

# JEFFERSON COUNTY, TEXAS

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended  
September 30, 2014





JEFFERSON COUNTY, TEXAS



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2014

Prepared by:  
Jefferson County  
Auditor's Office  
1149 Pearl Street  
Beaumont, Texas 77701





JEFFERSON COUNTY, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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INTRODUCTORY  
SECTION



**PATRICK SWAIN**  
COUNTY AUDITOR  
(409) 835-8500



1149 PEARL ST. - 7TH FLOOR  
BEAUMONT, TEXAS 77701

March 20, 2015

Citizens of Jefferson County, Texas:

Honorable District Judges:

Gary Sanderson, Presiding Judge, 60th District Court  
John Stevens, Jr., Judge, Criminal District Court  
Kent Walston, Judge, 58th District Court  
Milton Shuffield, Judge, 136th District Court  
Donald Floyd, Judge, 172nd District Court  
Raquel West, Judge, 252nd District Court  
Randy Shelton, Judge, 279th District Court  
Larry Thome, Judge, 317th District Court

Honorable Commissioners' Court:

Jeff Branick, County Judge  
Eddie Arnold, Commissioner, Precinct No. 1  
Brent Weaver, Commissioner, Precinct No. 2  
Michael "Shane" Sinegal, Commissioner, Precinct No. 3  
Everette "Bo" Alfred, Commissioner, Precinct No. 4

The County Auditor's Office ("the Auditor's Office") is pleased to present the Comprehensive Annual Financial Report ("CAFR") of Jefferson County, Texas (the "County") for the fiscal year ended September 30, 2014. This report is submitted in accordance with Section 114.025 of the Texas Local Government Code and has been prepared by the County Auditor's staff.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Pattillo, Brown, & Hill, LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the County's financial statements for the year ended September 30, 2014. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## PROFILE OF THE GOVERNMENT

Jefferson County was created in 1836 and organized in 1837 as one of the original counties of the Republic of Texas. It is a 954 square mile county that is located on the upper Texas Coast and is a component of the Beaumont-Port Arthur-Orange Metropolitan Statistical Area. According to the U.S. Department of Commerce-Bureau of the Census, the 2011 population of the County was 252,802. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

Jefferson County is a political subdivision of the State of Texas and the Commissioners' Court is the governing body of the County. It is composed of the County Judge elected from the County at large, and four Commissioners, each elected from a separate precinct, all elected for four-year terms. The County Judge is the presiding officer of the Commissioners' Court.

The County (primary government) solely or in cooperation with other local governmental entities provides a full range of services authorized by the Texas Constitution and Statutes that includes construction and maintenance of roads and bridges, health and housing services, assistance to indigents, juvenile and adult justice programs, economic development, recreation and cultural enrichment, an airport, an entertainment complex, and general administration.

The combined financial statements of the County as a financial reporting entity report all activities, organizations, and functions of the County, both as the primary government and its legally separate component units for which (1) the elected officials of the County are financially accountable and/or (2) exclusion of component units activities would cause the County's financial statements to be misleading or incomplete. The County's component units have been reported as blended with the County as the primary government or as discrete (separate) component unit, as appropriate. Criteria used by the County for including activities in preparing these financial statements are in conformity with GASB 14, *The Financial Reporting Entity* and GASB 39, *Determining Whether Certain Organizations are Component Units*. Based on the requirements of these accounting standards, the County reports the Southeast Texas Government Employee Benefits Pool as a blended component unit.

The County is required to adopt a final budget no later than close of the fiscal year. This annual budget serves as the foundation for the County's financial planning and control. The level of budgetary control is the department within the individual funds. The County maintains an encumbrance accounting system as a method to accomplish budgetary control. Department heads may transfer resources within a department as needed. Transfers between departments, however, require approval by Commissioners' Court.

## FACTORS AFFECTING FINANCIAL CONDITIONS

### *Local economy*

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

The area is served by deep-water ports located at Beaumont, Port Arthur, Orange, and Sabine Pass. The Sabine Neches Waterway provides deep-water access to ocean-going vessels, which are served by public ports within the County.

The County is traversed by Interstate Highway 10, US Highways 90 and 69-96-287, State Highways 73, 87, and 105 and three farm-to-market roads. Rail and motor freight carriers also provide freight service to the County. The Jack Brooks Regional Airport located between Beaumont and Port Arthur provides passenger and freight service and is currently serviced by one commuter passenger air carrier.

The economy of the County is based primarily on petroleum refining; the production and processing of petrochemicals, bio-fuels and other chemicals; the fabrication of steel and steel products; shipping activity; the manufacture of wood, pulp, food and feed products; agriculture; and health care services. The County continues to diversify its economic base as evidenced by the increase of jobs in the services and government sectors.

Several large projects are in construction, permitting, and development for the area and the County continues to work with other taxing entities to create a business environment conducive to this growth. These include such notables as Lucite, Air Products, Vitol, Golden Pass Products, OCI, and Exxon Mobil.

Petrochemical expansions at the Motiva, Total, and Valero facilities located in Jefferson County represent approximately \$15 billion in project improvements. In addition, hundreds of millions of dollars are being spent on terminal and pipeline facilities to support these projects. The U.S. Department of State recently released a favorable Environmental Impact Study for construction of the Trans-Canada Keystone XL pipeline which will deliver Canadian tar sands crude to Jefferson County and help in relieving our dependence on oil from more politically volatile regions. In addition, recent rail terminal facility expansions and new construction has significantly increased the transportation of Canadian tar sands oil and bitumen to our area for processing by area refineries.

Cheniere, one of two companies with Liquefied Natural Gas Terminals on the border of the Texas/Louisiana Coast, has begun construction of a \$10 billion liquefaction facility. Golden Pass LNG opened their terminal in mid 2011. With their opening, our ship channel is now home to over 40% of the nation's LNG capacity. Golden Pass LNG has filed with federal authorities for permits allowing it to build a \$10 billion gas liquefaction facility in Jefferson County.

The County has participated in a study by the U.S. Army Corps of Engineers into the feasibility of deepening the Sabine-Neches waterway. This will allow ports in Southeast Texas, the fourth largest in the nation, to accommodate newer deep draft vessels and thus remain competitive with other ports on the Gulf Coast. Recently, the U.S. Army Corps of Engineers issued their "Chief's Report" which paves the way for federal funding of this project. The U S House and Senate recently passed legislation which was signed by the President authorizing the construction of the waterway improvements at a cost in excess of \$1 billion. Congressional appropriations for the project are expected shortly.

The County continues to work with industry leaders, the Texas Workforce Commission, Lamar Institute of Technology, Lamar University and non-profit groups to supply a workforce able to handle the growing labor needs of the County. This is especially critical given the interest of the international community in locating facilities in our county.

The resurgence in U. S. oil and gas exploration and production has made the County the place of choice for those industrial sectors seeking to exploit opportunities to profit from historically low priced energy commodities. Our excellent water bound, rail, highway, and pipeline infrastructure, the readily availability of water resources, and our business-friendly governmental environment, coupled with a lower than average tax environment, has caught the attention of energy and manufacturing companies worldwide. As a result, the County fully expects a significant increase in industrial and commercial ad valorem values over the next ten years.

### ***Long-term financial planning & Relevant financial policies***

Commissioners' Court continues to follow their policy guideline for budgetary and planning purposes of building and maintaining an unassigned fund balance in the general fund of at least 15% of total general fund expenditures and transfers. The County ended the fiscal year with an unassigned fund balance of 31.1% of total general fund expenditures and transfers. This falls within the policy guidelines.

The County is currently working on establishing a strategic plan for budgetary and planning purposes.

### ***Major Initiatives***

The Commissioners' Court set the property tax rate at \$ .365 per \$100 of assessed property valuation to provide funds for services and debt service for fiscal year 2014. Budget initiatives for fiscal year 2014 included:

- Maintained the same property tax rate which was 1.2% below the effective tax rate.
- Provided a 2% salary increase for all employees.

- Commissioners' Court would utilize previously transferred funds to complete outstanding capital projects.
- Maintain capital expenditures for durable goods to replace needed equipment to necessary levels.

### **AWARDS**

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

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

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

### **ACKNOWLEDGEMENTS**

The preparation of this report could not have been accomplished without the dedicated services of the staff of the County Auditor's Office. I express my sincere appreciation to all the members of this office who contributed to its preparation. Also, I express my appreciation to the members of the Commissioners' Court, their staff, and all other County officials and employees who have given their support in planning and conducting the financial operations of Jefferson County, Texas in a responsible manner.

### **REQUEST FOR INFORMATION**

This financial report is designed to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional information should be addressed to the County Auditor's Office, 1149 Pearl Street 7<sup>th</sup> Floor, Beaumont, Texas 77701.



Patrick Swain, C.P.A.  
County Auditor  
Jefferson County, Texas





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Jefferson County  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2013**

Executive Director/CEO





## ELECTED OFFICIALS

As of September 30, 2014

### COMMISSIONERS' COURT

County Judge	Jeff Branick
Commissioner Pct. 1	Eddie Arnold
Commissioner Pct. 2	Brent Weaver
Commissioner Pct. 3	Shane Sinegal
Commissioner Pct. 4	Bo Alfred

SHERIFF	Mitch Woods
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TAX ASSESSOR - COLLECTOR	Terry Wuenschel
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DISTRICT CLERK	Jane Birge
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COUNTY CLERK	Carolyn Guidry
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COUNTY TREASURER	Tim Funchess
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### JUSTICES OF THE PEACE

J.P. Pct. 1 Pl. 1	Kenneth Dollinger
J.P. Pct. 1 Pl. 2	Nancy Beaulieu
J.P. Pct. 2	Marcus DeRouen
J.P. Pct. 4	Ray Chesson
J.P. Pct. 6	Duce Jones
J.P. Pct. 7	Brad Burnett
J.P. Pct. 8	Tom Gillam

### CONSTABLES

Constable Pct. 1	Nick Saleme
Constable Pct. 2	Christopher Bates
Constable Pct. 4	James Trahan
Constable Pct. 6	Dana Baker
Constable Pct. 7	Jeffrey Greenway
Constable Pct. 8	Eddie Collins

### COUNTY COURTS AT LAW

County Court at Law No. 1	Gerald Eddins
County Court at Law No. 2	Lupe Flores
County Court at Law No. 3	Langston Adams

### DISTRICT JUDGES

Criminal Court	John Stevens, Jr.
252nd District Court	Lindsey Scott
58th District Court	Thomas Rugg
60th District Court	Gary Sanderson
136th District Court	Milton Shuffield
172nd District Court	Donald Floyd
279th District Court	Randy Shelton
317th District Court	Larry Thome

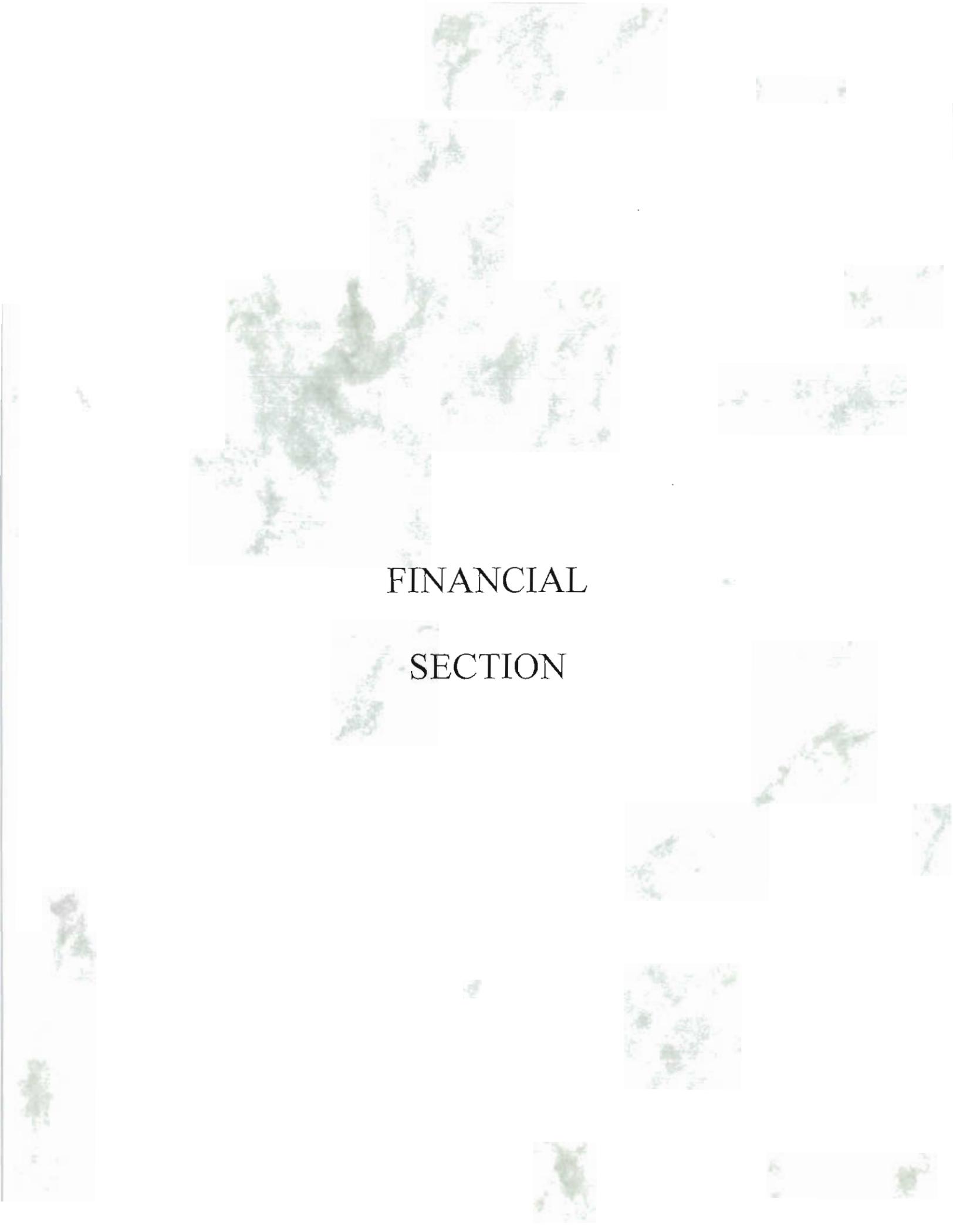
DISTRICT ATTORNEY	Cory Crenshaw
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## APPOINTED OFFICIALS

