(351,276)
	23,446,107
\$	<u>24,984,523</u>

**KLEBERG COUNTY, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2018**

	General Fund	Task Force Program Income	CPS Exxon Building
<b>ASSETS</b>			
<i>Assets:</i>			
<i>Cash and Cash Equivalents</i>	\$ 5,980,491	\$ 2,283,936	\$ 392,503
<i>Equity in Pooled Cash</i>	--	--	12,407
<i>Taxes Receivables ( net of allowances for uncollectibles):</i>	858,168	--	--
<i>Accounts Receivable</i>	430,280	--	11,500
<i>Intergovernmental Receivable</i>	330,151	--	--
<i>Interfund Receivables</i>	259,621	--	--
<i>Prepaid items</i>	258,757	--	--
<b>Total Assets</b>	<u>\$ 8,117,468</u>	<u>\$ 2,283,936</u>	<u>\$ 416,410</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<i>Liabilities:</i>			
<i>Accounts Payable</i>	\$ 1,325,554	\$ 18,652	\$ 158,453
<i>Accrued Wages Payable</i>	95,389	9,634	--
<i>Interfund Payables</i>	1,819	--	--
<i>Due to Others</i>	--	--	--
<i>Due to Other Governments and Agencies</i>	91,539	--	--
<i>Deferred Revenue</i>	--	--	--
<b>Total Liabilities</b>	<u>1,514,301</u>	<u>28,286</u>	<u>158,453</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue -- Property Taxes	<u>858,168</u>	<u>--</u>	<u>--</u>
<b>Total Deferred Inflows of Resources</b>	<u>858,168</u>	<u>--</u>	<u>--</u>
<b>Fund Balances:</b>			
<i>Nonspendable</i>	258,757	--	--
<i>Restricted</i>	--	2,255,650	--
<i>Committed</i>	--	--	257,957
<i>Unassigned</i>	5,486,242	--	--
<b>Total Fund Balance</b>	<u>5,744,999</u>	<u>2,255,650</u>	<u>257,957</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 8,117,468</u>	<u>\$ 2,283,936</u>	<u>\$ 416,410</u>

The accompanying notes are an integral part of this statement.

Road & Bridge Maintenance	D.A. 's Forfeiture	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
\$ 1,414,082	\$ 1,821,944	\$ 535,323	\$ 3,064,160	\$ 15,492,439
--	1,005,336	--	968,141	1,985,884
--	--	37,262	--	895,430
139,772	3,025	140	247,452	832,169
--	--	--	769,358	1,099,509
--	--	--	1,819	261,440
1,238	1,158	--	1,253	262,406
<u>\$ 1,555,092</u>	<u>\$ 2,831,463</u>	<u>\$ 572,725</u>	<u>\$ 5,052,183</u>	<u>\$ 20,829,277</u>
\$ 95,744	\$ 78,465	\$ --	\$ 1,085,161	\$ 2,762,029
11,126	4,410	--	15,306	135,865
--	--	139,191	120,430	261,440
--	--	--	13,418	13,418
--	23,816	--	27,852	143,207
--	10,207	--	--	10,207
<u>106,870</u>	<u>116,898</u>	<u>139,191</u>	<u>1,262,167</u>	<u>3,326,166</u>
--	--	37,262	--	895,430
--	--	37,262	--	895,430
1,238	1,158	--	1,253	262,406
1,446,984	2,713,407	396,272	3,843,364	10,655,677
--	--	--	341,817	599,774
--	--	--	(396,418)	5,089,824
<u>1,448,222</u>	<u>2,714,565</u>	<u>396,272</u>	<u>3,790,016</u>	<u>16,607,681</u>
<u>\$ 1,555,092</u>	<u>\$ 2,831,463</u>	<u>\$ 572,725</u>	<u>\$ 5,052,183</u>	<u>\$ 20,829,277</u>

**KLEBERG COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2018**

Total fund balances - governmental funds balance sheet	\$ 16,607,681
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	17,336,980
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	895,430
The assets and liabilities of internal service funds are included in governmental activities in the SNP.	(63,901)
Payables for bond principal which are not due in the current period are not reported in the funds.	(7,265,000)
Payables for bond interest which are not due in the current period are not reported in the funds.	(42,164)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(343,744)
Recognition of the County's proportionate share of the net pension liability is not reported in the funds.	(2,180,245)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(474,508)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	731,934
The accumulated accretion of interest on capital appreciation bonds is not reported in the funds.	163,125
Recognition of the County's proportionate share of the net OPEB liability is not reported in the funds.	(381,065)
Net position of governmental activities - Statement of Net Position	<u>\$ 24,984,523</u>

The accompanying notes are an integral part of this statement.

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**KLEBERG COUNTY, TEXAS**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	General Fund	Task Force Program Income	CPS Exxon Building
<b>Revenue:</b>			
<i>Taxes:</i>			
<i>General Property Taxes</i>	\$ 10,894,588	\$ --	\$ --
<i>General Sales and Use Taxes</i>	2,102,581	--	--
<i>Gross Receipts Business Taxes</i>	--	--	--
<i>Other Taxes - Miscellaneous</i>	192,849	--	--
<i>License and Permits</i>	127,486	--	--
<i>Intergovernmental</i>	65,711	1,895,770	--
<i>Charges for Services</i>	407,230	--	146,400
<i>Fines and Forfeitures</i>	176,982	--	--
<i>Fees of Office</i>	1,098,383	--	--
<i>Investment Earnings</i>	132,558	14,167	17,836
<i>Refunds &amp; Reimbursements</i>	888,882	--	1,660
<i>Miscellaneous Revenues</i>	80,840	--	--
<i>Contributions &amp; Donations</i>	12,643	--	--
<b>Total Revenues</b>	<u>16,180,733</u>	<u>1,909,937</u>	<u>165,896</u>
<b>Expenditures:</b>			
<i>Current:</i>			
<i>General Government</i>	3,873,695	--	--
<i>Judicial</i>	1,924,291	--	--
<i>Public Safety</i>	6,425,765	1,136,723	3,216,342
<i>Public Transportation</i>	67,964	--	--
<i>Health and Welfare</i>	533,296	--	--
<i>Culture and Recreation</i>	656,509	--	--
<i>Conservation</i>	66,728	--	--
<i>Economic Development and Assistance</i>	--	--	--
<i>Debt Service:</i>			
<i>Principal</i>	--	--	--
<i>Interest and Fiscal Charges</i>	--	--	--
<i>Bond Issuance Costs</i>	--	--	--
<b>Total Expenditures</b>	<u>13,548,248</u>	<u>1,136,723</u>	<u>3,216,342</u>
<b>Excess (Deficiency) of Revenues     Over (Under) Expenditures</b>	<u>2,632,485</u>	<u>773,214</u>	<u>(3,050,446)</u>
<b>Other Financing Sources (Uses):</b>			
<i>Transfers In</i>	--	--	--
<i>Transfers Out</i>	(318,659)	--	--
<i>Issuance of Bonds</i>	--	--	3,115,000
<i>Payment to Refunded Bond Escrow Agent</i>	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<u>(318,659)</u>	<u>--</u>	<u>3,115,000</u>
<b>Net Change in Fund Balances</b>	<u>2,313,826</u>	<u>773,214</u>	<u>64,554</u>
Fund Balances - Beginning	3,431,173	1,482,436	193,403
Fund Balances - Ending	<u>\$ 5,744,999</u>	<u>\$ 2,255,650</u>	<u>\$ 257,957</u>

The accompanying notes are an integral part of this statement.

<u>Road &amp; Bridge Maintenance</u>	<u>D.A. 's Forfeiture</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ --	\$ --	\$ 471,602	\$ --	\$ 11,366,190
--	--	--	--	2,102,581
--	--	--	54,222	54,222
--	--	8,349	--	201,198
514,110	--	--	--	641,596
40,022	1,114,118	--	4,448,681	7,564,302
--	--	--	29,971	583,601
1,010,956	--	--	1,281,946	2,469,884
--	--	--	689,446	1,787,829
20,675	29,076	6,969	57,573	278,854
--	--	--	--	890,542
9,960	--	--	5,982	96,782
--	--	--	532,789	545,432
<u>1,595,723</u>	<u>1,143,194</u>	<u>486,920</u>	<u>7,100,610</u>	<u>28,583,013</u>
--	--	--	1,541,036	5,414,731
--	834,376	--	87,598	2,846,265
--	--	--	2,404,873	13,183,703
1,507,877	--	--	33,844	1,609,685
--	--	--	2,291,603	2,824,899
--	--	--	2,222	658,731
--	--	--	--	66,728
--	--	--	441,796	441,796
--	--	340,000	--	340,000
--	--	77,868	--	77,868
--	--	56,875	--	56,875
<u>1,507,877</u>	<u>834,376</u>	<u>474,743</u>	<u>6,802,972</u>	<u>27,521,281</u>
<u>87,846</u>	<u>308,818</u>	<u>12,177</u>	<u>297,638</u>	<u>1,061,732</u>
--	--	--	1,037,662	1,037,662
--	--	--	(719,003)	(1,037,662)
--	--	3,945,000	--	7,060,000
--	--	(3,888,125)	--	(3,888,125)
--	--	56,875	318,659	3,171,875
<u>87,846</u>	<u>308,818</u>	<u>69,052</u>	<u>616,297</u>	<u>4,233,607</u>
<u>1,360,376</u>	<u>2,405,747</u>	<u>327,220</u>	<u>3,173,719</u>	<u>12,374,074</u>
<u>\$ 1,448,222</u>	<u>\$ 2,714,565</u>	<u>\$ 396,272</u>	<u>\$ 3,790,016</u>	<u>\$ 16,607,681</u>



**KLEBERG COUNTY, TEXAS**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2018*

Net change in fund balances - total governmental funds	\$ 4,233,607
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	588,933
The depreciation of capital assets used in governmental activities is not reported in the funds.	(773,091)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(23,029)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	4,228,125
(Increase) decrease in accrued interest from beginning of period to end of period.	(19,979)
The net revenue (expense) of internal service funds is reported with governmental activities.	(90,385)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	23,315
Proceeds of bonds do not provide revenue in the SOA, but are reported as current resources in the funds.	(7,060,000)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	460,709
Implementing GASB 75 required certain expenditures to be de-expended and recorded as deferred resource c	<u>(29,789)</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 1,538,416</u>

The accompanying notes are an integral part of this statement.

**KLEBERG COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2018**

	Internal Service Funds
<b>ASSETS:</b>	
Current Assets:	
<i>Cash and Cash Equivalents</i>	\$ 4,426
<i>Investments</i>	
<i>Receivables ( net of allowances for uncollectibles):</i>	6,914
Total Current Assets	<u>11,340</u>
Noncurrent Assets:	
Restricted Cash, Cash Equivalents and Investments-	
<i>Investments</i>	43,236
Total Noncurrent Assets	<u>43,236</u>
Total Assets	<u>\$ 54,576</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
<i>Accounts payable</i>	\$ 118,477
Total Current Liabilities	<u>118,477</u>
Current Liabilities Payable from Restricted Assets-	
Total Liabilities	<u>118,477</u>
<b>NET POSITION:</b>	
Total Net Position	<u>\$ (63,901)</u>

The accompanying notes are an integral part of this statement.

**KLEBERG COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET POSITION - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Internal Service Funds
OPERATING REVENUES:	
Charges for Sales and Services:	
<i>Premiums and reimbursements</i>	\$ 5,419
Total Operating Revenues	<u>5,419</u>
OPERATING EXPENSES:	
<i>Benefit payments</i>	95,804
Total Operating Expenses	<u>95,804</u>
Operating Income	<u>(90,385)</u>
NON-OPERATING REVENUES (EXPENSES):	
Total Non-operating Revenues (Expenses)	<u>--</u>
Income before Transfers	<u>(90,385)</u>
Change in Net Assets	<u>(90,385)</u>
Total Net Assets - Beginning	26,484
Total Net Assets - Ending	<u>\$ (63,901)</u>

The accompanying notes are an integral part of this statement.

**KLEBERG COUNTY, TEXAS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Nonmajor Service Funds
<b>Cash Flows from Operating Activities:</b>	
Cash Receipts (Payments) for Interfund Services provided and used:	
Operating Transactions with Other Funds	\$ (1,495)
Cash Payments to Other Suppliers for Goods and Services	<u>(45,512)</u>
Net Cash Provided (Used) by Operating Activities	<u>(47,007)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>	
Proceeds (Payments) from (for) Interfund Borrowings	--
Transfers From (To) Primary Government	<u>--</u>
Net Cash Provided (Used) by Non-capital Financing Activities	<u>--</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(47,007)
Cash and Cash Equivalents at Beginning of Year	94,669
Cash and Cash Equivalents at End of Year	<u>\$ 47,662</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating Income (Loss)	\$ (90,385)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	(6,914)
Increase (Decrease) in Accounts Payable	50,292
Increase (Decrease) in Unearned Revenue	--
Total Adjustments	<u>43,378</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (47,007)</u>

The accompanying notes are an integral part of this statement.

**KLEBERG COUNTY, TEXAS**  
*STATEMENT OF FIDUCIARY NET POSITION*  
*FIDUCIARY FUNDS*  
*SEPTEMBER 30, 2018*

	<u>Agency Funds</u>
ASSETS:	
<i>Cash and Cash Equivalents</i>	\$ 2,184,050
Total Assets	<u>\$ 2,184,050</u>
LIABILITIES:	
<i>Due to Other Governments and Agencies</i>	\$ 2,184,050
Total Liabilities	<u>\$ 2,184,050</u>
NET POSITION	

The accompanying notes are an integral part of this statement.

**KLEBERG COUNTY, TEXAS**  
*NOTES TO THE FINANCIAL STATEMENTS*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

A. Summary of Significant Accounting Policies

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally acceptable in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in Governmental Accounting and Financial Reporting Standards. The financial report has been prepared in accordance with GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", issued in June 1999 and implemented by the County in fiscal year 2004. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

1. Reporting Entity

The County's basic financial statements include the accounts of all its operations. The County evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the County's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County
- the exclusion of the organization would result in misleading or incomplete financial statements

Based on these criteria, the County has no component units. Additionally, the County is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate fund financial statements are provided for the governmental funds, interest and sinking fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The general fund and the District Attorney's forfeiture fund are major funds and the debt service fund and road and bridge fund are designated as major funds and are reported in separate columns in the fund financial statements.

**KLEBERG COUNTY, TEXAS**  
*NOTES TO THE FINANCIAL STATEMENTS*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

3. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows including claims and judgments reported in the County's internal service fund (proprietary fund). Property taxes are recognized as revenues in the year for which they are levied. Fees and fines are considered as earned when paid. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Intergovernmental revenues, rents, commissions, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County, which includes, delinquent property taxes, licenses, fees and fines. For grants, like the government-wide financial statements, the revenue is recognized when all the eligibility requirements have been met.

When the county incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the County's policy to use restricted resources first, then unrestricted resources.

The County reports four major and two designated major governmental funds:

The General Fund is the County's primary operating fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

The Task Force Program Income Fund is used to account for proceeds and expenditures related to the Task Force Program.

The CPS Exxon Building Fund is used to account for the proceeds from debt instruments and major capital projects funded with associated CPS Exxon Building monies.

The District Attorney's Forfeiture Fund is used to account for late check fees and forfeitures.

The Debt Service Fund accounts for tax levies and other funds used to meet annual principle and interest payment requirements on the outstanding general obligation debt and outstanding lease purchase contracts.

The Road and Bridge Fund is a special revenue fund used to account for certain types of fines and forfeitures, licenses and permits, and intergovernmental revenues. Expenditures related to road and bridge maintenance are accounted for in this fund.

All other governmental funds are combined and reported as non-major. Non-major funds included parks, grants and other special revenue funds.

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Additionally, the County reports the following fund types:

Internal service funds accounted for and financed the County's uninsured risks of loss from group health insurance which was terminated September 30, 2011. Expenses are for benefits, claims and administrative expenses which were incurred prior to September 30, 2011, but not paid until 2012. Proprietary funds distinguish operation revenues and expenses from non-operating. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal and ongoing operations.

Fiduciary funds are classified into private purpose trust and agency funds. The County has only agency funds which are used to account for the assets that are held for the benefit of others or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's agency funds include assets and liabilities of the Sheriff, Justices of the Peace, Parks Department, Tax Assessor/Collector, Library, County Clerk, District Clerk, and County Attorney.

4. Assets, liabilities, and net assets

a. Deposits and investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than 90 days and local government pools. State statutes and the County's official Investment Policy authorize the County to invest in obligations of the U.S. and its agencies, certificates of deposit, local government pools, repurchase agreements, and direct obligations of states, agencies, counties, cities, and other political subdivisions of any state rated "A" or its equivalent.

Investments for the County are reported at fair value in accordance with provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. All investment income is recognized as revenue in the appropriate fund's statement of revenue, expenditures, and change in fund balance. Deposit and Investment Risk Disclosures are in accordance with GASB Statement No. 40.

b. Receivables and payables

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade receivables are directly written off when circumstances indicate a receivable is no longer collectible, usually within one year that the receivable was incurred.

Property taxes are levied prior to September 30, based on taxable value as of January 1, and become due October 1 and past due after January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. On the governmental fund financial statements, outstanding property taxes receivable is reported as deferred revenue.

Accounts receivable include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and unearned revenue (a liability) at the time the contracts are approved and signed. Grant revenues are recognized when eligibility requirements established by the grantor have been met at which time unearned revenue (the liability account) is reduced.

Lending or borrowing between funds is reflected as "due to or due from" (current position) or "advances to/from other funds" (non-current). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Interfund activity reflected in "due to or due from" is eliminated on the government-wide statements.



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c. Inventories and Prepaid Items

Inventories on the balance sheet are stated at weighted average cost. Inventory items are recorded as expenditures when they are consumed. Inventory amounts at year-end were insignificant and therefore not reported on the financial statements.

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 and are accounted for under the purchases method.

Inventories of governmental funds are offset by a fund balance reserve which indicates that they do not constitute "available expendable resources" even though they are a component of net current assets.

d. Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

e. Receivable and Payable Balances

Receivables as of September 30, 2018 for the general fund and non-major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General &amp; Other Major Funds</u>	<u>Non-major Funds</u>	<u>Total Governmental Funds</u>	<u>Internal Service Fund</u>	<u>Total Governmental Activities</u>
Receivables:					
Taxes	\$ 1,162,896	\$ --	\$ 1,162,896	\$ --	\$ 1,162,896
Accounts	584,707	247,462	832,169	--	832,169
Intergovernmental	330,151	769,358	1,099,509	--	1,099,509
Gross Receivables	<u>2,077,754</u>	<u>1,016,820</u>	<u>3,094,574</u>	--	<u>3,094,574</u>
Less: allowance for uncollectible taxes	(267,466)	--	(267,466)	--	(267,466)
Net total receivables	<u>\$ 1,810,288</u>	<u>\$ 1,016,820</u>	<u>\$ 2,827,108</u>	<u>\$ --</u>	<u>\$ 2,827,108</u>

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Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

The County believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

f. **Compensated Absences**

Accumulated vacation and comp time is accrued when incurred and reported in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

g. **Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide net assets.

See Note F for interfund balances and activity.

h. **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

i. **Fund Equity**

Fund balances of the governmental funds are classified as follows:

**Nonspendable Fund Balance** - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

**Restricted Fund Balance** - represents amounts for Road & Bridge improvements, State & Federal grants, and Debt Service Fund.

**Committed Fund Balance** - represents amounts that can only be used for a specific purpose pursuant to constraints imposed by County ordinance or resolution no later than the close of the fiscal year. Committed amounts cannot be used for any other purpose unless the Board of Commissioners removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Commissioners. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation. County ordinance and resolution are equally difficult to remove the constraint on fund balance. The committed fund balance represent amounts for Asset Forfeitures, Golf Course Fund, and CSCD Personal Bond Unit.

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Assigned Fund Balance - represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Commissioners Court authorizes the Count Auditor to assign fund balance. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself. When the Commissioners Court elects to assign a fund balance, they instruct the County Auditor to do so based on the specific purpose brought to their attention. These amounts represent purchases on order and subsequent year's budget appropriation of fund balance.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds

- j. Certain reclassifications have been made to prior year amounts in order to conform to current year presentation.

**B. Implementation of New Standards**

The County has adopted all current GASB pronouncements that are applicable to its operations and activities. The accounting principles governing the reported amounts, financial presentations, and disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various standards-setting bodies.

GASB 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources . Deferred outflows of resources are the consumption of net assets by the government that is applicable to a future reporting period and deferred inflows of resources are the acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are incorporated inot the definitions of the required components of the residual measure and that measure is renamed as net position, rather than net assets.

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B. Compliance and Accountability

1. Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets at year end:

<u>Fund Name</u>	<u>Deficit Amount</u>
KC Mitigation Plan	(80,000)
Disaster Relief Fund	(15,000)
CCRTA Grant	(1,940)
Home Grant	(43,003)
Targeted Specific Grant	(3,861)
Section 5304 Federal Planning	(24,272)
Kleberg Co CFC 7214015	(29,000)
Kleberg Co TCF 7214392	(47,235)
5310 Enhancement Grant	(3,390)
Houston HIDTA Grant	(11,821)
2015 Operation Stonegarden Grant	(20,494)
2016 Operation Stonegarden Grant	(51,784)
2017 Operation Stonegarden Grant	(64,578)

2. Excess of expenditures over appropriations

The following is a list of the excess of expenditures over appropriations, at the legal control by an individual fund:

<u>Fund</u>	<u>Department/Expenditure</u>	<u>Amount of Excess</u>
General Fund	Tax Assessor Collector/Supplies	\$ (3,810)
General Fund	Justice of the Peace/Supplies	(326)
General Fund	Maintenance/Other Services and Charges	(15,955)
General Fund	Sheriff / Other Services and Charges	(8,996)
Road and Bridge	Public Transportation/Other Services and Charges	(64,367)
Community Supervision	Public Safety/Personal Services	(24,433)
Texas A&M University Fund	Economic Development and Assistance/Other Services	(100)
Human Services	Health & Welfare/Supplies	(10,617)
Human Services	Health & Welfare/Capital Outlay	(70,099)
Debt Service Fund	Principal	(74,800)
Debt Service Fund	Bond Issuance Costs	(56,875)

3. Budgetary Data

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

The commissioner's court may levy taxes only in accordance with the budget. After final approval of the budget, the commissioner's court may spend county funds only in strict compliance with the budget, except in an emergency. The commissioner's court may authorize an emergency expenditure as an amendment to the original budget only in case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable diligent thought and attention. If the court amends the original budget to meet an emergency, the court must file a copy of its order amending the budget with the county clerk and the county clerk shall attach the copy to the original budget. Only the commissioner's court may amend the budget and shift funds from one budget account to another.

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The original budget is adopted by the commissioner's court and filed with the county clerk. Amendments are made during the year and approved by the commissioner's court. The budget should not be exceeded in any expenditure category under state law. The budget was amended to reflect as close as possible revenues and expenditures for the twelve month period. Certain categories exceeded the budget estimates. These variances were due to the fluctuations in revenues and expenditures as opposed to the prorated budget estimates.

The county judge is by statute, the budget officer of the county. He usually requests and relies on the assistance of the county auditor to prepare the annual budget. After being furnished budget guidelines by the commissioner's court, the county judge, with the help of the county auditor, he prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to commissioner's court.

The commissioner's court invites various department heads to appear for a hearing concerning the department's budget request. Before determining the final budget, commissioner's court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available resources. Also, amendments can be made within the above guidelines.

When the budget has been adopted by the commissioner's court, the county auditor is responsible for monitoring the expenditures of the various departments of the county to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the commissioner's court advised of the condition of the various funds and accounts. Appropriations lapse at year-end.

Budgets for the general fund and budgeted special revenue, debt service and budgeted capital projects funds are prepared and adopted in accordance with generally accepted accounting principles (GAAP).

The following funds had adopted budgets for the fiscal year ended September 30, 2018:

- General Fund
- Road and Bridge Fund
- D.A.'s Forfeiture Fund
- CPS Exxon Building
- Human Services 1/1-12/31
- Task Force Program Income
- Courthouse Restoration Fund
- Federal Drug Fund
- Debt Service Fund
- Community Supervision
- Human Services Neighbor to Neighbor
- Human Services
- Home Grant
- County Attorney Pretrial Diversion
- SO TX Task Force Federal
- Special Caseload Sex Fund
- Texas A&M University Fund
- CSCD Personal Bond Fund
- Energy Project Fund
- Dist. Clk Records Mgmt & Preservation
- Human Services
- Human Services 10/1-9/30
- J.P.'s Tech Fund
- Records Management

The level of control is the fund. By state law, expenditures can exceed appropriations as long as the amounts do not exceed the available revenues and cash balances. Since revenues and expenditures are carefully monitored, it is believed that with GAAP basis, the county will be in compliance with state law.

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The legal level of budgetary control (the level on which expenditures may not exceed appropriations) is on an object class basis. If total expenditures exceed appropriations and are in excess of revenues and available cash then transfers of appropriated amounts must be made and approval must be obtained from the commissioner's court. Management may not amend the budget. All amendments must be made by and approved by the commissioner's court.

C. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than 90 days, and local government pools. The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledged securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

Cash and Investments

Texas statutes authorize the County to invest in (1) obligations of the U.S. Treasury 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 or the United States; (4) obligations of states, agencies, counties or cities rated "A" or better by a national investment rating firm; (5) certificates of deposit that are insured by the Federal Deposit Insurance Corporation (FDIC) or secured by obligations having a market value of at least the principal amount of the certificates; (6) fully collateralized direct repurchase agreements; and (7) local government pools.

