

ARANSAS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014

Aransas County, Texas
 Comprehensive Annual Financial Report
 For The Year Ended December 31, 2014

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Introductory Section

Aransas County

Lezlie M. Kirk
County Auditor
lkirk@aransascounty.org

301 N. Live Oak
Rockport, Texas 78382
Phone (361) 790-0124
Fax (361) 790-0125

August 20, 2015

Honorable District Judges
Honorable County Judge
Honorable County Commissioners
Aransas County
Rockport, Texas 78382

Ladies and Gentlemen:

Conforming to statutory requirements of the duties of the County Auditor, submitted herewith is the comprehensive annual financial report for Aransas County, Texas, for the year ended December 31, 2014. This report is issued by the County Auditor's office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included. The report consists of four parts:

- 1) Introductory section
- 2) Financial section, including financial statements and supplemental data of the government accompanied by our independent auditor's opinion
- 3) Other Supplementary Information Schedule
- 4) Statistical section, including a number of tables of unaudited data depicting the financial history of the government for the past 10 years, and other miscellaneous information

ACCOUNTING METHODS AND REPORT

The Governmental Accounting and Standards Board require various other entities and activities to be reviewed for possible inclusion in the reporting entity. Accordingly, it has been determined that the reporting entity for Aransas County, Texas, includes all of the funds of the County. The County received an unmodified, or a clean, opinion on the financial statements for 2014.

Your attention is particularly directed to the Statement of Net Assets and Statement of Activities in this report which provides an overview of the financial position and results of operations for the County as a whole, and to the "Notes to Financial Statements" which include additional descriptive information necessary for a full understanding of the County's financial condition. The more detailed financial statements comprising the remainder of the report describe the specific activities of each fund and group of accounts used in accounting for the County's financial transactions.

FINANCIAL ADMINISTRATION

The officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the Commissioners Court), the Tax Assessor-Collector, and the County Treasurer, all of whom are elected for four-year terms, and the County Auditor who is appointed for a two-year term by the State District Judges having jurisdiction within the County. The governing body of the County is the Commissioners Court. It has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other duties, it prepares and approves the County budget, determines the County tax rates, approves contracts in the name of the County, determines whether a proposition to issue bonds should be submitted to the voters, and appoints certain County officials.

The County Judge is the presiding officer of the Commissioners Court and is elected for a four-year term by the voters of the County. Each Commissioner represents one of the four Commissioner precincts into which the County is divided and is elected by the voters of his precinct for a four-year term. The Commissioners Court oversees road and bridge maintenance and construction, which is performed out of one central field office and staff, with one set of road and bridge equipment.

The Tax Assessor-Collector is responsible for collecting ad valorem taxes, collecting certain State and County fees and other taxes, including taxes collected for other local entities.

The County Treasurer's responsibilities include depositing monies received by the County in the depository selected by the Commissioners Court and signing all the County's checks. In addition, the Treasurer serves as the County's investment officer and administers the Indigent Health Care and County Assistance Programs.

The County Auditor is the chief financial officer of Aransas County. She is appointed for a two-year term by and is accountable to the State District Judges. The County Auditor is responsible for substantially all County finance and accounting functions. Her responsibilities include those for accounting, auditing, accounting systems design, assisting with financial planning, financial operations, insurance and payroll. Her signature is also required on the County's checks.

INTERNAL CONTROL

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgements by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

BUDGETING

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. He accumulates departmental requests and works with the County Auditor in compiling estimates of revenue and departmental expenditures.

The Commissioners Court invites various department heads to appear for a hearing concerning the department's budget request. Before determining the final budget, the Commissioners Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available cash. Unused appropriations lapse at year end.

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

Each fund is budgeted on an annual basis with no carryovers into the next year. If a fund has or shows a balance at the end of the year, the balance is included in making computation of available cash for next year's budget.

The Agency Funds are not budgeted as they are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Various other smaller funds were not budgeted for various reasons.

CASH MANAGEMENT

With the approval of Commissioners Court, cash temporarily idle in the various funds is invested in time deposits, money market certificates, and various securities as allowed by law. Interest rates on time deposits are governed by the County depository contract which, by law, is awarded for a two or four year period to the best bidder. The interest rates paid on County time deposits during the year ended December 31, 2014, vary with Treasury bill rates and the period of time the money is invested.

INDEPENDENT AUDIT

Aransas County has followed the policy of having annual independent audits of all its funds during the last several years. This policy has been continued for year 2014 and the independent auditor's report has been included in this report.

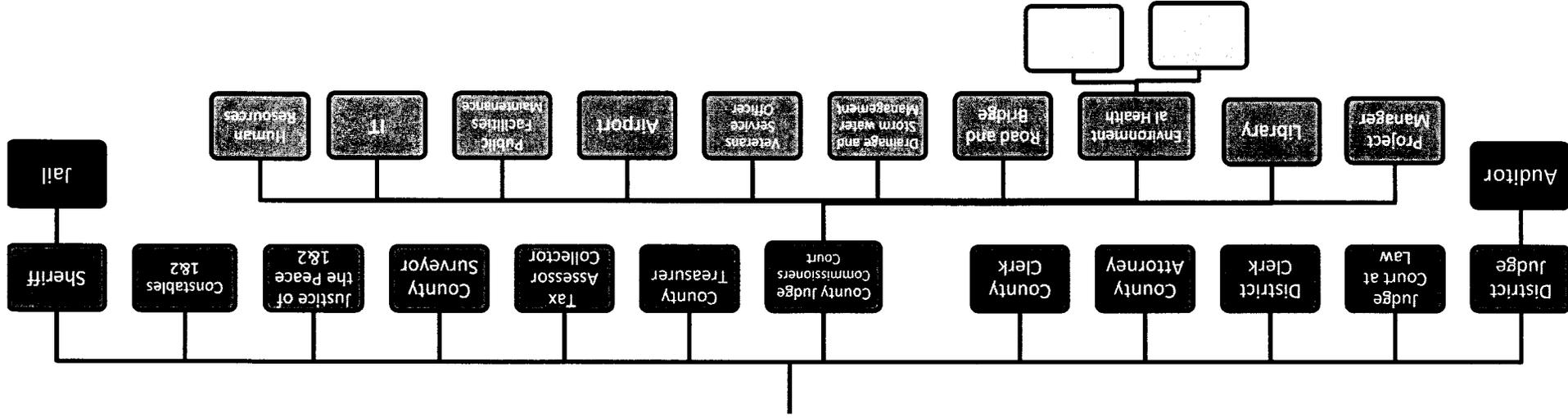
GENERAL REVIEW AND OUTLOOK

The County is in a sound financial condition as of December 31, 2014. The significant progress that Aransas County has made in keeping county facilities and operations in step with the economic development and growth of the County, in updating its financial records and record keeping, in the preparation of this report, and in the sound financial administration of the County could not have been accomplished without the cooperation of the various County officials and the Commissioners Court. I wish to thank them all.

Respectfully submitted,

Lezlie M. Kirk
County Auditor

Aransas County Organizational Chart



ARANSAS COUNTY, TEXAS
 LIST OF PRINCIPAL OFFICIALS
 DECEMBER 31, 2014

Elected Officials

<u>Name</u>	<u>Office</u>
<u>District Courts</u>	
Starr Bauer	Judge, 36th Judicial District
Joel B. Johnson	Judge, 156th Judicial District
Janna Whatley	Judge, 343rd, Judicial District
Michael Welborn	District Attorney
Pam Heard	District Clerk
<u>Commissioners Court</u>	
C.H. (Burt) Mills	County Judge
Jack Chaney	Commissioner, Precinct 1
Leslie (Bubba) Casterline	Commissioner, Precinct 2
Charles Smith	Commissioner, Precinct 3
Betty Stiles	Commissioner, Precinct 4
<u>Other County Officials</u>	
Richard Bianchi	Judge, County Court at Law
William Mills	Sheriff
Alma Cartwright	County Treasurer
Valarie Amasm	County Clerk
Jeri Cox	Tax Assessor-Collector
Kristen Barnebey	County Attorney
Diane Dupnik	Justice of the Peace, Precinct 1
Diana McGinnis	Justice of the Peace, Precinct 2
Harry "Doc" Thomas	Constable, Precinct 1
Charles Phillips, Jr.	Constable, Precinct 2
Jerald L. Brundrett	County Surveyor

Appointed Officials

<u>Name</u>	<u>Position</u>
Lezlie Kirk	County Auditor
David Vyoral	Road Administrator
Michael Geer	Airport Manager
James Jackson	Environmental Health
David J. Reid	Drainage Engineer
Collin Jackson	IT Director

FINANCIAL SECTION

Michael A. Arnold, PLLC

501 E. MARKET

CERTIFIED PUBLIC ACCOUNTANT

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ROCKPORT, TEXAS 78381-1266

Independent Auditor's Report

To the Commissioners' Court
Aransas County, Texas
301 N. Live Oak
Rockport, Texas 78382

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Aransas County, Texas ("the County") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Aransas County, Texas as of December 31, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information 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 Aransas County, Texas's basic financial statements. The introductory section, combining and statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2015 on our consideration of Aransas 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Aransas County, Texas's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Michael A. Arnold, PLLC". The signature is written in a cursive, flowing style.

Michael A. Arnold, PLLC

Rockport, TX
August 20, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Aransas County's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2014. Please read it in conjunction with the transmittal letter on page i and the County's financial statements, which begin on page 13.

FINANCIAL HIGHLIGHTS

County's Change in Net position – Governmental and Business-Type Activities

Total government-wide net position decreased \$1,453,647 as a result of this year's operations. Governmental activities contributed a decrease of \$843,106 and an additional decrease of \$610,541 resulting from business-type activities.

General Fund Performance

As a result of this year's operations, the General fund reported a \$718,524 decrease to fund balance.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net position and the Statement of Activities (on pages 13 and 14) provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund finance statements start on page 43. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the County as a Whole

The Statement of Net position and the Statement of Activities

One of the central concerns in assessing any County's finances is summarized in the question, "Is the County as a whole better off or worse off as a result of the year's activities?" Our analysis addressing this question begins on page 4. The analysis includes a condensed summary of the government-wide financial statements – The Statement of Net position and the Statement of Activities, which present information about the County in a way that facilitates answering this question. These statements are presented much

like the private-sector companies – including all assets and liabilities using the accrual basis of accounting. All revenues and expenses for the current year are reported without regard to when cash is received or paid.

These government-wide financial statements report both net position and changes thereto. Net position are reported in the Statement of Net position. The County's net position, which is the difference between assets and liabilities, is one indicator of the County's financial well-being or financial position at one point in time. Increases or decreases to net position over a period of time is an indication of whether its financial well-being is improving or deteriorating. Of course, other non-financial considerations enter into the determination of the County's overall health, which would include such things as changes in the County's property tax base and the condition of its streets.

Changes to net position are reported in the Statement of Activities, which divides all County functions into two categories:

Governmental activities – Most of the County's basic services are reported in this category, which includes judicial, public safety, roads, health and welfare, culture and recreation and general administration. These activities are primarily supported by sales taxes, property taxes, fines and official fees.

Business-type activities – Services provided at the County Airport and Inmate Commissary are paid for from fees that are charged to customers. These two funds are reported in this category.

Reporting the County's Most Significant Funds

Fund Financial Statements

Our analysis of the County's major funds commences on page 43. The fund financial statements are presented on pages 43 through 85. These statements present detailed information about the County's more significant funds as opposed to the County as a whole. Funds are established for various reasons – some are required by state law; others, by bond covenants. The County has two categories of funds, which can be used for public purpose – governmental and proprietary. Each category uses a different accounting approach.

Governmental funds – Most of the County's basic services are reported in governmental funds. These funds focus on the flow of money into and out of the funds and the balance left over at the end of the year that is available for future spending. Governmental funds use a method of accounting called modified accrual. The purpose of this method is to measure cash and other financial assets that can readily be converted to cash. This approach provides a detailed short-term perspective of the County's general government operations and the basic services it provides. This view of the County's operations provides information that helps to determine the extent to which financial resources are available to spend in the near future to finance County programs. The relationship

between these governmental fund financial statements and the governmental activities column shown in the government-wide financial statements is shown in the form of a reconciliation presented on the page following each governmental fund financial statement.

Proprietary funds- Services provided to either outside customers or to another unit of the County, where a fee is charged, are generally reported in proprietary funds. Proprietary funds are reported the same way that is used in the government-wide financial statements. The County's enterprise funds (a component of proprietary funds) are the same as the business-type activities column of the government-wide financial statements but provides more detail including cash flows. The County has no internal service funds.

THE COUNTY AS A WHOLE

The County's Condensed Statement of Net position is presented in Table 1.

Table 1
Net position
(in Millions)

	Governmental Activities		Business type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Current and other assets	32.1	33.6	0.8	0.9	32.9	34.5
Capital Assets	26.7	25.3	9.0	9.6	35.7	34.9
Total Assets	58.8	58.9	9.8	10.5	68.6	69.4
Deferred charges-Refunding	0.1	-	-	-	0.1	-
Long-term debt outstanding	22.0	23.3	0.9	1.0	22.9	24.3
Other liabilities	1.3	1.1	0.1	0.1	1.4	1.2
Total liabilities	23.3	33.7	1.0	1.1	24.3	25.5
Deferred Inflow of Resources	11.0	9.3	-	-	11.0	9.3
Net position:						
Invested in capital assets,	8.1	9.8	8.0	8.6	16.1	18.4
Net of debt						
Restricted	13.2	13.5	-	-	13.2	13.5
Unrestricted (deficit)	3.2	2.1	0.8	.8	4.0	2.9
Total net position	24.5	25.4	8.8	9.4	33.3	34.8

Net position of the County's governmental activities decreased \$905,035 and the net position of the County's business-type activities decreased \$610,541.

Table 2
Changes in Net position
(in Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	4.8	5.2	1.2	1.3	6.0	6.5
Grants	8.2	1.9	-	-	8.2	1.9
General revenues:						
Property taxes	10.7	10.5	-	-	10.7	10.5
Sales tax	2.7	2.6	-	-	2.7	2.6
Other taxes	0.9	0.9	-	-	0.9	0.9
Investment income	-	-	-	-	-	-
Other general revenues	0.1	0.2	-	-	.01	0.2
Total revenues	27.4	21.3	1.2	1.3	28.6	22.6
Program expenses						
General government	1.8	1.4	-	-	1.8	1.4
Judicial	1.5	1.4	-	-	1.5	1.4
Legal	0.4	0.5	-	-	0.4	0.5
Elections	0.2	0.1	-	-	0.2	0.1
Financial admin.	1.1	1.0	-	-	1.1	1.0
Public facilities	0.6	0.5	-	-	0.6	0.5
Public safety	7.2	6.5	-	-	7.2	6.5
Environmental	1.0	0.7	-	-	1.0	0.7
Public Transportation	2.6	2.4	-	-	2.6	2.4
Flood Control	0.2	0.2	-	-	0.2	0.2
Health & Welfare	1.9	1.5	-	-	1.9	1.5
Culture and recreation	0.7	0.6	-	-	0.7	0.6
Coastal Restoration	8.3	-	-	-	8.3	
Conservation	0.1	0.3	-	-	0.1	0.3
Contributions	-	0.4	-	-	-	0.4
Interest on long-term debt	0.7	0.7	-	-	0.7	0.7
County Airport	-	-	1.6	1.6	1.6	1.6
Inmate Commissary	-	-	0.2	0.2	0.2	0.2
Total expenses	28.3	18.2	1.8	1.8	30.1	20.0
Excess (deficiency)						
Before special items						
And transfers	(0.9)	3.1	(0.6)	(0.5)	(1.5)	2.6
Transfers	-	-	-	-	-	-
Increase (decrease)						

In net position	(0.9)	3.1	(0.6)	(0.5)	(1.5)	2.6
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Total revenues generated from both governmental and business-type activities this year amounted to \$28.6 million.

Governmental Activities

Total revenues generated from governmental activities this year amounted to \$27.4 million. Expenses came in at \$28.3 million.

The cost of all governmental activities this year was \$28.3 million. However, as shown on the Statement of Activities on pages 14 and 15, the amount that our taxpayers ultimately financed for these activities through taxes and other general revenues was \$14.5 million, \$4.8 million to finance these programs was paid by those who directly benefited from them and \$8.2 was financed through contributions and grants.

Table 3 presents the cost of each of the County’s four largest programs as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the County’s taxpayers by each of these functions.

**Table 3
Governmental Activities
(in Millions)**

	Total Cost of Services		Net Cost of Services	
	2014	2013	2014	2013
Public Safety	7.2	6.5	4.4	3.6
General Government	1.8	1.4	1.4	1.0
Public Transportation	2.6	2.4	1.2	1.2
Health and Welfare	1.9	1.5	1.6	1.2
Total	13.5	11.8	8.6	7.0

Business-type Activities

Total revenues generated from business-type activities this year amounted to \$1.2 million. Expenses came in at \$1.8 million, leaving a \$0.6 million decrease to net position before transfers.