As of September 30, 2014

Agricultural Extension Service	Starla Garlick
Airport	Alex Rupp
Auditor	Patrick Swain
Auto Service Center	David Fontenot
Buildings Maintenance	David Knight
Community Supervision	Jerry Johnson
Court Master	Larry Gist
Data Processing	Paul Helegda
Dispute Resolution Center	Kara Hawthorn
Emergency Management	Greg Fountain
Engineering	Don Rao
Environmental Control	Michael Melancon
Health and Welfare	Dr. Cecil Walkes
Human Resources	Cary Erickson
Juvenile Probation & Detention	Edward Cockrell
Mosquito Control	Kevin Sexton
Nurse Practitioner	Leslie Little
Purchasing Agent\Printing	Deborah Clark
Risk Management	Cary Erickson
Veterans Services Office	Hilary Guest





FINANCIAL  
SECTION





PATTILLO, BROWN & HILL, L.L.P.  
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and  
Commissioners' Court  
Jefferson County, Texas

### 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 Jefferson County, Texas (the "County"), as of and for the year ended September 30, 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 from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 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, the Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual—General Fund, the Texas County and District Retirement System – Schedule of Funding Progress, and the Other Post Employment Benefit – Schedule of Funding Progress 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 County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, capital assets schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2015, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

*Pat Hills, Brown & Hill, L.L.P.*

Waco, Texas  
March 20, 2015



*Jefferson County, Texas*  
*Management's Discussion and Analysis*

As management of Jefferson County, we offer readers of the Jefferson County's financial statement this narrative overview and analysis of the financial activities of the county for the fiscal year ended September 30, 2014. Please read it in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets and deferred outflows of resources of Jefferson County exceeded its liabilities at the close of fiscal year 2014 by \$134,364,332 (net position), a decrease of \$8,952,449 in net position from the previous year. As a result, the county's overall financial position has deteriorated from the previous year.
- Of the net position, \$126,321,001 is net investment in capital assets, \$28,919,622 is restricted for specific uses, and \$(20,876,291) is unrestricted.
- As of the close of fiscal year 2014, Jefferson County's governmental funds reported combined ending fund balances of \$77,852,280, an increase of \$3,570,381 in comparison with the prior year. About 43% of the total amount, \$33,359,084 is available for spending at the county's discretion (unassigned fund balance).
- At the end of fiscal year 2014, unassigned fund balance for the General Fund was \$36,284,915, or 31.1 percent of total General Fund expenditures and transfers. In addition, the General Fund had a nonspendable fund balance of \$897,102 and assigned fund balance of \$10,082,383.
- The Capital Projects Fund is classified as a major fund. It had a restricted fund balance of \$11,028,002 and a committed fund balance of \$176,404.
- The County's total bonds payable decreased by \$4,634,643 during the current fiscal year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of the following three components: 1) Government-wide financial statements; 2) Fund financial statements and 3) Notes to the basic financial statements. This report also contains other supplementary information which is included in addition to the basic financial statements themselves.

*Government-wide Financial Statements* are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all County assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

representing net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information that indicates how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial and law enforcement, education and recreation, health and welfare, and maintenance of equipment and structures. The business-type activities of the County include an airport and an entertainment complex.

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and they have substantially the same board as the County or provide services entirely to the County. The County's component unit, Southeast Texas Government Employee Benefits Pool, has been reported as blended with the County as the primary government. For more detailed information on this component unit refer to Note 1A and Note 13 of the basic financial statements.

*Fund Financial Statements* are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 83 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the major governmental funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds are maintained two ways. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of an airport and entertainment complex. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its liability activities, workers compensation, and the public entity risk pool that provides health insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Both of the enterprise funds are considered to be major funds of the County. The County's internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County's only fiduciary funds are 11 agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

*Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found starting on page 30 of this report.

*Required Supplementary Information* is presented concerning the County's General Fund budgetary schedule. The County adopts an annual budget for this fund. A budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Required supplementary information can be found starting on page 63 of this report.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

The combining and individual fund statements and schedules referred to earlier provide information for non-major governmental funds and internal service funds and are presented immediately following the required supplementary information.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$134,364,332 for fiscal year 2014 and \$143,933,184 for fiscal year 2013.

**Condensed Statement of Net Position**  
**September 30, 2014**  
**Primary Government**

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 98,226,987	\$ 1,561,890	\$ -	\$ 99,788,877
Capital Assets	87,103,428	84,297,573	-	171,401,001
Total Assets	<u>\$185,330,415</u>	<u>\$ 85,859,463</u>	<u>\$ -</u>	<u>\$271,189,878</u>
Deferred Outflows of Resources				
Deferred Loss on Refunding	\$ 1,324,830	\$ -	\$ -	\$ 1,324,830
Total Deferred Outflows of Resources	<u>\$ 1,324,830</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,324,830</u>
Current and other liabilities	\$ 7,340,425	\$ 848,194	\$ -	\$ 8,188,619
Long-term liabilities	129,727,596	234,161	-	129,961,757
Total Liabilities	<u>\$137,068,021</u>	<u>\$ 1,082,355</u>	<u>\$ -</u>	<u>\$138,150,376</u>
Net Position:				
Invested in capital assets	\$ 85,095,478	\$ 84,297,573	\$ (43,072,050)	\$126,321,001
Restricted net position	28,919,622	-	-	28,919,622
Unrestricted net position	(64,427,876)	479,535	43,072,050	(20,876,291)
Total Net Position	<u>\$ 49,587,224</u>	<u>\$ 84,777,108</u>	<u>\$ -</u>	<u>\$134,364,332</u>

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

Condensed Statement of Net Position  
September 30, 2013 - Restated  
Primary Government

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$101,387,162	\$ 1,699,640	\$ -	\$103,086,802
Capital Assets	86,860,285	87,043,444	-	173,903,729
Total Assets	<u>\$188,247,447</u>	<u>\$ 88,743,084</u>	<u>\$ -</u>	<u>\$276,990,531</u>
Deferred Outflows of Resources				
Deferred Loss on Refunding	\$ 1,433,368	\$ -	\$ -	\$ 1,433,368
Total Deferred Outflows of Resources	<u>\$ 1,433,368</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,433,368</u>
Current and other liabilities	\$ 12,389,685	\$ 855,635	\$ -	\$ 13,245,320
Long-term liabilities	120,993,690	251,705	-	121,245,395
Total Liabilities	<u>\$133,383,375</u>	<u>\$ 1,107,340</u>	<u>\$ -</u>	<u>\$134,490,715</u>
Net Position:				
Invested in capital assets	\$ 84,123,857	\$ 87,043,444	\$ (46,786,666)	\$124,380,635
Restricted net position	25,433,198	-	-	25,433,198
Unrestricted net position	(53,259,615)	592,300	46,786,666	(5,880,649)
Total Net Position	<u>\$ 56,297,440</u>	<u>\$ 87,635,744</u>	<u>\$ -</u>	<u>\$143,933,184</u>

The largest portion of the County's current fiscal year net position (94.0 percent) reflects its investments in capital assets (e.g. land, improvements, buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The main use of these capital assets is to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the County's current fiscal year net position (21.5 percent) represents resources that are subject to external restrictions on how they may be used.

The County's current fiscal year net position is reduced by (15.5 percent) for the negative unrestricted net position. Unrestricted net position may be negative when entities incur long-term liabilities which are not offset by corresponding assets or when it covers post-retirement benefits on a pay-as-you-go basis rather than advance-funding such costs in a trust account.

At the end of the fiscal year 2014 and the 2013 fiscal year, the County report positive net position in two of the three categories as a whole. The County reported positive balances in two of the three categories of net position for its governmental activities for fiscal year 2014 and fiscal year 2013. Business-type activities had positive balances in two of the categories of net position for fiscal year 2014 and fiscal year 2013.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

The County had a reclassification of \$43,072,050 in fiscal year 2013 and \$46,786,666 in the prior fiscal year to move the debt associated with the construction of Ford Park from Unrestricted net position to Net investment in capital assets. The capital assets are reported in the business-type activities and the debt is reported in the governmental activities.

The County's net position decreased by \$8,952,449 during the current fiscal year. The following table indicates changes in net assets for governmental and business-type activities:

Statement of Activities  
For the Year Ended September 30, 2014

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 22,334,745	\$ 10,091,010	\$ 32,425,755
Operating grants and contributions	13,417,014	-	13,417,014
Capital grants and contributions	4,287,420	231,418	4,518,838
General revenues:			
Taxes - levied for general purposes	78,592,069	-	78,592,069
Taxes - levied for debt service	6,024,469	-	6,024,469
Sales Taxes	25,829,624	-	25,829,624
Investment earnings	311,546	550	312,096
Miscellaneous	30,355	52,457	82,812
Total revenues	150,827,242	10,375,435	161,202,677
Expenses:			
General government	42,933,889	-	42,933,889
Judicial and law enforcement	82,058,360	-	82,058,360
Education and recreation	1,416,537	-	1,416,537
Health and welfare	10,570,568	-	10,570,568
Maintenance - equipment and structures	14,859,687	-	14,859,687
Interest and charges on long-term debt	1,611,661	-	1,611,661
Airport	-	6,943,749	6,943,749
Entertainment Complex	-	9,760,675	9,760,675
Total expenses	153,450,702	16,704,424	170,155,126
Excess (deficiency) before special items and transfers	(2,623,460)	(6,328,989)	(8,952,449)
Transfers	(3,470,353)	3,470,353	-
Change in net position	(6,093,813)	(2,858,636)	(8,952,449)
Net position - beginning	56,297,440	87,635,744	143,933,184
Prior period adjustment	(616,403)	-	(616,403)
Net position - beginning - restated	55,681,037	87,635,744	143,316,781
Net position - ending	\$ 49,587,224	\$ 84,777,108	\$ 134,364,332

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

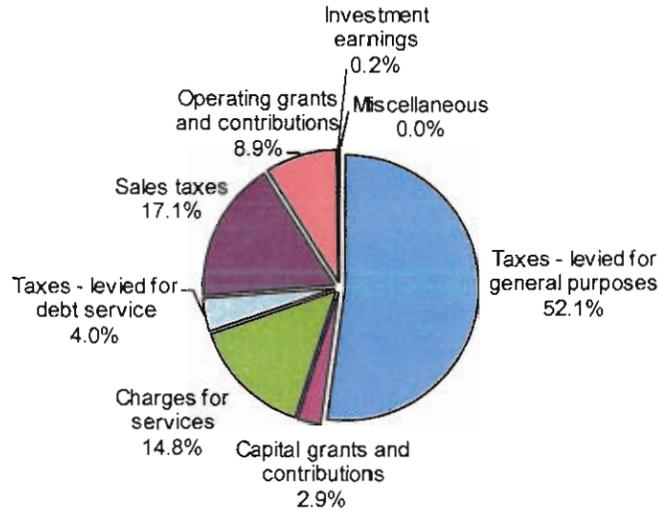
Statement of Activities  
For the Year Ended September 30, 2013