1. Cash & Cash Equivalents

At September 30, 2018, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$21,332,814 and the bank balance was \$16,140,945 and was entirely covered by FDIC insurance or properly secured by collateral held by the County's agent in the County's name.

2. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, and maturity and the quality and capability of investment management; and include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the County adhered to the requirements of the Act. However, investment practices of the County were not in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

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The County's investments at September 30, 2018 are shown below:

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Market Value</u>
Texpool (AAAm)	N/A	\$ 4,970,636
Total Investments		<u>\$ 4,970,636</u>

Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investments value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools

Public Funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one-half of one percent of the value of its shares.

The County's investments in pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value, which equals fair value. A 2a7-like pool is one which is not registered with the Securities & Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of the certain related disclosures:

a. Credit Risks

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. It is the County's policy to conform to Texas statutes for authorized investments, as stated above. At the end of the period, the County was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

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Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name. This type of transaction is not addressed by the County's investment policy, and, therefore, is not an investment option for the County at this time.

At the end of the period, the County was not exposed to custodial credit risk.

c. Concentration of Risk

This risk is the risk of loss attributed to the magnitude of government's investment in a single issuer. At the end of the period, the County was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk associated with changes in interest rates that will adversely affect the fair value of an investment. It is the County's policy that, in order to minimize risk of loss due to interest rate fluctuation, investment maturities will not exceed the anticipated cash flow requirements of the funds. At the end of the period, the County was not significantly exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At the end of the period, the County was not exposed to foreign currency risk.

D. Capital Assets

Capital asset activity for the year ended September 30, 2018, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Governmental activities:</i>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 1,860,368	\$ 187,370	\$ --	\$ 2,047,738
Construction in progress	5,885,878	--	--	5,885,878
Total capital assets not being depreciated	<u>7,746,246</u>	<u>187,370</u>	<u>--</u>	<u>7,933,616</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	1,159,363	81,887	--	1,241,250
Buildings and improvements	15,683,183	36,344	--	15,719,527
Equipment	10,621,045	283,332	--	10,904,377
Total capital assets being depreciated	<u>27,463,591</u>	<u>401,563</u>	<u>--</u>	<u>27,865,154</u>
Less accumulated depreciation for:				
Infrastructure	(210,357)	(6,326)	--	(216,683)
Buildings and improvements	(9,115,043)	(306,869)	--	(9,421,912)
Equipment	(8,363,299)	(459,896)	--	(8,823,195)
Total accumulated depreciation	<u>(17,688,699)</u>	<u>(773,091)</u>	<u>--</u>	<u>(18,461,790)</u>
Total capital assets being depreciated, net	<u>9,774,892</u>	<u>(371,528)</u>	<u>--</u>	<u>9,403,364</u>
Governmental activities capital assets, net	<u>\$ 17,521,138</u>	<u>\$ (184,158)</u>	<u>\$ --</u>	<u>\$ 17,336,980</u>



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Depreciation was charged to functions as follows:

Veterans Service	\$	3,507
Emergency Management		1,877
Non-Departmental		260,250
Public Safety		94,884
District Attorney		21,096
Maintenance		11,184
Fire Protection		19,299
Constable		14,296
Sheriff		147,872
Courthouse Security		3,950
Airport Precinct 2		4,031
Weigh Station		1,205
Health & Welfare		115,685
Parks Department		47,271
Library		2,692
Seawind		12,365
Golf Course		7,684
County Agent		3,943
	\$	<u>773,091</u>

E. Interfund Balances and Activity

1. Interfund Receivables and Payables

Balances due to and due from other funds at September 30, 2018, consisted of the following:

Payable To Fund	Receivable From Fund	Amount	Purpose
General Fund	Other Governmental Funds	\$ 120,430	Short-term loans
Other Governmental Funds	General Fund	1,819	Short-term loans
Total Governmental Fund Types		<u>261,440</u>	Short-term loans
General Fund	Internal Service Fund	--	Short-term loans
	Total	<u>\$ 261,440</u>	

All amounts due are scheduled to be repaid within one year.

2. Transfers To and From Other Funds

Transfers to and from other funds at September 30, 2018, consisted of the following:

Transfers From	Transfers To	Amount
General fund	Other Governmental Funds	\$ 318,659
Other Governmental Funds	Other Governmental Funds	719,003
	Total	<u>\$ 1,037,662</u>

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to established mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

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F. Short-Term Debt Activity

None

G. Long-Term Obligations

1. Long-Term Obligation Activity

2018 General Obligation Bonds in the amount of \$3,115,000 due in annual installments of \$110,000 to \$220,000 through February 15, 2039. Interest rates at 3-4% due semi-annually on February 15th, and August 15th of each year. The proceeds of the above debt were received in the 2017-2018 fiscal year and were used for the construction of a CPS Exxon Building. The debt is serviced by the CPS Exxon Building fund.

2009 Certificates of Obligation Bonds in the amount of \$6,000,000 due in annual installments of \$200,000 to \$455,000 through February 15, 2029. Interest rates at 3.00% to 4.50% due semi-annually on February 15th and August 15th of each year. The proceeds of the above debt will be used to construct various capital projects. The debt will be serviced by the county debt service fund.

Advance Refunding of Debt. On December 14, 2017, the County issued Limited Tax Refunding Bonds Series 2017 totaling \$3,945,000 with interest rates stated at 2.62% to advance refund \$3,945,000 of General Obligation Bonds Series 2009 with an interest rate of 3-4.5%. The net proceeds were used to purchase U.S. Government securities, which were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, \$3,725,000 of the Series 2009 bonds are considered to be defeased and the liability for those bonds was removed from the long-term debt. The deferred loss on defeasance of bonds, which is the difference between the reacquisition price and the net carrying amount of the refunded bonds, is being amortized over the life of the bonds. The refunding resulted in a gross debt service savings of \$222,665.66 and a net present value debt service savings of \$217,791.13 (or 5.977602% of the principal amount of the refunded bonds) which were used to refund the Series 2009 bonds and pay costs of issuance.

Deferred Charge on Refunding. At the government-wide financial statements (Exhibit A-1), the County reports cumulative charges of refunding as net deferred outflows in the amount of \$163,125.

The following is the general obligation outstanding at September 30, 2018:

<u>Description</u>	<u>Interest Rates (%)</u>	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Bonds Outstanding</u>
General Obligation Bonds, Series 2018	3.00%-4.00%	February 12, 2018	February 15, 2034	\$3,115,000
Certificate of Obligation Bonds 2009	3.00% - 4.50%	August 26, 2009	February 15, 2029	\$280,000
Limited Tax Refunding Bonds, Series 2017	2.62%	December 14, 2017	February 15, 2029	\$3,870,000

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended September 30, 2018, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental activities:</u>					
General obligation bonds	\$ 4,270,000	\$ 3,115,000	\$ 4,065,000	\$ 3,320,000	\$ 280,000
Limited Tax Refunding bonds	--	3,945,000	--	3,945,000	35,000
Compensated absences *	367,060	105,000	128,316	343,744	300,000
Total governmental activities	\$ 4,637,060	\$ 7,165,000	\$ 4,193,316	\$ 7,608,744	\$ 615,000

**KLEBERG COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

\* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

<u>Liability</u>	<u>Activity Type</u>	<u>Fund</u>
Compensated absences	Governmental	General
Claims and judgments	Governmental	General

2. Debt Service Requirements

Debt service requirements on long-term debt at September 30, 2018, are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 315,000	\$ 274,412	\$ 589,412
2020	435,000	209,270	644,270
2021	460,000	197,118	657,118
2022	475,000	184,423	659,423
2023	490,000	171,325	661,325
Thereafter	5,090,000	1,119,549	6,209,549
Totals	\$ 7,265,000	\$ 2,156,097	\$ 9,421,097

H. Risk Management

The County is exposed to various risks of loss related to torts, theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County obtained general; law workers' compensation, major medical and unemployment insurance at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State to form the Texas Association of Counties plan (TAC), a Self-Funded Pool currently operating as a common risk management and insurance program. The County pays an annual premium to TAC for its above insurance coverage. The agreement for the formation of TAC provides that TAC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of re-insurance. The County continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. TAC's annual Financial Statements can be obtained at P.O. Box 2131, Austin, Texas 78768.

I. Pension Plan

1. Plan Description

The County's pension plan ("Plan") is a non-traditional, joint contributory, defined benefit plan which provides retirement, disability and death benefits to Plan members and beneficiaries of Brooks County provides retirement, disability, and death for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is qualified pension under Section 401(a) of Internal Revenue Code. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 535 non traditional defined benefit plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) is available upon request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas statutes governing TCDRS (TCDRS ACT). Members can retire at ages 60 and above with 10 or more years of service with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more.

**KLEBERG COUNTY, TEXAS**  
*NOTES TO THE FINANCIAL STATEMENTS*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

Members are vested after 8 years of employment with any organization with an accredited plan (not just the County), but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Contributions

The employer has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 8% for the calendar year 2018. The deposit rate payable by the employee members is the rate of 4%, 5%, 6%, or 7.00% of compensation as adopted by the governing body of the employer within the options available in the TCDRS.

Employees of Kleberg County were required to contribute 7.0% of their annual gross earnings during the fiscal year. The contribution rates for the County were 8% and 8% in calendar years 2017 and 2018, respectively. Kleberg County's contributions to TCDRS for the fiscal year ended September 30, 2018 were \$673,525 and were equal to the required contributions.

3. Discount Rate

The discount rate used to measure the total pension liability was 8.1%. 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 are 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 rate of return on pension plan investments is 8.1%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown below are based on January 2018 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2017.

**KLEBERG COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.55%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	16.00%	7.55%
Global Equities	MSCI World (net) Index	1.50%	4.85%
International Equities - Developed	50% MSCI World Ex USA (Net) + 50% MSCI World ex USA 100% Hedged to USD (net) Index	11.00%	4.55%
International Equities - Emerging	50% MSCI EM Standard (net) Index + 50% MSCI EM 100% Hedged to USD (net) Index	8.00%	5.55%
Investment-Grade Bonds	Barclay's Capital 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 (4)	2.00%	6.30%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate 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 (5)	6.00%	6.25%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	18.00%	4.10%
Total		100.00%	

(1) Target asset allocation adopted at the April 2017 TCDRS board meeting.

(2) Geometric real rates of return in addition to assumed inflation of 2.0%, per Cliffwater's 2017 capital market assumptions.

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

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

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

**KLEBERG COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

4. Changes in Net Pension Liability

At December 31, 2017, Kleberg County reported a net pension liability of \$ 2,180,244. The changes in net pension liability were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2016	\$ 41,956,391	\$ 37,589,726	\$ 4,366,665
Changes for the year			
Service cost	896,540	-	896,540
Interest on total pension liability	3,363,124	-	3,363,124
Effect of plan changes	--	-	--
Effect of economic/demographic gains or losses	(81,376)	-	(81,376)
Effect of assumptions changes or inputs	272,887	-	272,887
Refund of contributions	(151,407)	(151,407)	--
Benefit Payments	(2,567,289)	(2,567,289)	--
Administrative expenses	-	(27,605)	27,605
Member contributions	-	599,459	(599,459)
Net investment income	-	5,462,727	(5,462,727)
Employer contributions	-	623,323	(623,323)
Other	-	(20,308)	20,308
Net Changes	1,297,508	1,232,889	64,619
Balance at 12/31/2017	\$ 43,688,870	\$ 41,508,626	\$ 2,180,244

The net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

5. Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10%) or 1-percentage-point higher (9.10%) than the current rate.

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
	County's net pension liability	\$ 48,853,255	\$ 43,688,870
Fiduciary net position	41,508,628	41,508,626	41,508,626
Net pension liability / (asset)	\$ 7,344,627	\$ 2,180,244	\$ (2,183,413)

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

For the year ended September 30, 2018, the District recognized pension expense of \$1,189,206.

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

**KLEBERG COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 21,711	\$ 54,251
Changes in assumptions	181,925	--
Net difference between projected and actual earnings	-	420,257
Contributions subsequent to the measurement date	528,298	--
Total	731,934	474,508

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

Year ended Dec. 31:	
2019	\$ 402,057
2020	\$ 279,924
2021	\$ (456,998)
2022	\$ (495,855)
2023	-
Thereafter	-

**J. Other Post-Employment Benefits**

**1. Plan Description**

The County provides retiree coverage that has a subsidy by the employer sponsor, so there are costs determined under GASB 75. The County provides medical, dental, and vision benefits to eligible retirees and their dependents. The County pays the full individual contribution rate for the medical. The retiree pays for any dependent medical coverage elected and the full premium for dental and vision coverage. All active employees who retire directly from the County and meet the eligibility criteria may participate.

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 was enacted on December 8, 2003. As a result of this legislation, employers providing drug coverage to Medicare eligible retirees, that is, at least actuarially equivalent to the standard benefit provided by Medicare, may be eligible to receive a federal subsidy. GASB has taken the position that any federal subsidy received should be reported as revenue to the plan sponsor and not used as an offset to the GASB liabilities.

**2. Benefits Provided**

The County provides medical, dental, and vision benefits to eligible retirees and their spouses. The County pays 100% of the individual coverage contribution rate for the medical plan for the eligible retirees under 65. The retiree pays additional premium above the individual rate for dependent coverage. The dental and vision benefits are paid for entirely by the retiree with no contribution from the County.

**3. Contributions**

Employees for the County were required to contribute 0% of their annual gross earnings during the fiscal year. The contribution rates for the County were 0% and 0% in calendar year 2017 and 2018, respectively. The County's contributions to TCDRS for the year ended September 30, 2018 were \$0 because the County does not participate in the group term life insurance portion of TCDRS.

**Discount Rate:**

The GASB statement requires that the discount rate used to determine the plan liabilities for retiree healthcare benefits is based on the earnings rate of the plan assets if the projected assets are sufficient to cover the projected benefit payments. Since there are no plan assets held in trust the Bond Buyer GO Bond 20 Index is used for determining the discount rate of 4.06%.

**KLEBERG COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Changes in the Total OPEB Liability:

At September 30, 2018 the County reported a total OPEB liability of \$381,065. The changes in the total OPEB liability were as follows:

	Increase (Decrease) Total OPEB Liability
Balance at September 30, 2017	\$ 351,276
Changes for the year:	
Service cost	25,025
Interest	15,069
Change in benefit terms	-
Difference between expected and actual experience	-
Changes in assumptions	-
Benefit payments, including refunds of employee contributions	(10,305)
Other charges	-
Net changes	<u>29,789</u>
Balance at September 30, 2018	<u>\$ 381,065</u>

The total OPEB liability was measured as of December 31, 2017 and was determined by an actuarial valuation as of that date and for the year then ended.

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

4. Discount Rate Sensitivity Analysis

The following shows the total OPEB liability calculated using the discount rate of 4.06%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.06%) or 1 percentage point higher (5.06%) than the current rate.

	1% Decrease in Discount Rate (3.06%)	Discount Rate (4.06%)	1% Increase in Discount rate (5.06%)
Total OPEB Liability	\$ 414,562	\$ 381,065	\$ 350,427

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the County recognized OPEB expense of \$40,094.

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



**KLEBERG COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience (net of current year amortization)	\$ --	\$ --
Changes in actuarial assumptions (net of current year amortization)	--	--
Differences between projected and actual investment earnings (net of current year amortization)	--	--
Contributions subsequent to the measurement date	--	--
Total	\$ --	\$ --

\$0 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2018. Other amounts reported as deferred outflows and inflows of resources to OPEB will be recognized in OPEB expense as follows:

Fiscal year ended September 30		
2019	\$	--
2020	\$	--
2021	\$	--
2022	\$	--
2023	\$	--
Thereafter	\$	--

**K. Health Care Coverage**

The County began to self-insure for health insurance due to the high cost of commercial health insurance effective October 1, 2003. A stop loss policy, which covers health claims in excess of \$75,000 per individual and a one-time aggregate specific of \$150,000. The maximum lifetime coverage is unlimited. In addition, the County's aggregate stop loss coverage is \$1 million and the County maintains aggregate coverage of its group health expenses at 100% of projected claims. The self insurance plan was reinstated in November 2013.

**L. Commitments and Contingencies**

**1. Contingencies**

The County participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

**2. Litigation**

The County is contingently liable in respect of lawsuits and other claims in the ordinary course of its operations. Should such contingencies become a Kleberg liability, funds would have to be appropriated in future budgets for settlement. The County had a few lawsuits and claims pending at September 30, 2016. The County's attorneys do not feel that any liability, if any, will be material enough to affect the County's financial condition.

## **KLEBERG COUNTY, TEXAS**

### *NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2018*

#### **M. Deferred Compensation**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until the funds in the plan are held by PEBSCO (Public Employees Benefit Service Corporation, Columbus Ohio) as the plan administrator for the County. This plan qualifies under the requirements of the Internal Revenue Service Code Section 457, Subsection G. The funds are held in trust by PEBSCO for the exclusive benefit of the employees and their beneficiaries who will receive these funds directly from PEBSCO. Since these funds are directly remitted to PEBSCO by the County, the County no longer owns the amounts deferred by employees or related income on these amounts. Therefore, since this plan does not qualify to be included with the County's fiduciary funds, there are no plan assets included in the County's financial statements. It is noted, however, that as of September 30, 2018, PEBSCO had \$343,344 (fair market value) in the plan for County employees.

#### **N. Prior Period Adjustment**

During fiscal year 2018, the City adopted GASB statement No. 75 for Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. Adoption of GASB 75 required a prior period adjustment to report the effect of GASB 75 retroactively. A prior period adjustment of (\$351,276) was made to the government wide statements which resulted in a decrease in net position and fund balance.

#### **O. Subsequent Events**

The County has evaluated subsequent events through June 17, 2019, the date which the financial statements were available to be issued.

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### *Required Supplementary Information*

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

**KLEBERG COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-1**  
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	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
<i>General Property Taxes</i>	\$ 10,980,000	\$ 10,984,588	\$ 10,894,588	\$ (90,000)
<i>General Sales and Use Taxes</i>	2,000,000	2,102,581	2,102,581	--
<i>Other Taxes - Miscellaneous</i>	190,000	192,849	192,849	--
License and Permits	127,000	127,486	127,486	--
Intergovernmental	65,000	65,711	65,711	--
Charges for Services	1,398,000	1,455,628	1,455,628	--
Fines and Forfeitures	176,054	176,982	176,982	--
Fees of Office	49,000	49,985	49,985	--
Investment Earnings	132,002	132,568	132,558	(10)
Refunds & Reimbursements	800,000	888,882	888,882	--
Miscellaneous Revenues	50,000	80,840	80,840	--
Contributions & Donations	5,000	12,643	12,643	--
Total Revenues	<u>15,972,056</u>	<u>16,270,743</u>	<u>16,180,733</u>	<u>(90,010)</u>
<b>EXPENDITURES:</b>				
<b>General Government</b>				
<i>Personal Services</i>	286,473	286,473	254,030	32,443
<i>Supplies</i>	36,795	36,795	32,873	3,922
<i>Other Services and Charges</i>	162,310	162,310	152,167	10,143
<b>County Judge</b>				
<i>Personal Services</i>	113,659	113,659	107,865	5,794
<i>Supplies</i>	3,629	3,629	3,099	530
<i>Other Services and Charges</i>	25,899	25,899	22,342	3,557
Total County Judge	<u>143,187</u>	<u>143,187</u>	<u>133,306</u>	<u>9,881</u>
<b>County Clerk</b>				
<i>Personal Services</i>	389,871	389,871	370,004	19,867
<i>Supplies</i>	35,536	35,536	30,731	4,805
<i>Other Services and Charges</i>	33,530	33,530	33,530	--
Total County Clerk	<u>458,937</u>	<u>458,937</u>	<u>434,265</u>	<u>24,672</u>
<b>Veterans Service</b>				
<i>Personal Services</i>	57,818	57,818	56,673	1,145
<i>Supplies</i>	3,765	3,765	2,734	1,031
<i>Other Services and Charges</i>	1,546	1,546	941	605
Total Veterans Service	<u>63,129</u>	<u>63,129</u>	<u>60,348</u>	<u>2,781</u>
<b>County Auditor</b>				
<i>Personal Services</i>	335,610	335,610	332,196	3,414
<i>Supplies</i>	7,931	7,931	4,675	3,256
<i>Other Services and Charges</i>	16,875	16,875	9,673	7,202
Total County Auditor	<u>360,416</u>	<u>360,416</u>	<u>346,544</u>	<u>13,872</u>
<b>County Treasurer</b>				
<i>Personal Services</i>	158,975	158,975	154,851	4,124
<i>Supplies</i>	1,461	1,461	1,199	262
<i>Other Services and Charges</i>	2,452	2,452	2,452	--
Total County Treasurer	<u>162,888</u>	<u>162,888</u>	<u>158,502</u>	<u>4,386</u>
<b>Tax Assessor/Collector</b>				
<i>Personal Services</i>	399,683	399,683	388,286	11,397
<i>Supplies</i>	29,102	29,102	32,912	(3,810)
<i>Other Services and Charges</i>	20,547	20,547	20,547	--
Total Tax Assessor-Collector	<u>449,332</u>	<u>449,332</u>	<u>441,745</u>	<u>7,587</u>

**KLEBERG COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-1**  
Page 2 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Emergency Management</b>				
<i>Supplies</i>	3,095	3,095	2,925	170
<i>Other Services and Charges</i>	14,390	14,390	14,280	110
<i>Total Emergency Management</i>	17,485	17,485	17,205	280
<b>Data Processing</b>				
<i>Personal Services</i>	8,507	8,507	8,488	19
<i>Supplies</i>	12,410	12,410	10,760	1,650
<i>Other Services and Charges</i>	186,824	186,824	183,669	3,155
<i>Total Data Processing</i>	207,741	207,741	202,917	4,824
<b>Non-Departmental</b>				
<i>Personal Services</i>	221,295	221,295	195,511	25,784
<i>Supplies</i>	76,631	76,631	75,040	1,591
<i>Other Services and Charges</i>	1,337,717	1,337,717	1,329,242	8,475
<i>Capital Outlay</i>	40,000	40,000	40,000	--
<i>Total Non-Departmental</i>	1,675,643	1,675,643	1,639,793	35,850
<b>Total General Government</b>	4,024,332	4,024,332	3,873,695	150,637
<b>Judicial</b>				
<b>County court</b>				
<i>Personal Services</i>	176,331	176,331	171,779	4,552
<i>Supplies</i>	4,600	4,600	2,371	2,229
<i>Other Services and Charges</i>	151,688	151,688	139,423	12,265
<i>Total County Court</i>	332,619	332,619	313,573	19,046
<b>District Court</b>				
<i>Personal Services</i>	128,664	128,664	126,397	2,267
<i>Supplies</i>	858	858	197	661
<i>Other Services and Charges</i>	323,589	323,589	219,965	103,624
<i>Total District Court</i>	453,111	453,111	346,559	106,552
<b>District Clerk</b>				
<i>Personal Services</i>	335,440	335,440	324,083	11,357
<i>Supplies</i>	14,934	14,934	13,910	1,024
<i>Other Services and Charges</i>	10,421	10,421	10,421	--
<i>Total District Clerk</i>	360,795	360,795	348,414	12,381
<b>Justice of the Peace</b>				
<i>Personal Services</i>	437,726	437,726	429,243	8,483
<i>Supplies</i>	10,239	10,239	10,565	(326)
<i>Other Services and Charges</i>	43,395	43,395	30,547	12,848
<i>Total Justice of the Peace</i>	491,360	491,360	470,355	21,005
<b>County Attorney</b>				
<i>Personal Services</i>	280,527	280,527	279,421	1,106
<i>Supplies</i>	2,863	2,863	2,863	--
<i>Other Services and Charges</i>	7,017	7,017	3,006	4,011
<i>Total County Attorney</i>	290,407	290,407	285,290	5,117
<b>District Attorney</b>				
<i>Personal Services</i>	152,117	152,117	151,828	289
<i>Supplies</i>	4,580	4,580	--	4,580
<i>Other Services and Charges</i>	14,515	14,515	--	14,515
<i>Total District Attorney</i>	171,212	171,212	151,828	19,384
<b>Law Library</b>				
<i>Personal Services</i>	1,597	1,597	1,489	108
<i>Supplies</i>	6,783	6,783	6,783	--
<i>Total Law Library</i>	8,380	8,380	8,272	108
<b>Total Judicial</b>	2,107,883	2,107,883	1,924,291	183,592