More details will be provided about governmental and business-type activities’ operations later in this discussion and analysis.

THE COUNTY'S FUNDS

As a result of this year's operation, governmental funds (as reflected in the balance sheet) decreased combined fund balance was \$16.9 million, a decrease of \$3.6 million from last year.

Governmental Funds - A Detailed Discussion

Revenues

The following table presents a summary of total governmental funds for the years ended December 31, 2014 and 2013.

Table 4
Revenues

Revenues and Transfers- In	2014 Amount	% of Total	2013 Amount	Amount of Increase (Decrease)	% Increase (Decrease)
Taxes	14,222,756	52.0	13,955,869	266,887	1.9
Licenses & Permits	155,053	0.6	134,291	20,762	15.5
Intergovernmental	8,279,639	30.2	2,023,654	6,255,985	309.1
Charges for services	4,059,660	14.8	4,247,243	(187,583)	(4.4)
Fines and Forfeitures	530,119	2.0	714,801	(184,682)	(25.8)
Investment Income	26,947	0.1	43,042	(16,095)	(37.4)
Miscellaneous	66,139	0.3	199,318	(133,179)	(66.8)
Total	27,340,313		21,318,218	6,022,095	28.2

Taxes

The tax rate for fiscal year ending December 31, 2014 was .384699 compared to .37528 for 2013. Income from the 2014 tax roll will be recognized in 2015.

Collection Rate

This year's collection rate of current property taxes on the current adjusted tax levy amounted to 98%, the same as last year.

These factors resulted in the increase in property tax revenues.

The following table presents a summary of governmental funds' expenditures, operating transfers-out and other financing uses for the years ended December 31, 2014 and 2013.

Table 5
Expenditures and Transfers-Out

Expenditures and Transfers- Out	2014 Amount	Percent of Total	2013 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
General government	1,581,043	5.1	1,267,724	313,319	24.7
Judicial	1,521,022	4.9	1,440,973	80,049	5.6
Legal	446,137	1.4	461,887	(15,750)	(3.4)
Elections	154,128	0.5	91,949	62,179	67.2
Financial Adm.	1,119,930	3.6	1,037,950	81,980	7.9
Public Facilities	620,455	2.0	539,275	81,180	15.1
Public safety	6,736,255	21.7	5,929,030	807,225	13.6
Environmental	920,615	3.0	650,424	270,191	41.5
Public transportation	2,207,344	7.1	2,052,255	155,089	7.6
Flood Control	133,058	0.4	152,743	(19,685)	(12.9)
Health and welfare	1,848,733	6.0	1,493,338	355,395	23.8
Culture and recreation	616,359	2.0	515,046	101,313	19.7
Conservation	95,987	0.3	95,258	729	0.8
Coastal Restoration	8,350,294	26.9	-	8,350,294	100
Capital Outlay	2,747,447	8.8	3,344,202	(596,755)	(17.8)
Debt Service	1,937,336	6.2	1,937,751	(415)	(0.02)
Total	31,036,143		21,009,805	10,026,338	47.7

Government Fund Expenditures

Total Governmental Fund expenditures increased over last year by approximately \$10 million. This was caused primarily by expenditures related to the opening of Cedar Bayou.

General Fund

Revenues, transfers-in and various proceeds generated \$12,338,640, 542,287 and 75,319, respectively, aggregating \$12,956,246. Expenditures and transfers-out amounted to \$13,317,337 and 357,433, respectively, aggregating \$13,674,770. The resulting effect on fund balance represented a decrease of \$718,524.

PROPRIETARY FUNDS

Enterprise Funds

The County's enterprise operations consist of the County Airport and the Inmate Commissary. Net operating loss for the Enterprise Funds was \$610,541 compared to a loss of \$547,846 in 2013. The \$610,541 loss includes depreciation expense of \$657,582.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year, the County had \$35,713,025 in capital assets.

**Table 8
Capital Assets at Year-end
(Net of Depreciation,)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Land	2,575,239	2,103,725	125,710	125,710	2,700,949	2,229,435
Construction in progress	1,414,372	985,577	-	-	1,414,372	985,577
Buildings and improvements	11,972,350	12,440,450	8,752,996	9,386,526	20,725,346	21,826,976
Equipment	3,414,071	3,183,745	112,202	95,281	3,526,273	3,279,026
Infrastructure	7,346,085	6,589,306	-	-	7,346,085	6,589,306
Totals	26,722,117	25,302,803	8,990,908	9,607,517	35,713,025	34,910,320

Debt Administration

The County is authorized to issue bonds, for any purpose for which a County may issue bonds under the constitution and laws of the State of Texas. State law precludes the use of bond proceeds for any other purpose other than that for which the bonds were sold.

Bond Ratings

The County's bond rating as of last issue from Standards & Poor's is AAA.

Bonds Outstanding

At the end of the fiscal year, the County had \$22,954,641 in bonds outstanding.

At December 31, 2014 the County was in compliance with all bond covenants.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

During the budget process for fiscal year 2014-15 the elected and appointed officials considered many factors including the forces driving the economy in their budget decisions.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to inform the citizens, taxpayers and customers of the County of Aransas as well as its investors and creditors about the County's finances and to provide accountability for the public support that it receives. If you have any questions about the report or need additional financial information, contact the County Auditor's office at 301 N. Live Oak, Rockport, Texas 78382.

Basic Financial Statements

ARANSAS COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 18,475,411	\$ 729,798	\$ 19,205,209
Receivables (net of allowances for uncollectibles):			
Property taxes	6,903,985	--	6,903,985
Interest	7,410	--	7,410
Intergovernmental	538,951	--	538,951
Accounts	--	52,910	52,910
Sundry	75,796	--	75,796
Leases	962,000	--	962,000
Fines and fees	1,767,745	--	1,767,745
Inventories	42,670	46,251	88,921
Cash and investments - restricted	3,366,487	--	3,366,487
Capital assets, net of accumulated depreciation			
Land	2,575,239	125,710	2,700,949
Buildings, facilities and improvements	11,972,349	8,731,828	20,704,177
Machinery and equipment	3,414,071	133,370	3,547,441
Infrastructure	7,346,085	--	7,346,085
Construction in progress	1,414,372	--	1,414,372
Total Assets	58,862,571	9,819,867	68,682,438
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges - Refunding Bond	135,086	--	135,086
Total Deferred Outflows of Resources	135,086	--	135,086
LIABILITIES			
Accounts payable	802,867	51,605	854,472
Due to others	18,208	8,555	26,763
Accrued wages payable	201,051	--	201,051
Accrued interest payable	261,476	14,735	276,211
Long-term liabilities:			
Due within one year	1,295,868	48,298	1,344,166
Due in more than one year	20,748,943	861,529	21,610,472
Total Liabilities	23,328,413	984,722	24,313,135
DEFERRED INFLOW OF RESOURCES			
Advance tax collections	4,423,556	--	4,423,556
Unavailable Revenues	6,621,171	--	6,621,171
Total Inflow of Resources	11,044,727	--	11,044,727
NET POSITION:			
Net Investment in Capital Assets	8,182,291	8,065,198	16,247,489
Restricted For:			
Legislative	6,454,159	--	6,454,159
Debt Service	2,858,849	--	2,858,849
Capital Projects	2,803,844	--	2,803,844
Health Care	185,608	--	185,608
Public Safety	39,698	--	39,698
Culture and Recreation	795,723	--	795,723
Public Safety	70,429	--	70,429
Unrestricted	3,233,916	769,947	4,003,863
Total Net Position	\$ 24,624,517	\$ 8,835,145	\$ 33,459,662

The accompanying notes are an integral part of this statement.

ARANSAS COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 1,759,249	\$ 318,099	\$ 28,789	\$ --
Judicial	1,522,212	859,093	84,102	--
Legal	446,137	37,188	35,000	--
Elections	171,029	29,041	2,990	--
Financial administration	1,144,743	114,847	--	--
Public facilities	631,016	--	--	--
Public safety	7,205,904	2,023,806	717,258	89,362
Environmental protection	1,012,205	586,781	58,864	296,616
Public Transportation	2,575,736	794,520	643,455	--
Flood Control	179,148	--	--	--
Health and welfare	1,853,021	27,445	182,319	--
Culture and recreation	685,936	6,943	15,000	65,039
Conservation	114,578	--	--	--
Water and sewer system	21,000	--	--	21,000
Coastal restoration	8,350,294	--	100,000	5,830,732
Interest and fiscal charges	678,157	30,787	--	--
Total expenditures	<u>28,350,365</u>	<u>4,828,550</u>	<u>1,867,777</u>	<u>6,302,749</u>
Business-type Activities:				
County Airport	1,680,898	1,035,322	40,546	--
Inmate Commissary	171,625	164,804	--	--
Total Business-type Activities	<u>1,852,523</u>	<u>1,200,126</u>	<u>40,546</u>	<u>--</u>
Total Primary Government	<u>\$ 30,202,888</u>	<u>\$ 5,966,747</u>	<u>\$ 1,908,323</u>	<u>\$ 6,302,749</u>
General Revenues:				
Property taxes				
Sales taxes				
Occupancy taxes				
Other taxes				
Investment earnings				
Other income				
Gain on Sale of capital cssets				
Insurance Proceeds				
Transfers				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets - Beginning				
Net Assets - Ending				

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,412,361)		\$ (1,412,361)
(579,017)		(579,017)
(373,949)		(373,949)
(138,998)		(138,998)
(1,029,896)		(1,029,896)
(631,016)		(631,016)
(4,375,478)		(4,375,478)
(69,944)		(69,944)
(1,137,761)		(1,137,761)
(179,148)		(179,148)
(1,643,257)		(1,643,257)
(598,954)		(598,954)
(114,578)		(114,578)
--		--
(2,419,562)		(2,419,562)
(647,370)		(647,370)
<u>(15,351,289)</u>		<u>(15,351,289)</u>
--	\$ (605,030)	(605,030)
--	(6,821)	(6,821)
--	<u>(611,851)</u>	<u>(611,851)</u>
<u>(15,351,289)</u>	<u>(611,851)</u>	<u>(15,963,140)</u>
10,710,751	--	10,710,751
2,679,062	--	2,679,062
817,760	--	817,760
118,086	--	118,086
26,947	1,310	28,257
66,139	--	66,139
17,577	--	17,577
71,861	--	71,861
--	--	--
<u>14,508,183</u>	<u>1,310</u>	<u>14,509,493</u>
<u>(843,106)</u>	<u>(610,541)</u>	<u>(1,453,647)</u>
<u>25,467,623</u>	<u>9,445,686</u>	<u>34,913,309</u>
<u>\$ 24,624,517</u>	<u>\$ 8,835,145</u>	<u>\$ 33,459,662</u>

ARANSAS COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Debt Service Fund</u>
ASSETS			
Cash and investments	\$ 8,254,086	\$ 2,065,144	\$ 2,715,487
Receivables (net of allowances for uncollectibles):			
Property taxes	4,659,992	854,891	1,191,280
Interest	7,410	--	--
Intergovernmental	262,005	--	--
Sundry	13,867	61,929	--
Leases	--	--	962,000
Due from other funds	198,082	--	--
Inventories	10,577	32,093	--
Cash and investments - restricted	--	--	--
 Total Assets	 <u>\$ 13,406,019</u>	 <u>\$ 3,014,057</u>	 <u>\$ 4,868,767</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 438,213	\$ 32,879	\$ --
Due to others	18,208	--	--
Accrued wages payable	183,450	17,601	--
Due to other funds	--	--	--
Total Liabilities	<u>639,871</u>	<u>50,480</u>	<u>--</u>
 Deferred Inflows of Resources:			
Unavailable revenues	4,659,992	854,891	2,263,857
Advance Tax Collections	2,988,400	546,671	763,825
Total Deferred inflows of Resources	<u>7,648,392</u>	<u>1,401,562</u>	<u>3,027,682</u>
 FUND BALANCES			
Nonspendable	10,577	32,093	--
Restricted	--	1,529,922	1,841,085
Committed	--	--	--
Unassigned	5,107,179	--	--
Total Fund Balances	<u>5,117,756</u>	<u>1,562,015</u>	<u>1,841,085</u>
 Total Liabilities, Deferred Inflow of Resources and Fund Balances	 <u>\$ 13,406,019</u>	 <u>\$ 3,014,057</u>	 <u>\$ 4,868,767</u>

The accompanying notes are an integral part of this statement.

EXHIBIT A-3

2011 Flood Control C.O.	Cedar Bayou Restoration	Other Governmental Funds	Total Governmental Funds
\$ --	\$ --	\$ 5,440,694	\$ 18,475,411
--	--	197,822	6,903,985
--	--	--	7,410
--	--	276,946	538,951
--	--	--	75,796
--	--	--	962,000
--	--	--	198,082
--	--	--	42,670
3,163,281	--	203,206	3,366,487
<u>\$ 3,163,281</u>	<u>\$ --</u>	<u>\$ 6,118,668</u>	<u>\$ 30,570,792</u>
\$ 1,175	\$ --	\$ 330,600	\$ 802,867
--	--	--	18,208
--	--	--	201,051
--	--	198,082	198,082
<u>1,175</u>	<u>--</u>	<u>528,682</u>	<u>1,220,208</u>
--	--	197,822	7,976,562
--	--	124,660	4,423,556
<u>--</u>	<u>--</u>	<u>322,482</u>	<u>12,400,118</u>
--	--	--	42,670
3,162,106	--	5,373,549	11,906,662
--	--	107,541	107,541
--	--	(213,586)	4,893,593
<u>3,162,106</u>	<u>--</u>	<u>5,267,504</u>	<u>16,950,466</u>
<u>\$ 3,163,281</u>	<u>\$ --</u>	<u>\$ 6,118,668</u>	<u>\$ 30,570,792</u>

ARANSAS COUNTY, TEXASRECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2014

Total fund balances - governmental funds balance sheet	\$ 16,950,466
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.	26,722,116
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	393,391
Payables for bond principal which are not due in the current period are not reported in the funds.	(21,906,312)
Payables for bond interest which are not due in the current period are not reported in the funds.	(261,476)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(138,499)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	135,086
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	1,767,745
Lease receivable unavailable to pay for current period expenditures are deferred in the funds.	<u>962,000</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 24,624,517</u>

The accompanying notes are an integral part of this statement.

ARANSAS COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	Road and Bridge	Debt Service Fund
Revenue:			
Taxes	\$ 8,326,673	\$ 1,305,439	\$ 2,067,989
Licenses and permits	155,053	--	--
Intergovernmental	228,817	582,199	105,787
Contributions	--	--	--
Charges for services	3,250,792	608,133	--
Fines and forfeitures	295,254	180,584	--
Investment earnings	18,507	2,750	1,348
Miscellaneous	63,544	--	--
Total revenues	<u>12,338,640</u>	<u>2,679,105</u>	<u>2,175,124</u>
Expenditures:			
Current:			
General government	1,494,140	--	--
Judicial	1,459,679	--	--
Legal	418,409	--	--
Elections	124,820	--	--
Financial administration	1,119,930	--	--
Public facilities	620,455	--	--
Public safety	5,862,394	--	--
Environmental protection	519,735	--	--
Public Transportation	431,515	1,775,829	--
Flood Control	--	--	--
Health and welfare	665,333	--	--
Culture and recreation	64,559	--	--
Conservation	95,987	--	--
Coastal Restoration	--	--	--
Capital outlay	440,381	287,714	--
Debt service:			
Principal	--	--	1,205,834
Interest and fiscal charges	--	--	731,502
Total expenditures	<u>13,317,337</u>	<u>2,063,543</u>	<u>1,937,336</u>
Excess (deficiency) of revenues (under) expenditures	(978,697)	615,562	237,788
Other financing sources (uses):			
Transfers in	542,287	--	203,525
Transfers out	(357,433)	(489,132)	(25)
Insurance proceeds	63,461	--	--
Proceeds from sale of capital assets	11,858	2,914	--
Total other financing sources (uses)	<u>260,173</u>	<u>(486,218)</u>	<u>203,500</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(718,524)	129,344	441,288
Fund balances, January 1	5,836,280	1,432,671	1,399,797
Fund balances, December 31	<u>\$ 5,117,756</u>	<u>\$ 1,562,015</u>	<u>\$ 1,841,085</u>

The accompanying notes are an integral part of this statement.