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 22,829,118	\$ 9,515,128	\$ 32,344,246
Operating grants and contributions	19,150,824	-	19,150,824
Capital grants and contributions	5,222,624	943,357	6,165,981
General revenues:			
Taxes - levied for general purposes	76,928,261	-	76,928,261
Taxes - levied for debt service	6,108,388	-	6,108,388
Sales Taxes	26,186,007	-	26,186,007
Investment earnings	281,672	269	281,941
Miscellaneous	35,918	49,628	85,546
Total revenues	<u>156,742,812</u>	<u>10,508,382</u>	<u>167,251,194</u>
Expenses:			
General government	37,253,918	-	37,253,918
Judicial and law enforcement	85,995,590	-	85,995,590
Education and recreation	1,369,159	-	1,369,159
Health and welfare	10,917,065	-	10,917,065
Maintenance - equipment and structures	17,162,873	-	17,162,873
Interest and charges on long-term debt	1,762,428	-	1,762,428
Airport	-	7,386,238	7,386,238
Entertainment Complex	-	9,771,707	9,771,707
Total expenses	<u>154,461,033</u>	<u>17,157,945</u>	<u>171,618,978</u>
Excess (deficiency) before special items and transfers	2,281,779	(6,649,563)	(4,367,784)
Transfers	<u>(3,223,628)</u>	<u>3,223,628</u>	<u>-</u>
Change in net position	<u>(941,849)</u>	<u>(3,425,935)</u>	<u>(4,367,784)</u>
Net position - beginning	57,255,723	91,061,679	148,317,402
Prior period adjustment	(16,434)	-	(16,434)
Net position - beginning - restated	<u>57,239,289</u>	<u>91,061,679</u>	<u>148,300,968</u>
Net position - ending	<u>\$ 56,297,440</u>	<u>\$ 87,635,744</u>	<u>\$ 143,933,184</u>

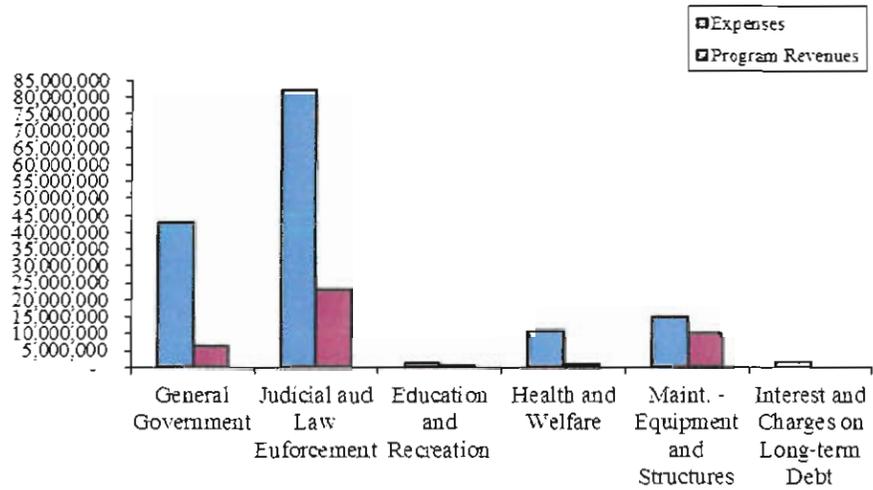
*Jefferson County, Texas  
Management's Discussion and Analysis*

*Governmental activities*

Revenues by Source - Governmental Activities  
Year Ended September 30, 2014



Expenses and Program Revenues - Governmental Activities  
Year Ended September 30, 2014



**Jefferson County, Texas**  
**Management's Discussion and Analysis**

Governmental activities decreased the County's net position by \$6,093,813.

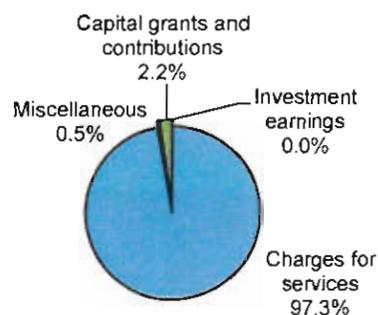
- Property tax revenue increased by about \$1.6 million or (1.9 percent) during the year. Most of this increase is due to a 2.6 percent increase in property valuations.
- Bonds Payable decreased by about \$4.6 million which provided increases to Net Position.
- These increases just discussed were offset mostly due to the increase in the OPEB (Other Post Employment Benefits) Obligation of about \$13.2 million. Commissioners' Court has decided to continue funding OPEB on the pay-as-you-go basis. More discussion on OPEB can be found in Note 9 starting on page 53.

For the most part, other changes (increases/decreases) in expenses typically had corresponding changes in revenues as programs or projects ramp up or wind down.

***Business-type activities***

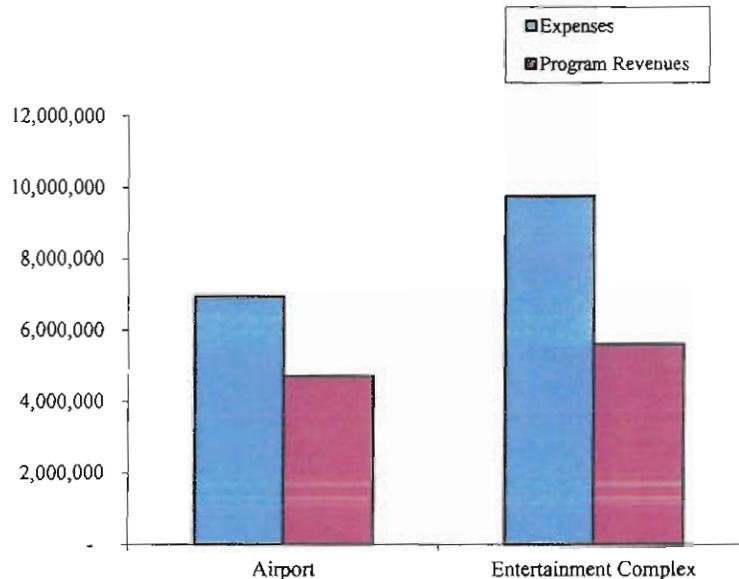
Business-type activities decreased the County's net position by \$2,858,636. The largest area of decline is reduction in Net Investment in Capital Assets due to depreciation of assets. The County continues to look for additional revenues sources as well as cost saving measures to have these business-type activities self-supporting without having to rely on transfers from the General Fund to subsidize operations.

Revenue by Source - Business-type Activities  
Year Ended September 30, 2014



*Jefferson County, Texas*  
*Management's Discussion and Analysis*

Expenses and Program Revenues - Business-type Activities  
Year Ended September 30, 2014



**Financial Analysis of the Government's Funds**

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

As of the end of the current fiscal year, Jefferson County's governmental funds reported combined ending fund balances of \$77,852,280, an increase of \$3,570,381 in comparison with the prior year. About 43% of this total amount (\$33,359,084) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is nonspendable, committed, restricted, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$36,284,915, while total fund balance reached \$47,264,400. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

expenditures and transfers. Unassigned fund balance represents 31.1 percent of total General Fund expenditures and transfers, while total fund balances represents 40.5 percent of that same amount.

The fund balance of the County's General Fund increased by \$1,723,291 during the current fiscal year. This increase is in most part due to increase in property tax.

The Capital Projects Fund has a total fund balance of \$11,204,406, of which \$11,028,002 is restricted for maintenance of structures and equipment and \$176,404 is committed for construction contracts. The net increase in fund balance during the current year in the Capital Projects Fund was \$1,176,198. This increase was in large part as a result of additional transfers from the General Fund for ongoing projects.

*Proprietary Funds.* The County's proprietary fund statements provide the same type of information found in the business type activities of the government-wide financial statements, but in more detail.

The Jack Brooks Regional Airport Fund is used to account for the day-to-day operation of the County airport. As of September 30, 2014, unrestricted net assets are \$(6,844), a decrease of \$58,311 from the prior year. This decrease is in large part due to overall increases in cost operations.

The Ford Park Fund is used to account for the day-to-day operation of Ford Park. As of September 30, 2014, unrestricted net assets are \$486,379, a decrease of \$54,454 from the prior year. This decrease is mostly due to decrease in transfers from the General Fund.

**General Fund Budgetary Highlights**

The total original budget adopted on September 23, 2013 did not have to be amended during the year. Budget transfers were done during the year to adjust departments as needed.

During the year actual revenues and transfers were more than budgetary estimates by \$4,171,703. Actual expenditures and transfers were less than budgetary estimates by \$1,864,264. The budget had a projected reduction of \$4,312,676 to the fund balance. The net effect of over-realization of revenues and under-utilization of appropriations resulted in a positive variance of \$6,035,967 thus causing the addition to the existing fund balance of \$1,864,264 on a budgetary basis.

The largest positive variance of \$3,229,241 is due to an increase in Sales Tax revenue. The area continues to have growth due to several large industrial expansions.

Revenue from Property Taxes had the largest negative variance of \$514,858 due to a settlement for a contested property tax valuation for one of the large industrial taxpayers. This settlement resulted in a reduction of about \$1.1 million in property tax revenue.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

An additional transfer in the amount of \$3,661,283 was made to capital project funds that were not part of the original budget to provide additional funding for construction projects.

Many departments achieved savings over the fiscal year mostly due to unfilled staff positions and moving employees through their salary ranges whereby leaving unspent funds. The total amount of savings for salary and fringe benefits was about \$3.3 million. Departments also did well in controlling their spending in other budgetary areas.

Budget variances are not expected to impact future services or liquidity.

**Capital Assets and Debt Administration**

*Capital Assets.* The County's investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounted to \$171,401,001 (net of accumulated depreciation). This investment in capital assets includes land, improvements, structures, park improvements and facilities, infrastructure, equipment, vehicles, machinery, other tangible and intangible assets, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- The County had a variety of building improvements, purchases of equipment, roads and bridges construction, and construction of airport facilities.
- At September 30, 2014, the ending fund balance for all capital projects funds was \$12.79 million.

For further information regarding capital assets, see Note 5.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

	Balance September 30, 2014	Balance September 30, 2013
<u>Governmental Activities:</u>		
Land	\$ 3,840,787	\$ 3,840,787
Construction in progress	14,283,860	19,216,458
Infrastructure	58,543,801	57,918,331
Buildings & Improvements	98,773,482	90,832,122
Equipment	38,704,189	37,234,070
	<u>214,146,119</u>	<u>209,041,768</u>
Less: Accumulated depreciation	<u>(127,042,691)</u>	<u>(122,181,483)</u>
Total governmental activities	<u>\$ 87,103,428</u>	<u>\$ 86,860,285</u>
 <u>Business-type Activities:</u>		
Land	\$ 5,154,600	\$ 5,154,600
Construction in progress	753,686	672,936
Buildings & Improvements	129,259,814	128,480,339
Equipment	12,399,535	12,104,639
	<u>147,567,635</u>	<u>146,412,514</u>
Less: Accumulated depreciation	<u>(63,270,062)</u>	<u>(59,369,070)</u>
Total business-type activities	<u>\$ 84,297,573</u>	<u>\$ 87,043,444</u>

*Long-Term Debt.* At September 30, 2014, the County had a total long-term debt outstanding of \$129,727,596. Refer to Note 7 for further information on the County's long-term debt. County officials, citizens, and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position. This information is presented in the statistical section of this report.

	Outstanding at September 30, 2014	Outstanding at September 30, 2013 - Restated
<u>Governmental Activities:</u>		
Bonds Payable	\$ 49,281,192	\$ 53,915,835
Notes Payable	-	218,094
Claims & Judgments	2,547,790	2,298,078
Compensated Absences	12,174,444	12,065,696
OPEB Obligations	65,724,170	52,495,987
Total governmental activities	<u>\$ 129,727,596</u>	<u>\$ 120,993,690</u>
 <u>Business-type Activities:</u>		
Compensated Absences	\$ 234,161	\$ 251,705
Total business-type activities	<u>\$ 234,161</u>	<u>\$ 251,705</u>

The bond rating services of Moody's Investors Services, Inc. and Standard & Poor's Ratings services have assigned the County's long term bond ratings of Aa2 and AA- respectively.