**KLEBERG COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-1**  
Page 3 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Personal Services</i>	65,800	65,800	57,741	8,059
<i>Supplies</i>	2,699	2,699	1,682	1,017
<i>Other Services and Charges</i>	3,640	4,640	3,587	1,053
<i>Capital Outlay</i>	8,476	8,476	--	8,476
<i>Total Public Safety</i>	<u>80,615</u>	<u>81,615</u>	<u>63,010</u>	<u>18,605</u>
<b>Maintenance</b>				
<i>Supplies</i>	30,000	30,000	--	30,000
<i>Other Services and Charges</i>	658,252	658,252	674,207	(15,955)
<i>Total Maintenance</i>	<u>688,252</u>	<u>688,252</u>	<u>674,207</u>	<u>14,045</u>
<b>Fire Protection</b>				
<i>Supplies</i>	48,464	48,464	48,462	2
<i>Other Services and Charges</i>	59,836	59,836	59,764	72
<i>Total Fire Protection</i>	<u>108,300</u>	<u>108,300</u>	<u>108,226</u>	<u>74</u>
<b>Constables</b>				
<i>Personal Services</i>	201,228	201,228	166,424	34,804
<i>Supplies</i>	19,872	19,872	8,046	11,826
<i>Other Services and Charges</i>	15,358	15,358	7,968	7,390
<i>Total Constable</i>	<u>236,458</u>	<u>236,458</u>	<u>182,438</u>	<u>54,020</u>
<b>Sheriff</b>				
<i>Personal Services</i>	1,776,442	1,776,442	1,734,620	41,822
<i>Supplies</i>	189,639	189,639	176,014	13,625
<i>Other Services and Charges</i>	786,779	786,779	795,775	(8,996)
<i>Total Sheriff</i>	<u>2,752,860</u>	<u>2,752,860</u>	<u>2,706,409</u>	<u>46,451</u>
<b>Juvenile Board</b>				
<i>Personal Services</i>	20,778	20,778	20,778	--
<i>Total Juvenile Board</i>	<u>20,778</u>	<u>20,778</u>	<u>20,778</u>	<u>--</u>
<b>County Jail</b>				
<i>Personal Services</i>	1,971,920	1,971,920	1,887,869	84,051
<i>Supplies</i>	331,235	331,235	321,764	9,471
<i>Other Services and Charges</i>	517,879	517,879	461,064	56,815
<i>Total County Jail</i>	<u>2,821,034</u>	<u>2,821,034</u>	<u>2,670,697</u>	<u>150,337</u>
<i>Total Public Safety</i>	<u>6,708,298</u>	<u>6,709,298</u>	<u>6,425,765</u>	<u>283,533</u>
<b>Public Transportation</b>				
<b>Airport Pct 2</b>				
<i>Supplies</i>	830	830	--	830
<i>Other Services and Charges</i>	19,830	19,830	11,313	8,517
<i>Total Airport Pct 2</i>	<u>20,660</u>	<u>20,660</u>	<u>11,313</u>	<u>9,347</u>
<b>Weigh Station</b>				
<i>Personal Services</i>	45,478	45,478	40,354	5,124
<i>Supplies</i>	350	350	285	65
<i>Other Services and Charges</i>	17,309	17,309	16,012	1,297
<i>Total Weigh Station</i>	<u>63,137</u>	<u>63,137</u>	<u>56,651</u>	<u>6,486</u>
<i>Total Public Transportation</i>	<u>83,797</u>	<u>83,797</u>	<u>67,964</u>	<u>15,833</u>
<b>Health and Welfare</b>				
<b>Health</b>				
<i>Personal Services</i>	290,876	290,876	235,620	55,256
<i>Supplies</i>	32,997	32,997	25,478	7,519
<i>Other Services and Charges</i>	34,569	34,569	21,368	13,201
<i>Total Health</i>	<u>358,442</u>	<u>358,442</u>	<u>282,466</u>	<u>75,976</u>

**KLEBERG COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-1**  
Page 4 of 4

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Welfare</b>				
<i>Personal Services</i>	120,009	120,009	118,404	1,605
<i>Supplies</i>	5,333	5,333	4,199	1,134
<i>Other Services and Charges</i>	47,441	47,441	39,252	8,189
<i>Total Welfare</i>	<u>172,783</u>	<u>172,783</u>	<u>161,855</u>	<u>10,928</u>
<b>Indigent</b>				
<i>Personal Services</i>	72,491	72,491	72,376	115
<i>Supplies</i>	13,289	13,289	13,289	--
<i>Other Services and Charges</i>	3,310	3,310	3,310	--
<i>Total Indigent</i>	<u>89,090</u>	<u>89,090</u>	<u>88,975</u>	<u>115</u>
<b>Total Health and Welfare</b>	<u>620,313</u>	<u>620,313</u>	<u>533,296</u>	<u>87,017</u>
<b>Culture and Recreation</b>				
<b>Parks Department</b>				
<i>Personal Services</i>	45,655	45,655	44,814	841
<i>Supplies</i>	10,253	10,253	8,010	2,243
<i>Other Services and Charges</i>	32,562	32,562	27,693	4,869
<i>Capital Outlay</i>	17,520	17,520	10,500	7,020
<i>Total Parks Department</i>	<u>105,990</u>	<u>105,990</u>	<u>91,017</u>	<u>14,973</u>
<b>Library</b>				
<i>Personal Services</i>	195,874	195,874	181,589	14,285
<i>Supplies</i>	38,671	38,671	35,675	2,996
<i>Other Services and Charges</i>	32,672	32,672	29,245	3,427
<i>Total Library</i>	<u>267,217</u>	<u>267,217</u>	<u>246,509</u>	<u>20,708</u>
<b>Seawind</b>				
<i>Personal Services</i>	107,452	107,452	103,968	3,484
<i>Supplies</i>	16,419	16,419	16,419	--
<i>Other Services and Charges</i>	184,929	184,929	183,282	1,647
<i>Capital Outlay</i>	5,392	5,392	5,300	92
<i>Total Seawind</i>	<u>314,192</u>	<u>314,192</u>	<u>308,969</u>	<u>5,223</u>
<b>Padre Island</b>				
<i>Supplies</i>	3,340	3,340	2,766	574
<i>Other Services and Charges</i>	8,474	8,474	7,248	1,226
<i>Total Padre Island</i>	<u>11,814</u>	<u>11,814</u>	<u>10,014</u>	<u>1,800</u>
<b>Total Culture and Recreation</b>	<u>699,214</u>	<u>699,214</u>	<u>656,509</u>	<u>42,705</u>
<b>Conservation</b>				
<b>County Agent</b>				
<i>Personal Services</i>	84,332	84,332	56,258	28,074
<i>Supplies</i>	4,002	4,002	2,440	1,562
<i>Other Services and Charges</i>	10,642	10,642	8,030	2,612
<i>Total County Agent</i>	<u>98,976</u>	<u>98,976</u>	<u>66,728</u>	<u>32,248</u>
<b>Total Conservation</b>	<u>98,977</u>	<u>98,977</u>	<u>66,728</u>	<u>32,249</u>
<b>Total Expenditures</b>	<u>14,342,814</u>	<u>14,343,814</u>	<u>13,548,248</u>	<u>795,566</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,629,242</u>	<u>1,926,929</u>	<u>2,632,485</u>	<u>705,556</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers Out</i>	<u>(1,077,245)</u>	<u>(1,077,245)</u>	<u>(318,659)</u>	<u>(758,586)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(1,077,245)</u>	<u>(1,077,245)</u>	<u>(318,659)</u>	<u>(758,586)</u>
Net Change in Fund Balances	551,997	849,684	2,313,826	1,464,142
Fund Balances - Beginning	4,240,721	4,097,527	3,431,173	(666,354)
Fund Balances - Ending	<u>\$ 4,792,718</u>	<u>\$ 4,947,211</u>	<u>\$ 5,744,999</u>	<u>\$ 797,788</u>



**KLEBERG COUNTY, TEXAS**  
**TASK FORCE PROGRAM INCOME**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-2**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 1,995,280	\$ 1,995,280	\$ 1,895,770	\$ (99,510)
Investment Earnings	14,166	14,166	14,167	1
Total Revenues	<u>2,009,446</u>	<u>2,009,446</u>	<u>1,909,937</u>	<u>(99,509)</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
Personal Services	839,908	839,908	820,975	18,933
Supplies	84,117	84,117	70,265	13,852
Other Services and Charges	245,982	245,982	245,483	499
Total Public Safety	<u>1,170,007</u>	<u>1,170,007</u>	<u>1,136,723</u>	<u>33,284</u>
Total Public Safety	<u>1,170,006</u>	<u>1,170,006</u>	<u>1,136,723</u>	<u>33,283</u>
Total Expenditures	<u>1,170,006</u>	<u>1,170,006</u>	<u>1,136,723</u>	<u>33,283</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>839,440</u>	<u>839,440</u>	<u>773,214</u>	<u>(66,226)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	839,440	839,440	773,214	(66,226)
Fund Balances - Beginning	1,482,436	1,482,436	1,482,436	--
Fund Balances - Ending	<u>\$ 2,321,876</u>	<u>\$ 2,321,876</u>	<u>\$ 2,255,650</u>	<u>\$ (66,226)</u>

**KLEBERG COUNTY, TEXAS**  
*CPS EXXON BUILDING*  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-3**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Charges for Services	\$ 146,400	\$ 146,400	\$ 146,400	\$ --
Investment Earnings	17,836	17,836	17,836	--
Refunds & Reimbursements	1,660	1,660	1,660	--
Total Revenues	<u>165,896</u>	<u>165,896</u>	<u>165,896</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Maintenance</b>				
Supplies	21,000	21,000	4,434	16,566
Other Services and Charges	3,247,780	3,247,780	3,211,908	35,872
Total Maintenance	<u>3,268,780</u>	<u>3,268,780</u>	<u>3,216,342</u>	<u>52,438</u>
Total Public Safety	<u>3,268,780</u>	<u>3,268,780</u>	<u>3,216,342</u>	<u>52,438</u>
Total Expenditures	<u>3,268,780</u>	<u>3,268,780</u>	<u>3,216,342</u>	<u>52,438</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,102,884)</u>	<u>(3,102,884)</u>	<u>(3,050,446)</u>	<u>52,438</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of Bonds	3,115,000	3,115,000	3,115,000	--
Total Other Financing Sources (Uses)	<u>3,115,000</u>	<u>3,115,000</u>	<u>3,115,000</u>	<u>--</u>
Net Change in Fund Balances	12,116	12,116	64,554	52,438
Fund Balances - Beginning	193,403	193,403	193,403	--
Fund Balances - Ending	<u>\$ 205,519</u>	<u>\$ 205,519</u>	<u>\$ 257,957</u>	<u>\$ 52,438</u>

**KLEBERG COUNTY, TEXAS**  
**ROAD & BRIDGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-4**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
License and Permits	\$ 514,110	\$ 514,110	\$ 514,110	\$ --
Intergovernmental	69,000	70,328	40,022	(30,306)
Fines and Forfeitures	1,042,523	1,240,720	1,010,956	(229,764)
Investment Earnings	20,000	20,675	20,675	--
Miscellaneous Revenues	10,080	10,080	9,960	(120)
Total Revenues	<u>1,655,713</u>	<u>1,855,913</u>	<u>1,595,723</u>	<u>(260,190)</u>
<b>EXPENDITURES:</b>				
<b>Public Transportation</b>				
<b>Public Transportation</b>				
Personal Services	947,252	1,043,449	949,728	93,721
Supplies	182,654	199,867	135,899	63,968
Other Services and Charges	222,578	230,773	295,140	(64,367)
Capital Outlay	256,589	276,774	127,110	149,664
Total Public Transportation	<u>1,609,073</u>	<u>1,750,863</u>	<u>1,507,877</u>	<u>242,986</u>
Total Public Transportation	<u>1,609,073</u>	<u>1,750,863</u>	<u>1,507,877</u>	<u>242,986</u>
Total Expenditures	<u>1,609,073</u>	<u>1,750,863</u>	<u>1,507,877</u>	<u>242,986</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>46,640</u>	<u>105,050</u>	<u>87,846</u>	<u>(17,204)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	46,640	105,050	87,846	(17,204)
Fund Balances - Beginning	1,360,376	1,360,376	1,360,376	--
Fund Balances - Ending	<u>\$ 1,407,016</u>	<u>\$ 1,465,426</u>	<u>\$ 1,448,222</u>	<u>\$ (17,204)</u>

**KLEBERG COUNTY, TEXAS**  
**D.A.'S FORFEITURE**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT B-5**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 1,464,775	\$ 1,464,775	\$ 1,114,118	\$ (350,657)
Investment Earnings	29,079	29,079	29,076	(3)
Total Revenues	<u>1,493,854</u>	<u>1,493,854</u>	<u>1,143,194</u>	<u>(350,660)</u>
<b>EXPENDITURES:</b>				
<b>Judicial</b>				
<b>District Attorney</b>				
<i>Personal Services</i>	1,103,940	1,103,940	506,641	597,299
<i>Supplies</i>	59,707	59,707	30,804	28,903
<i>Other Services and Charges</i>	423,797	423,797	288,302	135,495
<i>Capital Outlay</i>	205,960	205,960	8,629	197,331
<i>Total District Attorney</i>	<u>1,793,404</u>	<u>1,793,404</u>	<u>834,376</u>	<u>959,028</u>
<b>Total Judicial</b>	<u>1,793,404</u>	<u>1,793,404</u>	<u>834,376</u>	<u>959,028</u>
<b>Total Expenditures</b>	<u>1,793,404</u>	<u>1,793,404</u>	<u>834,376</u>	<u>959,028</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(299,550)</u>	<u>(299,550)</u>	<u>308,818</u>	<u>608,368</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers In</i>	<u>66,264</u>	<u>66,264</u>	<u>--</u>	<u>(66,264)</u>
Total Other Financing Sources (Uses)	<u>66,264</u>	<u>66,264</u>	<u>--</u>	<u>66,264</u>
Net Change in Fund Balances	(233,286)	(233,286)	308,818	542,104
Fund Balances - Beginning	2,405,747	2,405,747	2,405,747	--
Fund Balances - Ending	<u>\$ 2,172,461</u>	<u>\$ 2,172,461</u>	<u>\$ 2,714,565</u>	<u>\$ 542,104</u>

**KLEBERG COUNTY, TEXAS**  
**SCHEDULE OF CHANGES IN THE COUNTY'S**  
**NET POSITION LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	2014	2015	2016	2017
Total Pension Liability:				
Service cost	\$ 953,570	\$ 934,978	\$ 948,035	\$ 896,540
Interest	2,984,220	3,101,882	3,209,774	3,363,124
Changes of benefit terms		(79,814)		
Difference between expected and actual experience	(175,762)	(251,717)	65,135	(81,376)
Change of assumptions		439,182		272,887
Benefit payments, including refunds of employee contributions	(2,464,521)	(2,488,919)	(2,802,644)	(2,718,696)
<b>Net change in total pension liability</b>	<b>1,297,507</b>	<b>1,655,592</b>	<b>1,420,300</b>	<b>1,732,479</b>
<b>Total pension liability -beginning</b>	<b>37,582,991</b>	<b>38,880,498</b>	<b>40,536,090</b>	<b>41,956,390</b>
<b>Total pension liability-ending (a)</b>	<b>\$ 38,880,498</b>	<b>\$ 40,536,090</b>	<b>\$ 41,956,390</b>	<b>\$ 43,688,869</b>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 591,324	\$ 573,164	\$ 601,590	\$ 623,323
Contributions - employee	564,702	537,823	562,987	599,459
Net investment income	2,480,447	(289,473)	2,704,745	5,462,727
Benefit payments, including refunds of employee contributions	(2,464,521)	(2,488,919)	(2,802,644)	(2,718,696)
Administrative expense	(29,018)	(26,916)	(29,405)	(27,605)
Other	89,954	47,151	(108,515)	(20,308)
<b>Net Change in plan fiduciary net position</b>	<b>1,232,888</b>	<b>(1,647,170)</b>	<b>928,758</b>	<b>3,918,900</b>
<b>Plan fiduciary net position -beginning</b>	<b>37,075,248</b>	<b>38,308,137</b>	<b>36,660,967</b>	<b>37,589,726</b>
<b>Plan fiduciary net position -ending (b)</b>	<b>\$ 38,308,136</b>	<b>\$ 36,660,967</b>	<b>\$ 37,589,726</b>	<b>\$ 41,508,626</b>
<b>County's net position liability - ending (a) - (b)</b>	<b>\$ 572,362</b>	<b>\$ 3,875,123</b>	<b>\$ 4,366,664</b>	<b>\$ 2,180,244</b>
<b>as a percentage of the total pension liability</b>	<b>98.53%</b>	<b>90.44%</b>	<b>89.59%</b>	<b>95.01%</b>
<b>Covered payroll</b>	<b>\$ 8,067,177</b>	<b>\$ 7,683,180</b>	<b>\$ 8,042,672</b>	<b>\$ 8,550,391</b>
<b>County's net position liability as a percentage of covered payroll</b>	<b>7.09%</b>	<b>50.44%</b>	<b>54.29%</b>	<b>25.50%</b>

**Notes to Schedule:**

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**KLEBERG COUNTY, TEXAS**  
**SCHEDULE OF COUNTY CONTRIBUTIONS**

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 673,525	623,323	616,353	570,054	591,324
Contributions in relation to the actuarially required contribution	(672,525)	(623,323)	(616,353)	(570,054)	(591,324)
Contribution deficiency (excess)	\$ -	-	-	-	-
County's covered payroll	\$ 8,694,842	8,550,391	8,135,718	7,613,398	8,067,177
Contributions as a percentage of covered payroll	7.75%	7.29%	7.58%	7.49%	7.33%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for these years for which information is available.

**KLEBERG COUNTY, TEXAS**

**EXHIBIT B-8**

*NOTES TO SCHEDULE OF CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2018*

**Valuation Date:** Actuarially determined contribution rates are calculated as of December

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

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	1.8 years
Asset valuation method	5-year smoothed market
Inflation	3.0%
Salary increases	4.9%
Investment rate of return	8.0%
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.

**Mortality** In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.

**Other Information:** No changes in plan provisions.

The basis of budgeting in the Budgetary Comparison Schedules included in the Required Supplementary Information is the same as Accounting Principles Generally Accepted in the United States of America (GAAP).

**KLEBERG COUNTY, TEXAS**  
**SCHEDULE OF THE CHANGES IN TOTAL OPEB LIABILITY**  
**AND RELATED RATIOS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**  
**LAST TEN FISCAL YEARS \***

	<u>2017</u>
<b>Total OPEB Liability</b>	
Service cost	\$ 25,025
Interest (on the total OPEB Liability)	15,069
Changes of benefit terms	--
Difference between expected and actual experience	--
Change of assumptions	--
Benefit payments, including refunds of employee contributions	<u>(10,305)</u>
Net Change in Total OPEB Liability	29,789
Total OPEB Liability-Beginning	<u>351,276</u>
Total OPEB Liability-Ending	<u>\$ 381,065</u>
County's covered payroll	\$ 5,908,875
County's proportionate share of the net OPEB liability as a percentage of its covered payroll	6.45%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.



**KLEBERG COUNTY, TEXAS**  
**NOTES TO SCHEDULE OF OPEB CONTRIBUTIONS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**  
**LAST TEN FISCAL YEARS \***

**Valuation Date:** Actuarially determined contribution rates are of December 31, two years to the end of the fiscal year in which contributions are

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age
Amortization Method	Straight-line amortization of expected working life
Remaining Amortization Period	N/A
Asset Valuation Method	N/A
Inflation	N/A
Salary Increases	N/A
Investment Rate of Return	3.44%, based on 20-year Bond GO Index published by bondbuyer.com as of December 28, 2017
Retirement Age	N/A

**Mortality** See Tables 1 thru 4 in the Milliman Valuation Report

**Other Information:** There were no benefit changes during the year.

*Combining Statements and Budget Comparisons  
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2018**

	Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets:</b>			
<i>Cash and Cash Equivalents</i>	\$ 3,063,465	\$ 695	\$ 3,064,160
<i>Equity in Pooled Cash</i>	946,488	21,653	968,141
<i>Accounts Receivable</i>	247,452	--	247,452
<i>Intergovernmental Receivable</i>	769,358	--	769,358
<i>Interfund Receivables</i>	1,819	--	1,819
<i>Prepaid items</i>	1,253	--	1,253
Total Assets	<u>\$ 5,029,835</u>	<u>\$ 22,348</u>	<u>\$ 5,052,183</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
<i>Accounts Payable</i>	\$ 1,085,161	\$ --	\$ 1,085,161
<i>Accrued Wages Payable</i>	15,306	--	15,306
<i>Interfund Payables</i>	120,430	--	120,430
<i>Due to Others</i>	13,418	--	13,418
<i>Due to Other Governments and Agencies</i>	27,852	--	27,852
Total Liabilities	<u>1,262,167</u>	<u>--</u>	<u>1,262,167</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
<b>Fund Balances:</b>			
<i>Nonspendable</i>	1,253	--	1,253
<i>Restricted</i>	3,821,016	22,348	3,843,364
<i>Committed</i>	341,817	--	341,817
<i>Unassigned</i>	(396,418)	--	(396,418)
Total Fund Balance	<u>3,767,668</u>	<u>22,348</u>	<u>3,790,016</u>
Total Liabilities and Fund Balance	<u>\$ 5,029,835</u>	<u>\$ 22,348</u>	<u>\$ 5,052,183</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-5)
<b>Revenue:</b>			
<i>Taxes:</i>			
<i>Gross Receipts Business Taxes</i>	\$ 54,222	\$ --	\$ 54,222
<i>Intergovernmental</i>	4,448,681	--	4,448,681
<i>Charges for Services</i>	29,971	--	29,971
<i>Fines and Forfeitures</i>	1,281,946	--	1,281,946
<i>Fees of Office</i>	689,446	--	689,446
<i>Investment Earnings</i>	57,556	17	57,573
<i>Miscellaneous Revenues</i>	5,982	--	5,982
<i>Contributions &amp; Donations</i>	532,789	--	532,789
<b>Total Revenues</b>	<u>7,100,593</u>	<u>17</u>	<u>7,100,610</u>
<b>Expenditures:</b>			
<i>Current:</i>			
<i>General Government</i>	1,541,036	--	1,541,036
<i>Judicial</i>	87,598	--	87,598
<i>Public Safety</i>	2,404,873	--	2,404,873
<i>Public Transportation</i>	33,844	--	33,844
<i>Health and Welfare</i>	2,291,603	--	2,291,603
<i>Culture and Recreation</i>	2,222	--	2,222
<i>Economic Development and Assistance</i>	441,796	--	441,796
<b>Total Expenditures</b>	<u>6,802,972</u>	<u>--</u>	<u>6,802,972</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>297,621</u>	<u>17</u>	<u>297,638</u>
<b>Other Financing Sources (Uses):</b>			
<i>Transfers In</i>	1,037,662	--	1,037,662
<i>Transfers Out</i>	(719,003)	--	(719,003)
<b>Total Other Financing Sources (Uses)</b>	<u>318,659</u>	<u>--</u>	<u>318,659</u>
<b>Net Change in Fund Balances</b>	<b>616,280</b>	<b>17</b>	<b>616,297</b>
<b>Fund Balances - Beginning</b>	<u>3,151,388</u>	<u>22,331</u>	<u>3,173,719</u>
<b>Fund Balances - Ending</b>	<u>\$ 3,767,668</u>	<u>\$ 22,348</u>	<u>\$ 3,790,016</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	<u>Parks Donations</u>	<u>Storage and Contraband Fees</u>	<u>Kingsville Narcotics Task Force Federal</u>	<u>Kingsville Task Force Program Income</u>
<b>ASSETS</b>				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 26,511	\$ 8,213	\$ 16,393	\$ 154
<i>Equity in Pooled Cash</i>	17	609	--	--
<i>Accounts Receivable</i>	--	220	--	--
<i>Intergovernmental Receivable</i>	--	--	--	--
<i>Interfund Receivables</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 26,528</u>	<u>\$ 9,042</u>	<u>\$ 16,393</u>	<u>\$ 154</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
<i>Accounts Payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued Wages Payable</i>	--	--	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Fund Balances:				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	--	9,042	16,393	154
<i>Committed</i>	26,528	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<u>26,528</u>	<u>9,042</u>	<u>16,393</u>	<u>154</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 26,528</u>	<u>\$ 9,042</u>	<u>\$ 16,393</u>	<u>\$ 154</u>

<u>Courthouse Restoration Fund</u>	<u>Federal Drug Fund</u>	<u>FEMA Disaster May 31</u>	<u>KC Mitigation Action Plan Fund</u>	<u>Sheriff Chapter 59 Forfeiture</u>
\$ 157,200	\$ 66,910	\$ 8,362	\$ --	\$ 637,445
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 157,200</u>	<u>\$ 66,910</u>	<u>\$ 8,362</u>	<u>\$ --</u>	<u>\$ 637,445</u>
\$ 96,980	\$ --	\$ --	\$ 80,000	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>96,980</u>	<u>--</u>	<u>--</u>	<u>80,000</u>	<u>--</u>
--	--	--	--	--
60,220	66,910	8,362	--	637,445
--	--	--	--	--
--	--	--	(80,000)	--
<u>60,220</u>	<u>66,910</u>	<u>8,362</u>	<u>(80,000)</u>	<u>637,445</u>
<u>\$ 157,200</u>	<u>\$ 66,910</u>	<u>\$ 8,362</u>	<u>\$ --</u>	<u>\$ 637,445</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	<u>Juvenile Probation Grants</u>	<u>Kleberg Juvenile &amp; Community Supervision</u>	<u>Hotel/Motel Occupancy Tax Fund</u>	<u>MISD Pre-Trial Diversion</u>
<b>ASSETS</b>				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 25,587	\$ --	\$ 27,407	\$ 5,486
<i>Equity in Pooled Cash</i>	--	9,718	69,040	--
<i>Accounts Receivable</i>	--	--	15,059	--
<i>Intergovernmental Receivable</i>	5,453	--	--	--
<i>Interfund Receivables</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 31,040</u>	<u>\$ 9,718</u>	<u>\$ 111,506</u>	<u>\$ 5,486</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
<i>Accounts Payable</i>	\$ 25,587	\$ 7,625	\$ --	\$ 664
<i>Accrued Wages Payable</i>	--	--	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>25,587</u>	<u>7,625</u>	<u>--</u>	<u>664</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Fund Balances:				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	5,493	--	111,506	4,822
<i>Committed</i>	--	2,093	--	--
<i>Unassigned</i>	(40)	--	--	--
<b>Total Fund Balance</b>	<u>5,453</u>	<u>2,093</u>	<u>111,506</u>	<u>4,822</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 31,040</u>	<u>\$ 9,718</u>	<u>\$ 111,506</u>	<u>\$ 5,486</u>