EXHIBIT A-5

2011 Flood Control C.O.	Cedar Bayou Restoration	Other Governmental Funds	Total Governmental Funds
\$ --	\$ --	\$ 2,522,655	\$ 14,222,756
--	--	--	155,053
--	3,000,000	2,627,434	6,544,237
--	1,570,363	165,039	1,735,402
--	--	262,664	4,121,589
--	--	54,281	530,119
1,651	--	2,691	26,947
--	--	2,595	66,139
<u>1,651</u>	<u>4,570,363</u>	<u>5,637,359</u>	<u>27,402,242</u>
--	--	86,903	1,581,043
--	--	61,343	1,521,022
--	--	27,728	446,137
--	--	29,308	154,128
--	--	--	1,119,930
--	--	--	620,455
--	--	873,861	6,736,255
--	--	400,880	920,615
--	--	--	2,207,344
--	--	133,058	133,058
--	--	1,183,400	1,848,733
--	--	551,800	616,359
--	--	--	95,987
--	4,625,208	3,725,086	8,350,294
986,889	--	1,053,463	2,768,447
--	--	--	1,205,834
--	--	--	731,502
<u>986,889</u>	<u>4,625,208</u>	<u>8,126,830</u>	<u>31,057,143</u>
(985,238)	(54,845)	(2,489,471)	(3,654,901)
--	54,845	1,891,903	2,692,560
--	--	(1,845,970)	(2,692,560)
--	--	584	64,045
--	--	2,805	17,577
<u>--</u>	<u>54,845</u>	<u>49,322</u>	<u>81,622</u>
(985,238)	--	(2,440,149)	(3,573,279)
4,147,344	--	7,707,653	20,523,745
<u>\$ 3,162,106</u>	<u>\$ --</u>	<u>\$ 5,267,504</u>	<u>\$ 16,950,466</u>

ARANSAS COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Net change in fund balances - total governmental funds	\$ (3,573,279)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	2,747,447
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,328,133)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	102,903
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	1,205,834
Bond issuance costs and similar items are amortized in the SOA but not in the funds.	(12,848)
(Increase) decrease in accrued interest from beginning of period to end of period.	10,992
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	28,285
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.	(4,508)
Lease receivable revenues are deferred in the funds. This is the change in these amounts this year.	(75,000)
Bond premiums are reported in the funds but not in the SOA.	<u>55,201</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ (843,106)</u>

The accompanying notes are an integral part of this statement.

ARANSAS COUNTY, TEXASSTATEMENT OF NET POSITION
ENTERPRISE FUNDS
DECEMBER 31, 2014

	Enterprise Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
	County Airport	Inmate Commissary	
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 375,958	\$ 105,840	\$ 481,798
Investments	248,000	--	248,000
Receivables (net of allowances for uncollectibles):			
Accounts	52,910	--	52,910
Inventories	46,251	--	46,251
Total Current Assets	<u>723,119</u>	<u>105,840</u>	<u>828,959</u>
Noncurrent Assets:			
Capital assets, net of accumulated depreciation			
Land	125,710	--	125,710
Buildings, facilities and improvements	8,731,828	--	8,731,828
Machinery and equipment	112,923	20,447	133,370
Total Capital Assets	<u>8,970,461</u>	<u>20,447</u>	<u>8,990,908</u>
Total Assets	<u>\$ 9,693,580</u>	<u>\$ 126,287</u>	<u>\$ 9,819,867</u>
LIABILITIES AND NET POSITION			
Current Liabilities:			
Accounts payable	\$ 51,605	\$ --	\$ 51,605
Due to others	--	8,555	8,555
Accrued interest payable	14,735	--	14,735
Current portion of long-term debt	48,298	--	48,298
Total Current Liabilities	<u>114,638</u>	<u>8,555</u>	<u>123,193</u>
Noncurrent Liabilities:			
Compensated absences payable	4,564	--	4,564
Bonds payable	856,965	--	856,965
Total Noncurrent Liabilities	<u>861,529</u>	<u>--</u>	<u>861,529</u>
Total Liabilities	<u>976,167</u>	<u>8,555</u>	<u>984,722</u>
NET POSITION			
Invested in Capital Assets	8,064,198	--	8,064,198
Unrestricted	653,215	117,732	770,947
Total Net Assets	<u>8,717,413</u>	<u>117,732</u>	<u>8,835,145</u>
Total Liabilities and Net Assets	<u>\$ 9,693,580</u>	<u>\$ 126,287</u>	<u>\$ 9,819,867</u>

ARANSAS COUNTY, TEXASSTATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Enterprise Fund	Nonmajor Enterprise Fund	Total Enterprise Funds
	County Airport	Inmate Commissary	
OPERATING REVENUES:			
Charges for services	\$ 1,035,322	\$ 164,804	\$ 1,200,126
Total Operating Revenues	<u>1,035,322</u>	<u>164,804</u>	<u>1,200,126</u>
OPERATING EXPENSES:			
Cost of services	486,891	--	486,891
Personal services	259,321	--	259,321
Contractual services	160,936	--	160,936
Supplies	1,132	169,220	170,352
Repairs and maintenance	78,901	--	78,901
Depreciation and amortization	655,177	2,405	657,582
Total Operating Expenses	<u>1,642,358</u>	<u>171,625</u>	<u>1,813,983</u>
Operating Income (Loss)	<u>(607,036)</u>	<u>(6,821)</u>	<u>(613,857)</u>
NON-OPERATING REVENUES (EXPENSES):			
Intergovernmental revenue	40,546	--	40,546
Interest revenue	1,310	--	1,310
Interest expense	(38,540)	--	(38,540)
Total Non-operating Revenues (Expenses)	<u>3,316</u>	<u>--</u>	<u>3,316</u>
Income (Loss) before Capital Contributions and Transfers	<u>(603,720)</u>	<u>(6,821)</u>	<u>(610,541)</u>
TRANSFERS:			
Transfers in	--	--	--
Transfers out	--	--	--
Change in Net Position	<u>(603,720)</u>	<u>(6,821)</u>	<u>(610,541)</u>
Net Position, beginning of year	9,321,133	124,553	9,445,686
Net Position, end of year	<u>\$ 8,717,413</u>	<u>\$ 117,732</u>	<u>\$ 8,835,145</u>

The accompanying notes are an integral part of this statement.

ARANSAS COUNTY, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2014

	Enterprise Funds		
	County Airport	Inmate Commissary	Totals
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 1,036,508	\$ 164,804	\$ 1,201,312
Cash Payments to Employees for Services	(260,366)	--	(260,366)
Cash Payments to Other Suppliers for Goods and Services	(741,007)	(171,245)	(912,252)
Net Cash Provided (Used) by Operating Activities	<u>35,135</u>	<u>(6,441)</u>	<u>28,694</u>
Cash Flows from Non-capital Financing Activities:			
Repayment of loans from other funds	--	--	--
Deposits from others	--	--	--
Transfers to other funds	--	--	--
Operating Grants Received	40,546	--	40,546
Net Cash Provided (Used) by Non-capital Financing Activities	<u>40,546</u>	<u>--</u>	<u>40,546</u>
Cash Flows from Capital and Related Financing Activities:			
Debt service payments	(85,398)	--	(85,398)
Acquisition or Construction of Capital Assets	(40,969)	--	(40,969)
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>(126,367)</u>	<u>--</u>	<u>(126,367)</u>
Cash Flows from Investing Activities:			
Purchase of investments	(248,000)	--	(248,000)
Interest and Dividends on Investments	1,310	--	1,310
Net Cash Provided (Used) for Investing Activities	<u>(246,690)</u>	<u>--</u>	<u>(246,690)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(297,376)	(6,441)	(303,817)
Cash and Cash Equivalents at Beginning of Year	673,334	112,281	785,615
Cash and Cash Equivalents at End of Year	<u>\$ 375,958</u>	<u>\$ 105,840</u>	<u>\$ 481,798</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ (607,036)	\$ (6,821)	\$ (613,857)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation and Amortization	655,177	2,405	657,582
Change in Assets and Liabilities:			
Decrease (Increase) in Receivables	1,186	--	1,186
Decrease (Increase) in Inventories	14,926	--	14,926
Increase (Decrease) in Accounts Payable	(28,073)	--	(28,073)
Increase (Decrease) in Due to Others	--	(2,025)	(2,025)
Increase (Decrease) in Wages Payable	(1,045)	--	(1,045)
Total Adjustments	<u>642,171</u>	<u>380</u>	<u>642,551</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 35,135</u>	<u>\$ (6,441)</u>	<u>\$ 28,694</u>

The accompanying notes are an integral part of this statement.

ARANSAS COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2014

	Agency Funds
ASSETS	
Assets:	
Cash and investments	\$ 3,350,091
Total Assets	<u>\$ 3,350,091</u>
LIABILITIES AND EQUITY	
Liabilities:	
Due to others	\$ 3,350,091
Total Liabilities	<u>3,350,091</u>
Equity:	
Total equity	<u>--</u>
Total Liabilities and Equity	<u>\$ 3,350,091</u>

The accompanying notes are an integral part of this statement.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

A. Summary of Significant Accounting Policies

The combined financial statements of Aransas County, Texas (the "County") have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

Aransas County, Texas, (the "County") was organized in 1871. The County operates under a County Judge-Commissioners Court type of government and provides the following services throughout the County: public safety, public transportation (highways, roads and airport), health and welfare, culture-recreation, conservation, public facilities, environmental protection, judicial and legal, election functions, and general administrative services.

The financial statements of the County include all governmental activities, organizations and functions of the County for which the Commissioners Court has oversight responsibility. The financial statements include all funds and account groups of the County. There are no component units applicable to the County. Therefore, the primary government (Aransas County) is the same as the reporting entity. The County is not a component unit of any other entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The County does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the County except those required to be accounted for in another fund.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Road and Bridge Fund. This fund is used to account for monies provided by ad valorem taxes, registration fees and various other revenue sources for maintenance of county roads.

Debt Service Fund. This fund is used to account for the accumulation of resources and payment of bond principal.

2011 Flood Control C.O. Fund. This fund is used to account for the receipt and use of the funds pertaining to the 2011 C.O. issue.

Cedar Bayou Restoration Fund. This fund is used to account for certain proceeds received from the State of Texas to open Cedar Bayou.

The County reports the following major enterprise funds:

County Airport Fund. This fund is used to account for the operations of the County Airport.

In addition, the County reports the following fund types:

Agency Funds: These funds are used to account for assets held by the County as agent for individuals, private organizations and other governmental units. Agency funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are not available to support County programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County does not consider revenues collected after its year-end to be available in the current period. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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.

3. Budgets and Budgetary Accounting

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

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

- a. Prior to the beginning of the fiscal year, the County prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the Commissioners' Court is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must have been given.
- c. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the Commissioners' Court.

Once a budget is approved, it can be amended only by approval of a majority of the members of the Commissioners' Court. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Commissioners' Court and are not made after fiscal year end. During the year, the budget was amended as necessary.

Annual budgets are legally adopted for the general fund, most special revenue funds and the debt service fund. Budgets are adopted on a basis consistent with GAAP with the following exception:

Assistance Department Special Revenue Fund - revenues and expenditures recognized as the result of receipt and distribution of federal commodities are not budgeted.

Encumbrance accounting is not utilized by the County.

Unused appropriations for all of the above annually budgeted funds lapse at the end of the year.

The legal level of budgetary control is at the fund level.

Formal budgets are not adopted in the Capital Projects Funds. Effective budgetary control in these funds is achieved through individual project budgeting in conformance with the provisions of bond orders, grant awards and other sources.

4. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Tax collections budgeted for the subsequent fiscal year begin in October. These advance tax collections are reported as a deferred inflow of resources in the financial statements.

Allowances for uncollectible tax receivables within the General, Special Revenue and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

The County's Tax Assessor-Collector acts as agent in the billing and collecting of taxes for the Aransas County Independent School District, the City of Rockport, the Aransas County Navigation District No.1, the Town of Fulton and the Aransas County MUD No.1. These transactions are accounted for in the Tax Collector-Assessor Agency Fund.

c. Inventories and Prepaid Items

The County records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

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	50
Buildings, Improvements and Facilities	20-40
Machinery and Equipment	5-10

e. Receivable and Payable Balances

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.

Except for the lease receivable, there are no significant receivables which are not scheduled for collection within one year of year end.

f. Deferred Outflows/Inflows of Resources

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

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County's unavailable revenues which arise only under the modified accrual basis of accounting qualify for reporting in this category in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and court-assessed fines and costs and advance tax collections.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

g. Compensated Absences

Vacation, sick leave benefits and compensatory time are accrued by County employees according to guidelines set in the County's personnel policy. All full-time employees with one year service accrue vacation with pay. The amount of vacation earned depends upon the length of service with the County. Unused vacation leave over 40 hours will be lost at the end of each fiscal year.

Sick leave accrues at the rate of one day per month while an employee is actually employed by the County on a full-time basis. Part-time employees do not receive the benefit of sick leave. The maximum number of days which shall accrue to the individual can not exceed one hundred-twenty days at any one time. Sick leave will not be paid upon termination of employment.

h. 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 statement of net position.

i. Fund Balances - Governmental Funds

Fund balances are classified as described below:

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 that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the Commissioners' Court. Committed amounts cannot be used for any other purpose unless the Court 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 Court. Commitments are typically done through adoption and amendment of the budget. 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.

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 or by an official or body to which the Court delegates the authority. 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.

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

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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. **Use of Estimates**

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

B. Compliance and Accountability

1. **Finance-Related Legal and Contractual Provisions**

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. **Deficit Fund Balance or Fund Net Position of Individual Funds**

Following are funds having deficit fund balances or fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
Grant Construction Fund	\$ (212,942)	To be funded by the General Fund.
County Attorney Hot Check Fund	(324)	To be funded by the General Fund.
Voter Registration Fund	(250)	To be funded by the General Fund.

C. Deposits and Investments

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 Deposits:

At December 31, 2014, the carrying amount of the County's deposits in its depository bank was \$10,511,437 and the bank balance was \$11,218,172. The County's cash deposits at December 31, 2014 and during the year ended December 31, 2013, were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the County's name.

The County also invests in certificates of deposit at other financial institutions which are fully covered by FDIC insurance. The term of these certificates varies between 3 months to 2 years. The certificates of deposit are shown below as investments and are fully covered by FDIC insurance.

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.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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 general purpose 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. Additionally, investment practices of the County were 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.

The County's investments at December 31, 2014 are shown below.

<u>Investment or Investment Type</u>	<u>Weighted Average To Maturity (Days)</u>	<u>Fair Value</u>
Investment Pools:		
TexPool	49	\$ 1,137,180
Deutsche Government Cash Institutional	43	6,486,380
TexStar	48	1,150,416
Texas Class	50	3,406,374
		<u>12,180,350</u>
Certificates of Deposit	466	3,230,000
Total Investments		<u>\$ 15,410,350</u>

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 certain related disclosures:

a. Credit Risk

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. At year end, the County was not significantly exposed to credit risk.

At December 31, 2014, the County's investments, other than those which are obligations of or guaranteed by the U. S. Government, are rated as to credit quality as follows:

<u>Investment</u>	<u>Rating</u>	<u>Agency</u>
TexPool	AAAm	Standards & Poors
Deutsche Government Cash Institutional	AAAm	Standards & Poors
TexStar	AAAm	Standards & Poors
Texas Class	AAAm	Standards & Poors

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

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

held by the pledging financial institution's trust department or agent but not in the County's name.

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.

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

c. **Concentration of Credit Risk**

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County uses a wide range of pools and financial institutions and was not significantly exposed to concentration of credit risk at year end.

d. **Interest Rate Risk**

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

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

D. Restricted Cash

Restricted cash consists of amounts held in bond construction funds.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

E. Lease Receivable

In 2003, the County issued Certificates of Obligation in the amount of \$11,400,000 for construction of a new jail and law enforcement center. The City of Rockport (the City) agreed to occupy and share the cost of the law enforcement center. The City entered into a lease purchase agreement with the County to share the cost of the law enforcement center of \$3,300,010. The City contributed real estate valued at \$54,216 as a partial payment. The City and County share the facility on a 50/50 basis. Both parties agreed that the City's remaining cost for the project (after credit for the real estate contribution) to be \$1,607,000. The City's payments have been calculated by prorating the debt service requirements due on the Certificate issue over 20 years. Payments began in 2004. As soon as the City has met its payment requirements, the City will own an undivided interest of approximately 50% in the law enforcement center.

The City has agreed to pay 50% of the annual operating costs, including repair and maintenance, of the center.

The lease receivable of \$962,000 has been recorded in the Debt Service Fund.

<u>Year Ending December 31.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 78,000	\$ 42,162	\$ 120,162
2016	82,000	38,911	120,911
2017	85,000	35,414	120,414
2018	89,000	31,661	120,661
2019	93,000	27,680	120,680
2020-2024	535,000	68,629	603,629
Totals	\$ 962,000	\$ 244,457	\$ 1,206,457

The effective interest rate on the lease is 4.394%.

Payments for the year ended December 31, 2014 were \$120,222.