*Jefferson County, Texas*  
*Management's Discussion and Analysis*

**Economic Factors and Next Year's Budgets and Rates**

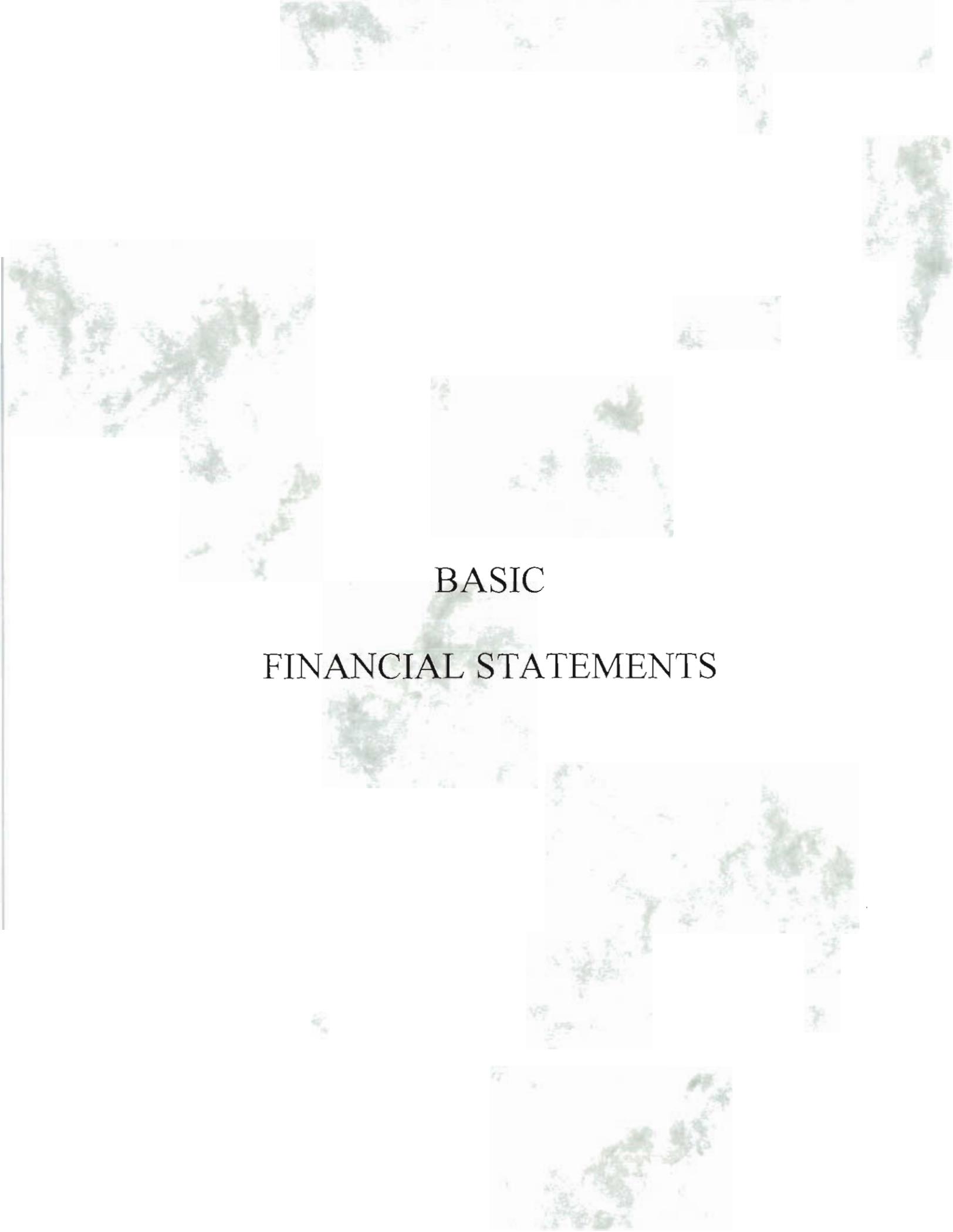
The Commissioner's Court adopted the County's 2014-2015 Budget on September 22, 2014 for the general fund and debt service funds. The Budget was adopted based on estimated balances that would be available at the end of fiscal year 2014 and estimated revenues to be received in fiscal year 2015. The total resources for all funds for fiscal year 2015 are estimated to be \$166.7 million. The budget was adopted with estimated expenditures in the amount of \$128.6 million. The 2014-2015 Budget forecast utilizing \$10,082,383 of fund balance.

For 2014-2015, the property tax rate will remain at \$.365 per \$100 of taxable assessed value and taxable assessed property values are anticipated to decrease by 2% for the 2014-2015 Budget year.

The average unemployment rate for Jefferson County for September 2014 was 7.8%; this is a decrease from the prior year rate of 10.1%. The state's average unemployment rate for September 2014 was 5.0%.

**Request for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 1149 Pearl St. – 7<sup>th</sup> Floor, Beaumont, Texas 77701.



BASIC  
FINANCIAL STATEMENTS



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

	PRIMARY GOVERNMENT			
	GOVERNMENTAL	BUSINESS-TYPE	RECLASSIFICATIONS	TOTAL
	ACTIVITIES	ACTIVITIES		
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 55,983,830	1,119,674	-	57,103,504
INVESTMENTS	22,965,063	-	-	22,965,063
INTEREST RECEIVABLE	36,256	13	-	36,269
ACCOUNTS RECEIVABLE, Net	398,922	123,617	-	522,539
DUE FROM OTHER GOVERNMENTAL ENTITIES	8,727,966	95,565	-	8,823,531
INVENTORIES, At Cost	518,587	220,030	-	738,617
PREPAID ITEMS	428,296	2,991	-	431,287
DELINQUENT TAXES RECEIVABLE, Net	4,238,671	-	-	4,238,671
PENALTY AND INTEREST RECEIVABLE, Net	2,151,472	-	-	2,151,472
OTHER RECEIVABLES, Net	2,702,424	-	-	2,702,424
DEPOSITS	75,500	-	-	75,500
<b>CAPITAL ASSETS:</b>				
LAND	3,840,787	5,154,600	-	8,995,387
CONSTRUCTION IN PROGRESS	14,283,860	753,686	-	15,037,546
OTHER CAPITAL ASSETS, Net of depreciation	68,978,781	78,389,287	-	147,368,068
<b>TOTAL ASSETS</b>	<b>\$ 185,330,415</b>	<b>85,859,463</b>	<b>-</b>	<b>271,189,878</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
DEFERRED LOSS ON BOND REFUNDING	\$ 1,324,830	-	-	1,324,830
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 1,324,830</b>	<b>-</b>	<b>-</b>	<b>1,324,830</b>
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 6,304,058	487,978	-	6,792,036
INTEREST PAYABLE	281,941	-	-	281,941
DUE TO OTHER GOVERNMENTAL ENTITIES	5,220	-	-	5,220
UNEARNED REVENUE	749,206	241,196	-	990,402
CUSTOMER DEPOSITS	-	119,020	-	119,020
<b>LONG-TERM LIABILITIES</b>				
DUE WITHIN ONE YEAR	7,733,157	56,867	-	7,790,024
DUE IN MORE THAN ONE YEAR	121,994,439	177,294	-	122,171,733
<b>TOTAL LIABILITIES</b>	<b>\$ 137,068,021</b>	<b>1,082,355</b>	<b>-</b>	<b>138,150,376</b>
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	\$ 85,095,478	84,297,573	(43,072,050)	126,321,001
<b>RESTRICTED FOR:</b>				
DEBT SERVICE	1,010,241	-	-	1,010,241
CONSTRUCTION	14	-	-	14
PUBLIC INTEREST	1,837,335	-	-	1,837,335
JUDICIAL & LAW ENFORCEMENT	5,000,579	-	-	5,000,579
EDUATION & RECREATION	1,319,023	-	-	1,319,023
HEALTH & WELFARE	8,385,278	-	-	8,385,278
MAINTENANCE OF STRUCTURES & EQUIPMENT	11,367,152	-	-	11,367,152
UNRESTRICTED	(64,427,876)	479,535	43,072,050	(20,876,291)
<b>TOTAL NET POSITION</b>	<b>\$ 49,587,224</b>	<b>84,777,108</b>	<b>-</b>	<b>134,364,332</b>

*The reclassification is for the debt associated with the construction of Ford Park. The asset is accounted for in the Business-type activities column and the debt is accounted for in the Governmental Activities column.*

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

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

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>PRIMARY GOVERNMENT</b>				
GOVERNMENTAL ACTIVITIES:				
GENERAL GOVERNMENT	\$ 42,933,889	\$ 6,234,887	\$ 100	\$ -
JUDICIAL AND LAW ENFORCEMENT	82,058,360	10,067,596	12,584,616	-
EDUCATION AND RECREATION	1,416,537	66,517	514	-
HEALTH AND WELFARE	10,570,568	430,032	552,416	-
MAINTENANCE - EQUIPMENT AND STRUCTURES	14,859,687	5,535,713	279,368	4,287,420
INTEREST AND CHARGES ON LONG-TERM DEBT	1,611,661	-	-	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 153,450,702</b>	<b>\$ 22,334,745</b>	<b>\$ 13,417,014</b>	<b>\$ 4,287,420</b>
BUSINESS-TYPE ACTIVITIES:				
AIRPORT	6,943,749	4,526,324	-	184,751
ENTERTAINMENT COMPLEX	9,760,675	5,564,686	-	46,667
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 16,704,424</b>	<b>\$ 10,091,010</b>	<b>\$ -</b>	<b>\$ 231,418</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 170,155,126</b>	<b>\$ 32,425,755</b>	<b>\$ 13,417,014</b>	<b>\$ 4,518,838</b>

GENERAL REVENUES

TAXES:

PROPERTY TAXES LEVIED FOR GENERAL PURPOSES

PROPERTY TAXES LEVIED FOR DEBT SERVICE

SALES TAXES

UNRESTRICTED INVESTMENT EARNINGS

MISCELLANEOUS

TRANSFERS

TOTAL GENERAL REVENUE AND TRANSFERS

CHANGE IN NET POSITION

NET POSITION - BEGINNING

PRIOR PERIOD ADJUSTMENT

NET POSITION - BEGINNING, Restated

NET POSITION - ENDING

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

NET (EXPENSES) REVENUES AND CHANGES IN NET  
POSITION

PRIMARY GOVERNMENT		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (36,698,902)	\$ -	\$ (36,698,902)
(59,406,148)	-	(59,406,148)
(1,349,506)	-	(1,349,506)
(9,588,120)	-	(9,588,120)
(4,757,186)	-	(4,757,186)
<u>(1,611,661)</u>	-	<u>(1,611,661)</u>
\$ (113,411,523)	\$ -	\$ (113,411,523)
-	(2,232,674)	(2,232,674)
-	(4,149,322)	(4,149,322)
<u>\$ -</u>	<u>\$ (6,381,996)</u>	<u>\$ (6,381,996)</u>
<u>\$ (113,411,523)</u>	<u>\$ (6,381,996)</u>	<u>\$ (119,793,519)</u>

\$ 78,592,069	\$ -	\$ 78,592,069
6,024,469	-	6,024,469
25,829,624	-	25,829,624
311,546	550	312,096
30,355	52,457	82,812
<u>(3,470,353)</u>	<u>3,470,353</u>	<u>-</u>
\$ 107,317,710	\$ 3,523,360	\$ 110,841,070
\$ (6,093,813)	\$ (2,858,636)	\$ (8,952,449)
56,297,440	87,635,744	143,933,184
<u>(616,403)</u>	<u>-</u>	<u>(616,403)</u>
<u>55,681,037</u>	<u>87,635,744</u>	<u>143,316,781</u>
<u>\$ 49,587,224</u>	<u>\$ 84,777,108</u>	<u>\$ 134,364,332</u>

JEFFERSON COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2014

	GENERAL	CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 21,410,433	11,242,250	20,835,728	53,488,411
INVESTMENTS	22,965,063	-	-	22,965,063
ACCOUNTS RECEIVABLE, Net	232,940	7,759	127,572	368,271
INTEREST RECEIVABLE	14,387	2,289	5,464	22,140
DUE FROM OTHER FUNDS	1,087,241	-	-	1,087,241
DUE FROM OTHER GOVERNMENTAL ENTITIES	6,652,228	21,312	1,836,154	8,509,694
DELINQUENT TAXES RECEIVABLE, Net	4,138,745	-	99,926	4,238,671
PENALTY AND INTEREST RECEIVABLE, Net	2,100,751	-	50,721	2,151,472
INVENTORIES, At Cost	469,644	-	48,943	518,587
PREPAID ITEM	427,458	-	838	428,296
<b>TOTAL ASSETS</b>	<b>\$ 59,498,890</b>	<b>11,273,610</b>	<b>23,005,346</b>	<b>93,777,846</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 4,636,940	69,204	1,581,653	6,287,797
COMPENSATED ABSENCES PAYABLE	48,699	-	-	48,699
DUE TO OTHER FUNDS	-	-	1,087,241	1,087,241
DUE TO OTHER GOVERNMENTAL ENTITIES	360	-	4,860	5,220
UNEARNED REVENUE	9,752	-	739,454	749,206
<b>TOTAL LIABILITIES</b>	<b>\$ 4,695,751</b>	<b>69,204</b>	<b>3,413,208</b>	<b>8,178,163</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE- PROPERTY TAXES	\$ 5,983,151	-	132,947	6,116,098
UNAVAILABLE REVENUE- INMATE HOUSING	1,555,588	-	-	1,555,588
UNAVAILABLE REVENUE- GRANTS	-	-	75,717	75,717
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 7,538,739</b>	<b>-</b>	<b>208,664</b>	<b>7,747,403</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ 469,644	-	48,943	518,587
PREPAID ITEMS	427,458	-	838	428,296
<b>RESTRICTED FOR:</b>				
DEBT SERVICE	-	-	987,126	987,126
CONSTRUCTION	-	-	14	14
PUBLIC INTEREST	-	-	1,837,335	1,837,335
JUDICIAL & LAW ENFORCEMENT	-	-	4,950,798	4,950,798
EDUCATION & RECREATION	-	-	1,319,023	1,319,023
HEALTH & WELFARE	-	-	8,385,278	8,385,278
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	11,028,002	339,150	11,367,152
<b>COMMITTED FOR:</b>				
CONSTRUCTION CONTRACTS	-	176,404	2,743,481	2,919,885
ASSIGNED FOR CAPITAL PROJECTS	-	-	1,697,319	1,697,319
ASSIGNED FOR ADOPTED BUDGET	-	-	-	-
UTILIZATION OF FUND BALANCE	10,082,383	-	-	10,082,383
UNASSIGNED (DEFICIT)	36,284,915	-	(2,925,831)	33,359,084
<b>TOTAL FUND BALANCES</b>	<b>\$ 47,264,400</b>	<b>11,204,406</b>	<b>19,383,474</b>	<b>77,852,280</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 59,498,890</b>	<b>11,273,610</b>	<b>23,005,346</b>	<b>93,777,846</b>

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

**JEFFERSON COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2014**

Total fund balances for governmental funds \$ 77,852,280

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 3,840,787	
Construction in progress	14,283,860	
Infrastructure, net of \$37,908,280 accumulated depreciation	20,635,521	
Buildings, net of \$61,825,889 accumulated depreciation	36,947,593	
Equipment, net of \$27,308,522 accumulated depreciation	<u>11,395,667</u>	
Total capital assets		87,103,428

Long-term assets are not recognized in the current period and accordingly are not reported as fund assets. Balances as of September 30, 2014 were:

Accrued interest receivable	\$ <u>13,616</u>	13,616
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Long-term liabilities applicable to Jefferson County's activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term are reported in the Statement of Net Position.