Kleberg 2014 CTIF Grant	CCRTA Grant	JAG Grant	Home Grant	Constable #3 Forfeiture Fund
\$ 23,928	\$ --	\$ --	\$ --	\$ 12,185
--	--	10,186	--	--
--	4,403	--	--	--
--	--	21,362	--	--
--	--	--	--	--
<u>\$ 23,928</u>	<u>\$ 4,403</u>	<u>\$ 31,548</u>	<u>\$ --</u>	<u>\$ 12,185</u>
\$ --	\$ 6,343	\$ --	\$ 43,003	\$ --
--	--	--	--	--
--	--	31,548	--	--
--	--	--	--	--
<u>--</u>	<u>6,343</u>	<u>31,548</u>	<u>43,003</u>	<u>--</u>
--	--	--	--	--
23,928	--	--	--	12,185
--	--	--	--	--
--	(1,940)	--	(43,003)	--
<u>23,928</u>	<u>(1,940)</u>	<u>--</u>	<u>(43,003)</u>	<u>12,185</u>
<u>\$ 23,928</u>	<u>\$ 4,403</u>	<u>\$ 31,548</u>	<u>\$ --</u>	<u>\$ 12,185</u>



**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	<u>Targeted Specific Grant</u>	<u>Co. Atty Pretrial Diversion</u>	<u>Indigent Care Fund</u>	<u>Section 5304 Federal Planning</u>
<b>ASSETS</b>				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ --	\$ --	\$ 45,276	\$ (8)
<i>Equity in Pooled Cash</i>	--	93,791	--	--
<i>Accounts Receivable</i>	--	1,491	54	--
<i>Intergovernmental Receivable</i>	--	--	--	--
<i>Interfund Receivables</i>	--	--	1,819	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ --</u>	<u>\$ 95,282</u>	<u>\$ 47,149</u>	<u>\$ (8)</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
<i>Accounts Payable</i>	\$ 3,861	\$ 782	\$ 27,503	\$ 24,264
<i>Accrued Wages Payable</i>	--	(95)	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>3,861</u>	<u>687</u>	<u>27,503</u>	<u>24,264</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Fund Balances:				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	--	94,595	--	--
<i>Committed</i>	--	--	19,646	--
<i>Unassigned</i>	(3,861)	--	--	(24,272)
<b>Total Fund Balance</b>	<u>(3,861)</u>	<u>94,595</u>	<u>19,646</u>	<u>(24,272)</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ --</u>	<u>\$ 95,282</u>	<u>\$ 47,149</u>	<u>\$ (8)</u>

Golf Course Fund	Juvenile Probation Fund	Park Grant (CIAP) #2	Kleberg Co CFC 7214015	GLO 10-5085-000-5063
\$ 159,491	\$ --	\$ --	\$ --	\$ 146
--	--	122	--	--
--	50,228	--	--	--
--	--	--	--	--
<u>\$ 159,491</u>	<u>\$ 50,228</u>	<u>\$ 122</u>	<u>\$ --</u>	<u>\$ 146</u>
\$ --	\$ 39,372	\$ --	\$ 29,000	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>39,372</u>	<u>--</u>	<u>29,000</u>	<u>--</u>
--	--	--	--	--
--	10,856	122	--	146
159,491	--	--	--	--
<u>159,491</u>	<u>10,856</u>	<u>122</u>	<u>(29,000)</u>	<u>146</u>
<u>\$ 159,491</u>	<u>\$ 50,228</u>	<u>\$ 122</u>	<u>\$ --</u>	<u>\$ 146</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	<u>DRS-210087</u>	<u>Community Supervision</u>	<u>Kleberg Co TCF 7214392</u>	<u>Disaster Relief Fund</u>
<b>ASSETS</b>				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 1,432	\$ 1,207	\$ --	\$ --
<i>Equity in Pooled Cash</i>	--	121,932	--	--
<i>Accounts Receivable</i>	--	40,200	--	--
<i>Intergovernmental Receivable</i>	--	--	--	--
<i>Interfund Receivables</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 1,432</u>	<u>\$ 163,339</u>	<u>\$ --</u>	<u>\$ --</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
<i>Accounts Payable</i>	\$ --	\$ 78,701	\$ 47,235	\$ 15,000
<i>Accrued Wages Payable</i>	--	--	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>78,701</u>	<u>47,235</u>	<u>15,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Fund Balances:				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	1,432	84,638	--	--
<i>Committed</i>	--	--	--	--
<i>Unassigned</i>	--	--	(47,235)	(15,000)
<b>Total Fund Balance</b>	<u>1,432</u>	<u>84,638</u>	<u>(47,235)</u>	<u>(15,000)</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,432</u>	<u>\$ 163,339</u>	<u>\$ --</u>	<u>\$ --</u>

Local Border Securiry	CSCD Personal Bond Unit	South Texas Task Force Federal	Title IV-E Expenses	Energy Project Fund
\$ --	\$ 142,256	\$ 830,857	\$ --	\$ 50,433
13,418	--	--	48,790	--
--	15,049	--	--	--
--	--	--	9,000	--
--	--	--	--	--
<u>\$ 13,418</u>	<u>\$ 157,305</u>	<u>\$ 830,857</u>	<u>\$ 57,790</u>	<u>\$ 50,433</u>
\$ --	\$ 33,931	\$ 8,874	\$ --	\$ --
--	--	--	--	--
13,418	--	--	--	--
--	--	--	--	--
<u>13,418</u>	<u>33,931</u>	<u>8,874</u>	<u>--</u>	<u>--</u>
--	--	--	--	--
--	--	821,983	57,790	50,433
--	123,374	--	--	--
--	--	--	--	--
<u>--</u>	<u>123,374</u>	<u>821,983</u>	<u>57,790</u>	<u>50,433</u>
<u>\$ 13,418</u>	<u>\$ 157,305</u>	<u>\$ 830,857</u>	<u>\$ 57,790</u>	<u>\$ 50,433</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	Special Caseload Sex Fund	Texas A&M University Fund	KSO Ch 59 Fund	2011 Stonegarden Grant
<b>ASSETS</b>				
<b>Assets:</b>				
<i>Cash and Cash Equivalents</i>	\$ 10,293	\$ 84,647	\$ 129	\$ --
<i>Equity in Pooled Cash</i>	--	--	--	1,310
<i>Accounts Receivable</i>	--	1,182	--	--
<i>Intergovernmental Receivable</i>	--	--	--	--
<i>Interfund Receivables</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 10,293</u>	<u>\$ 85,829</u>	<u>\$ 129</u>	<u>\$ 1,310</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
<i>Accounts Payable</i>	\$ 51	\$ 11,352	\$ --	\$ --
<i>Accrued Wages Payable</i>	--	--	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>51</u>	<u>11,352</u>	<u>--</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
<b>Fund Balances:</b>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	10,242	74,477	129	1,310
<i>Committed</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<u>10,242</u>	<u>74,477</u>	<u>129</u>	<u>1,310</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 10,293</u>	<u>\$ 85,829</u>	<u>\$ 129</u>	<u>\$ 1,310</u>

<u>5310 Enhancement Grant</u>	<u>JARC Grant</u>	<u>Operation Border Star</u>	<u>H/S Agriculture Grant</u>	<u>District Clerk Records Mgmt &amp; Preservation</u>
\$ --	\$ 53,142	\$ --	\$ --	\$ 13,662
--	--	23,188	5,371	19,477
--	--	--	--	1,006
--	--	--	--	--
--	--	--	--	--
<u>\$ --</u>	<u>\$ 53,142</u>	<u>\$ 23,188</u>	<u>\$ 5,371</u>	<u>\$ 34,145</u>
\$ 3,390	\$ --	\$ --	\$ 1,233	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	23,188	--	--
<u>3,390</u>	<u>--</u>	<u>23,188</u>	<u>1,233</u>	<u>--</u>
--	--	--	--	--
--	53,142	--	4,138	34,145
--	--	--	--	--
(3,390)	--	--	--	--
<u>(3,390)</u>	<u>53,142</u>	<u>--</u>	<u>4,138</u>	<u>34,145</u>
<u>\$ --</u>	<u>\$ 53,142</u>	<u>\$ 23,188</u>	<u>\$ 5,371</u>	<u>\$ 34,145</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	Courthouse Security	J.P.'s Tech Fund	Constable #2 Forfeiture Fund	2012 Operation Stonegarden Grant
<b>ASSETS</b>				
<i>Assets:</i>				
<i>Cash and Cash Equivalents</i>	\$ --	\$ 99,941	\$ --	\$ 8,594
<i>Equity in Pooled Cash</i>	18,549	15,515	5,079	--
<i>Accounts Receivable</i>	2,706	1,905	--	--
<i>Intergovernmental Receivable</i>	--	--	--	--
<i>Interfund Receivables</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 21,255</u>	<u>\$ 117,361</u>	<u>\$ 5,079</u>	<u>\$ 8,594</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
<i>Liabilities:</i>				
<i>Accounts Payable</i>	\$ 1,136	\$ 8,321	\$ --	\$ --
<i>Accrued Wages Payable</i>	--	--	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>1,136</u>	<u>8,321</u>	<u>--</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
<i>Fund Balances:</i>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	20,119	109,040	5,079	8,594
<i>Committed</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<u>20,119</u>	<u>109,040</u>	<u>5,079</u>	<u>8,594</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 21,255</u>	<u>\$ 117,361</u>	<u>\$ 5,079</u>	<u>\$ 8,594</u>

<u>County Clerks</u>	<u>Records Management</u>	<u>Houston HIDTA Grant</u>	<u>D.A.'s Hot Check</u>	<u>Constable #1 Forfeiture</u>
\$ --	\$ 219,898	\$ --	\$ 15,733	\$ --
10,685	78,871	--	--	210
--	7,095	--	--	--
--	--	14,716	--	--
--	--	--	--	--
1,253	--	--	--	--
<u>\$ 11,938</u>	<u>\$ 305,864</u>	<u>\$ 14,716</u>	<u>\$ 15,733</u>	<u>\$ 210</u>
\$ --	\$ 886	\$ 805	\$ --	\$ --
--	138	--	--	--
--	--	22,967	--	--
--	--	--	--	--
--	--	2,765	--	--
<u>--</u>	<u>1,024</u>	<u>26,537</u>	<u>--</u>	<u>--</u>
1,253	--	--	--	--
--	304,840	--	15,733	210
10,685	--	--	--	--
--	--	(11,821)	--	--
<u>11,938</u>	<u>304,840</u>	<u>(11,821)</u>	<u>15,733</u>	<u>210</u>
<u>\$ 11,938</u>	<u>\$ 305,864</u>	<u>\$ 14,716</u>	<u>\$ 15,733</u>	<u>\$ 210</u>



**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	<u>Firefighters Grant</u>	<u>Constable Pct 4 Forfeiture</u>	<u>U.S. Marshals/ Constable Pct 4 Forfeiture</u>	<u>County Attorney's Asset Forfeiture Fund</u>
<b>ASSETS</b>				
Assets:				
<i>Cash and Cash Equivalents</i>	\$ 2,572	\$ 158,777	\$ 4,726	\$ 7,028
<i>Equity in Pooled Cash</i>	--	--	--	--
<i>Accounts Receivable</i>	--	--	--	165
<i>Intergovernmental Receivable</i>	--	--	--	--
<i>Interfund Receivables</i>	--	--	--	--
<i>Prepaid items</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 2,572</u>	<u>\$ 158,777</u>	<u>\$ 4,726</u>	<u>\$ 7,193</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
<i>Accounts Payable</i>	\$ --	\$ --	\$ --	\$ 128
<i>Accrued Wages Payable</i>	--	--	--	--
<i>Interfund Payables</i>	--	--	--	--
<i>Due to Others</i>	--	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>128</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Fund Balances:				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	2,572	158,777	4,726	7,065
<i>Committed</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<u>2,572</u>	<u>158,777</u>	<u>4,726</u>	<u>7,065</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 2,572</u>	<u>\$ 158,777</u>	<u>\$ 4,726</u>	<u>\$ 7,193</u>

County Attorney Hot Checks Fund	2009 Operation Stonegarden Grant	Human Services 1/1-12/31	Human Services Neighbor to Neighbor	C.J.D. 9/1-8/31
\$ 4,465	\$ --	\$ --	\$ --	\$ 9,131
697	67,814	--	5,640	--
213	--	576	--	--
--	--	267,678	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 5,375</u>	<u>\$ 67,814</u>	<u>\$ 268,254</u>	<u>\$ 5,640</u>	<u>\$ 9,131</u>
\$ --	\$ --	\$ 158,621	\$ 507	\$ --
--	--	11,872	--	--
--	65,915	--	--	--
--	--	--	--	--
--	1,899	--	--	--
<u>--</u>	<u>67,814</u>	<u>170,493</u>	<u>507</u>	<u>--</u>
--	--	--	--	--
5,375	--	97,761	5,133	9,131
--	--	--	--	--
--	--	--	--	--
<u>5,375</u>	<u>--</u>	<u>97,761</u>	<u>5,133</u>	<u>9,131</u>
<u>\$ 5,375</u>	<u>\$ 67,814</u>	<u>\$ 268,254</u>	<u>\$ 5,640</u>	<u>\$ 9,131</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	<u>2014 Operation StoneGarden</u>	<u>Abandoned Vehicles Fund</u>	<u>Human Services</u>
<b>ASSETS</b>			
<b>Assets:</b>			
<i>Cash and Cash Equivalents</i>	\$ 90,221	\$ 3,233	\$ 24,567
<i>Equity in Pooled Cash</i>	--	--	--
<i>Accounts Receivable</i>	--	--	12,892
<i>Intergovernmental Receivable</i>	70,995	--	133,977
<i>Interfund Receivables</i>	--	--	--
<i>Prepaid Items</i>	--	--	--
<b>Total Assets</b>	<u>\$ 161,216</u>	<u>\$ 3,233</u>	<u>\$ 171,436</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
<i>Accounts Payable</i>	\$ --	\$ --	\$ --
<i>Accrued Wages Payable</i>	--	--	--
<i>Interfund Payables</i>	--	--	--
<i>Due to Others</i>	--	--	--
<i>Due to Other Governments and Agencies</i>	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
<b>Fund Balances:</b>			
<i>Nonspendable</i>	--	--	--
<i>Restricted</i>	161,216	3,233	171,436
<i>Committed</i>	--	--	--
<i>Unassigned</i>	--	--	--
<b>Total Fund Balance</b>	<u>161,216</u>	<u>3,233</u>	<u>171,436</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 161,216</u>	<u>\$ 3,233</u>	<u>\$ 171,436</u>

Human Services 10/1-9/30	2015 Operation Stonegarden Grant	Airport Ramp Grant	2016 Operation Stonegarden Grant	G.L.O. Grants
\$ --	\$ --	\$ 5,835	\$ --	\$ --
--	--	20,164	--	12
74,036	69,200	--	--	--
8,257	--	--	98,193	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 82,293</u>	<u>\$ 69,200</u>	<u>\$ 25,999</u>	<u>\$ 98,193</u>	<u>\$ 12</u>
\$ 25,757	\$ 89,694	\$ --	\$ 149,977	\$ --
3,391	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>29,148</u>	<u>89,694</u>	<u>--</u>	<u>149,977</u>	<u>--</u>
--	--	--	--	--
53,145	--	25,999	--	12
--	--	--	--	--
--	(20,494)	--	(51,784)	--
<u>53,145</u>	<u>(20,494)</u>	<u>25,999</u>	<u>(51,784)</u>	<u>12</u>
<u>\$ 82,293</u>	<u>\$ 69,200</u>	<u>\$ 25,999</u>	<u>\$ 98,193</u>	<u>\$ 12</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**SEPTEMBER 30, 2018**

	Park Grant (CIAP)	2017 Operation Stonegarden Grant	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
<b>ASSETS</b>			
Assets:			
<i>Cash and Cash Equivalents</i>	\$ --	\$ --	\$ 3,063,465
<i>Equity in Pooled Cash</i>	306,283	--	946,488
<i>Accounts Receivable</i>	--	--	247,452
<i>Intergovernmental Receivable</i>	89,499	--	769,358
<i>Interfund Receivables</i>	--	--	1,819
<i>Prepaid items</i>	--	--	1,253
<b>Total Assets</b>	<u>\$ 395,782</u>	<u>\$ --</u>	<u>\$ 5,029,835</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
Liabilities:			
<i>Accounts Payable</i>	\$ --	\$ 64,578	\$ 1,085,161
<i>Accrued Wages Payable</i>	--	--	15,306
<i>Interfund Payables</i>	--	--	120,430
<i>Due to Others</i>	--	--	13,418
<i>Due to Other Governments and Agencies</i>	--	--	27,852
<b>Total Liabilities</b>	<u>--</u>	<u>64,578</u>	<u>1,262,167</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Fund Balances:			
<i>Nonspendable</i>	--	--	1,253
<i>Restricted</i>	395,782	--	3,821,016
<i>Committed</i>	--	--	341,817
<i>Unassigned</i>	--	(64,578)	(396,418)
<b>Total Fund Balance</b>	<u>395,782</u>	<u>(64,578)</u>	<u>3,767,668</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 395,782</u>	<u>\$ --</u>	<u>\$ 5,029,835</u>

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**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Parks Donations	Storage and Contraband Fees	Kingsville Narcotics Task Force Federal	Kingsville Task Force Program Income
Revenue:				
Taxes:				
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	--	--	4,429	--
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	424	--	--
<i>Fees of Office</i>	--	--	--	--
<i>Investment Earnings</i>	477	125	309	--
<i>Miscellaneous Revenues</i>	--	--	--	--
<i>Contributions &amp; Donations</i>	--	--	--	--
Total Revenues	<u>477</u>	<u>549</u>	<u>4,738</u>	<u>--</u>
Expenditures:				
Current:				
<i>General Government</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Public Safety</i>	--	--	--	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	--	--	--	--
<i>Culture and Recreation</i>	--	--	--	--
<i>Economic Development and Assistance</i>	--	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>477</u>	<u>549</u>	<u>4,738</u>	<u>--</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	--	--	--
<i>Transfers Out</i>	--	--	(706,823)	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>(706,823)</u>	<u>--</u>
Net Change in Fund Balances	477	549	(702,085)	--
Fund Balances - Beginning	26,051	8,493	718,478	154
Fund Balances - Ending	<u>\$ 26,528</u>	<u>\$ 9,042</u>	<u>\$ 16,393</u>	<u>\$ 154</u>

Courthouse Restoration Fund	Federal Drug Fund	FEMA Disaster May 31	KC Mitigation Action Plan Fund	Sheriff Chapter 59 Forfeiture
\$ --	\$ --	\$ --	\$ --	\$ --
198,132	104,346	--	--	--
--	--	--	--	1,200,797
--	--	--	--	--
305	564	--	--	287
--	--	--	--	--
501,436	--	--	--	--
<u>699,873</u>	<u>104,910</u>	<u>--</u>	<u>--</u>	<u>1,201,084</u>
658,764	--	--	80,000	--
--	--	--	--	--
--	123,285	--	--	583,823
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>658,764</u>	<u>123,285</u>	<u>--</u>	<u>80,000</u>	<u>583,823</u>
<u>41,109</u>	<u>(18,375)</u>	<u>--</u>	<u>(80,000)</u>	<u>617,261</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
41,109	(18,375)	--	(80,000)	617,261
19,111	85,285	8,362	--	20,184
<u>\$ 60,220</u>	<u>\$ 66,910</u>	<u>\$ 8,362</u>	<u>\$ (80,000)</u>	<u>\$ 637,445</u>



# KLEBERG COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Juvenile Probation Grants	Kleberg Juvenile & Community Supervision	Hotel/Motel Occupancy Tax Fund	MISD Pre-Trial Diversion
Revenue:				
Taxes:				
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ 54,222	\$ --
<i>Intergovernmental</i>	7,133	5,000	--	36,133
<i>Charges for Services</i>	--	2,560	--	--
<i>Fines and Forfeitures</i>	--	--	--	--
<i>Fees of Office</i>	--	--	--	--
<i>Investment Earnings</i>	--	13	430	--
<i>Miscellaneous Revenues</i>	--	--	--	--
<i>Contributions &amp; Donations</i>	--	--	--	--
Total Revenues	<u>7,133</u>	<u>7,573</u>	<u>54,652</u>	<u>36,133</u>
Expenditures:				
Current:				
<i>General Government</i>	1,640	--	--	31,311
<i>Judicial</i>	--	--	--	--
<i>Public Safety</i>	--	190,201	--	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	--	--	--	--
<i>Culture and Recreation</i>	--	--	1,962	--
<i>Economic Development and Assistance</i>	--	--	--	--
Total Expenditures	<u>1,640</u>	<u>190,201</u>	<u>1,962</u>	<u>31,311</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,493</u>	<u>(182,628)</u>	<u>52,690</u>	<u>4,822</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	164,856	--	--
<i>Transfers Out</i>	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>164,856</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	5,493	(17,772)	52,690	4,822
Fund Balances - Beginning	(40)	19,865	58,816	--
Fund Balances - Ending	<u>\$ 5,453</u>	<u>\$ 2,093</u>	<u>\$ 111,506</u>	<u>\$ 4,822</u>

Kleberg 2014 CTIF Grant	CCRTA Grant	Home Grant	Constable #3 Forfeiture Fund	Targeted Specific Grant
\$ --	\$ --	\$ --	\$ --	\$ --
57,155	28,543	86,971	--	18,791
--	--	--	--	--
--	--	--	--	--
16	--	--	153	--
--	--	--	--	--
--	--	--	--	--
<u>57,171</u>	<u>28,543</u>	<u>86,971</u>	<u>153</u>	<u>18,791</u>
21,954	30,414	98,222	--	31,614
--	--	--	--	--
--	--	--	2,000	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>21,954</u>	<u>30,414</u>	<u>98,222</u>	<u>2,000</u>	<u>31,614</u>
<u>35,217</u>	<u>(1,871)</u>	<u>(11,251)</u>	<u>(1,847)</u>	<u>(12,823)</u>
--	--	--	--	15,597
--	--	--	--	--
--	--	--	--	15,597
--	--	--	--	--
<u>35,217</u>	<u>(1,871)</u>	<u>(11,251)</u>	<u>(1,847)</u>	<u>2,774</u>
(11,289)	(69)	(31,752)	14,032	(6,635)
<u>\$ 23,928</u>	<u>\$ (1,940)</u>	<u>\$ (43,003)</u>	<u>\$ 12,185</u>	<u>\$ (3,861)</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Co. Atty Pretrial Diversion	Indigent Care Fund	Section 5304 Federal Planning	Golf Course Fund
Revenue:				
Taxes:				
Gross Receipts Business Taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	16,148	--
Charges for Services	--	--	--	--
Fines and Forfeitures	34,441	--	--	--
Fees of Office	--	--	--	--
Investment Earnings	--	145	--	--
Miscellaneous Revenues	--	--	--	--
Contributions & Donations	--	--	--	--
Total Revenues	<u>34,441</u>	<u>145</u>	<u>16,148</u>	<u>--</u>
Expenditures:				
Current:				
General Government	--	--	8,060	--
Judicial	23,420	--	--	--
Public Safety	--	--	--	--
Public Transportation	--	--	--	--
Health and Welfare	--	419,517	--	--
Culture and Recreation	--	--	--	260
Economic Development and Assistance	--	--	--	--
Total Expenditures	<u>23,420</u>	<u>419,517</u>	<u>8,060</u>	<u>260</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,021</u>	<u>(419,372)</u>	<u>8,088</u>	<u>(260)</u>
Other Financing Sources (Uses):				
Transfers In	--	--	--	--
Transfers Out	(5,500)	--	--	--
Total Other Financing Sources (Uses)	<u>(5,500)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	5,521	(419,372)	8,088	(260)
Fund Balances - Beginning	89,074	439,018	(32,360)	159,751
Fund Balances - Ending	<u>\$ 94,595</u>	<u>\$ 19,646</u>	<u>\$ (24,272)</u>	<u>\$ 159,491</u>

Juvenile Probation Fund	Kleberg Co CD 7214261	Park Grant (CIAP) #2	Kleberg Co CFC 7214015	TX CDBG-DR 13-217-000-7377
\$ --	\$ --	\$ --	\$ --	\$ --
302,054	22,500	--	201,170	122,626
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>302,054</u>	<u>22,500</u>	<u>--</u>	<u>201,170</u>	<u>122,626</u>
--	22,500	--	--	122,626
--	--	--	--	--
258,072	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	230,045	--
<u>258,072</u>	<u>22,500</u>	<u>--</u>	<u>230,045</u>	<u>122,626</u>
<u>43,982</u>	<u>--</u>	<u>--</u>	<u>(28,875)</u>	<u>--</u>
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
43,982	--	--	(28,875)	--
(33,126)	--	122	(125)	--
<u>\$ 10,856</u>	<u>\$ --</u>	<u>\$ 122</u>	<u>\$ (29,000)</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	GLO 10-5085- 000-5063	DRS-210087	Community Supervision	Kleberg Co TCF 7214392
Revenue:				
Taxes:				
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	--	--	322,320	1,875
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	--	--	--
<i>Fees of Office</i>	--	--	425,489	--
<i>Investment Earnings</i>	--	--	288	--
<i>Miscellaneous Revenues</i>	--	--	--	--
<i>Contributions &amp; Donations</i>	--	--	--	--
Total Revenues	<u>--</u>	<u>--</u>	<u>748,097</u>	<u>1,875</u>
Expenditures:				
Current:				
<i>General Government</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Public Safety</i>	--	--	731,295	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	--	--	--	--
<i>Culture and Recreation</i>	--	--	--	--
<i>Economic Development and Assistance</i>	--	--	--	1,875
Total Expenditures	<u>--</u>	<u>--</u>	<u>731,295</u>	<u>1,875</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>16,802</u>	<u>--</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	--	9,432	--
<i>Transfers Out</i>	--	--	(6,680)	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>2,752</u>	<u>--</u>
Net Change in Fund Balances	--	--	19,554	--
Fund Balances - Beginning	146	1,432	65,084	(47,235)
Fund Balances - Ending	<u>\$ 146</u>	<u>\$ 1,432</u>	<u>\$ 84,638</u>	<u>\$ (47,235)</u>