F. Capital Assets

Capital asset activity for the year ended December 31, 2014, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 2,103,725	\$ 471,514	\$ --	\$ 2,575,239
Construction in progress	985,577	658,910	230,115	1,414,372
Total capital assets not being depreciated	<u>3,089,302</u>	<u>1,130,424</u>	<u>230,115</u>	<u>3,989,611</u>
Capital assets being depreciated:				
Infrastructure	10,714,695	951,677	--	11,666,372
Buildings, improvements and facilities	17,466,087			17,466,087
Machinery and equipment	8,903,215	895,461	75,000	9,723,676
Total capital assets being depreciated	<u>37,083,997</u>	<u>1,847,138</u>	<u>75,000</u>	<u>38,856,135</u>
Less accumulated depreciation for:				
Infrastructure	(4,125,389)	(194,898)	--	(4,320,287)
Buildings, improvements and facilities	(5,025,637)	(468,100)	--	(5,493,737)
Machinery and equipment	(5,719,470)	(665,135)	(75,000)	(6,309,605)
Total accumulated depreciation	<u>(14,870,496)</u>	<u>(1,328,133)</u>	<u>(75,000)</u>	<u>(16,123,629)</u>
Total capital assets being depreciated, net	<u>22,213,501</u>	<u>519,005</u>	<u>--</u>	<u>22,732,506</u>
Governmental activities capital assets, net	<u>\$ 25,302,803</u>	<u>\$ 1,649,429</u>	<u>\$ 230,115</u>	<u>\$ 26,722,117</u>

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Business-type activities:</u>				
Capital assets not being depreciated:				
Land	\$ 125,710	\$ --	\$ --	\$ 125,710
Construction in progress	--	--		--
Total capital assets not being depreciated	<u>125,710</u>	<u>--</u>	<u>--</u>	<u>125,710</u>
Capital assets being depreciated:				
Buildings, improvements and facilities	15,428,367	--	--	15,428,367
Machinery and equipment	563,060	40,969	--	604,029
Total capital assets being depreciated	<u>15,991,427</u>	<u>40,969</u>	<u>--</u>	<u>16,032,396</u>
Less accumulated depreciation for:				
Buildings, improvements and facilities	(6,041,841)	(633,530)		(6,675,371)
Machinery and equipment	(467,775)	(24,052)		(491,827)
Total accumulated depreciation	<u>(6,509,616)</u>	<u>(657,582)</u>	<u>--</u>	<u>(7,167,198)</u>
Total capital assets being depreciated, net	<u>9,481,811</u>	<u>(616,613)</u>	<u>--</u>	<u>8,865,198</u>
Business-type activities capital assets, net	<u>\$ 9,607,521</u>	<u>\$ (616,613)</u>	<u>\$ --</u>	<u>\$ 8,990,908</u>

Depreciation was charged to functions as follows:

<u>Governmental activities:</u>	
General Government	\$ 188,701
Judicial	1,190
Elections	16,901
Financial administration	24,813
Public facilities	10,561
Public safety	487,439
Flood control	46,090
Environmental protection	91,590
Public transportation	368,392
Health and welfare	4,288
Culture and recreation	69,577
Conservation	18,591
	<u>\$ 1,328,133</u>

<u>Business-type activities:</u>	
Airport	\$ 655,177
Inmate Commissary	2,405
	<u>\$ 657,582</u>

G. Interfund Balances and Activity

1. Due To and From Other Funds

At December 31, 2014, the Grant Construction fund owed the General Fund \$198,082 for a short-term loan.

2. Transfers To and From Other Funds

Transfers to and from other funds at December 31, 2014, consisted of the following:

Transfers From	Transfers To	Amount	Reason
General Fund	Cedar Bayou Restoration	\$ 54,845	Transfer prior year donations
General Fund	Other Governmental Funds	302,589	Supplement other funds sources

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Road and Bridge Fund	General Fund	489,132	Supplement other funds sources
Debt Service Fund	Other Governmental Funds	25	Supplement other funds sources
Other Governmental Funds	Debt Service Fund	203,525	Supplement other funds sources
Other Governmental Funds	General Fund	53,155	Supplement other funds sources
Other Governmental Funds	Other Governmental Funds	1,589,289	Supplement other funds sources
Total		<u>\$ 2,692,560</u>	

H. Short-Term Debt Activity

There was no short-term debt activity for the year ended December 31, 2014.

I. Long-Term Obligations

1. Long-Term Obligation

Long-term debt consisted of the following at December 31, 2014:

	Original Amount	Interest Rate	General Long- Term Debt	Enterprise Fund Debt
Certificates of Obligation, Series 2007	\$ 2,995,000	4.10-5.00%	\$ 1,767,171	\$ 537,829
Certificates of Obligation, Series 2009	\$ 4,475,000	2.50-5.00%	3,435,000	345,000
Certificates of Obligation, Series 2011	\$ 5,480,000	2.00-4.00%	4,860,000	--
Venue Project Revenue Bonds, Series 2011	\$ 2,770,000	2.00-4.00%	2,445,000	--
Limited Tax Refunding Bonds, Series 2012	\$ 7,255,000	2.00-3.00%	6,625,000	--
Certificates of Obligation, Series 2012	\$ 2,205,000	2.00-3.00%	2,125,000	--
Total Bonded Debt			21,257,171	882,829
Unamortized bond premium			649,143	22,435
Compensated absences			138,499	4,564
Total Long-Term Debt			<u>\$ 22,044,813</u>	<u>\$ 909,828</u>

Changes in long-term obligations for the year ended December 31, 2014, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>					
Certificates of Obligation	\$ 19,908,005	\$ --	\$ 1,095,834	\$ 18,812,171	1,124,667
Revenue Bonds	2,555,000	--	110,000	2,445,000	110,000
Bond Premium	704,344	--	55,201	649,143	55,201
Compensated absences *	166,784	--	28,285	138,499	6,000

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Total governmental activities	\$ <u>23,334,133</u>	\$ <u>--</u>	\$ <u>1,289,320</u>	\$ <u>22,044,813</u>	\$ <u>1,295,868</u>
Business activities					
Certificates of Obligation	\$ 926,995	\$ --	\$ 44,166	\$ 882,829	\$ 45,333
Bond Premium	24,400	--	1,965	22,435	1,965
Compensated absences *	5,609	--	1,045	4,564	1,000
Total business activities	\$ <u>957,004</u>	\$ <u>--</u>	\$ <u>47,176</u>	\$ <u>909,828</u>	\$ <u>48,298</u>

* 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
Compensated absences	Business	Airport

2. Debt Service Requirements

Debt service requirements on long-term debt at December 31, 2014, are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,234,667	\$ 697,271	\$ 1,931,938
2016	1,268,500	665,955	1,934,455
2017	1,301,167	632,101	1,933,268
2018	1,335,000	596,697	1,931,697
2019	1,372,667	558,916	1,931,583
2020-2024	7,549,169	2,126,282	9,675,451
2025-2029	6,071,001	856,184	6,927,185
2030-2031	1,125,000	55,975	1,180,975
Totals	\$ <u>21,257,171</u>	\$ <u>6,189,381</u>	\$ <u>27,446,552</u>

<u>Year Ending December 31,</u>	<u>Business Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 45,333	\$ 39,294	\$ 84,627
2016	51,500	37,173	88,673
2017	53,833	34,840	88,673
2018	55,000	32,394	87,394
2019	57,333	29,811	87,144
2020-2024	325,831	105,840	431,671
2025-2029	293,999	28,016	322,015
Totals	\$ <u>882,829</u>	\$ <u>307,368</u>	\$ <u>1,190,197</u>

3. Advance Refunding

At December 31, 2014, the County had no legally defeased debt outstanding.

4. Continuing Disclosure

The County has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas, which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the County.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

J. Fund Balances

Fund Balances at December 31, 2014 consisted of the following:

Nonspendable:

General Fund	\$ 10,577
Road and Bridge Fund	32,093
	<u>42,670</u>

Restricted:

Legislative:

Road and Bridge	1,529,922
Mosquito Control	88,488
Special Contingency	96,600
Records Management County Clerk	107,343
Law Library	43,108
Courthouse Security	32,490
Records Management - Countywide	194,459
Justice of the Peace Technology	104,362
Title IV-D Child Support	10,511
Out of County Juvenile Detention	349
Road and Bridge I&S	117
Court Reporter Service Fee	81,823
TECLOSE Training	20,701
Flood Control	1,144,306
Records Management-District Clerk	26,403
Records Archive	155,980
Appellate Judicial System	4,187
Child Abuse Prevention	929
County & District Court Technology	4,250
Court Records Preservation	27,460
District Court Technology	5,583
Pretrial Intervention	13,478
Juvenile Case Management	20,189
Election Service Contract	2,973
	<u>3,716,011</u>

Public Safety

County Forfeiture	7,425
Sheriff's Forfeiture	5,354
DEA Forfeiture	57,650
	<u>70,429</u>

Health:

Indigent Health	229,827
Health Care Sales Tax	441,833
	<u>671,660</u>

Culture and Recreation:

Hotel/Motel Occupancy Tax Fund	395,403
Waterway Restoration	262,538
Venue Tax	450,383
	<u>1,108,324</u>

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Capital Outlay:	
2011 Flood Control C.O.	3,162,106
Venue Projects Fund	477,368
2011 C.O. Venue Capital Projects	859,679
	4,499,153
Debt Service:	
Debt Service Fund	1,841,085
Total Restricted	11,906,662
Committed;	
County Library	51,520
Aransas County Assistance Department	56,021
	107,541
Unassigned:	
Grant Construction Fund	(212,942)
Voter Registration	(250)
County Attorney Hot Check	(394)
General Fund	5,107,179
	4,893,593
Total Fund Balances	\$ 16,950,466

K. Commitments Under Noncapitalized Leases

The County has no material commitments under noncapitalized leases at December 31, 2014.

L. 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. During fiscal year 2014, the County purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for any of the past three fiscal years. obtained general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Association of Counties Risk Management Pool. The Pool is a self-funded pool operating as a common risk management and insurance program. The County pays an annual premium to the Pool for its above insurance coverage. The agreement for the formation of the Pool provides that it 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 reinsurance. The County continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

M. Pension Plan

1. Plan Description

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

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78766-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 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 75 or more. Members are vested after 10 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

2. Funding Policy

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 8.75 for calendar year 2014. The contribution rate payable by the employee members is the rate of 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

For the employer's accounting year ending December 31, 2014, the annual pension cost for the TCDRS Plan for its employees was \$662,222, and the actual contributions were \$662,222..

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

Actuarial Information

Actuarial valuation date	12/31/11	12/31/12	12/31/13
Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	Level percent. of payroll, cls.	Level percent. of payroll, cls.	Level percent. of payroll, cls.
Amortization period	20.00	20.00	20.00
Asset valuation method	SAF: 10yr smoothed value ESF: Fund Val.	SAF: 10yr smoothed value ESF: Fund Val.	SAF: 10yr smoothed value ESF: Fund Val.
Actuarial Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases*	5.4%	5.4%	4.9%
Inflation	3.5%	3.5%	3.0%
Cost-of-living adjustments	--	--	--

*Includes inflation at the stated rate

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

Trend Information

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	\$ 523,044	100%	\$-0-
12/31/12	\$ 568,023	100%	\$-0-
12/31/13	\$ 582,314	100%	\$-0-

Schedule of Funding Progress for the Retirement Plan for the Employees of Aransas County

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/11	12,934,040	\$ 14,490,433	\$ 1,556,393	89.26%	\$ 6,819,354	22.82%
12/31/12	14,195,057	16,126,262	1,931,205	88.02%	7,073,767	27.30%
12/31/13	15,468,366	17,222,280	1,753,914	89.82%	7,041,263	24.91%

N. Other Employee Benefits

The County does not offer post employment benefits for its employees except as described below:

1. Post Employment Benefits

The County provides health care benefits as required by the Federal government under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA requires employers that sponsor group health plans to provide continuation of group coverage to terminated employees and their dependents in circumstances where coverage would normally end. The election to be covered is at the request of the employee. The employee is then required to pay the premium costs for themselves and their dependents. Expenditures are recognized as claims are submitted. COBRA participants are reimbursed at the same levels as active employees. At December 31, 2014, the County had been fully reimbursed for costs related to COBRA participants.

2. 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 to future years. The plan is held in an independent trust for the exclusive benefit of participating employees and is not accessible by the government or its creditors. The plan is not accounted for in the County's financial statements.

O. 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.

ARANSAS COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

2. Litigation

There is no reportable litigation against the County at December 31, 2014.

P. Subsequent Events

The County has evaluated subsequent events through August 20, 2015, the date the financial statements were first available to be issued.

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.

ARANSAS COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue:				
Taxes	\$ 8,155,132	\$ 8,256,604	\$ 8,326,673	\$ 70,069
Licenses and permits	121,169	121,169	155,053	33,884
Intergovernmental	224,000	231,900	228,817	(3,083)
Charges for services	3,586,212	3,722,497	3,250,792	(471,705)
Fines and forfeitures	489,448	489,448	295,254	(194,194)
Investment earnings	22,000	22,000	18,507	(3,493)
Miscellaneous	78,000	73,000	63,544	(9,456)
Total revenues	<u>12,675,961</u>	<u>12,916,618</u>	<u>12,338,640</u>	<u>(577,978)</u>
Expenditures:				
Current:				
General government	1,564,078	1,606,702	1,494,140	112,562
Judicial	1,489,844	1,518,157	1,459,679	58,478
Legal	466,954	467,669	418,409	49,260
Elections	131,552	132,972	124,820	8,152
Financial administration	1,139,700	1,158,737	1,119,930	38,807
Public facilities	597,715	629,148	620,455	8,693
Public safety	6,107,663	6,029,349	5,862,394	166,955
Environmental protection	509,660	521,590	519,735	1,855
Public Transportation	473,646	473,830	431,515	42,315
Health and welfare	524,783	691,388	665,333	26,055
Culture and recreation	67,000	67,000	64,559	2,441
Conservation	96,058	96,086	95,987	99
Capital outlay	400,000	450,382	440,381	10,001
Total expenditures	<u>13,568,653</u>	<u>13,843,010</u>	<u>13,317,337</u>	<u>525,673</u>
Excess (deficiency) of revenues (under) expenditures	(892,692)	(926,392)	(978,697)	(52,305)
Other financing sources (uses):				
Transfers in	573,507	573,507	542,287	(31,220)
Transfers out	(302,588)	(302,588)	(357,433)	54,845
Insurance proceeds	30,000	53,900	63,461	(9,561)
Proceeds from sale of capital assets	2,000	13,300	11,858	(1,442)
Total other financing sources (uses)	<u>302,919</u>	<u>338,119</u>	<u>260,173</u>	<u>77,946</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(589,773)	(588,273)	(718,524)	(130,251)
Fund balances, January 1	5,836,280	5,836,280	5,836,280	--
Fund balances, December 31	<u>\$ 5,246,507</u>	<u>\$ 5,248,007</u>	<u>\$ 5,117,756</u>	<u>\$ (130,251)</u>

ARANSAS COUNTY, TEXAS
ROAD AND BRIDGE
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT B-2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue:				
Taxes	\$ 1,324,784	\$ 1,324,784	\$ 1,305,439	\$ (19,345)
Intergovernmental	555,000	555,000	582,199	27,199
Charges for services	221,500	455,780	608,133	152,353
Fines and forfeitures	204,000	204,000	180,584	(23,416)
Investment earnings	7,000	7,000	2,750	(4,250)
Total revenues	<u>2,312,284</u>	<u>2,546,564</u>	<u>2,679,105</u>	<u>132,541</u>
Expenditures:				
Current:				
Public Transportation	1,876,228	1,949,293	1,775,829	173,464
Capital outlay	125,000	287,715	287,714	1
Total expenditures	<u>2,001,228</u>	<u>2,237,008</u>	<u>2,063,543</u>	<u>173,465</u>
Excess (deficiency) of revenues (under) expenditures	311,056	309,556	615,562	306,006
Other financing sources (uses):				
Transfers out	(526,552)	(526,552)	(489,132)	(37,420)
Proceeds from sale of capital assets	--	--	2,914	2,914
Total other financing sources (uses)	<u>(526,552)</u>	<u>(526,552)</u>	<u>(486,218)</u>	<u>(40,334)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(215,496)	(216,996)	129,344	346,340
Fund balances, January 1	1,432,671	1,432,671	1,432,671	--
Fund balances, December 31	<u>\$ 1,217,175</u>	<u>\$ 1,215,675</u>	<u>\$ 1,562,015</u>	<u>\$ 346,340</u>

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.