Balances as of September 30, 2014 were:

Accrued interest on bonds and loans	\$ (281,941)	
Bonds payable	(45,080,000)	
OPEB Obligations	(65,724,170)	
Compensated absences	(12,125,745)	
Gain/Loss on Refunding Bonds	1,324,830	
Premium/Discounts on Bonds	<u>(4,201,192)</u>	
		(126,088,218)

Internal service funds are used by the County. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. Internal service fund net position are:

256,291

Some of the County's receivables are classified as long-term and therefore are not reported in the funds. Receivable reported net of \$2,174,089 allowance for uncollectible accounts.

2,702,424

Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as available resources in the funds.

7,747,403

Total net position of governmental activities:

\$ 49,587,224

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

JEFFERSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	GENERAL	CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 78,240,335	-	6,022,387	84,262,722
SALES TAXES	24,679,241	-	1,150,383	25,829,624
FEES	9,184,628	-	4,627,190	13,811,818
LICENSES	480,386	-	-	480,386
INTERGOVERNMENTAL	1,650,487	1,827,668	15,009,893	18,488,048
SALES, RENTAL & SERVICES	2,176,020	-	877,788	3,053,808
FINES AND FORFEITURES	1,716,203	-	184,427	1,900,630
INTEREST	200,200	30,153	77,081	307,434
MISCELLANEOUS	30,355	-	-	30,355
CONTRIBUTIONS AND DONATIONS	205	-	184,614	184,819
<b>TOTAL REVENUES</b>	<b>\$ 118,358,060</b>	<b>1,857,821</b>	<b>28,133,763</b>	<b>148,349,644</b>
<b>EXPENDITURES:</b>				
<b>CURRENT</b>				
GENERAL GOVERNMENT	\$ 22,158,777	-	508,191	22,666,968
JUDICIAL AND LAW ENFORCEMENT	63,486,970	-	16,614,163	80,101,133
EDUCATION AND RECREATION	379,284	-	1,030,586	1,409,870
HEALTH AND WELFARE	10,155,467	-	261,372	10,416,839
MAINTENANCE OF STRUCTURES AND EQUIPMENT	12,631,742	-	45,936	12,677,678
CAPITAL OUTLAY	-	4,576,067	3,694,045	8,270,112
DEBT SERVICE				
PRINCIPAL	218,094	-	4,280,000	4,498,094
INTEREST AND COMMISSION	43,782	-	1,878,907	1,922,689
<b>TOTAL EXPENDITURES</b>	<b>\$ 109,074,116</b>	<b>4,576,067</b>	<b>28,313,200</b>	<b>141,963,383</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 9,283,944</b>	<b>(2,718,246)</b>	<b>(179,437)</b>	<b>6,386,261</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ 23,483	3,894,444	1,392,118	5,310,045
TRANSFERS OUT	(7,584,136)	-	(583,597)	(8,167,733)
REFUNDING BONDS ISSUED	-	-	1,340,000	1,340,000
PAYMENT TO REFUNDING BONDS ESCROW AGENT	-	-	(1,298,192)	(1,298,192)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (7,560,653)</b>	<b>3,894,444</b>	<b>850,329</b>	<b>(2,815,880)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 1,723,291</b>	<b>1,176,198</b>	<b>670,892</b>	<b>3,570,381</b>
FUND BALANCES, BEGINNING	\$ 46,625,619	10,028,208	18,754,561	75,408,388
PRIOR PERIOD ADJUSTMENT	(1,084,510)	-	(41,979)	(1,126,489)
FUND BALANCE, BEGINNING (Restated)	\$ 45,541,109	10,028,208	18,712,582	74,281,899
FUND BALANCES, ENDING	<b>\$ 47,264,400</b>	<b>11,204,406</b>	<b>19,383,474</b>	<b>77,852,280</b>

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

JEFFERSON COUNTY, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
SEPTEMBER 30, 2014

Net change in fund balances - total governmental funds \$ 3,570,381

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Expenditures	\$	6,481,396	
Capital asset donations to Business type activities		(612,665)	
Net adjustment for sale or disposal of capital assets		(74,517)	
Depreciation Expense		<u>(5,551,071)</u>	
Net adjustment			243,143

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.

Debt issued:			
Refunding Bonds	\$	(1,340,000)	
Repayments:			
To paying agent for bond principal	\$	5,565,000	
Principal on Notes Payable		<u>218,094</u>	
Net adjustment			4,443,094

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather as it accrues. The adjustment combines the net changes of six balances.

Compensated absences	\$	(84,104)	
OPEB Obligations		(13,228,183)	
Amortization of bond premium		416,869	
Amortization of bond discount		(7,226)	
Amortization of refunding difference		(108,538)	
Accrued interest on debt		<u>23,115</u>	
Combined adjustment			(12,988,067)

Internal service funds are used by the County. The net change in position of the internal service funds are reported with governmental activities. (1,483,004)

Some of the County's receivables are classified as long-term and therefore the net of revenue and bad debt expense associated with these receivables are not reported in the funds. 264,179

Because some revenues will not be collected for several months after the County's fiscal year end, they do not provide current financial resources and they are not reported as revenues in the funds. (143,539)

Total change in net position of governmental activities \$ (6,093,813)

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF NET POSITION -**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2014**

	ENTERPRISE FUNDS			
	JACK BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	INTERNAL SERVICE FUNDS
<b>ASSETS:</b>				
<b>CURRENT ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 192,866	926,808	1,119,674	2,495,419
ACCOUNTS RECEIVABLE, Net	62,298	61,319	123,617	30,651
INTEREST RECEIVABLE	6	7	13	500
DUE FROM OTHER GOVERNMENTAL ENTITIES	95,565	-	95,565	218,272
PREPAID ITEMS	77	2,914	2,991	-
INVENTORY, At Cost	188,262	31,768	220,030	-
DEPOSITS	-	-	-	75,500
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 539,074</b>	<b>1,022,816</b>	<b>1,561,890</b>	<b>2,820,342</b>
<b>NONCURRENT ASSETS:</b>				
<b>CAPITAL ASSETS:</b>				
LAND	3,024,815	2,129,785	5,154,600	-
CONSTRUCTION IN PROGRESS	753,686	-	753,686	-
OTHER CAPITAL ASSETS, NET OF DEPRECIATION	25,788,861	52,600,426	78,389,287	-
<b>TOTAL NONCURRENT ASSETS</b>	<b>\$ 29,567,362</b>	<b>54,730,211</b>	<b>84,297,573</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>\$ 30,106,436</b>	<b>55,753,027</b>	<b>85,859,463</b>	<b>2,820,342</b>
<b>LIABILITIES:</b>				
<b>CURRENT LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 227,411	260,567	487,978	16,261
CLAIMS LIABILITY	-	-	-	2,547,790
CURRENT PORTION - COMPENSATED ABSENCES	22,799	34,068	56,867	-
UNEARNED REVENUE	42,049	199,147	241,196	-
CUSTOMER DEPOSITS	76,365	42,655	119,020	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 368,624</b>	<b>536,437</b>	<b>905,061</b>	<b>2,564,051</b>
<b>NONCURRENT LIABILITIES:</b>				
NONCURRENT PORTION - COMPENSATED ABSENCES	177,294	-	177,294	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>\$ 177,294</b>	<b>-</b>	<b>177,294</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 545,918</b>	<b>536,437</b>	<b>1,082,355</b>	<b>2,564,051</b>
<b>NET POSITION:</b>				
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	\$ 29,567,362 (6,844)	54,730,211 486,379	84,297,573 479,535	- 256,291
<b>TOTAL NET POSITION</b>	<b>\$ 29,560,518</b>	<b>55,216,590</b>	<b>84,777,108</b>	<b>256,291</b>

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

JEFFERSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	<u>ENTERPRISE FUNDS</u>			INTERNAL SERVICE FUNDS
	JACK BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	
<b>OPERATING REVENUES:</b>				
CHARGES FOR SERVICES	\$ 4,526,324	5,564,686	10,091,010	15,998,112
EMPLOYEE CONTRIBUTIONS	-	-	-	2,106,315
<b>TOTAL OPERATING REVENUES</b>	<u>\$ 4,526,324</u>	<u>5,564,686</u>	<u>10,091,010</u>	<u>18,104,427</u>
<b>OPERATING EXPENSES:</b>				
SALARIES & BENEFITS	\$ 1,623,082	1,440,812	3,063,894	-
MATERIALS AND SUPPLIES	90,733	86,842	177,575	-
MAINTENANCE AND REPAIRS	110,373	221,088	331,461	-
UTILITIES	214,768	910,003	1,124,771	-
COST OF GOODS SOLD	2,674,907	3,977,061	6,651,968	-
MISCELLANEOUS	700,103	61,031	761,134	-
ADMINISTRATIVE	-	692,630	692,630	1,592,661
INCURRED & ESTIMATED CLAIMS	-	-	-	18,452,875
DEPRECIATION	1,529,783	2,371,208	3,900,991	-
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 6,943,749</u>	<u>9,760,675</u>	<u>16,704,424</u>	<u>20,045,536</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ (2,417,425)</u>	<u>(4,195,989)</u>	<u>(6,613,414)</u>	<u>(1,941,109)</u>
<b>NONOPERATING REVENUES:</b>				
INTEREST REVENUE	\$ 377	173	550	7,632
GAIN/(LOSS) ON SALE OF CAPITAL ASSETS	-	649	649	-
REFUNDS AND RECOVERIES	51,808	-	51,808	450,473
<b>TOTAL NONOPERATING REVENUES</b>	<u>\$ 52,185</u>	<u>822</u>	<u>53,007</u>	<u>458,105</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>\$ (2,365,240)</u>	<u>(4,195,167)</u>	<u>(6,560,407)</u>	<u>(1,483,004)</u>
CAPITAL CONTRIBUTIONS	440,762	403,321	844,083	-
TRANSFER IN	1,000,000	1,857,688	2,857,688	-
<b>CHANGE IN NET POSITION</b>	<u>\$ (924,478)</u>	<u>(1,934,158)</u>	<u>(2,858,636)</u>	<u>(1,483,004)</u>
<b>NET POSITION, BEGINNING</b>	<u>30,484,996</u>	<u>57,150,748</u>	<u>87,635,744</u>	<u>1,739,295</u>
<b>NET POSITION, ENDING</b>	<u>\$ 29,560,518</u>	<u>55,216,590</u>	<u>84,777,108</u>	<u>256,291</u>