Disaster Relief Fund	CSCD Personal Bond Unit	South Texas Task Force Federal	Title IV-E Expenses	Energy Project Fund
\$ --	\$ --	\$ --	\$ --	\$ --
27,500	--	--	31,499	43,353
--	--	--	--	--
--	132,804	22,115	--	--
--	1,567	2,985	20	309
--	--	5,743	--	--
--	--	--	--	--
<u>27,500</u>	<u>134,371</u>	<u>30,843</u>	<u>31,519</u>	<u>43,662</u>
42,500	--	--	--	--
--	--	--	--	--
--	144,248	62,084	55,661	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>42,500</u>	<u>144,248</u>	<u>62,084</u>	<u>55,661</u>	<u>--</u>
<u>(15,000)</u>	<u>(9,877)</u>	<u>(31,241)</u>	<u>(24,142)</u>	<u>43,662</u>
--	--	706,823	--	--
--	--	--	--	--
--	--	706,823	--	--
--	--	--	--	--
<u>(15,000)</u>	<u>(9,877)</u>	<u>675,582</u>	<u>(24,142)</u>	<u>43,662</u>
--	133,251	146,401	81,932	6,771
<u>\$ (15,000)</u>	<u>\$ 123,374</u>	<u>\$ 821,983</u>	<u>\$ 57,790</u>	<u>\$ 50,433</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Kenedy County CSCD	Special Caseload Sex Fund	Texas A&M University Fund	KSO Ch 59 Fund
Revenue:				
Taxes:				
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	7,500	52,462	248,627	--
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	--	--	--
<i>Fees of Office</i>	--	--	--	--
<i>Investment Earnings</i>	--	--	53	--
<i>Miscellaneous Revenues</i>	--	--	--	--
<i>Contributions &amp; Donations</i>	--	--	--	--
Total Revenues	<u>7,500</u>	<u>52,462</u>	<u>248,680</u>	<u>--</u>
Expenditures:				
Current:				
<i>General Government</i>	7,500	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Public Safety</i>	--	54,999	--	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	--	--	--	--
<i>Culture and Recreation</i>	--	--	--	--
<i>Economic Development and Assistance</i>	--	--	209,876	--
Total Expenditures	<u>7,500</u>	<u>54,999</u>	<u>209,876</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>(2,537)</u>	<u>38,804</u>	<u>--</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	2,748	--	--
<i>Transfers Out</i>	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>2,748</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	--	211	38,804	--
Fund Balances - Beginning	--	10,031	35,673	129
Fund Balances - Ending	<u>\$ --</u>	<u>\$ 10,242</u>	<u>\$ 74,477</u>	<u>\$ 129</u>

2011 Stonegarden Grant	Communication Interoperability	5310 Enhancement Grant	JARC Grant	H/S Agriculture Grant
\$ --	\$ --	\$ --	\$ --	\$ --
--	36,016	--	--	19,390
--	--	--	--	--
--	--	--	--	--
--	--	32,041	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>36,016</u>	<u>32,041</u>	<u>--</u>	<u>19,390</u>
--	--	27,731	--	--
--	36,016	--	--	--
--	--	--	--	--
--	--	--	--	20,220
--	--	--	--	--
<u>--</u>	<u>36,016</u>	<u>27,731</u>	<u>--</u>	<u>20,220</u>
--	--	4,310	--	(830)
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	4,310	--	(830)
1,310	--	(7,700)	53,142	4,968
<u>\$ 1,310</u>	<u>\$ --</u>	<u>\$ (3,390)</u>	<u>\$ 53,142</u>	<u>\$ 4,138</u>



# KLEBERG COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	District Clerk Records Mgmt & Preservation	Courthouse Security	J.P.'s Tech Fund	Constable #2 Forfeiture Fund
Revenue:				
Taxes:				
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	--	--	--	--
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	--	24,004	--
<i>Fees of Office</i>	9,474	32,795	--	--
<i>Investment Earnings</i>	472	3	1,530	1
<i>Miscellaneous Revenues</i>	--	--	--	--
<i>Contributions &amp; Donations</i>	--	--	--	--
Total Revenues	<u>9,946</u>	<u>32,798</u>	<u>25,534</u>	<u>1</u>
Expenditures:				
Current:				
<i>General Government</i>	--	--	--	--
<i>Judicial</i>	33,606	--	24,548	--
<i>Public Safety</i>	--	49,567	--	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	--	--	--	--
<i>Culture and Recreation</i>	--	--	--	--
<i>Economic Development and Assistance</i>	--	--	--	--
Total Expenditures	<u>33,606</u>	<u>49,567</u>	<u>24,548</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23,660)</u>	<u>(16,769)</u>	<u>986</u>	<u>1</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	30,000	--	--
<i>Transfers Out</i>	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>30,000</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(23,660)	13,231	986	1
Fund Balances - Beginning	57,805	6,888	108,054	5,078
Fund Balances - Ending	<u>\$ 34,145</u>	<u>\$ 20,119</u>	<u>\$ 109,040</u>	<u>\$ 5,079</u>

2012 Operation Stonegarden Grant	County Clerks	Records Management	Houston HIDTA Grant	D.A.'s Hot Check
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	17,304	--
--	9,448	--	--	--
--	--	--	--	--
--	--	85,996	--	--
--	--	3,368	--	283
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>9,448</u>	<u>89,364</u>	<u>17,304</u>	<u>283</u>
--	4,503	64,660	--	--
--	--	--	--	--
--	--	--	24,023	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>4,503</u>	<u>64,660</u>	<u>24,023</u>	<u>--</u>
--	4,945	24,704	(6,719)	283
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	4,945	24,704	(6,719)	283
8,594	6,993	280,136	(5,102)	15,450
<u>\$ 8,594</u>	<u>\$ 11,938</u>	<u>\$ 304,840</u>	<u>\$ (11,821)</u>	<u>\$ 15,733</u>

**KLEBERG COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Constable #1 Forfeiture	Firefighters Grant	Constable Pct 4 Forfeiture	U.S. Marshals/ Constable Pct 4 Forfeiture
Revenue:				
Taxes:				
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	--	--	--	--
<i>Charges for Services</i>	--	--	--	--
<i>Fines and Forfeitures</i>	--	--	--	--
<i>Fees of Office</i>	--	--	--	--
<i>Investment Earnings</i>	--	--	2,418	85
<i>Miscellaneous Revenues</i>	--	--	--	--
<i>Contributions &amp; Donations</i>	--	--	--	--
Total Revenues	<u>--</u>	<u>--</u>	<u>2,418</u>	<u>85</u>
Expenditures:				
Current:				
<i>General Government</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Public Safety</i>	--	--	--	--
<i>Public Transportation</i>	--	--	--	--
<i>Health and Welfare</i>	--	--	--	--
<i>Culture and Recreation</i>	--	--	--	--
<i>Economic Development and Assistance</i>	--	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>2,418</u>	<u>85</u>
Other Financing Sources (Uses):				
<i>Transfers In</i>	--	--	--	--
<i>Transfers Out</i>	--	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	--	--	2,418	85
Fund Balances - Beginning	210	2,572	156,359	4,641
Fund Balances - Ending	<u>\$ 210</u>	<u>\$ 2,572</u>	<u>\$ 158,777</u>	<u>\$ 4,726</u>

County Attorney's Asset Forfeiture Fund	County Attorney Hot Checks Fund	Human Services 1/1-12/31	Human Services Neighbor to Neighbor	C.J.D. 9/1-8/31
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	661,385	31,940	--
--	--	--	--	--
165	--	--	--	--
--	2,888	--	--	--
125	68	--	9,000	3
--	--	186	--	--
--	--	--	--	--
<u>290</u>	<u>2,956</u>	<u>661,571</u>	<u>40,940</u>	<u>3</u>
--	--	--	--	--
790	5,234	--	--	--
--	--	--	--	--
--	--	670,825	61,127	--
--	--	--	--	--
--	--	--	--	--
<u>790</u>	<u>5,234</u>	<u>670,825</u>	<u>61,127</u>	<u>--</u>
<u>(500)</u>	<u>(2,278)</u>	<u>(9,254)</u>	<u>(20,187)</u>	<u>3</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>(500)</u>	<u>(2,278)</u>	<u>(9,254)</u>	<u>(20,187)</u>	<u>3</u>
7,565	7,653	107,015	25,320	9,128
<u>\$ 7,065</u>	<u>\$ 5,375</u>	<u>\$ 97,761</u>	<u>\$ 5,133</u>	<u>\$ 9,131</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	2014 Operation StoneGarden	Abandoned Vehicles Fund	Human Services
Revenue:			
Taxes:			
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	35,498	--	558,533
<i>Charges for Services</i>	--	--	17,963
<i>Fines and Forfeitures</i>	--	--	--
<i>Fees of Office</i>	--	--	--
<i>Investment Earnings</i>	--	1	17
<i>Miscellaneous Revenues</i>	--	--	24
<i>Contributions &amp; Donations</i>	--	--	--
Total Revenues	<u>35,498</u>	<u>1</u>	<u>576,537</u>
Expenditures:			
Current:			
<i>General Government</i>	--	--	--
<i>Judicial</i>	--	--	--
<i>Public Safety</i>	--	--	--
<i>Public Transportation</i>	--	--	--
<i>Health and Welfare</i>	--	--	578,629
<i>Culture and Recreation</i>	--	--	--
<i>Economic Development and Assistance</i>	--	--	--
Total Expenditures	<u>--</u>	<u>--</u>	<u>578,629</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35,498</u>	<u>1</u>	<u>(2,092)</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	--	--	--
<i>Transfers Out</i>	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	35,498	1	(2,092)
Fund Balances - Beginning	125,718	3,232	173,528
Fund Balances - Ending	<u>\$ 161,216</u>	<u>\$ 3,233</u>	<u>\$ 171,436</u>

Human Services 10/1-9/30	2015 Operation Stonegarden Grant	Airport Ramp Grant	2016 Operation Stonegarden Grant	G.L.O. Grants
\$ --	\$ --	\$ --	\$ --	\$ --
448,658	32,759	8,517	235,584	--
--	--	--	--	--
--	--	--	--	--
--	--	92	--	1
29	--	--	--	--
31,353	--	--	--	--
<u>480,040</u>	<u>32,759</u>	<u>8,609</u>	<u>235,584</u>	<u>1</u>
--	--	--	287,037	--
--	--	--	--	--
--	25,021	--	--	--
--	--	33,844	--	--
541,285	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>541,285</u>	<u>25,021</u>	<u>33,844</u>	<u>287,037</u>	<u>--</u>
<u>(61,245)</u>	<u>7,738</u>	<u>(25,235)</u>	<u>(51,453)</u>	<u>1</u>
108,206	--	--	--	--
--	--	--	--	--
<u>108,206</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
46,961	7,738	(25,235)	(51,453)	1
6,184	(28,232)	51,234	(331)	11
<u>\$ 53,145</u>	<u>\$ (20,494)</u>	<u>\$ 25,999</u>	<u>\$ (51,784)</u>	<u>\$ 12</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Park Grant (CIAP)	2017 Operation Stonegarden Grant	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenue:			
Taxes:			
<i>Gross Receipts Business Taxes</i>	\$ --	\$ --	\$ 54,222
<i>Intergovernmental</i>	416,830	--	4,448,681
<i>Charges for Services</i>	--	--	29,971
<i>Fines and Forfeitures</i>	--	--	1,281,946
<i>Fees of Office</i>	--	--	689,446
<i>Investment Earnings</i>	2	--	57,556
<i>Miscellaneous Revenues</i>	--	--	5,982
<i>Contributions &amp; Donations</i>	--	--	532,789
Total Revenues	<u>416,832</u>	<u>--</u>	<u>7,100,593</u>
Expenditures:			
Current:			
<i>General Government</i>	--	--	1,541,036
<i>Judicial</i>	--	--	87,598
<i>Public Safety</i>	--	64,578	2,404,873
<i>Public Transportation</i>	--	--	33,844
<i>Health and Welfare</i>	--	--	2,291,603
<i>Culture and Recreation</i>	--	--	2,222
<i>Economic Development and Assistance</i>	--	--	441,796
Total Expenditures	<u>--</u>	<u>64,578</u>	<u>6,802,972</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>416,832</u>	<u>(64,578)</u>	<u>297,621</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	--	--	1,037,662
<i>Transfers Out</i>	--	--	(719,003)
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>318,659</u>
Net Change in Fund Balances	416,832	(64,578)	616,280
Fund Balances - Beginning	(21,050)	--	3,151,388
Fund Balances - Ending	<u>\$ 395,782</u>	<u>\$ (64,578)</u>	<u>\$ 3,767,668</u>

**KLEBERG COUNTY, TEXAS**  
 KINGSVILLE NARCOTICS TF FEDL  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-5

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 717,000	\$ 717,000	\$ 4,429	\$ (712,571)
Investment Earnings	309	309	309	--
Miscellaneous Revenues	10,748	10,748	--	(10,748)
Total Revenues	<u>728,057</u>	<u>728,057</u>	<u>4,738</u>	<u>(723,319)</u>
<b>EXPENDITURES:</b>				
Total Expenditures	--	--	--	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>728,057</u>	<u>728,057</u>	<u>4,738</u>	<u>(723,319)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	<u>(706,823)</u>	<u>(706,823)</u>	<u>(706,823)</u>	--
Total Other Financing Sources (Uses)	<u>(706,823)</u>	<u>(706,823)</u>	<u>(706,823)</u>	--
Net Change in Fund Balances	21,234	21,234	(702,085)	(723,319)
Fund Balances - Beginning	718,478	718,478	718,478	--
Fund Balances - Ending	<u>\$ 739,712</u>	<u>\$ 739,712</u>	<u>\$ 16,393</u>	<u>\$ (723,319)</u>



**KLEBERG COUNTY, TEXAS**  
 COURTHOUSE RESTORATION FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-6

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 198,132	\$ 198,132	\$ 198,132	\$ --
Investment Earnings	305	305	305	--
Contributions & Donations	501,436	501,436	501,436	--
Total Revenues	<u>699,873</u>	<u>699,873</u>	<u>699,873</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>General Government</b>				
<i>Other Services and Charges</i>	658,764	658,764	658,764	--
<b>Total General Government</b>	<u>658,764</u>	<u>658,764</u>	<u>658,764</u>	<u>--</u>
<b>Total Expenditures</b>	<u>658,764</u>	<u>658,764</u>	<u>658,764</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>41,109</u>	<u>41,109</u>	<u>41,109</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	41,109	41,109	41,109	--
Fund Balances - Beginning	19,111	19,111	19,111	--
Fund Balances - Ending	<u>\$ 60,220</u>	<u>\$ 60,220</u>	<u>\$ 60,220</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
**FEDERAL DRUG FUND**  
**SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT C-7**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 104,346	\$ 104,346	\$ 104,346	\$ --
Investment Earnings	564	564	564	--
Total Revenues	<u>104,910</u>	<u>104,910</u>	<u>104,910</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Other Services and Charges</i>	123,285	123,285	123,285	--
<i>Total Public Safety</i>	<u>123,285</u>	<u>123,285</u>	<u>123,285</u>	<u>--</u>
<b>Total Public Safety</b>	<u>123,285</u>	<u>123,285</u>	<u>123,285</u>	<u>--</u>
<b>Total Expenditures</b>	<u>123,285</u>	<u>123,285</u>	<u>123,285</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(18,375)</u>	<u>(18,375)</u>	<u>(18,375)</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(18,375)	(18,375)	(18,375)	--
Fund Balances - Beginning	85,285	85,285	85,285	--
Fund Balances - Ending	<u>\$ 66,910</u>	<u>\$ 66,910</u>	<u>\$ 66,910</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
 SHERIFF CHAPTER 59 FORFEITURE  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-8

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fines and Forfeitures	\$ 1,200,797	\$ 1,200,797	\$ 1,200,797	\$ --
Investment Earnings	287	287	287	--
Total Revenues	<u>1,201,084</u>	<u>1,201,084</u>	<u>1,201,084</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
Other Services and Charges	583,823	583,823	583,823	--
Total Public Safety	<u>583,823</u>	<u>583,823</u>	<u>583,823</u>	<u>--</u>
Total Public Safety	<u>583,823</u>	<u>583,823</u>	<u>583,823</u>	<u>--</u>
Total Expenditures	<u>583,823</u>	<u>583,823</u>	<u>583,823</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>617,261</u>	<u>617,261</u>	<u>617,261</u>	<u>--</u>
OTHER FINANCING SOURCES (USES):				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	617,261	617,261	617,261	--
Fund Balances - Beginning	20,184	20,184	20,184	--
Fund Balances - Ending	<u>\$ 637,445</u>	<u>\$ 637,445</u>	<u>\$ 637,445</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
HOME GRANT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-9

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 88,194	\$ 88,194	\$ 86,971	\$ (1,223)
Total Revenues	<u>88,194</u>	<u>88,194</u>	<u>86,971</u>	<u>(1,223)</u>
<b>EXPENDITURES:</b>				
<b>General Government</b>				
<i>Other Services and Charges</i>	111,222	111,222	98,222	13,000
<b>Total General Government</b>	<u>111,222</u>	<u>111,222</u>	<u>98,222</u>	<u>13,000</u>
<b>Total Expenditures</b>	<u>111,222</u>	<u>111,222</u>	<u>98,222</u>	<u>13,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23,028)</u>	<u>(23,028)</u>	<u>(11,251)</u>	<u>11,777</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(23,028)	(23,028)	(11,251)	11,777
Fund Balances - Beginning	(31,752)	(31,752)	(31,752)	--
Fund Balances - Ending	<u>\$ (54,780)</u>	<u>\$ (54,780)</u>	<u>\$ (43,003)</u>	<u>\$ 11,777</u>

**KLEBERG COUNTY, TEXAS**  
 CO. ATTY PRETRIAL DIVERSION  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-10

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fines and Forfeitures	\$ 34,441	\$ 34,441	\$ 34,441	\$ --
Total Revenues	<u>34,441</u>	<u>34,441</u>	<u>34,441</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Judicial</b>				
<b>County court</b>				
<i>Personal Services</i>	22,486	22,486	22,470	16
<i>Other Services and Charges</i>	958	958	950	8
<i>Total County Court</i>	<u>23,444</u>	<u>23,444</u>	<u>23,420</u>	<u>24</u>
<b>Total Judicial</b>	<u>23,443</u>	<u>23,443</u>	<u>23,420</u>	<u>23</u>
<b>Total Expenditures</b>	<u>23,443</u>	<u>23,443</u>	<u>23,420</u>	<u>23</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,998</u>	<u>10,998</u>	<u>11,021</u>	<u>23</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers Out</i>	<u>(5,500)</u>	<u>(5,500)</u>	<u>(5,500)</u>	<u>--</u>
Total Other Financing Sources (Uses)	<u>(5,500)</u>	<u>(5,500)</u>	<u>(5,500)</u>	<u>--</u>
Net Change in Fund Balances	5,498	5,498	5,521	23
Fund Balances - Beginning	<u>89,074</u>	<u>89,074</u>	<u>89,074</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 94,572</u>	<u>\$ 94,572</u>	<u>\$ 94,595</u>	<u>\$ 23</u>

**KLEBERG COUNTY, TEXAS**  
COMMUNITY SUPERVISION  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-11

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 415,422	\$ 348,594	\$ 322,320	\$ (26,274)
Fees of Office	409,563	468,448	425,489	(42,959)
Investment Earnings	800	1,319	288	(1,031)
Total Revenues	<u>825,785</u>	<u>818,361</u>	<u>748,097</u>	<u>(70,264)</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Personal Services</i>	689,131	669,413	632,591	36,822
<i>Supplies</i>	16,905	15,872	9,863	6,009
<i>Other Services and Charges</i>	109,997	107,712	88,841	18,871
<i>Total Public Safety</i>	<u>816,033</u>	<u>792,997</u>	<u>731,295</u>	<u>61,702</u>
<b>Total Public Safety</b>	<u>816,032</u>	<u>792,996</u>	<u>731,295</u>	<u>61,701</u>
<b>Total Expenditures</b>	<u>816,032</u>	<u>792,996</u>	<u>731,295</u>	<u>61,701</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,753</u>	<u>25,365</u>	<u>16,802</u>	<u>(8,563)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers In</i>	3,932	3,932	9,432	5,500
<i>Transfers Out</i>	--	--	(6,680)	6,680
Total Other Financing Sources (Uses)	<u>3,932</u>	<u>3,932</u>	<u>2,752</u>	<u>1,180</u>
 Net Change in Fund Balances	 13,685	 29,297	 19,554	 (9,743)
Fund Balances - Beginning	65,084	65,084	65,084	--
Fund Balances - Ending	<u>\$ 78,769</u>	<u>\$ 94,381</u>	<u>\$ 84,638</u>	<u>\$ (9,743)</u>

**KLEBERG COUNTY, TEXAS**  
*CSCD PERSONAL BOND FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

EXHIBIT C-12

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fees of Office	\$ 132,804	\$ 132,804	\$ 132,804	\$ --
Investment Earnings	1,000	1,567	1,567	--
Total Revenues	<u>133,804</u>	<u>134,371</u>	<u>134,371</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Personal Services</i>	130,000	137,605	137,605	--
<i>Supplies</i>	2,000	2,090	2,090	--
<i>Other Services and Charges</i>	4,000	4,553	4,553	--
<i>Total Public Safety</i>	<u>136,000</u>	<u>144,248</u>	<u>144,248</u>	<u>--</u>
<b>Total Public Safety</b>	<u>136,000</u>	<u>144,248</u>	<u>144,248</u>	<u>--</u>
<b>Total Expenditures</b>	<u>136,000</u>	<u>144,248</u>	<u>144,248</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,196)</u>	<u>(9,877)</u>	<u>(9,877)</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(2,196)	(9,877)	(9,877)	--
Fund Balances - Beginning	133,251	133,251	133,251	--
Fund Balances - Ending	<u>\$ 131,055</u>	<u>\$ 123,374</u>	<u>\$ 123,374</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
SO TX TASK FORCE FEDERAL  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-13

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fines and Forfeitures	\$ 109,234	\$ 109,234	\$ 22,115	\$ (87,119)
Investment Earnings	2,985	2,985	2,985	--
Miscellaneous Revenues	5,744	5,744	5,743	(1)
Total Revenues	<u>117,963</u>	<u>117,963</u>	<u>30,843</u>	<u>(87,120)</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Supplies</i>	42,030	42,030	29,767	12,263
<i>Other Services and Charges</i>	64,204	64,204	32,317	31,887
<i>Total Public Safety</i>	<u>106,234</u>	<u>106,234</u>	<u>62,084</u>	<u>44,150</u>
<b>Total Public Safety</b>	<u>106,234</u>	<u>106,234</u>	<u>62,084</u>	<u>44,150</u>
<b>Total Expenditures</b>	<u>106,234</u>	<u>106,234</u>	<u>62,084</u>	<u>44,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,729</u>	<u>11,729</u>	<u>(31,241)</u>	<u>(42,970)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers In</i>	816,121	816,121	706,823	(109,298)
Total Other Financing Sources (Uses)	<u>816,121</u>	<u>816,121</u>	<u>706,823</u>	<u>109,298</u>
Net Change in Fund Balances	827,850	827,850	675,582	(152,268)
Fund Balances - Beginning	146,400	146,401	146,401	--
Fund Balances - Ending	<u>\$ 974,250</u>	<u>\$ 974,251</u>	<u>\$ 821,983</u>	<u>\$ (152,268)</u>



**KLEBERG COUNTY, TEXAS**  
ENERGY PROJECT FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-14

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 43,353	\$ 43,353	\$ 43,353	\$ --
Investment Earnings	309	309	309	--
Total Revenues	<u>43,662</u>	<u>43,662</u>	<u>43,662</u>	<u>--</u>
<b>EXPENDITURES:</b>				
Total Expenditures	--	--	--	--
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>43,662</u>	<u>43,662</u>	<u>43,662</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	--	--	--	--
Net Change in Fund Balances	43,662	43,662	43,662	--
Fund Balances - Beginning	6,771	6,771	6,771	--
Fund Balances - Ending	<u>\$ 50,433</u>	<u>\$ 50,433</u>	<u>\$ 50,433</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
*SPECIAL CASELOAD SEX FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