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2014

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS			
Cash and investments	\$ 4,775,973	\$ 664,721	\$ 5,440,694
Receivables (net of allowances for uncollectibles):			
Property taxes	197,822	--	197,822
Intergovernmental	96,921	180,025	276,946
Cash and investments - restricted	--	203,206	203,206
Total Assets	<u>\$ 5,070,716</u>	<u>\$ 1,047,952</u>	<u>\$ 6,118,668</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 127,467	\$ 203,133	\$ 330,600
Due to other funds	--	198,082	198,082
Total Liabilities	<u>127,467</u>	<u>401,215</u>	<u>528,682</u>
Deferred Inflows of Resources			
Unavailable revenues	197,822	--	197,822
Advance Tax Collections	124,660	--	124,660
Total Deferred inflows of Resources	<u>322,482</u>	<u>--</u>	<u>322,482</u>
FUND BALANCES			
Restricted	4,513,870	859,679	5,373,549
Committed	107,541	--	107,541
Unassigned	(644)	(212,942)	(213,586)
Total Fund Balances	<u>4,620,767</u>	<u>646,737</u>	<u>5,267,504</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 5,070,716</u>	<u>\$ 1,047,952</u>	<u>\$ 6,118,668</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenue:			
Taxes	\$ 2,522,655	\$ --	\$ 2,522,655
Intergovernmental	175,876	2,451,558	2,627,434
Contributions	100,000	65,039	165,039
Charges for services	262,664	--	262,664
Fines and forfeitures	54,281	--	54,281
Investment earnings	878	1,813	2,691
Miscellaneous	2,595	--	2,595
Total revenues	<u>3,118,949</u>	<u>2,518,410</u>	<u>5,637,359</u>
Expenditures:			
Current:			
General government	86,903	--	86,903
Judicial	61,343	--	61,343
Legal	27,728	--	27,728
Elections	29,308	--	29,308
Public safety	155,729	718,132	873,861
Environmental protection	84,207	316,673	400,880
Flood Control	133,058	--	133,058
Health and welfare	1,183,400	--	1,183,400
Culture and recreation	536,800	15,000	551,800
Coastal Restoration	68,000	3,657,086	3,725,086
Capital outlay	231,827	800,636	1,032,463
Total expenditures	<u>2,598,303</u>	<u>5,528,527</u>	<u>8,126,830</u>
Excess (deficiency) of revenues (under) expenditures	520,646	(3,010,117)	(2,489,471)
Other financing sources (uses):			
Transfers in	1,891,903	--	1,891,903
Transfers out	(1,845,970)	--	(1,845,970)
Insurance proceeds	584	--	584
Proceeds from sale of capital assets	2,805	--	2,805
Total other financing sources (uses)	<u>49,322</u>	<u>--</u>	<u>49,322</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	569,968	(3,010,117)	(2,440,149)
Fund balances, January 1	4,050,799	3,656,854	7,707,653
Fund balances, December 31	<u>\$ 4,620,767</u>	<u>\$ 646,737</u>	<u>\$ 5,267,504</u>

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Hotel/Motel Occupancy Tax Fund	County Attorney Hot Check	Mosquito Control	County Library
ASSETS				
Cash and investments	\$ 400,970	\$ 1,855	\$ 98,954	\$ 57,969
Receivables (net of allowances for uncollectibles):				
Property taxes	--	--	16,270	--
Intergovernmental	--	--	--	--
Total Assets	<u>\$ 400,970</u>	<u>\$ 1,855</u>	<u>\$ 115,224</u>	<u>\$ 57,969</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 5,567	\$ 2,249	\$ 84	\$ 6,449
Total Liabilities	<u>5,567</u>	<u>2,249</u>	<u>84</u>	<u>6,449</u>
Deferred Inflows of Resources				
Unavailable revenues	--	--	16,270	--
Advance Tax Collections	--	--	10,382	--
Total Deferred inflows of Resources	<u>--</u>	<u>--</u>	<u>26,652</u>	<u>--</u>
FUND BALANCES				
Restricted	395,403	--	88,488	--
Committed	--	--	--	51,520
Unassigned	--	(394)	--	--
Total Fund Balances	<u>395,403</u>	<u>(394)</u>	<u>88,488</u>	<u>51,520</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 400,970</u>	<u>\$ 1,855</u>	<u>\$ 115,224</u>	<u>\$ 57,969</u>

<u>Special Contingency</u>	<u>Records Management - County Clerk</u>	<u>Law Library</u>	<u>Courthouse Security</u>	<u>Records Managment - Countywide</u>
\$ 96,600	\$ 108,448	\$ 44,365	\$ 32,490	\$ 194,459
--	--	--	--	--
--	--	--	--	--
<u>\$ 96,600</u>	<u>\$ 108,448</u>	<u>\$ 44,365</u>	<u>\$ 32,490</u>	<u>\$ 194,459</u>
<u>\$ --</u>	<u>\$ 1,105</u>	<u>\$ 1,257</u>	<u>\$ --</u>	<u>\$ --</u>
<u>--</u>	<u>1,105</u>	<u>1,257</u>	<u>--</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
96,600	107,343	43,108	32,490	194,459
--	--	--	--	--
--	--	--	--	--
<u>96,600</u>	<u>107,343</u>	<u>43,108</u>	<u>32,490</u>	<u>194,459</u>
<u>\$ 96,600</u>	<u>\$ 108,448</u>	<u>\$ 44,365</u>	<u>\$ 32,490</u>	<u>\$ 194,459</u>

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	<u>Indigent Health Care</u>	<u>Aransas County Assistance Department</u>	<u>Health Care Sales Tax</u>	<u>Justice of the Peace Technology</u>
ASSETS				
Cash and investments	\$ 325,303	\$ 58,698	\$ 345,694	\$ 104,362
Receivables (net of allowances for uncollectibles):				
Property taxes	--	--	--	--
Intergovernmental	--	--	96,921	--
Total Assets	<u>\$ 325,303</u>	<u>\$ 58,698</u>	<u>\$ 442,615</u>	<u>\$ 104,362</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 95,476	\$ 2,677	\$ 782	\$ --
Total Liabilities	<u>95,476</u>	<u>2,677</u>	<u>782</u>	<u>--</u>
Deferred Inflows of Resources				
Unavailable revenues	--	--	--	--
Advance Tax Collections	--	--	--	--
Total Deferred inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES				
Restricted	229,827	--	441,833	104,362
Committed	--	56,021	--	--
Unassigned	--	--	--	--
Total Fund Balances	<u>229,827</u>	<u>56,021</u>	<u>441,833</u>	<u>104,362</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 325,303</u>	<u>\$ 58,698</u>	<u>\$ 442,615</u>	<u>\$ 104,362</u>

<u>Title IV-D Child Support</u>	<u>Out-of-County Juvenile Detention</u>	<u>Road Bond Interest & Sinking</u>	<u>Court Reporter Service Fee</u>	<u>Fire Department Project</u>
\$ 10,511	\$ 349	\$ 117	\$ 81,954	\$ --
--	--	--	--	--
--	--	--	--	--
<u>\$ 10,511</u>	<u>\$ 349</u>	<u>\$ 117</u>	<u>\$ 81,954</u>	<u>\$ --</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 131</u>	<u>\$ --</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>131</u>	<u>--</u>
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
10,511	349	117	81,823	--
--	--	--	--	--
--	--	--	--	--
<u>10,511</u>	<u>349</u>	<u>117</u>	<u>81,823</u>	<u>--</u>
<u>\$ 10,511</u>	<u>\$ 349</u>	<u>\$ 117</u>	<u>\$ 81,954</u>	<u>\$ --</u>

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	County Forfeiture	TECLOSE Training	Sheriff's Forfeiture	Waterway Restoration Fund
ASSETS				
Cash and investments	\$ 7,425	\$ 20,701	\$ 5,354	\$ 262,538
Receivables (net of allowances for uncollectibles):				
Property taxes	--	--	--	--
Intergovernmental	--	--	--	--
Total Assets	<u>\$ 7,425</u>	<u>\$ 20,701</u>	<u>\$ 5,354</u>	<u>\$ 262,538</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ --	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
Unavailable revenues	--	--	--	--
Advance Tax Collections	--	--	--	--
Total Deferred inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES				
Restricted	7,425	20,701	5,354	262,538
Committed	--	--	--	--
Unassigned	--	--	--	--
Total Fund Balances	<u>7,425</u>	<u>20,701</u>	<u>5,354</u>	<u>262,538</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 7,425</u>	<u>\$ 20,701</u>	<u>\$ 5,354</u>	<u>\$ 262,538</u>

Flood Control	Records Management - District Clerk	Records Archive	DEA Forfeiture	Appellate Judical System
\$ 1,260,180	\$ 26,403	\$ 155,980	\$ 57,650	\$ 4,187
181,552	--	--	--	--
--	--	--	--	--
<u>\$ 1,441,732</u>	<u>\$ 26,403</u>	<u>\$ 155,980</u>	<u>\$ 57,650</u>	<u>\$ 4,187</u>
<u>\$ 1,596</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
1,596	--	--	--	--
181,552	--	--	--	--
114,278	--	--	--	--
<u>295,830</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,144,306	26,403	155,980	57,650	4,187
--	--	--	--	--
--	--	--	--	--
<u>1,144,306</u>	<u>26,403</u>	<u>155,980</u>	<u>57,650</u>	<u>4,187</u>
<u>\$ 1,441,732</u>	<u>\$ 26,403</u>	<u>\$ 155,980</u>	<u>\$ 57,650</u>	<u>\$ 4,187</u>

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	<u>Venue Tax</u>	<u>Child Abuse Prevention</u>	<u>County & District Court Technology</u>
ASSETS			
Cash and investments	\$ 450,383	\$ 929	\$ 4,250
Receivables (net of allowances for uncollectibles):			
Property taxes	--	--	--
Intergovernmental	--	--	--
Total Assets	<u>\$ 450,383</u>	<u>\$ 929</u>	<u>\$ 4,250</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ --	\$ --	\$ --
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources			
Unavailable revenues	--	--	--
Advance Tax Collections	--	--	--
Total Deferred inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>
FUND BALANCES			
Restricted	450,383	929	4,250
Committed	--	--	--
Unassigned	--	--	--
Total Fund Balances	<u>450,383</u>	<u>929</u>	<u>4,250</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 450,383</u>	<u>\$ 929</u>	<u>\$ 4,250</u>

<u>Court Records Preservation</u>	<u>District Court Technology</u>	<u>Venue Projects Fund</u>	<u>Pretrial Intervention</u>	<u>Voter Registration</u>
\$ 27,460	\$ 5,583	\$ 484,668	\$ 13,478	\$ --
--	--	--	--	--
--	--	--	--	--
<u>\$ 27,460</u>	<u>\$ 5,583</u>	<u>\$ 484,668</u>	<u>\$ 13,478</u>	<u>\$ --</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,300</u>	<u>\$ --</u>	<u>\$ 250</u>
--	--	7,300	--	250
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
27,460	5,583	477,368	13,478	--
--	--	--	--	--
--	--	--	--	(250)
<u>27,460</u>	<u>5,583</u>	<u>477,368</u>	<u>13,478</u>	<u>(250)</u>
<u>\$ 27,460</u>	<u>\$ 5,583</u>	<u>\$ 484,668</u>	<u>\$ 13,478</u>	<u>\$ --</u>

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Juvenile Case Management	Election Service Contract	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
ASSETS			
Cash and investments	\$ 21,176	\$ 4,530	\$ 4,775,973
Receivables (net of allowances for uncollectibles):			
Property taxes	--	--	197,822
Intergovernmental	--	--	96,921
Total Assets	<u>\$ 21,176</u>	<u>\$ 4,530</u>	<u>\$ 5,070,716</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 987	\$ 1,557	\$ 127,467
Total Liabilities	<u>987</u>	<u>1,557</u>	<u>127,467</u>
Deferred Inflows of Resources			
Unavailable revenues	--	--	197,822
Advance Tax Collections	--	--	124,660
Total Deferred inflows of Resources	<u>--</u>	<u>--</u>	<u>322,482</u>
FUND BALANCES			
Restricted	20,189	2,973	4,513,870
Committed	--	--	107,541
Unassigned	--	--	(644)
Total Fund Balances	<u>20,189</u>	<u>2,973</u>	<u>4,620,767</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 21,176</u>	<u>\$ 4,530</u>	<u>\$ 5,070,716</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Hotel/Motel Occupancy Tax Fund	County Attorney Hot Check	Mosquito Control	County Library
Revenue:				
Taxes	\$ 363,036	\$ --	\$ 27,129	\$ --
Intergovernmental	--	--	--	--
Contributions	--	--	--	--
Charges for services	--	9,325	--	2,175
Fines and forfeitures	--	--	--	4,768
Investment earnings	--	--	8	12
Miscellaneous	--	--	--	102
Total revenues	<u>363,036</u>	<u>9,325</u>	<u>27,137</u>	<u>7,057</u>
Expenditures:				
Current:				
General government	--	--	--	--
Judicial	--	--	--	--
Legal	--	13,372	--	--
Elections	--	--	--	--
Public safety	--	--	--	--
Environmental protection	--	--	84,207	--
Flood Control	--	--	--	--
Health and welfare	--	--	--	--
Culture and recreation	225,094	--	--	185,787
Coastal Restoration	--	--	--	--
Capital outlay	--	--	8,200	--
Total expenditures	<u>225,094</u>	<u>13,372</u>	<u>92,407</u>	<u>185,787</u>
Excess (deficiency) of revenues (under) expenditures	137,942	(4,047)	(65,270)	(178,730)
Other financing sources (uses):				
Transfers in	--	--	141,294	182,759
Transfers out	(200,000)	--	(33,155)	--
Insurance proceeds	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--
Total other financing sources (uses)	<u>(200,000)</u>	<u>--</u>	<u>108,139</u>	<u>182,759</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(62,058)	(4,047)	42,869	4,029
Fund balances, January 1	457,461	3,653	45,619	47,491
Fund balances, December 31	<u>\$ 395,403</u>	<u>\$ (394)</u>	<u>\$ 88,488</u>	<u>\$ 51,520</u>

Special Contingency	Records Management - County Clerk	Law Library	Courthouse Security	Records Management - Countywide
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
2,711	52,300	11,272	20,024	10,208
--	--	--	--	--
--	--	--	--	--
<u>2,711</u>	<u>52,300</u>	<u>11,272</u>	<u>20,024</u>	<u>10,208</u>
--	47,578	--	--	--
--	--	--	--	--
--	--	14,356	--	--
--	--	--	--	--
--	--	--	5,292	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>47,578</u>	<u>14,356</u>	<u>5,292</u>	<u>--</u>
2,711	4,722	(3,084)	14,732	10,208
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
2,711	4,722	(3,084)	14,732	10,208
93,889	102,621	46,192	17,758	184,251
<u>\$ 96,600</u>	<u>\$ 107,343</u>	<u>\$ 43,108</u>	<u>\$ 32,490</u>	<u>\$ 194,459</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Indigent Health Care	Aransas County Assistance Department	Health Care Sales Tax	Justice of the Peace Technology
Revenue:				
Taxes	\$ --	\$ --	\$ 1,342,060	\$ --
Intergovernmental	--	162,649	--	--
Contributions	--	--	--	--
Charges for services	--	--	400	9,791
Fines and forfeitures	--	--	--	--
Investment earnings	--	--	--	--
Miscellaneous	--	2,493	--	--
Total revenues	<u>--</u>	<u>165,142</u>	<u>1,342,460</u>	<u>9,791</u>
Expenditures:				
Current:				
General government	--	--	--	--
Judicial	--	--	--	8,000
Legal	--	--	--	--
Elections	--	--	--	--
Public safety	--	--	--	--
Environmental protection	--	--	--	--
Flood Control	--	--	--	--
Health and welfare	559,615	307,414	316,371	--
Culture and recreation	--	--	--	--
Coastal Restoration	--	--	--	--
Capital outlay	--	--	--	--
Total expenditures	<u>559,615</u>	<u>307,414</u>	<u>316,371</u>	<u>8,000</u>
Excess (deficiency) of revenues (under) expenditures	(559,615)	(142,272)	1,026,089	1,791
Other financing sources (uses):				
Transfers in	745,223	144,093	--	--
Transfers out	--	--	(1,030,610)	--
Insurance proceeds	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--
Total other financing sources (uses)	<u>745,223</u>	<u>144,093</u>	<u>(1,030,610)</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	185,608	1,821	(4,521)	1,791
Fund balances, January 1	44,219	54,200	446,354	102,571
Fund balances, December 31	<u>\$ 229,827</u>	<u>\$ 56,021</u>	<u>\$ 441,833</u>	<u>\$ 104,362</u>