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

JEFFERSON COUNTY, TEXAS  
STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	ENTERPRISE FUNDS			
	JACK BROOKS REGIONAL	FORD PARK	TOTAL	INTERNAL SERVICE FUNDS
	AIRPORT			
	AIRPORT	FORD PARK	TOTAL	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:				
RECEIPTS FROM CUSTOMERS AND USERS	\$ 4,730,010	5,640,297	10,370,307	2,232,838
RECEIPTS FROM EMPLOYEES	-	-	-	2,104,596
PAYMENTS TO SUPPLIERS	(3,907,817)	(5,847,793)	(9,755,610)	(1,591,851)
PAYMENTS TO EMPLOYEES	(1,640,910)	(1,440,528)	(3,081,438)	-
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	-	-	-	13,801,093
CLAIMS PAID	-	-	-	(18,203,163)
OTHER RECEIPTS	51,808	-	51,808	448,319
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (766,909)</u>	<u>(1,648,024)</u>	<u>(2,414,933)</u>	<u>(1,208,168)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
TRANSFERS (TO) FROM OTHER FUNDS	<u>\$ 1,000,000</u>	<u>1,857,688</u>	<u>2,857,688</u>	<u>-</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>\$ 1,000,000</u>	<u>1,857,688</u>	<u>2,857,688</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
CAPITAL GRANTS FROM FEDERAL ENTITIES	\$ 155,644	-	155,644	-
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(440,685)	(134,850)	(575,535)	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	-	649	649	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>\$ (285,041)</u>	<u>(134,201)</u>	<u>(419,242)</u>	<u>-</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES:				
RECEIPTS OF INTEREST	373	166	539	7,624
NET CASH PROVIDED BY INVESTMENT ACTIVITIES	<u>\$ 373</u>	<u>166</u>	<u>539</u>	<u>7,624</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - BEGINNING	<u>\$ (51,577)</u>	<u>75,629</u>	<u>24,052</u>	<u>(1,200,544)</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 192,866</u>	<u>926,808</u>	<u>1,119,674</u>	<u>2,495,419</u>
RECONCILIATION OF OPERATING INCOME(LDSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:				
OPERATING INCOME(LOSS)	\$ (2,417,425)	(4,195,989)	(6,613,414)	(1,941,109)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
DEPRECIATION	1,529,783	2,371,208	3,900,991	-
OTHER NON-OPERATING REVENUES (EXPENSES)	51,808	-	51,808	450,473
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	121,940	47,766	169,706	(3,873)
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	35,819
INSURANCE DEPOSITS	-	-	-	-
PREPAID ITEMS	-	(829)	(829)	-
INVENTORY	8,111	13,932	22,043	-
CUSTOMER DEPDITS	49,653	11,061	60,714	-
ACCOUNTS PAYABLE	(123,044)	86,930	(38,114)	810
CLAIMS LIABILITY	-	-	-	249,712
OTHER LIABILITIES	14,265	17,897	32,162	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (766,909)</u>	<u>(1,648,024)</u>	<u>(2,414,933)</u>	<u>(1,208,168)</u>
NON-CASH OPERATING, CAPITAL AND RELATED FINANCING, AND INVESTING ACTIVITIES CAPITAL CONTRIBUTIONS	<u>\$ 256,011</u>	<u>403,321</u>	<u>659,332</u>	<u>-</u>

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2014**

	<b>TOTALS</b>
<b><u>ASSETS</u></b>	
CASH AND CASH EQUIVALENTS	\$ 16,255,869
ACCOUNTS RECEIVABLE, Net	7,410
DUE FROM OTHER GOVERNMENTAL ENTITIES	410,866
 TOTAL ASSETS	 \$ 16,674,145
<b><u>LIABILITIES</u></b>	
ACCOUNTS PAYABLE	\$ 12,610,256
DUE TO OTHER GOVERNMENTAL ENTITIES	836,495
OTHER PAYABLES	3,227,394
 TOTAL LIABILITIES	 \$ 16,674,145

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



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies**

The financial statements of Jefferson County, Texas ("County") have been prepared in conformity with generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

**A. Reporting Entity**

The County is a public corporation and a political subdivision of the State of Texas. The County is governed by Commissioners' Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County provides a vast array of services, which include public safety, administration of justice, health and human services, recreation services, public improvements, and general administration.

As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units in conformity with GASB Statement No. 14, *The Financial Reporting Entity* ("GASB 14"), GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* ("GASB 39"), and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34*, ("GASB 61").

In accordance with these standards, a financial reporting entity consists of the primary government and its components units. Component units are legally separate organizations for which the elected officials of the County are financially accountable, or the relationship to the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the County's operations, and so data from these units are combined with data of the County.

The criteria used to determine whether an organization is a component unit of the County and whether it is a discretely or a blended component unit includes: financial accountability of Jefferson County for the component unit, appointment of a voting majority, ability to impose the County's will on the component unit, fiscal dependency criterion, whether there is a financial benefit to or burden to the County or if operational responsibility for the component unit rests with management of the County, and whether services are provided entirely or almost entirely to the primary government.

**Blended Component Units:**

For financial reporting purposes, the Southeast Texas Government Employee Benefits Pool (The Pool) is included in the operations and activities of the County as a blended component unit. The Pool is a public entity risk pool (see Note 13), which the County is the sponsor government. The Pool is accounted for as an internal service fund.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Excluded from the reporting entity:

The following agencies were considered in the determination of component units of the County's financial reporting entity. It was determined that these entities should not be included as component units of the primary government: Jefferson County Navigation District, Drainage District #3, Drainage District #6, Drainage District #7, Foreign Trade Zone, Pleasure Island Park Board, Jefferson County Health Facilities Development Corporation, Jefferson County Housing Finance Corporation, Local Emergency Planning Committee (LEPC), and Jefferson County Industrial Development Corporation.

**B. Implementation of New Standards**

In the current year the County implemented the following new standards:

GASB Statement 65, *Items Previously Reported as Assets and Liabilities* ("GASB 65"), establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources and deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Implementation of GASB 65 is reflected in the County's financial statements.

GASB Statement 66, *Technical Corrections-2012-an amendment of GASB Statement No. 10 and No. 62* ("GASB 66"), seeks to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuances of two pronouncements, Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting guidance Contained in Pre-November 30, 1989 GASB and AICPA Pronouncements*. Implementation of GASB 66 is reflected in the County's financial statements.

GASB Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* ("GASB 70"), provides guidance to improve accounting and reporting by state and local governments that extend and receive nonexchange financial guarantees. Implementation of GASB 70 did not have an impact on the County's reporting disclosures.

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

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

significant extent on fees and charges for support. Likewise, the primary government is financially accountable.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Fines and forfeitures are recognized when they have been assessed and adjudicated and earned. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses of the County's programs are offset by those programs' revenues. Program revenues include; 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and; 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Program revenues include those generated from General Government, Judicial and Law Enforcement, Education and Recreation, Health and Welfare, Contract Services, and Maintenance of Equipment and Structures. Taxes and other items not included among program revenues are reported instead as general revenues.

Miscellaneous general revenues consist of non-program specific contributions.

Agency funds are excluded in the government-wide presentation of the financial statements.

**Fund-level Statements**

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year and any remaining encumbrances are liquidated at fiscal year end. These funds are accounted for on a spending "financial flow" measurement focus. This means that only current assets, deferred outflows (inflows) of resources, and current liabilities are generally included on their balance sheets. Their reported fund balance (net position) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

All proprietary funds, including the enterprise funds and internal service funds, and fiduciary funds, including agency funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using a cost of service or “capital maintenance” measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds’ balance sheets. The Agency funds are custodial in nature and involve no measurement of results of operations.

The accounts of the County are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

Funds are classified into three categories: Governmental, Proprietary, and Fiduciary. The County reports the following major funds:

**GOVERNMENTAL FUNDS:** Used to account for all or most of a government’s general activity.

**General Fund** – used to account for the general operations of the County.

**Capital Projects Fund** – used to account for all other capital projects of the County for which a separate fund has not been established.

**PROPRIETARY FUNDS:** Used to account for operations that are financed in a manner similar to those in the private sector, where the determination of net income is appropriate for sound financial administration.

**Jack Brooks Regional Airport** – used to account for the day-to-day operation of the County airport. These facilities are financed primarily through user charges.

**Ford Park** – used to account for the day-to-day operation of Ford Park. These facilities are financed primarily through user charges.

Additionally, the County reports the following fund types:

**Internal Service Funds** – used to account for the financing of goods and services provided by one department or agency of the County to other County departments or agencies on a cost reimbursement basis. The County reports three internal service fund: 1) Liability Insurance – to account for the County’s contribution and payment for liability claims, 2) Workers’ Compensation – to account for County’s contribution and payment for workers’ compensation claims, and 3)



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Southeast Texas Government Employee Benefits Pool - to account for the County's Public Entity Risk Pool, which provides group health insurance programs for member governments including comprehensive major medical and dental care.

**FIDUCIARY FUNDS:** Used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

**Agency Funds** are used to account for assets held by the County as an agent on behalf of a third party. The County reports eleven agency funds held for various third parties outside the primary government.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing goods in connection with the proprietary fund's principal operations. The principal operating revenues of the Jack Brooks Regional Airport and Ford Park are user fees. Operating revenues in the Internal Service Funds consist primarily of charges to the various County departments. Operating expenses in the enterprise and internal service funds include the cost of sales and services, administrative expenses, incurred and estimated claims, salaries & benefits, materials and supplies, maintenance and repairs, utilities, miscellaneous, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

**D. Budgets**

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

- Department annual budget requests are submitted by the Department or Agency Head to the County Auditor's office during the third quarter of the fiscal year for the upcoming fiscal year to begin October 1.
- The County Auditor's office prepares an estimate of available resources for the upcoming fiscal year.
- The County Auditor's office prepares the proposed annual operating budget to be presented to the Commissioners' Court for their consideration. The budget represents the financial plan for the new fiscal year.
- Public hearings are held on the proposed budget.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

- The Commissioners' Court must adopt an annual operating budget by a majority vote of the Commissioners' Court before October 1. The adopted budget must be balanced; that is, available resources must be sufficient to support annual appropriations.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- The Commissioners' Court may approve expenditures as an amendment to the budget in an emergency situation that could not have been foreseen at the time the original budget was approved.
- Annual budgets are legally adopted for the General Fund and Debt Service Funds. Budgets for Grant Funds are established pursuant to grant awards and budgets for Capital Projects are established on a project basis.
- Appropriations lapse at year-end for all budgeted funds.
- Budgets are prepared on a basis consistent with GAAP.

**E. Deposits and Investments**

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

State statute authorizes the County to invest in obligations of the U.S. Treasury and Federal Agencies, commercial paper, repurchase agreements, Bankers' acceptances, money market mutual funds, and direct obligations of the State of Texas.

Investments for the County are stated at fair value, which is based on quoted market prices with the difference between the purchase price and market price being recorded as earnings on investments.

**F. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed. All encumbrances are liquidated at fiscal year end.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

**G. Receivables and Payables**

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2013 and past due after January 31, 2014. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

Receivables from other governments include amount due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectible.

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

**H. Interfund Transactions**

During the course of normal operations, the County has many transactions between funds. The accompanying fund level financial statements reflect as transfers the resources provided and the expenditures used to provide services, construct assets, and meet debt service requirements. The effect of interfund activity has been eliminated in the Government-Wide financial statements, except for transactions between governmental and business-type activities.

**I. Inventories and Prepaid Items**

Inventories are valued at cost, which approximates market, using the "first-in/first-out" method. Reported inventories in the governmental funds are offset by a fund balance reserve, which indicates they are unavailable for appropriations even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a fund balance reserve, which indicates they are unavailable for appropriations even though they are a component of net current assets.

The cost of governmental fund type inventories and prepaid items are recorded as expenditures when consumed rather than when they are purchased (consumption method).

**J. Capital Assets and Infrastructure**

Capital assets include: land, land improvements, buildings and building improvements, park improvements and facilities, equipment, machinery, vehicles, other tangible and intangible assets, and infrastructure that are used in the County's operations and benefits more than a single fiscal year. Infrastructure assets are long-lived assets that are generally stationary in nature and can typically be preserved for a significantly greater number of years than other capital assets. Infrastructure assets of the County include roads and bridges.

Capital assets of the County are defined as assets with individual costs of \$10,000 or more and estimated useful lives in excess of one year. All capital assets are stated at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are stated at their estimated fair value on the date donated.

It is the County's policy not to capitalize interest on construction for capital assets reported in the governmental activities of the government-wide financial statements.

Capital assets are depreciated in the government-wide financial statements using the straight-line method over the following useful lives:

<u>Asset</u>	<u>Years</u>
Runways	20-35
Buildings	40
Building Improvements	15-25
Equipment	3-7
Machinery	15
Vehicles	4-15
Other tangible assets	7-10
Computer software	3-5
Infrastructure:	
Bridges	25
Roads	40



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

**K. Compensated Absences**

Accumulated compensatory leave, vacation and sick leave that have matured (reimbursable leave still outstanding following an employee's resignation or retirement) are reported as expenditures in the respective governmental funds. Accumulated compensated absences that have not matured are reported as long-term liabilities in the governmental activities column of the government-wide Statement of Net Position. The majority of these have typically been liquidated from the General Fund in previous years. Accumulated compensated absences of Proprietary Funds are recorded as an expense and liability in the respective fund and the business-type activities column of the government-wide Statement of Activities as the benefit accrues for the employee.