**EXHIBIT C-15**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 50,000	\$ 52,462	\$ 52,462	\$ --
Total Revenues	<u>50,000</u>	<u>52,462</u>	<u>52,462</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Personal Services</i>	40,000	47,030	47,030	--
<i>Supplies</i>	2,000	2,353	2,353	--
<i>Other Services and Charges</i>	5,000	5,616	5,616	--
<i>Total Public Safety</i>	<u>47,000</u>	<u>54,999</u>	<u>54,999</u>	<u>--</u>
<b>Total Public Safety</b>	<u>47,000</u>	<u>54,999</u>	<u>54,999</u>	<u>--</u>
<b>Total Expenditures</b>	<u>47,000</u>	<u>54,999</u>	<u>54,999</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,000</u>	<u>(2,537)</u>	<u>(2,537)</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers In</i>	<u>2,748</u>	<u>2,748</u>	<u>2,748</u>	<u>--</u>
<b>Total Other Financing Sources (Uses)</b>	<u>2,748</u>	<u>2,748</u>	<u>2,748</u>	<u>--</u>
Net Change in Fund Balances	5,748	211	211	--
Fund Balances - Beginning	10,031	10,031	10,031	--
Fund Balances - Ending	<u>\$ 15,779</u>	<u>\$ 10,242</u>	<u>\$ 10,242</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
 TEXAS A&M UNIVERSITY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-16

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 240,000	\$ 248,627	\$ 248,627	\$ --
Investment Earnings	50	53	53	--
Total Revenues	<u>240,050</u>	<u>248,680</u>	<u>248,680</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Economic Development and Assistance</b>				
<i>Personal Services</i>	160,000	161,400	161,400	--
<i>Supplies</i>	42,000	42,689	42,689	--
<i>Other Services and Charges</i>	5,000	4,979	5,079	(100)
<i>Total Economic Development and Assistance</i>	<u>207,000</u>	<u>209,068</u>	<u>209,168</u>	<u>(100)</u>
<b>Total Expenditures</b>	<u>207,800</u>	<u>209,876</u>	<u>209,876</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>32,250</u>	<u>38,804</u>	<u>38,804</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	32,250	38,804	38,804	--
Fund Balances - Beginning	35,673	35,673	35,673	--
Fund Balances - Ending	<u>\$ 67,923</u>	<u>\$ 74,477</u>	<u>\$ 74,477</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
*J.P.'S TECH FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

EXHIBIT C-17

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fines and Forfeitures	\$ 24,005	\$ 24,004	\$ 24,004	\$ --
Investment Earnings	1,530	1,530	1,530	--
Total Revenues	<u>25,535</u>	<u>25,534</u>	<u>25,534</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Judicial</b>				
<b>Justice of the Peace</b>				
<i>Other Services and Charges</i>	32,978	32,978	24,548	8,430
<i>Total Justice of the Peace</i>	<u>32,978</u>	<u>32,978</u>	<u>24,548</u>	<u>8,430</u>
<b>Total Judicial</b>	<u>32,978</u>	<u>32,978</u>	<u>24,548</u>	<u>8,430</u>
<b>Total Expenditures</b>	<u>32,978</u>	<u>32,978</u>	<u>24,548</u>	<u>8,430</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,443)</u>	<u>(7,444)</u>	<u>986</u>	<u>8,430</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
 Net Change in Fund Balances	 (7,443)	 (7,444)	 986	 8,430
Fund Balances - Beginning	108,054	108,054	108,054	--
Fund Balances - Ending	<u>\$ 100,611</u>	<u>\$ 100,610</u>	<u>\$ 109,040</u>	<u>\$ 8,430</u>

**KLEBERG COUNTY, TEXAS**  
 RECORDS MANAGEMENT  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-18

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Fees of Office	\$ 86,011	\$ 86,011	\$ 85,996	\$ (15)
Investment Earnings	3,368	3,368	3,368	--
Total Revenues	<u>89,379</u>	<u>89,379</u>	<u>89,364</u>	<u>(15)</u>
<b>EXPENDITURES:</b>				
<b>General Government</b>				
<i>Personal Services</i>	36,698	36,698	31,998	4,700
<i>Supplies</i>	8,716	8,716	3,716	5,000
<i>Other Services and Charges</i>	33,481	33,481	28,946	4,535
<b>Total General Government</b>	<u>78,896</u>	<u>78,896</u>	<u>64,660</u>	<u>14,236</u>
<b>Total Expenditures</b>	<u>78,896</u>	<u>78,896</u>	<u>64,660</u>	<u>14,236</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,483</u>	<u>10,483</u>	<u>24,704</u>	<u>14,221</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
 Net Change in Fund Balances	 10,483	 10,483	 24,704	 14,221
Fund Balances - Beginning	280,137	280,136	280,136	--
Fund Balances - Ending	<u>\$ 290,620</u>	<u>\$ 290,619</u>	<u>\$ 304,840</u>	<u>\$ 14,221</u>

**KLEBERG COUNTY, TEXAS**  
HUMAN SERVICES 1/1-12/31  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-19

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 661,385	\$ 661,385	\$ 661,385	\$ --
Miscellaneous Revenues	186	186	186	--
Total Revenues	<u>661,571</u>	<u>661,571</u>	<u>661,571</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<b>Health and Welfare</b>				
<b>Health &amp; Welfare</b>				
<i>Personal Services</i>	86,885	86,885	86,885	--
<i>Supplies</i>	7,179	7,179	7,179	--
<i>Other Services and Charges</i>	576,761	576,761	576,761	--
<i>Total Health &amp; Welfare</i>	<u>670,825</u>	<u>670,825</u>	<u>670,825</u>	<u>--</u>
<b>Total Health and Welfare</b>	<u>670,825</u>	<u>670,825</u>	<u>670,825</u>	<u>--</u>
<b>Total Expenditures</b>	<u>670,825</u>	<u>670,825</u>	<u>670,825</u>	<u>--</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,254)</u>	<u>(9,254)</u>	<u>(9,254)</u>	<u>--</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(9,254)	(9,254)	(9,254)	--
Fund Balances - Beginning	107,015	107,015	107,015	--
Fund Balances - Ending	<u>\$ 97,761</u>	<u>\$ 97,761</u>	<u>\$ 97,761</u>	<u>\$ --</u>

**KLEBERG COUNTY, TEXAS**  
HUMAN SERVICES NEIGHBOR TO NEIGHBOR  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-20

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 35,000	\$ 35,000	\$ 31,940	\$ (3,060)
Investment Earnings	--	--	9,000	9,000
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>40,940</u>	<u>5,940</u>
<b>EXPENDITURES:</b>				
<b>Health and Welfare</b>				
<b>Health &amp; Welfare</b>				
Supplies	10,595	10,595	4,680	5,915
Other Services and Charges	65,062	65,062	56,447	8,615
Total Health & Welfare	<u>75,657</u>	<u>75,657</u>	<u>61,127</u>	<u>14,530</u>
Total Health and Welfare	<u>75,657</u>	<u>75,657</u>	<u>61,127</u>	<u>14,530</u>
Total Expenditures	<u>75,657</u>	<u>75,657</u>	<u>61,127</u>	<u>14,530</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(40,657)</u>	<u>(40,657)</u>	<u>(20,187)</u>	<u>20,470</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(40,657)	(40,657)	(20,187)	20,470
Fund Balances - Beginning	25,320	25,320	25,320	--
Fund Balances - Ending	<u>\$ (15,337)</u>	<u>\$ (15,337)</u>	<u>\$ 5,133</u>	<u>\$ 20,470</u>

**KLEBERG COUNTY, TEXAS**  
HUMAN SERVICES  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-21

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 482,332	\$ 674,317	\$ 558,533	\$ (115,784)
Charges for Services	24,000	25,855	17,963	(7,892)
Investment Earnings	--	10	17	7
Miscellaneous Revenues	--	100	24	(76)
Total Revenues	<u>506,332</u>	<u>700,282</u>	<u>576,537</u>	<u>(123,745)</u>
<b>EXPENDITURES:</b>				
<b>Health and Welfare</b>				
<b>Health &amp; Welfare</b>				
<i>Personal Services</i>	435,610	561,179	375,668	185,511
<i>Supplies</i>	38,228	53,495	64,112	(10,617)
<i>Other Services and Charges</i>	130,500	142,380	68,750	73,630
<i>Capital Outlay</i>	--	--	70,099	(70,099)
<i>Total Health &amp; Welfare</i>	<u>604,338</u>	<u>757,054</u>	<u>578,629</u>	<u>178,425</u>
<b>Total Health and Welfare</b>	<u>604,338</u>	<u>757,054</u>	<u>578,629</u>	<u>178,425</u>
<b>Total Expenditures</b>	<u>604,338</u>	<u>757,054</u>	<u>578,629</u>	<u>178,425</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(98,006)</u>	<u>(56,772)</u>	<u>(2,092)</u>	<u>54,680</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	(98,006)	(56,772)	(2,092)	54,680
Fund Balances - Beginning	173,528	173,528	173,528	--
Fund Balances - Ending	<u>\$ 75,522</u>	<u>\$ 116,756</u>	<u>\$ 171,436</u>	<u>\$ 54,680</u>



**KLEBERG COUNTY, TEXAS**  
HUMAN SERVICES 10/1-9/30  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-22

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Intergovernmental	\$ 473,878	\$ 473,878	\$ 448,658	\$ (25,220)
Miscellaneous Revenues	29	29	29	--
Contributions & Donations	31,915	31,915	31,353	(562)
Total Revenues	<u>505,822</u>	<u>505,822</u>	<u>480,040</u>	<u>(25,782)</u>
<b>EXPENDITURES:</b>				
<b>Health and Welfare</b>				
<b>Health &amp; Welfare</b>				
<i>Personal Services</i>	293,937	293,937	281,256	12,681
<i>Supplies</i>	234,077	234,077	202,831	31,246
<i>Other Services and Charges</i>	68,704	68,704	57,198	11,506
<i>Total Health &amp; Welfare</i>	<u>596,718</u>	<u>596,718</u>	<u>541,285</u>	<u>55,433</u>
<b>Total Health and Welfare</b>	<u>596,718</u>	<u>596,718</u>	<u>541,285</u>	<u>55,433</u>
<b>Total Expenditures</b>	<u>596,718</u>	<u>596,718</u>	<u>541,285</u>	<u>55,433</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(90,896)</u>	<u>(90,896)</u>	<u>(61,245)</u>	<u>29,651</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Transfers In</i>	108,206	108,206	108,206	--
Total Other Financing Sources (Uses)	<u>108,206</u>	<u>108,206</u>	<u>108,206</u>	<u>--</u>
 Net Change in Fund Balances	 17,310	 17,310	 46,961	 29,651
Fund Balances - Beginning	6,184	6,184	6,184	--
Fund Balances - Ending	<u>\$ 23,494</u>	<u>\$ 23,494</u>	<u>\$ 53,145</u>	<u>\$ 29,651</u>

**KLEBERG COUNTY, TEXAS**  
 2017 OPERATION STONEGARDEN GRANT  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-23

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Total Revenues	\$ --	\$ --	\$ --	\$ --
<b>EXPENDITURES:</b>				
<b>Public Safety</b>				
<b>Public Safety</b>				
<i>Personal Services</i>	83,862	83,862	34,538	49,324
<i>Supplies</i>	17,979	17,979	490	17,489
<i>Other Services and Charges</i>	9,350	9,350	5,550	3,800
<i>Total Public Safety</i>	111,191	111,191	40,578	70,613
<b>Total Public Safety</b>	135,191	135,191	64,578	70,613
<b>Total Expenditures</b>	135,191	135,191	64,578	70,613
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,191)	(135,191)	(64,578)	70,613
<b>OTHER FINANCING SOURCES (USES):</b>				
Total Other Financing Sources (Uses)	--	--	--	--
 Net Change in Fund Balances	(135,191)	(135,191)	(64,578)	70,613
Fund Balances - Beginning	--	--	--	--
Fund Balances - Ending	\$ (135,191)	\$ (135,191)	\$ (64,578)	\$ 70,613

**KLEBERG COUNTY, TEXAS**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

EXHIBIT C-24

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUE:</b>				
Taxes:				
<i>General Property Taxes</i>	\$ 471,602	\$ 471,602	\$ 471,602	\$ --
<i>Other Taxes - Miscellaneous</i>	8,349	8,349	8,349	--
Investment Earnings	6,969	6,969	6,969	--
<b>Total Revenues</b>	<u>486,920</u>	<u>486,920</u>	<u>486,920</u>	<u>--</u>
<b>EXPENDITURES:</b>				
<i>Debt Service:</i>				
<i>Principal</i>	265,200	265,200	340,000	(74,800)
<i>Interest and Fiscal Charges</i>	170,920	170,920	77,868	93,052
<i>Bond Issuance Costs</i>	--	--	56,875	(56,875)
<b>Total Expenditures</b>	<u>436,120</u>	<u>436,120</u>	<u>474,743</u>	<u>(38,623)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,800	50,800	12,177	(38,623)
<b>OTHER FINANCING SOURCES (USES):</b>				
<i>Issuance of Bonds</i>	--	--	3,945,000	3,945,000
<i>Payments to Escrow Agent</i>	--	--	(3,888,125)	3,888,125
<b>Total Other Financing Sources (Uses)</b>	<u>--</u>	<u>--</u>	<u>56,875</u>	<u>(56,875)</u>
 Net Change in Fund Balances	 50,800	 50,800	 69,052	 18,252
Fund Balances - Beginning	327,220	327,220	327,220	--
Fund Balances - Ending	<u>\$ 378,020</u>	<u>\$ 378,020</u>	<u>\$ 396,272</u>	<u>\$ 18,252</u>

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**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
SEPTEMBER 30, 2018

	<u>County Sheriff Pending Seizures</u>	<u>Task Force Pending Seizures</u>	<u>Sheriff Commissary</u>	<u>Sheriff Account</u>
ASSETS:				
<i>Cash and Cash Equivalents</i>	\$ 291,166	\$ 565,697	\$ 22,268	\$ 3,001
Total Assets	<u>\$ 291,166</u>	<u>\$ 565,697</u>	<u>\$ 22,268</u>	<u>\$ 3,001</u>
LIABILITIES:				
<i>Due to Other Governments and Agencies</i>	\$ 291,166	\$ 565,697	\$ 22,268	\$ 3,001
Total Liabilities	<u>\$ 291,166</u>	<u>\$ 565,697</u>	<u>\$ 22,268</u>	<u>\$ 3,001</u>
NET POSITION				

<u>Sheriff Inmate Trust</u>	<u>Tax Assessor/ Collector- Highway Acct</u>	<u>Tax Assessor Collector-VIT Account</u>	<u>Library</u>	<u>County Clerk Cash Bonds</u>
\$ 160,531	\$ 237,429	\$ 247,490	\$ 929	\$ 121,385
<u>\$ 160,531</u>	<u>\$ 237,429</u>	<u>\$ 247,490</u>	<u>\$ 929</u>	<u>\$ 121,385</u>
\$ 160,531	\$ 237,429	\$ 247,490	\$ 929	\$ 121,385
<u>\$ 160,531</u>	<u>\$ 237,429</u>	<u>\$ 247,490</u>	<u>\$ 929</u>	<u>\$ 121,385</u>

**KLEBERG COUNTY, TEXAS**

*COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES*

*AGENCY FUNDS*

*SEPTEMBER 30, 2018*

	County Clerk Trustee	District Clerk	District Clerk Cash Bonds	District Clerk Fee Account
ASSETS:				
<i>Cash and Cash Equivalents</i>	\$ 39,713	\$ 42,771	\$ 144,533	\$ 3,687
Total Assets	<u>\$ 39,713</u>	<u>\$ 42,771</u>	<u>\$ 144,533</u>	<u>\$ 3,687</u>
LIABILITIES:				
<i>Due to Other Governments and Agencies</i>	\$ 39,713	\$ 42,771	\$ 144,533	\$ 3,687
Total Liabilities	<u>\$ 39,713</u>	<u>\$ 42,771</u>	<u>\$ 144,533</u>	<u>\$ 3,687</u>
NET POSITION				

<u>County Attorney Trustee</u>	<u>District Clerk Registry of the Court</u>	<u>Tax Assessor Special Account</u>	<u>DPS Seizures</u>	<u>J.P. PCT 1</u>
\$ 6,079	\$ 35,511	\$ 10,791	\$ 106,600	\$ 24,745
<u>\$ 6,079</u>	<u>\$ 35,511</u>	<u>\$ 10,791</u>	<u>\$ 106,600</u>	<u>\$ 24,745</u>
\$ 6,079	\$ 35,511	\$ 10,791	\$ 106,600	\$ 24,745
<u>\$ 6,079</u>	<u>\$ 35,511</u>	<u>\$ 10,791</u>	<u>\$ 106,600</u>	<u>\$ 24,745</u>



**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

SEPTEMBER 30, 2018

	<u>J.P. PCT 2</u>	<u>J.P. PCT 3</u>	<u>J.P. PCT 4</u>	<u>Total Agency Funds (See Exhibit A-10)</u>
ASSETS:				
<i>Cash and Cash Equivalents</i>	\$ 3,492	\$ 115,304	\$ 928	\$ 2,184,050
Total Assets	<u>\$ 3,492</u>	<u>\$ 115,304</u>	<u>\$ 928</u>	<u>\$ 2,184,050</u>
LIABILITIES:				
<i>Due to Other Governments and Agencies</i>	\$ 3,492	\$ 115,304	\$ 928	\$ 2,184,050
Total Liabilities	<u>\$ 3,492</u>	<u>\$ 115,304</u>	<u>\$ 928</u>	<u>\$ 2,184,050</u>
NET POSITION				

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**KLEBERG COUNTY, TEXAS**

**EXHIBIT C-26**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED SEPTEMBER 30, 2018

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b>Payroll Fund</b>				
<b>ASSETS</b>				
Cash & Investments	\$ --	\$ 6,156,691	\$ 6,156,691	\$ --
Total Assets	<u>\$ --</u>	<u>\$ 6,156,691</u>	<u>\$ 6,156,691</u>	<u>\$ --</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ --	\$ 6,156,691	\$ 6,156,691	\$ --
Total Liabilities	<u>\$ --</u>	<u>\$ 6,156,691</u>	<u>\$ 6,156,691</u>	<u>\$ --</u>
<b>County Sheriff Pending Seizures</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 1,102,137	\$ 698,939	\$ 1,509,910	\$ 291,166
Total Assets	<u>\$ 1,102,137</u>	<u>\$ 698,939</u>	<u>\$ 1,509,910</u>	<u>\$ 291,166</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 1,102,137	\$ 698,939	\$ 1,509,910	\$ 291,166
Total Liabilities	<u>\$ 1,102,137</u>	<u>\$ 698,939</u>	<u>\$ 1,509,910</u>	<u>\$ 291,166</u>
<b>J.P. PCT 1</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 13,428	\$ 284,579	\$ 273,262	\$ 24,745
Total Assets	<u>\$ 13,428</u>	<u>\$ 284,579</u>	<u>\$ 273,262</u>	<u>\$ 24,745</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 13,428	\$ 284,579	\$ 273,262	\$ 24,745
Total Liabilities	<u>\$ 13,428</u>	<u>\$ 284,579</u>	<u>\$ 273,262</u>	<u>\$ 24,745</u>
<b>J.P. PCT 2</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 6,485	\$ 106,082	\$ 109,075	\$ 3,492
Total Assets	<u>\$ 6,485</u>	<u>\$ 106,082</u>	<u>\$ 109,075</u>	<u>\$ 3,492</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 6,485	\$ 106,082	\$ 109,075	\$ 3,492
Total Liabilities	<u>\$ 6,485</u>	<u>\$ 106,082</u>	<u>\$ 109,075</u>	<u>\$ 3,492</u>
<b>J.P. PCT 3</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 123,031	\$ 1,427,772	\$ 1,435,499	\$ 115,304
Total Assets	<u>\$ 123,031</u>	<u>\$ 1,427,772</u>	<u>\$ 1,435,499</u>	<u>\$ 115,304</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 123,031	\$ 1,427,772	\$ 1,435,499	\$ 115,304
Total Liabilities	<u>\$ 123,031</u>	<u>\$ 1,427,772</u>	<u>\$ 1,435,499</u>	<u>\$ 115,304</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-26

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b>J.P. PCT 4</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 5,346	\$ 39,288	\$ 43,705	\$ 929
Total Assets	<u>\$ 5,346</u>	<u>\$ 39,288</u>	<u>\$ 43,705</u>	<u>\$ 929</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 5,346	\$ 39,288	\$ 43,705	\$ 929
Total Liabilities	<u>\$ 5,346</u>	<u>\$ 39,288</u>	<u>\$ 43,705</u>	<u>\$ 929</u>
<b>Sheriff Commissary</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 47,211	\$ 139,500	\$ 164,443	\$ 22,268
Total Assets	<u>\$ 47,211</u>	<u>\$ 139,500</u>	<u>\$ 164,443</u>	<u>\$ 22,268</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 47,211	\$ 139,500	\$ 164,443	\$ 22,268
Total Liabilities	<u>\$ 47,211</u>	<u>\$ 139,500</u>	<u>\$ 164,443</u>	<u>\$ 22,268</u>
<b>Sheriff Account Fund</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 1,820	\$ 25,363	\$ 24,182	\$ 3,001
Total Assets	<u>\$ 1,820</u>	<u>\$ 25,363</u>	<u>\$ 24,182</u>	<u>\$ 3,001</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 1,820	\$ 25,363	\$ 24,182	\$ 3,001
Total Liabilities	<u>\$ 1,820</u>	<u>\$ 25,363</u>	<u>\$ 24,182</u>	<u>\$ 3,001</u>
<b>Sheriff Inmate Trust</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 113,617	\$ 501,154	\$ 454,240	\$ 160,531
Total Assets	<u>\$ 113,617</u>	<u>\$ 501,154</u>	<u>\$ 454,240</u>	<u>\$ 160,531</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 113,617	\$ 501,154	\$ 454,240	\$ 160,531
Total Liabilities	<u>\$ 113,617</u>	<u>\$ 501,154</u>	<u>\$ 454,240</u>	<u>\$ 160,531</u>
<b>Tax Assessor/Collector-Highway Account</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 149,700	\$ 9,277,578	\$ 9,189,849	\$ 237,429
Total Assets	<u>\$ 149,700</u>	<u>\$ 9,277,578</u>	<u>\$ 9,189,849</u>	<u>\$ 237,429</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 149,700	\$ 9,277,578	\$ 9,189,849	\$ 237,429
Total Liabilities	<u>\$ 149,700</u>	<u>\$ 9,277,578</u>	<u>\$ 9,189,849</u>	<u>\$ 237,429</u>

**KLEBERG COUNTY, TEXAS**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

YEAR ENDED SEPTEMBER 30, 2018

**EXHIBIT C-26**

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b>Tax Assessor/Collector-VIT Account</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 214,955	\$ 578,111	\$ 545,576	\$ 247,490
Total Assets	<u>\$ 214,955</u>	<u>\$ 578,111</u>	<u>\$ 545,576</u>	<u>\$ 247,490</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 214,955	\$ 578,111	\$ 545,576	\$ 247,490
Total Liabilities	<u>\$ 214,955</u>	<u>\$ 578,111</u>	<u>\$ 545,576</u>	<u>\$ 247,490</u>
<b>Tax Assessor/Collector-Tax Account</b>				
<b>ASSETS</b>				
Cash & Investments	\$ --	\$ 38,850,644	\$ 38,850,644	\$ --
Total Assets	<u>\$ --</u>	<u>\$ 38,850,644</u>	<u>\$ 38,850,644</u>	<u>\$ --</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ --	\$ 38,850,644	\$ 38,850,644	\$ --
Total Liabilities	<u>\$ --</u>	<u>\$ 38,850,644</u>	<u>\$ 38,850,644</u>	<u>\$ --</u>
<b>Library</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 987	\$ 14,275	\$ 14,333	\$ 929
Total Assets	<u>\$ 987</u>	<u>\$ 14,275</u>	<u>\$ 14,333</u>	<u>\$ 929</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 987	\$ 14,275	\$ 14,333	\$ 929
Total Liabilities	<u>\$ 987</u>	<u>\$ 14,275</u>	<u>\$ 14,333</u>	<u>\$ 929</u>
<b>County Clerk Cash Bonds</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 91,875	\$ 222,910	\$ 193,400	\$ 121,385
Total Assets	<u>\$ 91,875</u>	<u>\$ 222,910</u>	<u>\$ 193,400</u>	<u>\$ 121,385</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 91,875	\$ 222,910	\$ 193,400	\$ 121,385
Total Liabilities	<u>\$ 91,875</u>	<u>\$ 222,910</u>	<u>\$ 193,400</u>	<u>\$ 121,385</u>
<b>County Clerk Trustee</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 37,934	\$ 523,074	\$ 521,295	\$ 39,713
Total Assets	<u>\$ 37,934</u>	<u>\$ 523,074</u>	<u>\$ 521,295</u>	<u>\$ 39,713</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 37,934	\$ 523,074	\$ 521,295	\$ 39,713
Total Liabilities	<u>\$ 37,934</u>	<u>\$ 523,074</u>	<u>\$ 521,295</u>	<u>\$ 39,713</u>
<b>District Clerk</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 33,582	\$ 305,927	\$ 296,738	\$ 42,771
Total Assets	<u>\$ 33,582</u>	<u>\$ 305,927</u>	<u>\$ 296,738</u>	<u>\$ 42,771</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 33,582	\$ 305,927	\$ 296,738	\$ 42,771
Total Liabilities	<u>\$ 33,582</u>	<u>\$ 305,927</u>	<u>\$ 296,738</u>	<u>\$ 42,771</u>