Title IV-D Child Support	Out-of-County Juvenile Detention	Road Bond Interest & Sinking	Court Reporter Service Fee	Fire Department Project
\$ --	\$ --	\$ 7	\$ --	\$ --
--	--	--	--	--
--	--	--	6,795	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>7</u>	<u>6,795</u>	<u>--</u>
--	--	--	--	--
--	--	--	2,178	--
--	--	--	--	--
--	--	--	--	119,829
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>2,178</u>	<u>119,829</u>
--	--	7	4,617	(119,829)
--	--	--	--	119,829
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>119,829</u>
--	--	7	4,617	--
10,511	349	110	77,206	--
<u>\$ 10,511</u>	<u>\$ 349</u>	<u>\$ 117</u>	<u>\$ 81,823</u>	<u>\$ --</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	County Forfeiture	TECLOSE Training	Sheriff's Forfeiture	Waterway Restoration Fund
Revenue:				
Taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	6,911	--	--
Contributions	--	--	--	100,000
Charges for services	--	--	--	--
Fines and forfeitures	12,076	--	9,311	--
Investment earnings	--	--	--	26
Miscellaneous	--	--	--	--
Total revenues	<u>12,076</u>	<u>6,911</u>	<u>9,311</u>	<u>100,026</u>
Expenditures:				
Current:				
General government	--	--	--	--
Judicial	--	--	--	--
Legal	--	--	--	--
Elections	--	--	--	--
Public safety	14,068	2,021	7,644	--
Environmental protection	--	--	--	--
Flood Control	--	--	--	--
Health and welfare	--	--	--	--
Culture and recreation	--	--	--	--
Coastal Restoration	--	--	--	68,000
Capital outlay	--	--	--	--
Total expenditures	<u>14,068</u>	<u>2,021</u>	<u>7,644</u>	<u>68,000</u>
Excess (deficiency) of revenues (under) expenditures	(1,992)	4,890	1,667	32,026
Other financing sources (uses):				
Transfers in	--	--	--	100,000
Transfers out	--	--	--	--
Insurance proceeds	--	--	--	--
Proceeds from sale of capital assets	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>100,000</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,992)	4,890	1,667	132,026
Fund balances, January 1	9,417	15,811	3,687	130,512
Fund balances, December 31	<u>\$ 7,425</u>	<u>\$ 20,701</u>	<u>\$ 5,354</u>	<u>\$ 262,538</u>

<u>Flood Control</u>	<u>Records Management - District Clerk</u>	<u>Records Archive</u>	<u>DEA Forfeiture</u>	<u>Appellate Judicial System</u>
\$ 335,699	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
1,500	2,035	46,724	--	--
--	--	--	--	2,238
433	--	120	--	--
--	--	--	--	--
<u>337,632</u>	<u>2,035</u>	<u>46,844</u>	<u>--</u>	<u>2,238</u>
--	--	39,325	--	--
--	--	--	--	1,433
--	--	--	--	--
--	--	--	6,875	--
--	--	--	--	--
133,058	--	--	--	--
--	--	--	--	--
--	--	--	--	--
206,187	--	--	--	--
<u>339,245</u>	<u>--</u>	<u>39,325</u>	<u>6,875</u>	<u>1,433</u>
(1,613)	2,035	7,519	(6,875)	805
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
(1,613)	2,035	7,519	(6,875)	805
1,145,919	24,368	148,461	64,525	3,382
<u>\$ 1,144,306</u>	<u>\$ 26,403</u>	<u>\$ 155,980</u>	<u>\$ 57,650</u>	<u>\$ 4,187</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Venue Tax	Child Abuse Prevention	County & District Court Technology
Revenue:			
Taxes	\$ 454,724	\$ --	\$ --
Intergovernmental	--	--	--
Contributions	--	--	--
Charges for services	--	--	--
Fines and forfeitures	--	200	814
Investment earnings	136	--	--
Miscellaneous	--	--	--
Total revenues	<u>454,860</u>	<u>200</u>	<u>814</u>
Expenditures:			
Current:			
General government	--	--	--
Judicial	--	--	--
Legal	--	--	--
Elections	--	--	--
Public safety	--	--	--
Environmental protection	--	--	--
Flood Control	--	--	--
Health and welfare	--	--	--
Culture and recreation	341	--	--
Coastal Restoration	--	--	--
Capital outlay	--	--	--
Total expenditures	<u>341</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues (under) expenditures	454,519	200	814
Other financing sources (uses):			
Transfers in	--	--	--
Transfers out	(562,205)	--	--
Insurance proceeds	--	--	--
Proceeds from sale of capital assets	--	--	--
Total other financing sources (uses)	<u>(562,205)</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(107,686)	200	814
Fund balances, January 1	558,069	729	3,436
Fund balances, December 31	<u>\$ 450,383</u>	<u>\$ 929</u>	<u>\$ 4,250</u>

Court Records Preservation	District Court Technology	Venue Projects Fund	Pretrial Intervention	Voter Registration
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	6,316	--	--
--	--	--	--	--
--	--	--	--	--
5,094	1,790	--	15,000	2,990
--	--	143	--	--
--	--	--	--	--
<u>5,094</u>	<u>1,790</u>	<u>6,459</u>	<u>15,000</u>	<u>2,990</u>
--	--	--	--	--
--	--	--	2,350	--
--	--	--	--	3,240
--	--	--	--	--
--	--	--	--	--
--	--	125,578	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>125,578</u>	<u>2,350</u>	<u>3,240</u>
5,094	1,790	(119,119)	12,650	(250)
--	--	458,705	--	--
--	--	--	(20,000)	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>458,705</u>	<u>(20,000)</u>	<u>--</u>
5,094	1,790	339,586	(7,350)	(250)
22,366	3,793	137,782	20,828	--
<u>\$ 27,460</u>	<u>\$ 5,583</u>	<u>\$ 477,368</u>	<u>\$ 13,478</u>	<u>\$ (250)</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Juvenile Case Management	Election Service Contract	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenue:			
Taxes	\$ --	\$ --	\$ 2,522,655
Intergovernmental	--	--	175,876
Contributions	--	--	100,000
Charges for services	58,363	29,041	262,664
Fines and forfeitures	--	--	54,281
Investment earnings	--	--	878
Miscellaneous	--	--	2,595
Total revenues	<u>58,363</u>	<u>29,041</u>	<u>3,118,949</u>
Expenditures:			
Current:			
General government	--	--	86,903
Judicial	47,382	--	61,343
Legal	--	--	27,728
Elections	--	26,068	29,308
Public safety	--	--	155,729
Environmental protection	--	--	84,207
Flood Control	--	--	133,058
Health and welfare	--	--	1,183,400
Culture and recreation	--	--	536,800
Coastal Restoration	--	--	68,000
Capital outlay	17,440	--	231,827
Total expenditures	<u>64,822</u>	<u>26,068</u>	<u>2,598,303</u>
Excess (deficiency) of revenues (under) expenditures	(6,459)	2,973	520,646
Other financing sources (uses):			
Transfers in	--	--	1,891,903
Transfers out	--	--	(1,845,970)
Insurance proceeds	584	--	584
Proceeds from sale of capital assets	2,805	--	2,805
Total other financing sources (uses)	<u>3,389</u>	<u>--</u>	<u>49,322</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(3,070)	2,973	569,968
Fund balances, January 1	23,259	--	4,050,799
Fund balances, December 31	<u>\$ 20,189</u>	<u>\$ 2,973</u>	<u>\$ 4,620,767</u>

ARANSAS COUNTY, TEXAS
HOTEL/MOTEL OCCUPANCY TAX FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-5

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Taxes	\$ 358,037	\$ 363,036	\$ 4,999
Investment earnings	500	--	(500)
Total revenues	<u>358,537</u>	<u>363,036</u>	<u>4,499</u>
Expenditures:			
Current:			
Culture and recreation	225,095	225,094	1
Total expenditures	<u>225,095</u>	<u>225,094</u>	<u>1</u>
Excess (deficiency) of revenues (under) expenditures	133,442	137,942	4,500
Other financing sources (uses):			
Transfers out	(200,000)	(200,000)	--
Total other financing sources (uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(66,558)	(62,058)	4,500
Fund balances, January 1	457,461	457,461	--
Fund balances, December 31	<u>\$ 390,903</u>	<u>\$ 395,403</u>	<u>\$ 4,500</u>

ARANSAS COUNTY, TEXAS
MOSQUITO CONTROL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes	\$ 25,002	\$ 27,129	\$ 2,127
Investment earnings	--	8	8
Total revenues	<u>25,002</u>	<u>27,137</u>	<u>2,135</u>
Expenditures:			
Current:			
Environmental protection	118,141	84,207	33,934
Capital outlay	15,000	8,200	6,800
Total expenditures	<u>133,141</u>	<u>92,407</u>	<u>40,734</u>
Excess (deficiency) of revenues (under) expenditures	(108,139)	(65,270)	42,869
Other financing sources (uses):			
Transfers in	141,294	141,294	--
Transfers out	(33,155)	(33,155)	--
Total other financing sources (uses)	<u>108,139</u>	<u>108,139</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	42,869	42,869
Fund balances, January 1	45,619	45,619	--
Fund balances, December 31	<u>\$ 45,619</u>	<u>\$ 88,488</u>	<u>\$ 42,869</u>

ARANSAS COUNTY, TEXAS
COUNTY LIBRARY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Charges for services	\$ 2,500	\$ 2,175	\$ (325)
Fines and forfeitures	6,700	4,768	(1,932)
Investment earnings	--	12	12
Miscellaneous	1,250	102	(1,148)
Total revenues	<u>10,450</u>	<u>7,057</u>	<u>(3,393)</u>
Expenditures:			
Current:			
Culture and recreation	193,209	185,787	7,422
Total expenditures	<u>193,209</u>	<u>185,787</u>	<u>7,422</u>
Excess (deficiency) of revenues (under) expenditures	(182,759)	(178,730)	4,029
Other financing sources (uses):			
Transfers in	182,759	182,759	--
Total other financing sources (uses)	<u>182,759</u>	<u>182,759</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	4,029	4,029
Fund balances, January 1	47,491	47,491	--
Fund balances, December 31	<u>\$ 47,491</u>	<u>\$ 51,520</u>	<u>\$ 4,029</u>

ARANSAS COUNTY, TEXAS
 SPECIAL CONTINGENCY
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-8

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Charges for services	\$ 2,800	\$ 2,711	\$ (89)
Total revenues	<u>2,800</u>	<u>2,711</u>	<u>(89)</u>
Expenditures:			
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues (under) expenditures	2,800	2,711	(89)
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,800	2,711	(89)
Fund balances, January 1	93,889	93,889	--
Fund balances, December 31	<u>\$ 96,689</u>	<u>\$ 96,600</u>	<u>\$ (89)</u>

ARANSAS COUNTY, TEXAS
RECORDS MANAGEMENT - COUNTY CLERK
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-9

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Charges for services	\$ 43,843	\$ 52,300	\$ 8,457
Total revenues	<u>43,843</u>	<u>52,300</u>	<u>8,457</u>
Expenditures:			
General government	<u>47,856</u>	<u>47,578</u>	<u>278</u>
Total expenditures	<u>47,856</u>	<u>47,578</u>	<u>278</u>
Excess (deficiency) of revenues (under) expenditures	(4,013)	4,722	8,735
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(4,013)	4,722	8,735
Fund balances, January 1	102,621	102,621	--
Fund balances, December 31	<u>\$ 98,608</u>	<u>\$ 107,343</u>	<u>\$ 8,735</u>

ARANSAS COUNTY, TEXAS
LAW LIBRARY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-10

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenue:			
Charges for services	\$ 14,357	\$ 11,272	\$ (3,085)
Total revenues	<u>14,357</u>	<u>11,272</u>	<u>(3,085)</u>
Expenditures:			
Current:			
Legal	14,357	14,356	1
Total expenditures	<u>14,357</u>	<u>14,356</u>	<u>1</u>
Excess (deficiency) of revenues (under) expenditures	--	(3,084)	(3,084)
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	(3,084)	(3,084)
Fund balances, January 1	46,192	46,192	--
Fund balances, December 31	<u>\$ 46,192</u>	<u>\$ 43,108</u>	<u>\$ (3,084)</u>

ARANSAS COUNTY, TEXAS
COURTHOUSE SECURITY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-11

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenue:			
Charges for services	\$ 22,525	\$ 20,024	\$ (2,501)
Total revenues	<u>22,525</u>	<u>20,024</u>	<u>(2,501)</u>
Expenditures:			
Current:			
Public safety	5,301	5,292	9
Total expenditures	<u>5,301</u>	<u>5,292</u>	<u>9</u>
Excess (deficiency) of revenues (under) expenditures	17,224	14,732	(2,492)
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	17,224	14,732	(2,492)
Fund balances, January 1	17,758	17,758	--
Fund balances, December 31	<u>\$ 34,982</u>	<u>\$ 32,490</u>	<u>\$ (2,492)</u>

ARANSAS COUNTY, TEXAS
 RECORDS MANAGEMENT - COUNTYWIDE
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-12

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Charges for services	\$ 9,700	\$ 10,208	\$ 508
Total revenues	<u>9,700</u>	<u>10,208</u>	<u>508</u>
Expenditures:			
General government	9,700	--	9,700
Total expenditures	<u>9,700</u>	<u>--</u>	<u>9,700</u>
Excess (deficiency) of revenues (under) expenditures	--	10,208	10,208
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	10,208	10,208
Fund balances, January 1	184,251	184,251	--
Fund balances, December 31	<u>\$ 184,251</u>	<u>\$ 194,459</u>	<u>\$ 10,208</u>

ARANSAS COUNTY, TEXAS
INDIGENT HEALTH CARE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-13

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenue:			
Total revenues	\$ --	\$ --	\$ --
Expenditures:			
Current:			
Health and welfare	745,223	559,615	185,608
Total expenditures	<u>745,223</u>	<u>559,615</u>	<u>185,608</u>
Excess (deficiency) of revenues (under) expenditures	(745,223)	(559,615)	185,608
Other financing sources (uses):			
Transfers in	745,223	745,223	--
Total other financing sources (uses)	<u>745,223</u>	<u>745,223</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	185,608	185,608
Fund balances, January 1	44,219	44,219	--
Fund balances, December 31	<u>\$ 44,219</u>	<u>\$ 229,827</u>	<u>\$ 185,608</u>

ARANSAS COUNTY, TEXAS
 ARANSAS COUNTY ASSISTANCE DEPARTMENT
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenue:			
Intergovernmental	\$ 36,500	\$ 15,769	\$ (20,731)
Miscellaneous	2,000	2,493	493
Total revenues	<u>38,500</u>	<u>18,262</u>	<u>(20,238)</u>
Expenditures:			
Current:			
Health and welfare	182,593	160,534	22,059
Total expenditures	<u>182,593</u>	<u>160,534</u>	<u>22,059</u>
Excess (deficiency) of revenues (under) expenditures	(144,093)	(142,272)	1,821
Other financing sources (uses):			
Transfers in	144,093	144,093	--
Total other financing sources (uses)	<u>144,093</u>	<u>144,093</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	1,821	1,821
Fund balances, January 1	51,632	54,200	2,568
Fund balances, December 31	<u>\$ 51,632</u>	<u>\$ 56,021</u>	<u>\$ 4,389</u>

ARANSAS COUNTY, TEXAS
 HEALTH CARE SALES TAX
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-15

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes	\$ 1,328,041	\$ 1,342,060	\$ 14,019
Charges for services	--	400	400
Total revenues	<u>1,328,041</u>	<u>1,342,460</u>	<u>14,419</u>
Expenditures:			
Current:			
Health and welfare	320,499	316,371	4,128
Total expenditures	<u>320,499</u>	<u>316,371</u>	<u>4,128</u>
Excess (deficiency) of revenues (under) expenditures	1,007,542	1,026,089	18,547
Other financing sources (uses):			
Transfers out	<u>(1,030,610)</u>	<u>(1,030,610)</u>	--
Total other financing sources (uses)	<u>(1,030,610)</u>	<u>(1,030,610)</u>	--
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(23,068)	(4,521)	18,547
Fund balances, January 1	--	446,354	446,354
Fund balances, December 31	<u>\$ (23,068)</u>	<u>\$ 441,833</u>	<u>\$ 464,901</u>

ARANSAS COUNTY, TEXAS
COURT REPORTER SERVICE FEE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-16

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenue:			
Charges for services	\$ 7,515	\$ 6,795	\$ (720)
Total revenues	<u>7,515</u>	<u>6,795</u>	<u>(720)</u>
Expenditures:			
Current:			
Judicial	7,515	2,178	5,337
Total expenditures	<u>7,515</u>	<u>2,178</u>	<u>5,337</u>
Excess (deficiency) of revenues (under) expenditures	--	4,617	4,617
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	--	4,617	4,617
Fund balances, January 1	(77,206)	77,206	154,412
Fund balances, December 31	<u>\$ (77,206)</u>	<u>\$ 81,823</u>	<u>\$ 159,029</u>

ARANSAS COUNTY, TEXAS
 RECORDS MANAGEMENT - DISTRICT CLERK
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-17

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenue:			
Charges for services	\$ 2,500	\$ 2,035	\$ (465)
Total revenues	<u>2,500</u>	<u>2,035</u>	<u>(465)</u>
Expenditures:			
Current:			
Judicial	11,475	--	11,475
Total expenditures	<u>11,475</u>	<u>--</u>	<u>11,475</u>
Excess (deficiency) of revenues (under) expenditures	(8,975)	2,035	11,010
Other financing sources (uses):			
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(8,975)	2,035	11,010
Fund balances, January 1	24,368	24,368	--
Fund balances, December 31	<u>\$ 15,393</u>	<u>\$ 26,403</u>	<u>\$ 11,010</u>