Employees are allowed to accrue 13 days of sick leave per year. Sick leave benefits are recognized as expenditures as they are used by the employees. Employees may accumulate up to 1,440 hours of sick leave. For employees with 8 years of service and hired prior to October 1, 2002, unused sick leave benefits are paid at 50% at termination. For employees with 8 years of service and hired after October 1, 2002, unused sick leave benefits are paid at 10% at termination.

Employees with more than one year of service accrue from two to five weeks vacation per year, depending on years of service. Unused vacation benefits lapse on March 15 for the previous calendar year. Upon termination from County employment, an employee shall be entitled to payment for total accrued but unused hours of vacation.

Non-exempt employees earn compensatory time at one and one-half times their full rate of pay times the excess of 40 hours per week worked. The compensatory time balance for non-exempt employees may not exceed 80 hours except for Law enforcement employees, which may accumulate up to 480 hours. Hours in excess of the maximum must be paid to the non-exempt employee at the rate of one and a half times the regular rate. Upon termination, non-exempt employees will be paid for compensatory time at their wage rate at time of termination. Compensatory time is carried forward indefinitely.

**L. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

**M. Deferred outflows/inflows of resources**

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

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

**N. Net Position and Fund Balances**

**Net Position Classifications**

Net position represents the difference between assets, deferred outflows (inflows) of resources, and liabilities.

Net position in the proprietary fund financial statements and the government-wide financial statements are classified in three categories: 1) Net investment in capital assets, 2) Restricted net position, and 3) Unrestricted net position.

In the proprietary fund financial statements and in the government-wide financial statements, restricted net position is reported for amounts that are externally restricted by 1) creditors (eg. bond covenants), grantors, contributions, or laws and regulations of other governments, or 2) law through constitutional provision or enabling legislation.

**Fund Balance Classification**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fun financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributions, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by court resolution of the Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. When it is appropriate for fund balance to be assigned, the Commissioners' Court retains the responsibility to assign funds. Assignments may occur subsequent to fiscal year end.
- **Unassigned:** This classification includes the residual fund balances for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted fund to have been spent first. When 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.

**O. Statement of Cash Flows**

For purposes of cash flows, the County considers all highly liquid investments (including restricted) with a maturity of three months or less when purchased to be cash equivalents.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 1 - Summary of Significant Accounting Policies (continued)**

**P. Use of Estimates**

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

**Note 2 - Deposits and Investments**

The County had the following investments as of September 30, 2014:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
U.S. Agency Securities	\$21,965,400	1,096
Money Market Account	7,663	30
Certificates of Deposits	<u>992,000</u>	956
Total	<u>\$22,965,063</u>	958

Interest Rate Risk – Fair value fluctuates with interest rates and increasing rates may cause fair value to decline below cost. In compliance with the County’s Investment Policy, the County minimized interest rate risk by limiting the weighted average maturity of the portfolio to 1,096 days with a stated final maturity date not to exceed 3 years from the date of purchase. In addition, the portfolio is structured so that securities mature to meet cash flow requirements, thereby avoiding the need to sell securities prior to maturity and below the original cost.

Credit Risk – In compliance with the County’s investment policy, as of September 30, 2014, all of the County’s purchased investments in U.S. Agency Securities were rated AA+ and Aaa by Standard & Poor’s and Moody’s respectively.

Concentration Risk – The County’s investment policy is to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investment. As of September 30, 2014, the County had four investments that were with Federal Home Loan Bank (FHLB), and seven investments that were with Federal Home Loan Mortgage Corporation (FHLMC).

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s investment policy is to have all checking accounts placed at the County Depository Bank under a depository contract. The \$73,987,395 bank balance and the Money Market account were covered by federal depository insurance or collateralized with securities held by the Bank of New York Mellon Trust Company. All of the certificates of deposits are covered by federal depository insurance.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 3 - Property Taxes and Other Receivables**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and payable by January 31 of the following year. The County bills and collects its own property taxes and it also bills and collects taxes for Jefferson County Navigation District, Jefferson County Drainage District #3, #6, and #7, Port of Beaumont, Port of Port Arthur, Water District #10, Nederland Independent School District, Northwest Forest Municipal Utility District, Emergency Services District #2, Trinity Bay Conservation District, Port of Sabine Pass, Sabine Pass Independent School District, Port Arthur Independent School District, City of Port Arthur, Hamshire Fannett Independent School District, Port Neches-Groves Independent School District, Beaumont Independent School District, City of Beaumont, City of Groves, City of Nederland, City of Port Neches, City of Bevil Oaks, Emergency Service District #1, Emergency Service District #3, and the Emergency Service District #4. Collections of these taxes and remittance of them to the various districts are accounted for in the Tax Assessor - Collector Agency Fund. The County is permitted by the State Constitution to levy taxes up to \$.80 per \$100 of assessed valuation for general government services and the payment of principal and interest on Long-Term Debt. In addition to its taxes subject to the \$.80 tax limitation, the County's voters have authorized the levy of a special tax of \$.15 per \$100 assessed valuation solely for road maintenance expenses. The County is also authorized by the voters to levy the Farm to Market and Lateral Road Tax of \$.30 per \$100 of assessed value for the purpose of maintaining roads and bridges.

For the year ended September 30, 2014, the combined tax rate to finance general government services and the payment of principal and interest on long-term debt was \$.365.

On February 1 of the following calendar year the tax bill becomes delinquent and penalty and interest is assessed by the County. The County Commissioners issue a tax levy for the County's General and Debt Service Funds. The levy and collections are restricted to the funds they are allocated for. The delinquent tax receivables, and penalty and interest receivables represent the past thirty years of uncollected tax levies. The allowance for uncollectible was set at thirty percent of the gross tax receivable and sixty percent on penalty and interest as of September 30, 2014. The allowance has been recorded for property taxes and Penalty and Interest, which are estimated to be uncollectible as required by generally accepted accounting.

Property tax receivables of \$4,238,671 as of September 30, 2014 are reported net of an allowance for uncollectible taxes of \$1,816,573.

Penalty and Interest receivables of \$2,151,472 as of September 30, 2014 are reported net of an allowance for uncollectible accounts of \$3,227,207.

Receivables as of September 30, 2014 consist of the following:



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 3 - Property Taxes and Other Receivables (continued)**

	General	Capital Projects Fund	Non Major Funds	Jack Brooks Regional Airport	Ford Park	Internal Service Funds	Agency Funds	Total
<b>Receivables:</b>								
Accounts	\$ 193,804	\$ 7,759	\$ 121,896	\$ 160,569	\$ 89,023	\$ 30,651	\$ 7,410	\$ 611,112
Employee	39,136	-	5,676	528	-	-	-	45,340
Taxes	5,912,492	-	142,752	-	-	-	-	6,055,244
Penalty & Interest	5,251,877	-	126,802	-	-	-	-	5,378,679
Inter- governmental	6,652,228	21,312	1,836,154	95,565	-	218,272	410,866	9,234,397
Gross Receivables	\$ 18,049,537	\$ 29,071	\$ 2,233,280	\$ 256,662	\$ 89,023	\$ 248,923	\$ 418,276	\$ 21,324,772
Less: Allowance for Uncollectibles	4,924,873	-	118,907	98,799	27,704	-	-	5,170,283
Net total receivables	\$ 13,124,664	\$ 29,071	\$ 2,114,373	\$ 157,863	\$ 61,319	\$ 248,923	\$ 418,276	\$ 16,154,489

As of September, 30, 2014, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Unearned</u>
Advanced Funding (General Fund)	\$ 9,752
Advanced Funding (Non-major Special Revenue Funds)	<u>739,454</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 749,206</u>

**Note 4 – Interfund Receivables, Payables, and Transfers**

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. Balances between individual governmental funds and between governmental funds and internal services funds are eliminated in the government-wide financial statements.

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 4 – Interfund Receivables, Payables, and Transfers (continued)**

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$1,087,241
	Total	<u><u>\$1,087,241</u></u>

All of the due to/from transactions are routine in nature.

The following is a summary of the County’s transfers for the year ended September 30, 2014:

	Transfers Out:		
	General Fund	Nonmajor Governmental	Total
<b>Transfers In:</b>			
General	\$ -	\$ 23,483	\$ 23,483
Capital Projects Fund	3,661,283	233,161	3,894,444
Nonmajor Funds	1,065,165	326,953	1,392,118
Jack Brooks Regional Airport	1,000,000	-	1,000,000
Ford Park	1,857,688	-	1,857,688
	<u><u>\$ 7,584,136</u></u>	<u><u>\$ 583,597</u></u>	<u><u>\$ 8,167,733</u></u>

Transfers in the amount of \$1,000,000 from the General Fund to the Jack Brooks Regional Airport were to subsidize operations at the airport. Transfers in the amount of \$1,857,688 to Ford Park were to subsidize operations of the complex. Transfers in the amount of \$3,661,283 from the General Fund to the Capital Projects Fund were for the next phase of the Courthouse renovation projects as well as other ongoing projects. All other transfers are routine in nature such as grant matches, ongoing capital projects, and residual fund balance transfers for close out of funds.

Transfers in the amount of \$256,011 for Jack Brooks Regional Airport and \$356,654 for Ford Park were made between governmental activities and business-type activities for capital assets purchases which were donated to business-type activities in the government wide statements.

**Note 5 – Capital Assets**

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 5 – Capital Assets (continued)**

	Balance October 1, 2013	Additions	Deletions	Transfer	Balance September 30, 2014
<b>Governmental Activities:</b>					
Land	\$ 3,840,787	\$ -	\$ -	\$ -	\$ 3,840,787
Construction work in progress	19,216,458	3,564,575	-	(8,497,173)	14,283,860
Total capital assets not depreciated	\$ 23,057,245	\$ 3,564,575	\$ -	\$ (8,497,173)	\$ 18,124,647
Infrastructure	57,918,331	-	-	625,470	58,543,801
Buildings & Improvements	90,832,122	107,217	(37,560)	7,871,703	98,773,482
Equipment	37,234,070	2,196,939	(726,820)	-	38,704,189
Total capital assets depreciated	\$ 185,984,523	\$ 2,304,156	\$ (764,380)	\$ 8,497,173	\$ 196,021,472
Less accumulated depreciation for:					
Infrastructure	(36,621,613)	(1,286,667)	-	-	(37,908,280)
Buildings & Improvements	(60,289,306)	(1,542,202)	5,619	-	(61,825,889)
Equipment	(25,270,564)	(2,722,202)	684,244	-	(27,308,522)
Total accumulated depreciation	\$ (122,181,483)	\$ (5,551,071)	\$ 689,863	\$ -	\$ (127,042,691)
Total capital assets depreciated, net	\$ 63,803,040	\$ (3,246,915)	\$ (74,517)	\$ 8,497,173	\$ 68,978,781
Governmental activities capital assets, net	\$ 86,860,285	\$ 317,660	\$ (74,517)	\$ -	\$ 87,103,428
	Balance October 1, 2013	Additions	Deletions	Transfer	Balance September 30, 2014
<b>Business-type Activities:</b>					
Land	\$ 5,154,600	\$ -	\$ -	\$ -	\$ 5,154,600
Construction work in progress	672,936	309,675	-	(228,925)	753,686
Total capital assets not depreciated	\$ 5,827,536	\$ 309,675	\$ -	\$ (228,925)	\$ 5,908,286
Buildings & Improvements	128,480,339	550,550	-	228,925	129,259,814
Equipment	12,104,639	294,896	-	-	12,399,535
Total capital assets depreciated	\$ 140,584,978	\$ 845,446	\$ -	\$ 228,925	\$ 141,659,349
Less accumulated depreciation for:					
Buildings & Improvements	(51,982,402)	(3,229,497)	-	-	(55,211,899)
Equipment	(7,386,668)	(671,495)	-	-	(8,058,163)
Total accumulated depreciation	\$ (59,369,070)	\$ (3,900,992)	\$ -	\$ -	\$ (63,270,062)
Total capital assets depreciated, net	\$ 81,215,908	\$ (3,055,546)	\$ -	\$ 228,925	\$ 78,389,287
Business-type activities capital assets, net	\$ 87,043,444	\$ (2,745,871)	\$ -	\$ -	\$ 84,297,573



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 5 – Capital Assets (continued)**

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

**Governmental activities:**

General Government	\$ 413,799
Judicial & Law Enforcement	2,427,676
Health & Welfare	73,059
Maintenance - Equipment & Structures	<u>2,636,537</u>
Total depreciation expense - governmental activities	<u><u>\$5,551,071</u></u>

**Business-type activities:**

Southeast Texas Regional Airport	\$1,529,783
Ford Park	<u>2,371,208</u>
Total depreciation expense - business-type activities	<u><u>\$3,900,991</u></u>

**Note 6 - Operating Leases**

County as Lessor

The County has entered into various operating leases of County-owned property to others as described below:

The County's airport conducts a major part of its operations from leased facilities, which include office and parking lot spaces for car rental agencies, terminal space for a travel agency and advertising agency, and hanger space. All leases are classified as operating leases. The rental payments under the leases for the car rental agencies are based on a minimum rental plus a percentage of sales. The rental payments under the leases for the hanger spaces and travel agent are based on a fixed amount per square foot of space leased. All of the operating leases are month to month and will expire over the next two years and include 30-day cancellation clauses. In most cases, the County expects that in the normal course of business, leases will be renewed or replaced by other leases.