**KLEBERG COUNTY, TEXAS**

**EXHIBIT C-26**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2018

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b>District Clerk Cash Bond</b>				
<b>ASSETS</b>				
Cash & Investments	\$ --	\$ 148,025	\$ 3,493	\$ 144,532
Total Assets	<u>\$ --</u>	<u>\$ 148,025</u>	<u>\$ 3,493</u>	<u>\$ 144,532</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ --	\$ 148,025	\$ 3,493	\$ 144,532
Total Liabilities	<u>\$ --</u>	<u>\$ 148,025</u>	<u>\$ 3,493</u>	<u>\$ 144,532</u>
<b>District Clerk Fee Account</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 3,471	\$ 20,894	\$ 20,678	\$ 3,687
Total Assets	<u>\$ 3,471</u>	<u>\$ 20,894</u>	<u>\$ 20,678</u>	<u>\$ 3,687</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 3,471	\$ 20,894	\$ 20,678	\$ 3,687
Total Liabilities	<u>\$ 3,471</u>	<u>\$ 20,894</u>	<u>\$ 20,678</u>	<u>\$ 3,687</u>
<b>County Attorney Trustee</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 3,085	\$ 30,388	\$ 27,395	\$ 6,078
Total Assets	<u>\$ 3,085</u>	<u>\$ 30,388</u>	<u>\$ 27,395</u>	<u>\$ 6,078</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 3,085	\$ 30,388	\$ 27,395	\$ 6,078
Total Liabilities	<u>\$ 3,085</u>	<u>\$ 30,388</u>	<u>\$ 27,395</u>	<u>\$ 6,078</u>
<b>District Clerk Registry of the Court</b>				
<b>ASSETS</b>				
Cash & Investments	\$ --	\$ 440,088	\$ 404,577	\$ 35,511
Total Assets	<u>\$ --</u>	<u>\$ 440,088</u>	<u>\$ 404,577</u>	<u>\$ 35,511</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ --	\$ 440,088	\$ 404,577	\$ 35,511
Total Liabilities	<u>\$ --</u>	<u>\$ 440,088</u>	<u>\$ 404,577</u>	<u>\$ 35,511</u>
<b>Tax Office Special Account</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 7,334	\$ 12,010	\$ 8,553	\$ 10,791
Total Assets	<u>\$ 7,334</u>	<u>\$ 12,010</u>	<u>\$ 8,553</u>	<u>\$ 10,791</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 7,334	\$ 12,010	\$ 8,553	\$ 10,791
Total Liabilities	<u>\$ 7,334</u>	<u>\$ 12,010</u>	<u>\$ 8,553</u>	<u>\$ 10,791</u>
<b>DPS Seizures</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 312,356	\$ 15,125	\$ 220,881	\$ 106,600
Total Assets	<u>\$ 312,356</u>	<u>\$ 15,125</u>	<u>\$ 220,881</u>	<u>\$ 106,600</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 312,356	\$ 15,125	\$ 220,881	\$ 106,600
Total Liabilities	<u>\$ 312,356</u>	<u>\$ 15,125</u>	<u>\$ 220,881</u>	<u>\$ 106,600</u>

**KLEBERG COUNTY, TEXAS**

EXHIBIT C-26

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2018

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b>Task Force Pending Seizures</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 1,528,664	\$ 2,699,871	\$ 3,662,837	\$ 565,698
Total Assets	<u>\$ 1,528,664</u>	<u>\$ 2,699,871</u>	<u>\$ 3,662,837</u>	<u>\$ 565,698</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 1,528,664	\$ 2,699,871	\$ 3,662,837	\$ 565,698
Total Liabilities	<u>\$ 1,528,664</u>	<u>\$ 2,699,871</u>	<u>\$ 3,662,837</u>	<u>\$ 565,698</u>
<b>TOTAL AGENCY FUNDS:</b>				
<b>ASSETS</b>				
Cash & Investments	\$ 3,797,018	\$ 62,518,288	\$ 64,131,256	\$ 2,184,050
Total Assets	<u>\$ 3,797,018</u>	<u>\$ 62,518,288</u>	<u>\$ 64,131,256</u>	<u>\$ 2,184,050</u>
<b>LIABILITIES</b>				
<b>Due to Other Governments</b>	\$ 3,797,018	\$ 62,518,288	\$ 64,131,256	\$ 2,184,050
Total Liabilities	<u>\$ 3,797,018</u>	<u>\$ 62,518,288</u>	<u>\$ 64,131,256</u>	<u>\$ 2,184,050</u>

# STATISTICAL SECTION

This part of the Kleberg County, Texas'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 County's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends	139
<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	147
<i>These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.</i>	
Debt Capacity	156
<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	160
<i>These schedules offer demographic and economic indicators to help the reader understand how the County's financial activities take place and to help make comparisons over time and with other governments.</i>	
Operating Information	164
<i>These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information 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.



**COUNTY OF KLEBERG**  
*NET POSITION BY COMPONENT,*  
*LAST TEN FISCAL YEARS*

	Fiscal Year				
	2018	2017	2016	2015	2014
<b>Governmental activities</b>					
Invested in capital assets, net of related debt	\$ 10,071,980	\$ 13,251,138	\$ 13,145,468	\$ 13,177,924	\$ 12,732,487
Restricted	1,462,513	349,551	300,421	271,619	449,769
Unrestricted	<u>13,450,030</u>	<u>10,196,694</u>	<u>6,849,099</u>	<u>7,441,616</u>	<u>7,639,898</u>
<b>Total governmental activities net position</b>	<u>\$ 24,984,523</u>	<u>\$ 23,797,383</u>	<u>\$ 20,294,988</u>	<u>\$ 20,891,159</u>	<u>\$ 20,822,154</u>
<b>Business-type activities</b>					
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total business-type activities net position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Primary government</b>					
Invested in capital assets, net of related debt	\$ 10,071,980	\$ 13,251,138	\$ 13,145,468	\$ 13,177,924	\$ 12,732,487
Restricted	1,462,513	349,551	300,421	271,619	449,769
Unrestricted	<u>13,450,030</u>	<u>10,196,694</u>	<u>6,849,099</u>	<u>7,441,616</u>	<u>7,639,898</u>
<b>Total primary government net position</b>	<u>\$ 24,984,523</u>	<u>\$ 23,797,383</u>	<u>\$ 20,294,988</u>	<u>\$ 20,891,159</u>	<u>\$ 20,822,154</u>

**Note:** The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

\* 2009-Restated from previous year to reflect \$6 million in unspent bond proceeds

Fiscal Year

	2013	2012	2011	2010	2009
\$	13,049,873	\$ 12,690,314	\$ 12,516,675	\$ 13,077,570	\$ 12,284,834
	636,312	814,648	522,368	475,877	656,213
	<u>6,796,352</u>	<u>6,827,699</u>	<u>6,425,985</u>	<u>5,594,868</u>	<u>5,657,725</u>
\$	<u>20,482,537</u>	<u>20,332,661</u>	<u>19,465,028</u>	<u>19,148,315</u>	<u>18,598,772</u>
\$	-	\$ -	\$ -	-	\$ -
	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	13,049,873	\$ 12,690,314	\$ 12,516,675	13,077,570	\$ 12,284,834
	636,312	814,648	522,368	475,877	656,213
	<u>6,796,352</u>	<u>6,827,699</u>	<u>6,425,985</u>	<u>5,594,868</u>	<u>5,657,725</u>
\$	<u>20,482,537</u>	<u>20,332,661</u>	<u>19,465,028</u>	<u>19,148,315</u>	<u>18,598,772</u>

**COUNTY OF KLEBERG**

*CHANGES IN NET POSITION LAST TEN FISCAL YEARS  
(accrual basis of accounting)*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Expenses</b>					
<b>Governmental activities:</b>					
General government <sup>(1)</sup>	\$ 5,230,625	\$ 8,120,968	\$ 5,626,415	\$ 5,408,364	\$ 4,799,872
Judicial	2,858,732	2,680,702	2,958,983	2,458,670	2,648,245
Public Safety	13,387,829	8,298,233	8,836,278	7,617,314	7,430,757
Public Transportation	1,481,845	1,577,220	1,617,944	1,553,480	1,561,315
Health and Welfare	2,870,485	3,208,405	3,453,239	2,994,718	3,659,884
Culture and Recreation	710,981	783,802	1,414,824	1,482,901	2,962,555
Conservation	70,670	446,305	137,523	110,750	118,465
Economic Development and Assistance	255,680	310,909	398,642	28,699	24,457
Intergovernmental Utility Projects	-	-	-	-	-
Interest and Fiscal Charges	154,722	178,853	188,735	193,823	200,611
<b>Total governmental activities expenses</b>	<u>27,021,569</u>	<u>25,605,397</u>	<u>24,628,483</u>	<u>21,848,699</u>	<u>23,406,161</u>
<b>Business-type activities:</b>	-	-	-	-	-
<b>Total business-type activity expenses</b>	-	-	-	-	-
<b>Total primary government expenses</b>	<u>\$ 27,021,569</u>	<u>\$ 25,605,397</u>	<u>\$ 24,628,483</u>	<u>\$ 21,848,699</u>	<u>\$ 23,406,161</u>
<b>Program Revenue</b>					
<b>Governmental activities</b>					
<b>Charges of Services</b>					
General government <sup>(2)</sup>	\$ 2,485,776	\$ 2,208,432	\$ 1,733,253	\$ 1,587,711	\$ 1,852,477
Judicial	12,382	10,896	12,875	13,121	14,649
Public Safety	1,963,225	746,518	1,172,816	2,052,923	1,837,257
Public Transportation	1,525,066	1,662,555	1,881,664	1,512,998	1,290,681
Health and Welfare	17,963	11,856	21,668	288,629	87,171
Culture and Recreation	-	-	-	1,532	320,926
<b>Operating Grants and Contributions</b>					
General government	-	-	-	-	340,121
Judicial	990,609	2,302,924	151,279	167,766	107,667
Public Safety	5,277,300	6,311,504	3,037,505	1,294,662	1,428,066
Public Transportation	48,539	100,964	280,694	77,666	65,974
Health and Welfare	1,751,259	1,622,687	1,677,998	1,523,930	2,292,521
Culture and Recreation	-	1,065	131,067	193,151	1,025,603
Intergovernmental Utility Projects	-	-	-	-	-
Economic Development and Assistance	-	236,837	-	439,940	-
<b>Capital Grants and Contributions</b>					
Culture and Recreation	-	-	263	2,339	3,947
Intergovernmental Utility Projects	-	-	-	-	-
<b>Total governmental activities program revenues</b>	<u>14,072,099</u>	<u>15,214,238</u>	<u>10,101,102</u>	<u>9,156,368</u>	<u>10,667,060</u>
<b>Business-type activities:</b>	-	-	-	-	-
<b>Total business-type activities program revenues</b>	-	-	-	-	-
<b>Total primary government program revenues</b>	<u>\$ 14,072,099</u>	<u>\$ 15,214,238</u>	<u>\$ 10,101,102</u>	<u>\$ 9,156,368</u>	<u>\$ 10,667,060</u>

<sup>(1)</sup> For the year 2004, the amount reflected above has been restated to reflect the elimination of the internal service fund expense.

<sup>(2)</sup> For the year 2004, the amount reflected above has been restated to reflect the elimination of the internal service fund revenue.

SCHEDULE 2

	Fiscal Year				
	2013	2012	2011	2010	2009
\$	3,993,993	\$ 4,254,038	\$ 3,796,018	\$ 3,679,010	\$ 3,883,372
	2,688,919	2,465,053	2,618,489	2,421,066	2,281,574
	7,398,273	7,268,191	8,958,969	8,247,619	7,741,494
	2,104,530	1,709,204	1,967,102	2,241,189	2,158,086
	3,539,919	4,083,942	4,654,821	4,213,913	3,791,876
	2,308,005	2,019,670	1,884,597	1,817,119	1,794,361
	117,637	98,221	89,962	104,096	102,606
	73,384	15,204	-	-	-
	424,708	190,819	485,031	46,200	292,703
	219,064	233,216	233,286	234,348	32,017
	<u>22,868,432</u>	<u>22,317,557</u>	<u>24,698,275</u>	<u>23,004,560</u>	<u>22,077,969</u>
	-	-	-	-	-
	-	-	-	-	-
\$	<u>22,868,432</u>	<u>22,317,557</u>	<u>24,698,275</u>	<u>23,004,560</u>	<u>22,077,969</u>
\$	1,523,966	\$ 1,342,295	\$ 1,270,258	\$ 1,172,146	\$ 1,230,572
	13,953	14,732	16,786	13,572	12,528
	1,972,910	2,987,402	2,538,219	2,838,947	2,492,107
	1,382,895	1,546,823	1,867,405	1,769,232	1,905,449
	50,074	43,369	38,483	27,375	25,057
	499,485	441,963	271,953	57,005	69,213
	220,863	36,756	68,403	55,007	78,380
	206,870	347,441	633,758	521,098	395,459
	118,776	1,230,303	1,784,816	1,692,004	1,835,021
	143,195	43,717	72,951	76,100	79,509
	2,366,011	2,250,970	3,041,780	2,395,085	2,333,999
	523,705	56,536	122,688	189,070	377,218
	-	-	232,572	413,678	-
	131,460	242,004	-	-	-
	<u>426,527</u>	<u>218,940</u>	<u>252,459</u>	<u>46,200</u>	<u>292,703</u>
	<u>9,582,690</u>	<u>10,803,251</u>	<u>12,212,531</u>	<u>11,266,519</u>	<u>11,127,215</u>
	-	-	-	-	-
	-	-	-	-	-
\$	<u>9,582,690</u>	<u>10,803,251</u>	<u>12,212,531</u>	<u>11,266,519</u>	<u>11,127,215</u>

**COUNTY OF KLEBERG**

*CHANGES IN NET POSITION, LAST TEN FISCAL YEARS*

*(accrual basis of accounting)*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (12,532,640)	\$ (10,391,159)	\$ (14,489,873)	\$ (12,695,331)	\$ (12,739,101)
Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government net expenses	<u>\$ (12,532,640)</u>	<u>\$ (10,391,159)</u>	<u>\$ (14,489,873)</u>	<u>\$ (12,695,331)</u>	<u>\$ (12,739,101)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Property Taxes	\$ 11,544,360	\$ 11,374,157	\$ 11,656,811	\$ 10,280,382	\$ 10,510,151
Sales Taxes	2,102,581	2,019,853	2,122,374	2,236,395	2,227,151
Investment Income	278,854	107,693	35,006	8,183	6,399
Miscellaneous Revenues	145,261	391,851	117,011	152,763	444,655
Gain (Loss) on Sale of Capital Assets	-	-	-	-	-
Extraordinary Item Outflow	-	-	-	-	-
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>14,071,056</u>	<u>13,893,554</u>	<u>13,931,202</u>	<u>12,677,723</u>	<u>13,188,356</u>
Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u># -</u>
Total primary government	<u>\$ 14,071,056</u>	<u>\$ 13,893,554</u>	<u>\$ 13,931,202</u>	<u>\$ 12,677,723</u>	<u>\$ 13,188,356</u>
<b>Changes in Net Position</b>					
Governmental activities (loss)	\$ 1,538,416	\$ 3,502,395	\$ (558,671)	\$ (17,608)	\$ 449,255
Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government (loss)	<u>\$ 1,538,416</u>	<u>\$ 3,502,395</u>	<u>\$ (558,671)</u>	<u>\$ (17,608)</u>	<u>\$ 449,255</u>

Notes: The county began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

SCHEDULE 2  
(continued)

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ (12,207,742)	\$ (11,514,306)	\$ (12,485,744)	\$ (11,738,041)	\$ (10,950,754)
-	-	-	-	-
<u>\$ (12,207,742)</u>	<u>\$ (11,514,306)</u>	<u>\$ (12,485,744)</u>	<u>\$ (11,738,041)</u>	<u>\$ (10,950,754)</u>
\$ 10,074,765	\$ 10,162,077	\$ 9,753,197	\$ 9,880,624	\$ 9,854,510
2,052,309	1,987,082	1,940,950	1,435,228	1,460,839
13,735	10,140	11,494	23,143	53,516
216,809	155,907	286,514	375,921	144,879
-	-	-	-	-
-	-	-	-	-
-	(35)	811,788	-	-
<u>12,357,618</u>	<u>12,315,171</u>	<u>12,803,943</u>	<u>11,714,916</u>	<u>11,513,744</u>
-	-	-	-	-
-	-	-	-	-
<u>\$ 12,357,618</u>	<u>\$ 12,315,171</u>	<u>\$ 12,803,943</u>	<u>\$ 11,714,916</u>	<u>\$ 11,513,744</u>
\$ 149,876	\$ 800,865	\$ 318,199	\$ (23,125)	\$ 562,990
-	-	-	-	-
<u>\$ 149,876</u>	<u>\$ 800,865</u>	<u>\$ 318,199</u>	<u>\$ (23,125)</u>	<u>\$ 562,990</u>

**COUNTY OF KLEBERG**

FUND BALANCES, GOVERNMENTAL FUNDS,  
 LAST TEN FISCAL YEARS  
 (modified accrual basis of accounting)

	Fiscal Year				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund					
Reserved	\$ -	\$ 278,384	\$ -	\$ -	\$ -
Unreserved	1,624,418	960,591	-	-	-
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Unassigned	-	-	1,815,867	1,996,518	2,545,328
Total general fund	\$ <u>1,624,418</u>	\$ <u>1,238,975</u>	\$ <u>1,815,867</u>	\$ <u>1,996,518</u>	\$ <u>2,545,328</u>
All Other Governmental Funds					
Reserved	\$ 5,973,980	\$ 3,329,187	\$ -	\$ -	\$ -
Unreserved, reported in:	3,789,686	4,061,027	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted					
Special revenue funds	-	-	3,776,540	4,374,134	3,777,111
Capital projects funds	-	-	153,605	-	-
Committed					
Debt Service Funds	-	-	333,416	375,177	410,624
Special Revenue Funds	-	-	465,101	514,446	395,648
Total all other governmental funds	\$ \$ <u>9,763,666</u>	\$ <u>7,390,214</u>	\$ <u>4,728,662</u>	\$ <u>5,263,757</u>	\$ <u>4,583,383</u>

Notes: The County began to report fund balance differently in 2011 when it implemented GASB 54.

SCHEDULE 3

Fiscal Year		2014	2015	2016	2017	2018
\$	-	\$	-	\$	-	\$
	-		-		-	
	-		-	246,482	247,384	258,757
	-		-	-	-	-
	-		-	-	-	-
	2,952,564		2,567,212	2,224,908	3,183,786	5,486,242
\$	<u>2,952,564</u>	\$	<u>2,567,212</u>	\$	<u>2,471,390</u>	\$
					<u>3,431,170</u>	<u>5,744,999</u>
\$	-	\$	-	\$	-	\$
	-		-		-	
	-		-		-	
	-		-		-	
	-		-	6,403	1,158	3,649
	3,763,554		4,386,841	4,809,202	7,636,194	9,840,639
						22,348
	213,925		255,728	287,569	327,220	396,272
	651,135		858,489	828,282	978,332	599,774
\$	<u>4,628,614</u>	\$	<u>5,501,058</u>	\$	<u>8,402,846</u>	\$
					<u>8,942,904</u>	<u>10,862,682</u>



**COUNTY OF KLEBERG**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,**  
**LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*

	2009	2010	2011	2012	2013
<b>Revenues</b>					
<b>Taxes</b>					
General Property Taxes	\$ 9,488,359	\$ 9,642,223	\$ 9,818,871	\$ 10,058,541	\$ 10,001,520
General Sales and Use Taxes	1,460,539	1,435,228	1,940,950	1,987,082	2,052,309
Gross Receipts Business Taxes	-	-	-	-	-
Other Taxes -Miscellaneous	208,705	141,413	269,198	187,152	201,305
License and Permits	769,407	679,407	668,966	684,084	683,001
Intergovernmental	5,753,341	5,608,340	6,410,109	4,493,367	5,406,062
Charges for Service	30,453	29,752	45,605	103,033	178,373
Fines and Forfeitures	1,978,192	2,248,219	2,372,376	2,636,133	1,727,997
Fees of Office	1,751,097	1,797,145	1,628,405	1,752,820	1,631,127
Inmate housing	-	-	-	-	-
Investment Earnings	53,517	23,143	11,495	10,141	13,735
Refunds and Reimbursements	231,337	365,069	312,373	227,376	144,983
Seawind Revenue	396,733	373,110	326,743	366,582	277,098
Golf Course Revenue	-	-	192,704	329,859	381,203
Miscellaneous Revenue	113,628	378,116	266,853	123,652	185,850
Contributions and Donations	178,691	104,264	163,869	97,988	112,563
Miscellaneous - Park and Recreation	69,213	57,005	79,249	112,104	118,282
<b>Total revenues</b>	<b>22,483,212</b>	<b>22,882,434</b>	<b>24,507,766</b>	<b>23,169,714</b>	<b>23,115,408</b>
<b>Expenditures</b>					
<b>General government</b>					
General government	3,634,557	6,086,927	4,907,867	3,976,692	3,716,399
Judicial	2,313,388	2,506,134	2,616,012	2,450,507	2,669,922
Public Safety	7,754,805	8,496,781	9,969,320	7,376,008	7,495,353
Public Transportation	2,191,896	2,179,968	1,840,106	1,628,659	2,088,837
Health and Welfare	3,791,621	4,666,572	4,886,731	4,216,649	3,677,128
Culture and Recreation	2,066,482	1,809,409	2,213,470	2,105,502	2,588,379
Conservation	102,810	119,742	115,661	94,105	113,695
Economic Development and Assistance	-	-	-	-	-
Intergovernmental/Capital Projects	292,703	46,200	485,031	190,819	424,708
<b>Debt Service</b>					
Principal	415,918	208,050	214,290	200,000	210,000
Interest	195,537	220,263	221,001	213,845	207,895
Bond Issuance Costs	-	-	-	-	-
<b>Total expenditures</b>	<b>22,759,717</b>	<b>26,340,046</b>	<b>27,469,489</b>	<b>22,452,786</b>	<b>23,192,316</b>
Excess of revenues over (under) expenditures	(276,505)	(3,457,612)	(2,961,723)	716,928	(76,908)
<b>Other Financing Sources (uses)</b>					
Transfers in	1,284,332	1,454,884	2,387,640	1,586,477	1,406,676
Transfers Out	(1,284,331)	(1,454,884)	(1,575,852)	(1,586,512)	(1,406,676)
Capital Leases	-	-	-	-	-
Issuance of Bonds	6,000,000	-	-	-	-
Premiums on Bonds Sold	22,620	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>6,022,821</b>	<b>-</b>	<b>811,788</b>	<b>(35)</b>	<b>-</b>
<b>Special and Extraordinary Items</b>					
Extraordinary Item Outflow	-	-	-	-	-
<b>Total Special and Extraordinary Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 5,746,316</b>	<b>\$ (3,457,612)</b>	<b>\$ (2,149,935)</b>	<b>\$ 716,893</b>	<b>\$ (76,908)</b>
Debt services as a percentage of noncapital expenditures	1.851%	0.791%	0.794%	0.898%	0.922%
* 2009 balance restated from prior year					

SCHEDULE 4

	2014	2015	2016	2017	2018
\$	10,353,116	\$ 10,651,285	\$ 11,515,921	\$ 11,413,119	\$ 11,366,190
	2,227,151	2,236,395	2,122,374	2,019,853	2,102,581
	-	-	-	-	54,222
	49,910	50,102	44,317	52,680	201,198
	618,866	572,944	581,408	790,702	641,596
	5,096,440	3,755,813	5,359,388	9,862,489	7,564,302
	184,691	379,880	118,904	101,440	583,601
	2,018,531	2,274,043	1,786,882	1,483,764	2,469,884
	1,725,863	1,665,751	1,696,200	1,575,824	1,787,829
	-	-	-	-	-
	6,399	8,183	35,018	107,693	278,854
	107,667	112,604	103,399	690,171	890,542
	505,073	338,220	362,349	653,889	-
	320,926	232	-	-	-
	359,566	109,924	78,798	346,718	96,782
	128,910	52,581	92,568	55,959	545,432
	-	1,300	-	-	-
	<u>23,703,109</u>	<u>22,209,257</u>	<u>23,897,526</u>	<u>29,154,301</u>	<u>28,583,013</u>
	4,370,803	4,353,796	4,158,328	6,481,749	5,414,731
	2,832,903	2,465,505	3,005,239	2,719,734	2,846,265
	7,475,702	7,705,847	8,369,317	8,340,344	13,183,703
	1,507,033	1,486,708	1,651,637	1,737,659	1,609,685
	3,763,306	2,981,036	3,378,707	3,082,644	2,824,899
	2,959,261	1,612,389	1,426,572	712,361	658,731
	114,523	106,808	133,581	442,363	66,728
	-	-	327,833	307,759	441,796
	-	-	-	-	-
	220,000	230,000	240,000	255,000	340,000
	201,445	194,695	187,645	179,901	77,868
	-	-	-	-	56,875
	<u>23,244,976</u>	<u>21,136,784</u>	<u>22,878,859</u>	<u>24,259,514</u>	<u>26,748,191</u>
	<u>458,133</u>	<u>1,072,473</u>	<u>1,018,667</u>	<u>4,894,787</u>	<u>1,834,822</u>
	1,432,245	1,336,399	1,347,607	1,198,955	1,037,662
	(1,432,245)	(1,653,246)	(1,544,647)	(1,426,453)	(1,037,662)
	-	-	-	-	-
	-	-	-	-	7,060,000
	-	-	-	-	(3,888,125)
	-	-	-	-	-
	-	(316,847)	(197,040)	(227,498)	-
	-	-	-	-	-
	-	(316,847)	(197,040)	(227,498)	-
\$	<u>458,133</u>	<u>755,626</u>	<u>821,627</u>	<u>4,667,289</u>	<u>1,834,822</u>
	0.946%	1.088%	1.049%	1.051%	1.484%