ARANSAS COUNTY, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-18

	Budget	Actual	Variance Positive (Negative)
Revenue:			
Taxes	\$ 1,750,031	\$ 2,067,989	\$ 317,958
Intergovernmental	105,785	105,787	2
Investment earnings	1,575	1,348	(227)
Total revenues	<u>1,857,391</u>	<u>2,175,124</u>	<u>317,733</u>
Expenditures:			
Debt service:			
Principal	844,157	1,205,834	(361,677)
Interest and fiscal charges	466,190	731,502	(265,312)
Total expenditures	<u>1,310,347</u>	<u>1,937,336</u>	<u>(626,989)</u>
Excess (deficiency) of revenues (under) expenditures	547,044	237,788	(309,256)
Other financing sources (uses):			
Transfers in	--	203,525	203,525
Transfers out	--	(25)	25
Total other financing sources (uses)	<u>--</u>	<u>203,500</u>	<u>(203,500)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	547,044	441,288	(105,756)
Fund balances, January 1	1,399,797	1,399,797	--
Fund balances, December 31	<u>\$ 1,946,841</u>	<u>\$ 1,841,085</u>	<u>\$ (105,756)</u>

ARANSAS COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2014

	Grant Construction	2009 Certificate of Obligation
ASSETS		
Cash and investments	\$ --	\$ --
Receivables (net of allowances for uncollectibles):		
Intergovernmental	180,025	--
Cash and investments - restricted	--	--
Total Assets	<u>\$ 180,025</u>	<u>\$ --</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 194,885	\$ --
Due to other funds	198,082	--
Total Liabilities	<u>392,967</u>	<u>--</u>
FUND BALANCES		
Restricted	--	--
Unassigned	(212,942)	--
Total Fund Balances	<u>(212,942)</u>	<u>--</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 180,025</u>	<u>\$ --</u>

EXHIBIT C-19

2012 Capital Projects C.O. Fund	2011 C.O. Venue Capital Projects Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
\$ --	\$ 664,721	\$ 664,721
--	--	180,025
--	203,206	203,206
<u>\$ --</u>	<u>\$ 867,927</u>	<u>\$ 1,047,952</u>
\$ --	\$ 8,248	\$ 203,133
--	--	198,082
<u>--</u>	<u>8,248</u>	<u>401,215</u>
--	859,679	859,679
--	--	(212,942)
<u>--</u>	<u>859,679</u>	<u>646,737</u>
<u>\$ --</u>	<u>\$ 867,927</u>	<u>\$ 1,047,952</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Grant Construction	2009 Certificate of Obligation
Revenue:		
Intergovernmental	\$ 2,451,558	\$ --
Contributions	--	--
Investment earnings	--	--
Total revenues	<u>2,451,558</u>	<u>--</u>
Expenditures:		
Current:		
Public safety	718,132	--
Environmental protection	316,673	--
Culture and recreation	15,000	--
Coastal Restoration	1,401,745	--
Capital outlay	89,362	52,364
Total expenditures	<u>2,561,912</u>	<u>52,364</u>
Excess (deficiency) of revenues (under) expenditures	(110,354)	(52,364)
Other financing sources (uses):		
Total other financing sources (uses)	<u>--</u>	<u>--</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(110,354)	(52,364)
Fund balances, January 1	(102,588)	52,364
Fund balances, December 31	<u>\$ (212,942)</u>	<u>\$ --</u>

EXHIBIT C-20

2012 Capital Projects C.O. Fund	2011 C.O. Venue Capital Projects Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
\$ --	\$ --	\$ 2,451,558
--	65,039	65,039
1,813	--	1,813
<u>1,813</u>	<u>65,039</u>	<u>2,518,410</u>
--	--	718,132
--	--	316,673
--	--	15,000
2,255,341	--	3,657,086
--	658,910	800,636
<u>2,255,341</u>	<u>658,910</u>	<u>5,528,527</u>
(2,253,528)	(593,871)	(3,010,117)
<u>--</u>	<u>--</u>	<u>--</u>
(2,253,528)	(593,871)	(3,010,117)
2,253,528	1,453,550	3,656,854
<u>\$ --</u>	<u>\$ 859,679</u>	<u>\$ 646,737</u>

ARANSAS COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2014

	<u>Court Costs and Fees</u>	<u>Tax Collector</u>	<u>County Clerk</u>
ASSETS			
Assets:			
Cash and investments	\$ 84,595	\$ 1,155,946	\$ 82,284
Total Assets	<u>\$ 84,595</u>	<u>\$ 1,155,946</u>	<u>\$ 82,284</u>
LIABILITIES AND EQUITY			
Liabilities:			
Due to others	\$ 84,595	\$ 1,155,946	\$ 82,284
Total Liabilities	<u>84,595</u>	<u>1,155,946</u>	<u>82,284</u>
Equity:			
Total equity	<u>--</u>	<u>--</u>	<u>--</u>
Total Liabilities and Equity	<u>\$ 84,595</u>	<u>\$ 1,155,946</u>	<u>\$ 82,284</u>

EXHIBIT C-21

<u>District Clerk</u>	<u>Justice of the Peace</u>	<u>Aransas County Navigation District No.1</u>	<u>Total Agency Funds (See Exhibit A-10)</u>
\$ 163,847	\$ 3,658	\$ 1,859,761	\$ 3,350,091
<u>\$ 163,847</u>	<u>\$ 3,658</u>	<u>\$ 1,859,761</u>	<u>\$ 3,350,091</u>
\$ 163,847	\$ 3,658	\$ 1,859,761	\$ 3,350,091
<u>163,847</u>	<u>3,658</u>	<u>1,859,761</u>	<u>3,350,091</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 163,847</u>	<u>\$ 3,658</u>	<u>\$ 1,859,761</u>	<u>\$ 3,350,091</u>

Other Supplementary Information

Michael A. Arnold, PLLC

501 E. MARKET
P.O. BOX 1266
ROCKPORT, TEXAS 78381-1266

CERTIFIED PUBLIC ACCOUNTANT

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

Commissioners' Court
Aransas County, Texas
301 N. Live Oak
Rockport, Texas 78382

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, the business-type activities, each major fund, and the aggregate remaining fund information of Aransas County, Texas, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise Aransas County, Texas's basic financial statements, and have issued our report thereon dated July 20, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Aransas 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*.

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 black ink that reads "Michael A. Arnold, PLLC". The signature is written in a cursive style.

Michael A. Arnold, PLLC

Rockport, TX
August 20, 2015

Michael A. Arnold, PLLC

501 E. MARKET
P.O. BOX 1266
ROCKPORT, TEXAS 78381-1266

CERTIFIED PUBLIC ACCOUNTANT

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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

Commissioners' Court
Aransas County, Texas
301 N. Live Oak
Rockport, Texas 78382

Members of the Commissioners' Court:

Report on Compliance for Each Major Federal Program

We have audited the Aransas County, Texas's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Aransas County, Texas's major federal programs for the year ended December 31, 2014. Aransas County, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Aransas 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 Aransas 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 Aransas County, Texas's compliance.

Opinion on Each Major Federal Program

In our opinion, the Aransas County, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Aransas 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 Aransas 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 OMB Circular A-133, 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 Aransas 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Michael A. Arnold, PLLC

Rockport, TX
August 20, 2015

ARANSAS COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2014

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? Yes X No

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

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material 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 section 510(a) of Circular A-133? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
97.067	Operation Stonegarden
15.668	Coastal Impact Assistance Program
15.435	GoMESA

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

ARANSAS COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
NONE		

ARANSAS COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2014

N/A

ARANSAS COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT D-1
Page 1 of 2

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed Through Texas Division of Emergency Management: Disaster Grants - Public Assistance	97.036	EM-3294-TX	\$ 11,877
Operation Stonegarden(OPSG)	97.067	EMW-2011-SS-00019	104,193
Operation Stonegarden (OPSG)	97.067	EMW-2012-SS-00018-S02	92,552
Operation Stonegarden (OGSG)	97.067	14-MCAMCA-10-007	335,263
Operation Stonegarden (OPSG)	97.067	EMW 2012-SS-00018-S01	230,977
Total Passed Through Texas Division of Emergency Management			<u>774,862</u>
Total U.S. Department of Homeland Security			<u>774,862</u>
<u>U. S. ENVIRONMENTAL PROTECTION AGENCY</u>			
Passed Through Texas Commission on Environmental Quality: Nonpoint Source Water Implementation Grant	66.460	582-13-30050	141,331
Passed Through Texas Commission on Environmental Quality: Nonpoint Source Water Implementation Grant	66.460	582-12-10077	155,285
Passed Through Coastal Bend Bays and Estuaries Program: Surveys, Studies, Investigations and Special Purpose Grants	66.606	1218	55,000
Total U. S. Environmental Protection Agency			<u>351,616</u>
<u>U. S. DEPARTMENT OF THE INTERIOR</u>			
Direct Programs:			
Coastal Impact Assistance Program	15.426	M10AF20116	9,219
Coastal Impact Assistance Program	15.668	F12AF00504	460
Coastal Impact Assistance Program	15.668	F12AF70246	27,845
Coastal Impact Assistance Program	15.668	F12AF00932	496,857
Total Direct Programs			<u>534,381</u>
Passed Through Texas General Land Office: GoMESA	15.435	14-170-000-8149	547,427
Total U. S. Department of the Interior			<u>1,081,808</u>
<u>U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>			
Passed Through Texas Department of Agriculture: Community Development Block Grant *	14.228	713055	21,000
Total U. S. Department of Housing & Urban Development			<u>21,000</u>
<u>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed Through Texas Department of Human Services and Bee Community Action Agency: Community Service Block Grant	93.569	61140001825-A	36,428
Total U. S. Department of Health and Human Services			<u>36,428</u>
<u>U. S. DEPARTMENT OF COMMERCE</u>			
Direct Programs:			
Coastal Zone Management Administration Awards	11.419	1124	55,445
Coastal Zone Management Administration Awards	11.419	CBBEP 1317	10,000
Total Direct Programs			<u>65,445</u>
Passed Through Texas General Land Office: Coastal Zone Management Administration Awards	11.419	NA11N0S4190107	100,000
Coastal Zone Management Administration Awards	11.419	14-093-000-7961	12,664
Total Passed Through Texas General Land Office			<u>112,664</u>
Total U. S. Department of Commerce			<u>\$ 178,109</u>
<u>U. S. DEPARTMENT OF AGRICULTURE</u>			

ARANSAS COUNTY, TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2014

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Passed Through Texas Department of Human Resources and Food Bank of Corpus Christi: Commodity Supplemental Food Program (Non-Cash) *	10.565	None	\$ 146,880
Total U. S. Department of Agriculture			146,880
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>2,590,703</u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement

The accompanying notes are an integral part of this schedule.

ARANSAS COUNTY, TEXAS

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Aransas County, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

2. Subrecipients

Of the federal expenditures presented in the schedule, Aransas County, Texas provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Operation Stone Garden	97.067	\$ 399,685

3. Payment in Lieu of Taxes

For the year ended December 31, 2014, the County received \$121,386 from the Department of the Interior Fish and Wildlife for payment in lieu of taxes. The County paid \$92,597 of this amount to other taxing agencies for their proportionate share. This amount is not reportable on the Schedule of Expenditure of of Federal Awards.

Statistical Section

ARANSAS COUNTY, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Invested in Capital Assets,										
Net of Related Debt	\$ 8,438,953	\$ 7,237,796	\$ 5,493,231	\$ 8,240,280	\$ 5,391,176	\$ 7,135,009	\$ 8,700,419	\$ 9,472,338	\$ 9,842,351	\$ 8,182,291
Restricted	2,018,191	2,590,621	4,009,304	1,682,645	4,797,989	3,351,918	8,771,839	9,880,363	13,531,952	13,208,310
Unrestricted	5,428,050	7,239,112	8,256,952	8,255,996	8,185,130	9,908,364	3,875,867	3,660,761	2,093,319	3,233,916
Total Governmental										
Activities Net Position	<u>\$ 15,885,194</u>	<u>\$ 17,067,529</u>	<u>\$ 17,759,487</u>	<u>\$ 18,178,921</u>	<u>\$ 18,374,295</u>	<u>\$ 20,395,291</u>	<u>\$ 21,348,125</u>	<u>\$ 23,013,462</u>	<u>\$ 25,467,622</u>	<u>\$ 24,624,517</u>
Business-type Activities										
Invested in Capital Assets,										
Net of Related Debt	\$ 3,838,200	\$ 5,697,213	\$ 6,282,722	\$ 7,577,282	\$ 9,808,462	\$ 9,697,930	\$ 9,240,346	\$ 9,194,958	\$ 8,633,275	\$ 8,065,198
Restricted	--	--	--	--	--	--	--	--	--	--
Unrestricted	99,665	(127,651)	425,883	708,388	1,001,718	715,394	735,352	820,998	812,411	769,947
Total Business-type										
Activities Net Position	<u>\$ 3,937,865</u>	<u>\$ 5,569,562</u>	<u>\$ 6,708,605</u>	<u>\$ 8,285,670</u>	<u>\$ 10,810,180</u>	<u>\$ 10,413,324</u>	<u>\$ 9,975,698</u>	<u>\$ 10,015,956</u>	<u>\$ 9,445,686</u>	<u>\$ 8,835,145</u>
Primary Government										
Invested in Capital Assets,										
Net of Related Debt	\$ 12,277,153	\$ 12,935,009	\$ 11,775,953	\$ 15,817,562	\$ 15,199,638	\$ 16,832,939	\$ 17,940,765	\$ 18,667,296	\$ 18,475,626	\$ 16,247,489
Restricted	2,018,191	2,590,621	4,009,304	1,682,645	4,797,989	3,351,918	8,771,839	9,880,363	13,531,952	13,208,310
Unrestricted	5,527,715	7,111,461	8,682,835	8,964,384	9,186,848	10,623,758	4,611,219	4,481,759	2,905,730	4,003,863
Total Primary										
Government Net Position	<u>\$ 19,823,059</u>	<u>\$ 22,637,091</u>	<u>\$ 24,468,092</u>	<u>\$ 26,464,591</u>	<u>\$ 29,184,475</u>	<u>\$ 30,808,615</u>	<u>\$ 31,323,823</u>	<u>\$ 33,029,418</u>	<u>\$ 34,913,308</u>	<u>\$ 33,459,662</u>

TABLE E-2

ARANSAS COUNTY, TEXAS

EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(UNAUDITED)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
General government	\$ 963,613	\$ 1,149,048	1,157,196	\$ 1,509,232	\$ 1,297,185	\$ 1,193,056	\$ 1,287,075	\$ 1,710,745	\$ 1,444,603	\$ 1,759,249
Judicial	892,437	1,049,066	1,144,928	1,209,863	1,347,353	1,325,709	1,348,882	1,442,283	1,442,313	1,522,212
Legal	447,869	443,201	498,377	493,739	547,730	552,067	577,008	539,433	461,887	446,137
Elections	55,328	74,904	76,440	87,656	78,160	87,415	97,032	98,537	111,167	171,029
Financial administration	738,865	814,511	827,452	931,388	1,008,414	1,006,588	1,015,339	1,028,042	1,044,274	1,144,743
Public facilities	404,801	528,935	532,849	608,949	605,145	493,412	525,684	507,037	539,275	631,016
Public safety	3,895,041	4,226,953	4,539,254	5,388,500	6,322,329	6,785,792	6,904,439	7,231,475	6,482,172	7,205,904
Environmental protection	599,972	649,443	543,533	766,771	598,758	591,681	613,945	957,202	704,915	1,012,205
Public transportation	1,950,355	2,389,403	2,293,716	2,318,482	2,491,334	2,366,571	2,521,181	2,455,428	2,396,631	2,575,736
Flood Control	--	--	--	12,101	109,868	78,160	210,974	159,160	189,316	179,148
Health and Welfare	1,205,129	1,358,738	1,394,376	1,425,240	1,787,683	1,875,452	1,722,701	1,747,570	1,499,662	1,853,021
Culture and recreation	253,923	290,310	305,313	377,451	381,643	358,062	718,408	460,458	571,167	685,936
Conservation	56,555	45,564	57,302	71,979	66,097	96,809	72,812	96,648	116,199	114,578
Contributions to other governments:										
Water and sewer systems	386,176	638,860	119,284	105,500	144,037	564,108	95,000	717,668	361,598	21,000
Coastal restoration	--	--	--	--	--	--	490,844	504,089	142,034	8,350,294
Interest and fiscal charges	459,360	449,599	543,018	601,284	618,057	649,725	755,641	846,128	680,872	678,157
Total Governmental Activities Expenses	12,309,424	14,108,535	14,033,038	15,908,135	17,403,793	18,164,672	18,956,965	20,501,903	18,188,085	28,350,365
Business-type Activities										
County airport	898,074	1,023,598	1,127,386	1,436,497	1,362,764	1,554,724	1,685,816	1,624,888	1,600,157	1,680,898
Inmate commissary	47,099	74,530	80,752	49,999	66,279	36,987	133,963	119,117	238,498	171,625
Total Business-type Activities Expenses	945,173	1,098,128	1,208,138	1,486,496	1,429,043	1,591,711	1,819,779	1,744,005	1,838,655	1,852,523
Total Primary Government Expenses	\$ 13,254,597	\$ 15,206,663	15,241,176	\$ 17,394,631	\$ 18,832,836	\$ 19,756,383	\$ 20,776,744	\$ 22,245,908	\$ 20,026,740	\$ 30,202,888
Program Revenues										
Governmental Activities:										
Charges for Services	\$ 3,870,580	\$ 4,837,003	4,224,749	\$ 5,347,126	\$ 5,306,772	\$ 5,544,840	\$ 5,358,566	\$ 5,122,334	\$ 5,150,711	\$ 4,828,550
Operating Grants and Contributions	655,944	415,259	329,757	509,747	613,638	1,166,394	977,774	2,041,321	1,142,219	1,867,777
Capital Grants and Contributions	517,624	665,353	399,002	409,301	197,841	1,039,124	549,758	1,351,097	775,933	6,302,749
Total Governmental Activities Program Revenues	5,044,148	5,917,615	4,953,508	6,266,174	6,118,251	7,750,358	6,886,098	8,514,752	7,068,863	12,999,076
Business-type Activities:										
Charges for Services:										
County airport	678,162	861,459	881,674	1,112,777	818,325	879,086	1,130,896	1,057,253	1,048,547	1,035,322
Inmate commissary	58,025	87,482	117,763	104,891	52,293	56,461	133,786	120,697	208,397	164,804
Operating Grants and Contributions	30,090	16,613	26,701	37,669	51,524	50,180	31,267	21,377	32,681	40,546
Capital Grants and Contributions	30,032	1,754,787	1,267,696	1,482,351	3,125,600	207,904	85,356	584,359	--	--
Total Business-type Activities Program Revenues	796,309	2,720,341	2,293,834	2,737,688	4,047,742	1,193,631	1,381,305	1,783,686	1,289,625	1,240,672
Total Primary Government Program Revenues	\$ 5,840,457	\$ 8,637,956	7,247,342	\$ 9,003,862	\$ 10,165,993	\$ 8,943,989	\$ 8,267,403	\$ 10,298,438	\$ 8,358,488	\$ 14,239,748
Net (Expense)/Revenue										
Governmental Activities	\$ (7,265,276)	\$ (8,190,920)	(9,079,530)	\$ (9,641,961)	\$ (11,285,542)	(10,414,314)	\$ (12,070,867)	\$ (11,987,151)	\$ (11,119,222)	\$ (15,351,289)
Business-type Activities	(148,864)	1,622,213	1,085,696	1,251,192	2,618,699	(398,080)	(438,474)	39,681	(549,030)	(611,851)
Total Primary Government Net Expense	\$ (7,414,140)	\$ (6,568,707)	(7,993,834)	(8,390,769)	(8,666,843)	(10,812,394)	(12,509,341)	(11,947,470)	(11,668,252)	(15,963,140)