**COUNTY OF KLEBERG****ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Mineral Values</u>	<u>Less: Agricultural Valuation</u>	<u>Less: Exempt Property</u>
2009	1,371,678,135	88,135,350	571,424,790	470,001,398	123,877,008
2010	1,504,092,805	89,715,170	538,329,120	551,823,800	118,823,628
2011	1,540,515,248	82,654,510	443,786,030	562,499,392	115,480,009
2012	1,601,474,930	84,624,180	413,252,940	604,293,890	124,704,961
2013	1,470,607,333	98,925,340	404,557,390	464,964,321	126,275,357
2014	1,495,732,900	111,860,820	405,902,940	478,217,228	130,157,453
2015	1,523,893,186	120,404,240	383,099,190	477,823,900	139,784,765
2016	1,567,510,615	127,690,430	372,285,540	478,075,571	142,886,239
2017	1,614,022,925	114,325,070	316,410,680	473,766,262	145,523,091
2018	1,893,783,727	106,885,780	305,801,090	696,587,678	172,028,073

Source: Kleberg County Tax Office

SCHEDULE 5

<u>Add: Other Property</u>	<u>Total</u>	<u>Total Direct Tax Rate</u>
1,271,490	1,438,631,359	0.67530
1,345,744	1,462,835,411	0.67546
1,325,646	1,390,302,033	0.69546
1,565,568	1,371,918,767	0.75100
1,598,281	1,384,448,666	0.74481
1,867,396	1,406,989,375	0.74481
2,139,061	1,411,927,012	0.74481
2,301,645	1,448,826,420	0.81500
2,613,539	1,428,082,861	0.82880
3,020,429	1,440,875,275	0.79500

**COUNTY OF KLEBERG**

*DIRECT AND OVERLAPPING PROPERTY TAX RATES,  
 LAST TEN FISCAL YEARS  
 (rate per \$1,000 of assessed value)*

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>County Tax Rates</b>						
County Operating	\$ 0.64694	\$ 0.64579	\$ 0.66352	\$ 0.71792	\$ 0.71165	\$ 0.72900
County I&S	0.02836	0.02967	0.03194	0.03308	0.03316	0.01581
Total Kleberg County	<u>\$ 0.67530</u>	<u>\$ 0.67546</u>	<u>\$ 0.69546</u>	<u>\$ 0.75100</u>	<u>\$ 0.74481</u>	<u>\$ 0.74481</u>
<b>City Rates</b>						
City of Kingsville	\$ 0.80787	\$ 0.80187	\$ 0.84220	\$ 0.84220	\$ 0.84220	\$ 0.84220
<b>Water Authority</b>						
South Texas Water Authority	\$ 0.05590	\$ 0.05731	\$ 0.06189	\$ 0.06189	\$ 0.06189	\$ 0.08511
<b>School Districts</b>						
Kingsville ISD	\$ 1.33925	\$ 1.32165	\$ 1.35520	\$ 1.46380	\$ 1.49410	\$ 1.51890
Ricardo ISD	1.17000	1.17000	1.17000	1.17000	1.17000	1.17000
Riviera ISD	1.04000	1.04000	1.04000	1.04000	1.04000	1.04000
Santa Gertrudis ISD	1.33425	1.36723	1.38570	1.45570	1.42250	1.38680

**Source:** Kleberg County Appraisal District

SCHEDULE 6

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
0.71172 \$	0.78241 \$	0.79500	0.76197
0.03309	0.03259	0.03300	0.03303
<u>0.74481 \$</u>	<u>0.81500 \$</u>	<u>0.82800</u>	<u>0.79500</u>
0.84220 \$	0.84220 \$	0.84220	0.84220
0.85409 \$	0.08325 \$	0.08294	0.85170
1.51890 \$	1.51890 \$	1.51890	1.51890
1.17000	1.17000	1.17000	1.17000
1.04000	1.04000	1.17000	1.17000
1.36540	1.40380	1.41270	1.36950

**COUNTY OF KLEBERG**  
 PRINCIPAL PROPERTY TAXPAYERS,  
 CURRENT YEAR AND TEN YEARS AGO

SCHEDULE 7

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
King Ranch Inc.	\$ 73,633,430	1	5.08%	\$ 123,526,485	1	8.59%
AEP Texas, Inc	46,922,790	2	3.24%	72,524,151	2	5.04%
EOG Resources, Inc. Mineral Accounts	38,933,880	3	2.69%	-		0.00%
ETC Texas Processing	37,842,780	4	2.61%	-		0.00%
Net Pipeline Partners, LLC	21,768,410	5	1.50%	-		0.00%
AEP Electric Transmission of Texas LLC	17,514,440	6	1.21%	6,589,652	10	0.46%
Union Pacific Railroad Company	14,397,500	7	0.99%	-		0.00%
KL Phase 1 Owner LTD	13,185,260	8	0.91%	-		0.00%
EOG Resources, Inc.	12,436,510	9	0.86%	-		0.00%
NLP Kingsville Ventrues, LLC	11,169,490	10	0.77%	-		0.00%
Wal-Mart Stores East Inc. #01-0442	-		-	7,896,541	9	0.55%
Central Power and Light	-		-	55,896,412	3	3.89%
EI Paso Production & Gas Company	-		-	45,632,541	4	3.17%
Kerr-McGee Corporation	-		-	44,555,888	5	3.10%
Southwestern Bell	-		-	36,254,185	6	2.52%
Wal-Mart Stores Inc. #01-0442	-		-	8,596,741	8	0.60%
<b>Total</b>	<b>\$ 287,804,490</b>		<b>19.86%</b>	<b>\$ 401,472,596</b>		<b>27.91%</b>

Source: Kleberg County Appraisal District

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**COUNTY OF KLEBERG****PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy	
				Amount	Percent of Original Levy
2009	9,635,833	(23,007)	9,612,826	9,205,788	95.54%
2010	9,705,841	27,808	9,733,649	9,380,171	96.64%
2011	9,460,549	24,311	9,484,860	9,258,526	97.86%
2012	10,026,588	(20,166)	9,484,860	9,775,982	97.61%
2013	10,053,034	(4,859)	10,048,175	9,799,142	97.47%
2014	10,227,076	(25,588)	10,201,488	9,964,017	97.43%
2015	10,272,552	86,725	10,359,277	10,111,875	98.44%
2016	11,463,153	6,210	11,469,363	11,086,986	96.72%
2017	11,469,414	20,345	11,489,759	11,126,213	97.01%
2018	11,168,300	209,594	11,377,894	11,066,424	99.09%

Source: Kleberg County Tax Office

Note: These accounts represent cash collections from the Tax Assessor Collector and any adjustments to the tax roll per the Kleberg County Appraisal District.

SCHEDULE 8

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percent of Adjusted Levy
357,356	9,563,144	99.48%
275,542	9,655,713	99.20%
492,947	9,751,473	102.81%
205,094	9,981,076	105.23%
197,786	9,996,928	99.49%
178,430	10,142,447	99.42%
240,332	10,352,207	99.93%
207,530	11,294,516	98.48%
260,448	11,386,661	97.66%
280,678	11,347,102	97.46%

**COUNTY OF KLEBERG**  
*RATIO OF OUTSTANDING DEBT BY TYPE*  
*LAST TEN FISCAL YEARS*

SCHEDULE 9

<u>Fiscal Year</u>	<u>Certificates of Obligation</u>	<u>Capital Leases</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2009	6,000,000	50,908	6,050,908	11.70%	197
2010	5,815,000	24,290	5,839,290	10.36%	182
2011	5,625,000	-	5,625,000	10.08%	172
2012	5,425,000	-	5,425,000	0.00%	0
2013	5,215,000	-	5,215,000	0.00%	0
2014	4,995,000	-	4,995,000	12.57%	64
2015	4,765,000	-	4,765,000	12.78%	63
2016	4,525,000	-	4,525,000	13.54%	62
2017	4,270,000	-	4,270,000	14.27%	63
2018	7,265,000	-	7,265,000	8.43%	63

**COUNTY OF KLEBERG****RATIOS OF GENERAL BONDED DEBT OUTSTANDING,  
LAST TEN FISCAL YEARS**

SCHEDULE 10

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Restricted to Repaying Principal</u>	<u>Total</u>	<u>Percentage of Personal Income (b)</u>	<u>Percentage of Actual Value of Taxable Property (a)</u>	<u>Per Capita (b)</u>
2009	6,000,000	259,604	5,740,396	1.112%	0.40%	187.31
2010	5,815,000	285,167	5,529,833	0.981%	0.38%	172.48
2011	5,625,000	332,992	5,292,008	0.948%	0.38%	161.80
2012	5,425,000	375,177	5,049,823	0.823%	0.37%	157.68
2013	5,215,000	421,245	4,793,755	0.763%	0.35%	149.33
2014	4,995,000	424,495	4,570,505	0.751%	0.32%	141.99
2015	4,765,000	427,445	4,337,555	0.708%	0.31%	136.16
2016	4,525,000	434,701	4,090,299	0.671%	0.28%	129.07
2017	4,270,000	327,220	3,942,780	0.644%	0.28%	126.83
2018	7,265,000	396,272	6,868,728	1.118%	0.48%	221.41

**Notes:**

- (a) See Schedule 5 for property value data  
(b) See population and personal income on Schedule 11

**COUNTY OF KLEBERG**

**LEGAL DEBT MARGIN INFORMATION**

**LAST TEN FISCAL YEARS**

*(dollars in thousands)*

	Fiscal Year			
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Debt Limit	\$ 359,657,840	\$ 365,708,853	\$ 347,575,508	\$ 342,979,692
Less: Total net debt applicable to limit	<u>5,740,396</u>	<u>5,529,833</u>	<u>5,292,008</u>	<u>5,049,823</u>
Legal Debt Margin	\$ <u><u>353,917,444</u></u>	\$ <u><u>360,179,020</u></u>	\$ <u><u>342,283,500</u></u>	\$ <u><u>337,929,869</u></u>
Total net debt applicable to the limit as a percentage of debt limit	1.60%	1.51%	1.52%	1.47%

SCHEDULE 11

Fiscal Year						
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$	346,112,164	\$ 351,747,344	\$ 352,981,753	\$ 361,456,605	\$ 357,020,715	\$ 360,218,819
	<u>4,804,376</u>	<u>4,871,075</u>	<u>4,509,617</u>	<u>4,509,617</u>	<u>3,834,080</u>	<u>2,803,728</u>
\$	<u><u>341,307,788</u></u>	<u><u>346,876,269</u></u>	<u><u>348,472,136</u></u>	<u><u>356,946,988</u></u>	<u><u>353,186,635</u></u>	<u><u>357,415,091</u></u>
	1.39%	1.38%	1.28%	1.25%	1.07%	0.78%

**LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2017**

Assessed value	\$	1,440,875,275
Debt Limit (25% of total assessed value)		360,218,819
Debt applicable to limit:		
Gross Bonded Debt		7,265,000
Less: Net assets in Debt Service Fund		<u>4,065,000</u>
Total net debt applicable to limit		<u>3,200,000</u>
Legal debt margin	\$	<u><u>357,018,819</u></u>

**COUNTY OF KLEBERG***DEMOGRAPHIC AND ECONOMIC STATISTICS,  
LAST TEN FISCAL YEARS*

SCHEDULE 12

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009	30,647	516,433	16,851	6.8%
2010	32,061	563,632	17,580	6.9%
2011	32,708	558,195	17,066	6.7%
2012	32,025	613,471	19,156	5.9%
2013	32,101	628,056	19,565	5.1%
2014	32,190	608,970	18,918	4.4%
2015	31,857	612,610	19,230	6.0%
2016	31,690	609,371	18,722	6.9%
2017	31,088	612,433	19,700	5.9%
2018	31,023	614,441	19,806	5.2%

**Source:** Kleberg County Auditor's Office

**COUNTY OF KLEBERG**  
**TOP TEN EMPLOYERS,**  
**CURRENT YEAR AND TEN YEARS AGO**

SCHEDULE 13

Employer	2018			2009		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Naval Air Station	1,502	1	11.28%	1,834	1	7.04%
Texas A&M Kingsville	1,029	2	7.73%	1,500	2	5.76%
Kingsville ISD	690	3	5.18%	651	3	2.50%
Celanese (Bishop, TX)	590	4	4.43%	290	7	1.11%
City of Kingsville	313	5	2.35%	260	9	1.00%
Kleberg County	290	6	2.18%	275	8	1.06%
Wal-Mart	279	7	2.10%	307	4	1.18%
HEB Grocery	279	8	2.10%	-		0.00%
Border Patrol	219	9	1.64%	300	5	1.15%
Christus Spohn	216	10	1.62%	300	6	1.15%
<b>Total</b>	<b>5,407</b>		<b>40.61%</b>	<b>5,717</b>		<b>21.96%</b>

Source: Greater Kingsville Economic Development Council



**COUNTY OF KLEBERG****FULL-TIME-EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Function/Program</u>						
Justice and law enforcement	144	145	142	134	137	137
Health and human services	34	34	40	39	42	42
Environment, parks, and education	23	23	22	21	19	19
Public works	32	26	21	19	19	19
General government	42	43	53	54	58	58
Total	<u>275</u>	<u>271</u>	<u>278</u>	<u>267</u>	<u>275</u>	<u>275</u>

**Source:** Kleberg County Auditor's Office

**Notes:** A full-time employee is scheduled to work 2080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 40.

SCHEDULE 14

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
136	131	150	150
40	24	21	22
14	4	9	6
21	20	26	27
65	50	34	34
<u>276</u>	<u>229</u>	<u>240</u>	<u>239</u>

**COUNTY OF KLEBERG****OPERATING INDICATORS BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Justice and Law Enforcement					
Jail bookings	2763	2981	3268	3398	2655
Average daily population	124	124	124	160	160
Health Services					
Economic services/support Program - unduplicated cases	244	285	310	353	363
Parks and Land Use					
Daily boat launches	N/A	N/A	N/A	N/A	N/A
Public Works					
Centerline mile of road maintained:					
County	182	182	182	182	182
State	149	149	149	149	149
Airport					
Bases aircraft	1	1	1	1	1
Takeoffs and landings	1058	1137	1596	1387	1387

**Source:** Various County Departments

SCHEDULE 15

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
2976	2822	2508	2455	2306
160	160	160	160	160
389	382	405	379	352
N/A	N/A	N/A	N/A	N/A
182	182	182	182	182
149	149	149	149	149
1	1	1	1	1
650	650	658	734	920

**COUNTY OF KLEBERG****CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Justice and Law Enforcement					
Correction facility capacity	124	124	124	124	160
Parks and Land Use					
Number of county parks	12	12	12	12	12
Park Acreage:	250	250	250	250	250
Developed	245	245	245	245	245
Undeveloped	5	5	5	5	5
County golf courses	1	1	1	1	1
Nature center	2	2	2	2	2
Exposition center	1	1	1	1	1
Public Works					
Centerline miles of county roads	182	182	182	182	182
Traffic signals	20	20	20	20	20
Bridges	1	1	1	1	1
Active vehicles in vehicle replacement plan	47	49	57	66	66
Airport					
Number of runways	1	1	1	1	1

Source: Various County Departments

SCHEDULE 16

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
160	160	160	160	160
12	12	120	12	12
250	250	250	250	250
245	245	245	245	245
5	5	5	5	5
1	1	1	1	1
2	2	2	2	2
1	1	1	1	1
182	182	182	182	182
20	20	20	20	20
1	1	1	1	1
66	81	81	87	89
1	1	1	1	1

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### *Other Supplementary Information*

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.



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**Raul Hernandez & Company, P.C.**  
Certified Public Accountants  
5402 Holly Rd., Suite 102  
Corpus Christi, Texas 78411  
Office (361) 980-0428 Fax (361) 980-1002

Independent Auditors' Report on Internal Control over Financial Reporting and  
On Compliance and Other Matters Based on an Audit of Financial Statements  
Performed In Accordance With Government Auditing Standards

Commissioners' Court  
Kleberg County, Texas  
P.O. Box 72  
Kingsville, Texas 78364

Members of the Commissioners' Court:

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 Kleberg County, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Kleberg County, Texas's basic financial statements and have issued our report thereon dated June 17, 2019.

#### **Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2018-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2018-001 to be significant deficiencies.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Kleberg County, Texas'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Kleberg County, Texas's Response to Findings

Kleberg County, Texas's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Kleberg County, Texas's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## Purpose of this Report

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Raul Hernandez and Company, P.C." The signature is written in a cursive, flowing style.

Raul Hernandez and Company, P.C.

Corpus Christi, Texas  
June 17, 2019

**Raul Hernandez & Company, P.C.**  
Certified Public Accountants  
5402 Holly Rd., Suite 102  
Corpus Christi, Texas 78411  
Office (361) 980-0428 Fax (361) 980-1002

Independent Auditors' Report on Compliance for Each Major Program and on Internal  
Control Over Compliance Required by the Uniform Guidance

Commissioners' Court  
Kleberg County, Texas  
P.O. Box 72  
Kingsville, Texas 78364

Members of the Commissioners' Court:

**Report on Compliance for Each Major Federal Program**

We have audited the Kleberg County, Texas's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Kleberg County, Texas's major federal program for the year ended September 30, 2018. Kleberg County, Texas's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the Kleberg County, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2018.

## Report on Internal Control Over Compliance

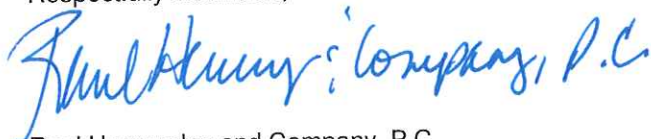
Management of the Kleberg County, Texas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Kleberg County, Texas's internal control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

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

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

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

Respectfully submitted,



Raul Hernandez and Company, P.C.

Corpus Christi, Texas  
June 17, 2019

**KLEBERG COUNTY, TEXAS**  
*SCHEDULE OF FINDINGS AND QUESTIONED COSTS*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified?  X  Yes   No

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

Noncompliance material to financial statements noted?   Yes  X  No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified?   Yes  X  No

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

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

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200?   Yes  X  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low Income Home Energy Assistance

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

Auditee qualified as low-risk auditee?   Yes  X  No

## **KLEBERG COUNTY, TEXAS**

### *SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2018*

#### B. Financial Statement Findings

Finding: No. 2018-001

Criteria: All transactions types occurring in the course of business should be timely and coded properly in the general ledger. Preparation of year-end adjusting journal entries, reconciliations, reviews and other general ledger tests for reasonableness and agreement to underlying journals, and third parties should be performed in readiness for the monthly reports to the County Commissioners, and the preparation of the County's annual financial audit.

Condition: At fiscal year end, the County did not accurately and timely maintain certain general ledgers and debt transactions. The following items were specifically noted:

County Treasurer:

The County provided us with an initial set of trial balances for the preparation of the CAFR in February 2019. However, a major state grant (fund 22) trial balance was not included. We discovered upon further analysis that approximately \$400,000 of transactions were not posted over a seven month period to the County's accounting system for this fund. We did not receive a completed trial balance until May 2019.

County Treasurer:

During our audit for long-term debt, we noted that the required principal and interest payments were paid out of the main operating bank account rather than the debt service fund. Upon further analysis, we discovered that the related expenditures were not posted to the County's ledgers. These errors were corrected and posted during April 2019.

Cause: Lack of communication between departments and coordination during the year and at year-end for audit.

Effect: Management assessments and financial decisions, and internal and external financial reporting may be inaccurate and untimely because of an improperly maintained general ledger.

Recommendation: The County should review their procedures for proper coding and timely recording of transactions at the end of each month and at fiscal year end. The understanding of Internal control and financial should be addressed within the County. The County must develop a time table for monthly and year-end balancing.

Management Response:

Fund 22: The Treasurer's Office will produce a procedure regarding the process for compliance with the Probation office bank accounts.

ACH Transfer Bond Payments: The Treasurer's Office will produce a procedure to follow and verify that all ACH transactions are taken from the correct accounts.

#### C. Federal Award Findings and Questioned Costs

None

**KLEBERG COUNTY, TEXAS**  
*SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018*

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
N/A		



**KLEBERG COUNTY, TEXAS**  
*CORRECTIVE ACTION PLAN*  
*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

N/A

**KLEBERG COUNTY, TEXAS**  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

**EXHIBIT D-1**  
 Page 1 of 2

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>HIGHWAY PLANNING AND CONSTRUCTION CLUSTER:</b>				
<u>U. S. Department of Transportation</u>				
Passed Through Texas Department of Transportation:				
Section 5310 Public Transportation Program	20.205	0102-04-097	\$ --	\$ 16,912
Contributions of Right of Ways	20.205	0102-04-099/101	--	14,561
Total Passed Through Texas Department of Transportation			--	31,473
Total U. S. Department of Transportation			--	31,473
Total Highway Planning and Construction Cluster			--	31,473
<b>OTHER PROGRAMS:</b>				
<u>U. S. Department of Transportation</u>				
Passed Through Texas Department of Transportation:				
Section 5311 Public Transportation Program	20.509	51216F7222	--	417,161
Section 5311 Public Transportation Program	20.509	51316F7023	--	166,607
Total Passed Through Texas Department of Transportation			--	583,768
Total U. S. Department of Transportation			--	583,768
<u>U. S. Department of the Interior</u>				
Passed Through UNITED STATES DEPARTMENT OF THE INTERIOR NATIONAL PARKS:				
National Padre Island Seashore Dispatch Agreement	15.944	N/A	--	29,167
Total U. S. Department of the Interior			--	29,167
<u>U. S. Department of Justice</u>				
Direct Program:				
Victims of Crime Grant	16.575	2899701	--	44,773
Total U. S. Department of Justice			--	44,773
<u>U. S. Department of Housing &amp; Urban Development</u>				
Direct Program:				
Texas Department of Housing & Community Affairs	14.239	1002352	--	98,222
Passed Through Texas Department of Agriculture:				
Office of Rural Affairs	14.228	7214015	--	230,045
Office of Rural Affairs	14.228	7214261	--	22,500
Office of Rural Affairs	14.228	7217047	--	259,910
Total Passed Through Texas Department of Agriculture			--	512,455
Total U. S. Department of Housing & Urban Development			--	610,677
<u>U. S. Department of Health and Human Services</u>				
Passed Through Texas Department of Housing & Community Affairs:				
Comprehensive Energy Assistance Program	93.568	58130001639	--	693,638
Total U. S. Department of Health and Human Services			--	693,638
<u>US GENERAL SERVICES ADMINISTRATION-FEDERAL SURPLUS PROGRAM</u>				
Direct Program:				
Donation of Federal Surplus Personal Property	39.003	--	--	14,762
Total US GENERAL SERVICES ADMINISTRATION-FEDERAL SURPLUS PROGRAM			\$ --	\$ 14,762

**KLEBERG COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**EXHIBIT D-1**  
Page 2 of 2

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>OFFICE OF THE PRESIDENT OF THE NATIONAL DRUG CONTROL POLICY</u>				
Direct Program:				
HIDTA Houston Money Laundering Initiative	95.001	G18HN0014	\$ --	\$ 24,023
Total OFFICE OF THE PRESIDENT OF THE NATIONAL DRUG CONTROL POLICY			--	24,023
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
Passed Through Texas Department of Public Safety:				
Texas Department of Public Safety	97.039	DR-4223-010	--	76,000
Passed Through Texas Division of Emergency Management:				
Texas Community Safe Rooms Initiative	97.039	DR-1791-TX #3	--	143,904
Texas Community Safe Rooms Initiative	97.039	DR-1791-TX #3	--	56,870
Texas Community Safe Rooms Initiative	97.039	DR-1791-TX #3	--	36,437
Total Passed Through Texas Division of Emergency Management			--	237,211
Total FEDERAL EMERGENCY MANAGEMENT AGENCY			--	313,211
<u>Department of Housing and Urban Development</u>				
Passed Through Texas Department of Agriculture:				
Office of Rural Affairs	14.228	7216085	--	176,180
Total Department of Housing and Urban Development			--	176,180
<u>DEPARTMENT OF HOMELAND SECURITY-FEMA</u>				
Direct Programs:				
Operation Stone Garden-SO 3/1/2018-2/29/2020 \$409,698.99	97.067	2017	--	1,398
Operation Stone Garden-TF 3/1/2018-5/31/19 \$133,792.95	97.067	2017	--	47,949
Total Direct Programs			--	49,347
Total DEPARTMENT OF HOMELAND SECURITY-FEMA			--	49,347
<u>DEPARTMENT OF HOMELAND SECURITY - FEMA</u>				
Direct Programs:				
Operation Stone Garden-SO 6/1/16-11/30/17 \$408,468.85	97.067	2015	--	25,021
Operation Stone Garden - TF 1/1/2017 - 8/31/2018 \$55,403.87	97.067	2016	--	52,277
Operation Stone Garden-SO 1/1/2017-8/31/2018 \$385,910.87	97.067	2016	--	232,075
Total Direct Programs			--	309,373
Total DEPARTMENT OF HOMELAND SECURITY - FEMA			--	309,373
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
Passed Through Emergency Food and Shelter National Board:				
Emergency Food and Shelter	97.024	30-8196-00	--	56,853
Total DEPARTMENT OF HOMELAND SECURITY			--	56,853
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ --	\$ 2,937,245

The accompanying notes are an integral part of this schedule.

## **KLEBERG COUNTY, TEXAS**

### **NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2018**

#### Basis of Presentation

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

#### Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Kleberg County, Texas has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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