TABLE E-3

ARANSAS COUNTY, TEXAS

GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental Activities	\$ (7,265,276)	\$ (8,190,920)	\$ (9,079,530)	\$ (9,641,961)	\$ (11,285,542)	\$ (10,414,314)	\$ (12,070,867)	\$ (11,987,151)	\$ (11,119,222)	\$ (15,351,289)
Business-type Activities	(148,864)	1,622,213	1,085,696	1,251,192	2,618,699	(398,080)	(438,474)	39,681	(549,030)	(611,851)
Total Primary Government Net Expense	\$ (7,414,140)	\$ (6,568,707)	\$ (7,993,834)	\$ (8,390,769)	\$ (8,666,843)	\$ (10,812,394)	\$ (12,509,341)	\$ (11,947,470)	\$ (11,668,252)	\$ (15,963,140)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property Taxes	\$ 6,211,289	\$ 6,328,484	\$ 6,530,358	\$ 7,016,997	\$ 8,606,599	\$ 9,701,695	\$ 9,596,760	\$ 10,192,514	\$ 10,461,280	\$ 10,710,751
Sales Taxes	2,032,956	2,212,387	2,284,388	2,306,607	2,131,130	2,077,489	2,238,415	2,439,776	2,554,069	2,679,062
Other Taxes	141,793	186,810	225,077	247,844	277,967	312,193	680,220	747,349	901,176	935,846
Investment Earnings	295,906	495,941	639,534	322,622	123,435	47,203	57,196	80,503	43,042	26,947
Miscellaneous	111,250	140,820	118,021	157,655	245,826	296,730	451,110	192,345	199,318	138,000
Gain on sale of capital assets	117,235	8,810	14,841	11,722	--	--	--	--	--	17,577
Total Governmental Activities	\$ 8,910,429	\$ 9,373,252	\$ 9,812,219	\$ 10,063,447	\$ 11,384,957	\$ 12,435,310	\$ 13,023,701	\$ 13,652,487	\$ 14,158,885	\$ 14,508,183
Business-type Activities:										
Investment Earnings	11,298	8,794	11,926	6,499	1,021	534	848	577	1,184	1,310
Miscellaneous	690	690	690	723	749	690	--	--	--	--
Gain on sale of capital assets	--	--	--	316,594	--	--	--	--	--	--
Total Business-type Activities	11,988	9,484	12,616	323,816	1,770	1,224	848	577	1,184	1,310
Total Primary Government	\$ 8,922,417	\$ 9,382,736	\$ 9,824,835	\$ 10,387,263	\$ 11,386,727	\$ 12,436,534	\$ 13,024,549	\$ 13,653,064	\$ 14,160,069	\$ 14,509,493
Change in Net Position										
Governmental Activities	\$ 1,645,153	\$ 1,182,332	\$ 732,689	\$ 421,486	\$ 99,415	\$ 2,020,996	\$ 952,834	\$ 1,665,336	\$ 3,039,663	\$ (843,106)
Business-type Activities	(136,876)	1,631,697	1,098,312	1,575,008	2,620,469	(396,856)	(437,626)	40,258	(547,846)	(610,541)
Total Primary Government	\$ 1,508,277	\$ 2,814,029	\$ 1,831,001	\$ 1,996,494	\$ 2,719,884	\$ 1,624,140	\$ 515,208	\$ 1,705,594	\$ 2,491,817	\$ (1,453,647)

TABLE E-4

ARANSAS COUNTY, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Nonspendable	\$ 509,872	\$ 508,247	\$ 496,292	\$ 17,984	\$ 17,984	\$ 17,985	\$ 17,985	\$ 17,985	\$ 13,069	\$ 10,577
Restricted										
Committed	759,672	759,672	759,672	759,672	759,672	759,672				
Assigned										
Unassigned	1,543,799	2,086,416	2,282,653	2,232,530	2,005,195	3,194,839	4,543,247	5,056,962	5,823,211	5,107,179
Total General Fund	<u>\$ 2,813,343</u>	<u>\$ 3,354,335</u>	<u>\$ 3,538,617</u>	<u>\$ 3,010,186</u>	<u>\$ 2,782,851</u>	<u>\$ 3,972,496</u>	<u>\$ 4,561,232</u>	<u>\$ 5,074,947</u>	<u>\$ 5,836,280</u>	<u>\$ 5,117,756</u>
All Other Governmental Funds										
Nonspendable	\$ 62,267	\$ 62,267	\$ 67,682	\$ 67,682	\$ 67,682	\$ 67,682	\$ 41,512	\$ 32,093	\$ 32,093	\$ 32,093
Restricted	2,079,116	2,697,698	4,801,770	6,448,602	6,757,866	5,228,598	12,802,379	15,281,707	14,656,256	11,906,662
Committed	966,470	966,470	966,470	966,470	966,470	966,470	659,724		101,691	107,541
Assigned	--	--							12	
Unassigned	--	--						(173,416)	(102,588)	(213,586)
Total All Other Governmental Funds	<u>\$ 3,107,853</u>	<u>\$ 3,726,435</u>	<u>\$ 5,835,922</u>	<u>\$ 7,482,754</u>	<u>\$ 7,792,018</u>	<u>\$ 6,262,750</u>	<u>\$ 13,503,615</u>	<u>\$ 15,140,384</u>	<u>\$ 14,687,464</u>	<u>\$ 11,832,710</u>

TABLE E-5

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 8,408,211	\$ 8,719,695	\$ 9,052,441	\$ 9,546,432	\$ 10,936,630	\$ 12,097,215	\$ 12,504,443	\$ 13,377,123	\$ 13,955,869	\$ 14,222,756
Licenses, Fees and Permits	625,148	657,970	642,309	629,140	614,411	625,631	621,393	105,365	134,291	155,053
Intergovernmental	1,228,568	1,136,972	849,008	1,039,869	932,135	2,326,132	1,647,835	3,513,238	2,023,654	6,544,237
Charges for Services	2,153,939	3,072,454	2,805,737	3,275,298	3,808,008	3,911,143	3,978,628	4,109,936	4,247,243	4,121,589
Fines and Penalties	794,813	910,404	912,412	1,237,543	901,946	899,541	788,589	730,050	714,801	530,119
Investment Earnings	295,906	495,941	625,126	322,622	111,140	47,203	25,905	62,305	43,042	26,947
Other Revenues	240,485	161,463	118,021	157,655	245,826	296,730	451,110	192,345	199,318	1,801,541
Total Revenues	13,747,070	15,154,899	15,005,054	16,208,559	17,550,096	20,203,595	20,017,903	22,090,362	21,318,218	27,402,242
Expenditures										
General Government	864,274	1,036,788	1,104,241	1,451,854	1,261,273	1,125,124	1,236,618	1,556,767	1,267,724	1,581,043
Judicial	889,480	1,035,976	1,143,511	1,196,905	1,346,163	1,324,519	1,347,692	1,441,093	1,440,973	1,521,022
Legal	446,187	441,852	498,377	493,739	547,730	552,067	577,008	539,433	461,887	446,137
Elections	45,173	57,247	57,081	70,512	61,898	71,153	79,971	81,476	91,949	154,128
Financial Administration	695,264	746,674	778,705	881,308	968,677	976,973	989,346	1,021,326	1,037,950	1,119,930
Public Facilities	393,375	489,320	532,849	557,275	605,145	493,412	525,684	507,037	539,275	620,455
Public Safety	3,514,799	3,824,210	4,097,631	4,955,561	5,871,887	6,288,033	6,400,400	6,746,529	5,929,030	6,736,255
Environmental Protection	585,339	628,191	523,349	739,031	561,718	535,461	537,635	908,827	650,424	920,615
Public Transportation	1,692,280	2,158,841	2,009,868	2,039,414	2,189,711	2,045,634	2,203,954	2,137,970	2,052,255	2,207,344
Flood Control	--	--	--	12,101	105,544	208,402	195,677	139,527	152,743	133,058
Health and Welfare	1,186,536	1,350,620	1,387,693	1,408,423	1,782,069	1,864,663	1,711,912	1,741,956	1,493,338	1,848,733
Culture and Recreation	205,538	258,915	261,008	322,716	331,821	308,240	668,586	410,636	515,046	616,359
Conservation	46,852	45,564	57,302	71,979	66,097	95,067	71,070	78,057	95,258	95,987
Coastal restoration	--	--	--	--	--	--	--	--	--	8,350,294
Capital Outlay	1,766,414	1,517,701	1,214,829	3,388,586	1,823,472	2,817,867	2,470,287	2,953,210	3,344,202	2,768,447
Interest and bond costs	463,804	423,479	434,369	449,754	621,973	536,687	885,743	1,134,421	1,193,167	1,205,834
Principal	395,000	454,155	506,612	646,559	518,467	737,520	715,500	1,044,334	744,584	731,502
Total Expenditures	13,190,315	14,469,533	14,607,425	18,685,717	18,663,645	19,980,822	20,617,083	22,442,599	21,009,805	31,057,143
Excess of Revenues Over (Under) Expenditures	556,755	685,366	397,629	(2,477,158)	(1,113,549)	222,773	(599,180)	(352,237)	308,413	(3,654,901)
Other Financing Sources (Uses)										
Bonds Proceeds	--	--	2,396,139	--	4,070,000	--	8,250,000	9,460,000	--	--
Other Proceeds	--	--	14,841	11,722	53,112	--	178,779	535,449	--	81,622
Payment to refunding escrow ag	--	--	--	--	--	--	--	(7,492,727)	--	--
Transfers In	1,610,024	1,586,698	1,703,503	1,849,331	2,000,376	1,776,372	1,830,337	2,023,789	2,105,056	2,692,560
Transfers Out	(1,610,024)	(1,586,698)	(1,744,234)	(1,851,388)	(1,904,417)	(1,776,372)	(1,830,337)	(2,023,789)	(2,105,056)	(2,692,560)
Total Other Financing Sources (Uses)	--	--	2,370,249	9,665	4,219,071	--	8,428,779	2,502,722	--	81,622
Prior period adjustments	--	--	--	--	--	--	--	--	--	--
Net Change in Fund Balances	\$ 556,755	\$ 685,366	\$ 2,767,878	\$ (2,467,493)	\$ 3,105,522	\$ 222,773	\$ 7,829,599	\$ 2,502,722	\$ 308,413	\$ (3,573,279)
Debt Service As A Percentage Of Noncapital Expenditures	6.5%	6.1%	6.4%	5.9%	6.1%	6.4%	7.8%	9.7%	9.2%	8.5%

TABLE E-6

ARANSAS COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 UNAUDITED

<u>Fiscal Year</u>	<u>Land</u>	<u>Personal Property</u>	<u>Minerals</u>	<u>Total Taxable Assessed Value</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
2005	\$ 2,112,812,529	\$ 53,382,346	\$ 120,835,530	\$ 2,287,030,405	\$ 2,287,030,405	\$ 100.00%
2006	2,143,550,620	56,007,822	103,163,510	2,302,721,952	2,302,721,952	100.00%
2007	2,502,792,053	56,471,618	138,541,806	2,697,805,477	2,697,805,477	100.00%
2008	3,105,763,236	56,190,007	181,887,950	3,343,841,193	3,343,841,193	100.00%
2009	3,193,468,529	57,481,518	181,636,850	3,432,586,897	3,432,586,897	100.00%
2010	3,118,071,600	54,332,616	126,429,070	3,298,833,286	3,298,833,286	100.00%
2011	3,128,848,664	53,416,235	84,354,390	3,266,619,289	3,266,619,289	100.00%
2012	3,145,237,788	56,899,777	88,852,510	3,290,990,075	3,290,990,075	100.00%
2013	3,201,483,133	56,737,135	102,777,680	3,360,997,948	3,360,997,948	100.00%
2014	3,323,942,964	99,961,694	66,840,700	3,490,745,358	3,490,745,358	100.00%

Source: Aransas County Appraisal District

TABLE E-7

ARANSAS COUNTY, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Hillcorp Energy Company	\$ 22,514,130	1	0.64%	\$		
AEP Texas Central Co	20,140,510	2	0.58%	13,532,960	2	0.83%
H E Butt Grocery	10,146,700	3	0.29%	11,130,690	3	0.68%
Oaks at Bentwater LP	9,558,460	4	0.27%			
Waterfront Land Inv. Fund I	7,495,380	5	0.21%			
Wal-Mart Real Estate Trust	7,000,000	6	0.20%	8,011,330	5	0.49%
Rockport Harbor Front LP	6,807,140	7	0.20%	4,972,742	9	0.30%
C H Marina and Drystack LP	6,591,718	8	0.19%			
Lokseva Inc	5,726,590	9	0.16%			
Cabot Oil & Gas	5,665,960	10	0.16%			
Walter Oil & Gas Corp				29,225,970	1	1.78%
Degussa Carbon Black				9,716,810	4	0.59%
Legend Natural Gas				7,818,790	6	0.48%
Wal Mart Stores East #440				7,540,872	7	0.46%
Southwestern Bell Tele.				7,328,230	8	0.45%
Crowley, Christopher J				4,427,720	10	0.27%
Total	\$ <u>101,646,588</u>		<u>2.91%</u>	\$ <u>103,706,114</u>		<u>6.32%</u>

Source: Aransas County Appraisal District

TABLE E-8

ARANSAS COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
GAR ROLL
UNAUDITED

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 5,375,639	\$ 5,229,778	97.29%	\$ 119,705	\$ 5,349,483	99.51%
2006	5,401,809	5,273,741	97.63%	99,911	5,373,652	99.48%
2007	5,693,032	5,550,730	97.50%	110,852	5,661,582	99.45%
2008	6,582,987	6,434,381	97.74%	107,408	6,541,789	99.37%
2009	7,915,385	7,738,901	97.77%	120,540	7,859,441	99.29%
2010	8,008,996	7,755,431	96.83%	190,926	7,852,367	98.04%
2011	8,140,287	7,913,227	97.21%	120,087	8,033,314	98.69%
2012	8,194,317	7,991,110	97.52%	109,552	8,100,662	98.86%
2013	8,268,218	3,290,751	39.80%	4,829,200	8,119,951	98.21%
2014	8,856,687	3,583,025	40.46%			

* Current collections on the 2014 roll continue to July 1, 2015