The County's airport has eight leases for land located either in the Private Hangar Park or surrounding the Airport. These leases are classified as operating leases. The rental payments under the leases for the land are a fixed amount for a twenty-five or thirty year period. These leases are noncancellable.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 6 - Operating Leases (continued)**

The following schedule provides an analysis of the County's investment in property on operating leases and property held for lease by major classes as of September 30, 2014:

Airport Terminal & Buildings	\$ 12,222,487
Airport Private Hangar Park and Land	3,249,396
	<u>\$ 15,471,883</u>
Less: accumulated depreciation	<u>(3,771,718)</u>
	<u>\$ 11,700,165</u>

The following is a schedule by years of minimum future rentals on noncancellable operating leases as of September 30, 2014:

<u>Fiscal Year Ending September 30</u>	
2015	\$ 222,752
2016	204,752
2017	204,752
2018	201,552
2019	167,230
2020-2024	689,393
2025-2029	394,717
2029-2034	324,387
2035-2039	327,513
2040-2044	<u>309,073</u>
Total	<u>\$ 3,046,121</u>

Minimum future rentals do not include contingent rentals, which may be received as stipulated in the lease contracts. These contingent rental payments occur only if the use exceeds a certain level of activity each year.

There were no contingent rentals on Airport cancellable operating leases for the year ended September 30, 2014.

**Note 7 - Long-Term Debt**

**General Obligation Bonds**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. All of the 2012 Refunding Bonds and 72% (\$2,412,050) of the 2011 Refunding Bonds funded and benefited business-type activities, though resources of the governmental activities are being used to liquidate the debt. All other General obligation bonds have been issued for governmental-type activities. The original amount of general obligation bonds issued in prior years was \$54,195,000.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
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**Note 7 - Long-Term Debt (continued)**

General obligation bonds are direct obligation and pledge the full faith and credit on the government. General obligation bonds currently outstanding are as follows:

\$1,340,000 2013 Refunding Bonds due in annual installments from \$265,000 to \$275,000 through August 1, 2018; interest rates ranging from .62% to 1.93%.	\$1,070,000
\$47,305,000 2012 Refunding Bonds due in annual installments from \$780,000 to \$4,465,000 through August 1, 2025; interest rates ranging from 2.0% to 5.0%.	40,660,000
\$5,550,000 2011 Refunding Bonds due in annual installments from \$55,000 to \$1,150,000 through August 1, 2017; interest rates ranging from 2.0% to 3.0%.	3,350,000
Total General Obligation Bonds	\$45,080,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ended September 30	<u>Governmental Activities</u>		Total
	Principal	Interest	
2015	\$ 4,420,000	\$ 1,691,644	\$ 6,111,644
2016	4,590,000	1,534,121	6,124,121
2017	4,690,000	1,410,930	6,100,930
2018	3,640,000	1,264,257	4,904,257
2019	3,450,000	1,158,000	4,608,000
2020-2024	19,825,000	3,284,050	23,109,050
2025	4,465,000	133,950	4,598,950
Total	\$ 45,080,000	\$ 10,476,952	\$ 55,556,952

There is currently \$987,126 available in the Debt Service Funds to service the general obligation bonds. The County has no authorized but unissued bonds at September 30, 2014.

There are a number of limitations and restrictions contained in the various bond debentures regarding authorized uses of bond proceeds. The County is in compliance with all significant limitations and restrictions.

Current Year Refunding Issues:

On October 29, 2013, Jefferson County issued general obligation refunding bonds of \$1,340,000 for a current refunding of \$1,285,000 of general obligation bonds. The reacquisition price exceeded the net carrying amount of the old debt of \$62,226. This amount will be amortized over the life of the new debt issued. This current refunding was undertaken to reduce total debt service payment over the next five years by \$58,552 and resulted in an economic gain of (difference between the present value of the debt services payment on the old and new debt) of \$56,632.



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 7 - Long-Term Debt (continued)**

Conduit Debt Obligations

The County has issued Housing Finance Corporation Bonds and Industrial Development Corporation Bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity serviced by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2014, there were three series of Jefferson County Housing Finance Corporation Bonds with an aggregate principal amount payable of \$14,931,349, and two series of Jefferson Industrial Development Bonds with an aggregate principal amount payable of \$229,730,000.

Arbitrage Rebate Liability

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due and remit the amount due at least every five years. As of September 30, 2014, there are no estimated liabilities for arbitrage rebate on governmental debt. The Debt Service Fund and the residual balance in the Capital Project Fund have typically been used to liquidate the arbitrage liability in previous years.

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2014 was as follows:



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 7 - Long-Term Debt (continued)**

	Beginning Balance - Restated	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental Activities:</b>					
<b>Bonds Payable</b>					
General obligation bonds	\$ 49,305,000	\$ 1,340,000	\$ (5,565,000)	\$ 45,080,000	\$ 4,420,000
Less deferred amounts:					
Premiums	4,618,061	-	(416,869)	4,201,192	-
Discounts	(7,226)	-	7,226	-	-
Total bonds payable	\$ 53,915,835	\$ 1,340,000	\$ (5,974,643)	\$ 49,281,192	\$ 4,420,000
Notes Payable	218,094	-	(218,094)	-	-
Claims and Judgments	2,298,078	19,751,987	(19,502,275)	2,547,790	2,547,790
Compensated Absences	12,065,696	1,174,940	(1,066,192)	12,174,444	765,367
OPEB Obligations	52,495,987	17,017,533	(3,789,350)	65,724,170	-
<b>Governmental Activities</b>					
Long-term liabilities	<u>\$ 120,993,690</u>	<u>\$ 39,284,460</u>	<u>\$(30,550,554)</u>	<u>\$ 129,727,596</u>	<u>\$ 7,733,157</u>
<b>Business-type Activities:</b>					
Compensated Absences	\$ 251,705	\$ 55,816	\$ (73,360)	\$ 234,161	\$ 56,867
<b>Business-type Activities</b>					
Long-term liabilities	<u>\$ 251,705</u>	<u>\$ 55,816</u>	<u>\$ (73,360)</u>	<u>\$ 234,161</u>	<u>\$ 56,867</u>

Compensated absences liabilities are normally liquidated by the general fund for governmental activities and by the corresponding enterprise fund for business type activities. Claims and judgments of governmental funds are normally paid from the corresponding internal service fund. Claims and judgments of the public entity risk pool are normally paid from the corresponding internal service fund. OPEB Obligations are normally liquidated by the general fund.

**Note 8 - Texas County and District Retirement System Pension Plan**

**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 TCERS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 656 nontraditional defined benefit pension plans. TCERS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCERS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCERS (TCERS Act). Members can retire at ages 60 and



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 8 - Texas County and District Retirement System Pension Plan (continued)**

above with 8 or more years of service, with 30 years of service regardless of age; or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

**Funding Policy –**

The County has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 16.25% for the months of the accounting year in 2013, and 17.41 % for the months of the accounting year in 2014.

The contribution rate payable by the employee members for the calendar year 2014 is the rate of 7.0% as adopted by the governing body of the employer. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

**Annual Pension Cost -**

For the County's accounting year ending September 30, 2014, the annual pension cost for the TCDRS plan for its employees was \$10,948,277 and the actual contributions were \$10,948,277. 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 valuations as of December 31, 2011 and December 31, 2012, the basis for determining the contribution rates for calendar years 2013 and 2014. The December 31, 2013 actuarial valuation is the most recent valuation.

The required contribution was determined as part of the December 31, 2013 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2012 included: (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 4.9 percent. Both (a) and (b) included an inflation component of 3.0 percent. The actuarial value of assets was determined using techniques that spread the effect of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
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**Note 8 - Texas County and District Retirement System Pension Plan (continued)**

liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 20 years.

**ACTUARIAL VALUATION INFORMATION**

<u>Actuarial valuation date</u>	<u>12/31/11</u>	<u>12/31/12</u>	<u>12/31/13</u>
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period in years	20	20	20
Asset valuation method	SAF: 10yr smoothed value ESF: Fund value	SAF: 10yr smoothed value ESF: Fund value	SAF: 5yr smoothed value ESF: Fund value
<i>Assumptions:</i>			
Investment return <sup>1</sup>	8.0%	8.0%	8.0%
Projected salary increases <sup>1</sup>	5.4%	5.4%	4.9%
Inflation	3.5%	3.5%	3.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

<sup>1</sup> Includes inflation at the stated rate.

**TREND INFORMATION  
 FOR THE RETIREMENT PLAN FOR THE EMPLOYEES OF  
 JEFFERSON COUNTY, TEXAS**

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<u>09/30/2012</u>	<u>\$8,781,345</u>	<u>100%</u>	<u>\$--</u>
<u>09/30/2013</u>	<u>\$9,922,581</u>	<u>100%</u>	<u>\$--</u>
<u>09/30/2014</u>	<u>\$10,948,277</u>	<u>100%</u>	<u>\$--</u>

**Funded Status and Funding Progress -**

As of December 31, 2013, the most recent actuarial valuation date, the plan was 74.88% funded. The actuarial accrued liability for benefits was \$278,692,356, and the actuarial value of assets was \$208,683,386, resulting in an unfunded actuarial accrued liability (UAAL) of \$70,008,970. The



JEFFERSON COUNTY, TEXAS  
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**Note 8 - Texas County and District Retirement System Pension Plan (continued)**

covered payroll (annual payroll of active employees covered by the plan) was \$62,314,975, and the ratio of the UAAL to the covered payroll was 112.35%.

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

**Note 9 - Other Post-Employment Benefits**

**Plan Description -**

The County sponsors a single-employer defined benefit post-employment benefit plan.

**ACTUARIAL VALUATION INFORMATION**

Actuarial Valuation Date	October 1, 2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar (open)
Remaining Amortization Period	26 years
Asset Valuation Method	Market Value
Discount Rate	4.00%
General Inflation Rate	2.75%

**Retiree Benefits**

The County provides post-retirement health care benefits to all employees who retired on or after April 9, 1990. Effective January 1, 1997, Commissioners' Court adopted the following policy detailing eligibility requirements for participation in this benefit:

- A) the employee must have retired under the Texas County and District Retirement System (TCDRS) guidelines described in Note 8; and
- B) the employee must have at least 8 years of TCDRS credible service with Jefferson County.

For retirees prior to February 1, 2003, the County pays 100 percent of health insurance premiums for those retirees that qualify. After February 1, 2003, the County will pay on the following scale for retirees that qualify:



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**Note 9 – Other Post-Employment Benefits (continued)**

Years of Service	Percentage Paid by Retiree	Percentage Paid by County
8-11	30%	70%
12-15	20%	80%
16-19	10%	90%
20+	0%	100%

Retiree Spouse Benefits

The employee's spouse is eligible for County paid health insurance benefits following the employee's retirement if:

- A) the employee met the above requirements A and B; and,
- B) the employee's spouse was enrolled in the health plan either as a dependent or an active County employee.

Spouse participation will end in the event of a divorce, at which time COBRA continuation will be offered as described below.

For retirees prior to February 1, 2003, the County pays 100 percent of health insurance premiums for those retirees' spouses that qualify. For retirees between February 1, 2003 and February 28, 2005, the County will pay the same scale as described above for retirees' spouses that qualify. For retirees after February 28, 2005, the County requires the following premiums to be paid for retirees' spouses that qualify:

Age of Spouse	Premium Amount Due
Less than 65 during ten year maximum	Equal to the active employee contribution made for a spouse
Less than 65 after ten year maximum	Full Premium
Over 65	Same percentage as retiree see table above

As of September 30, 2014, there were 547 participants receiving benefits.

**Funding Policy and Annual OPEB Cost –**

In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45 (GASB 45), creating accounting standards for Other Post Employment Benefits (OPEB) provided by governmental entities separately from a pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets),



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 9 – Other Post-Employment Benefits (continued)**

note disclosures, and if applicable required supplementary information (RSI) in the financial reports of state and local governments.

The Plan contribution rates are set annually by Commissioners' Court based on the combination of premiums and prior year costs of the self-funded portion of the plan. The Plan is funded on a pay-as-you-go basis. In 2014 the total contribution was \$3,789,350.

The calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuation for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County had its most recent OPEB actuarial valuation performed for the fiscal year beginning October 1, 2012 as required by GASB. The County's annual OPEB cost for the current year is as follows:

Annual Required Contribution	\$ 18,202,230
Interest on prior year Net OPEB Obligation	2,099,839
Adjustment to ARC	<u>(3,284,536)</u>
Annual OPEB Cost	\$ 17,017,533
County's Contribution made	<u>(3,789,350)</u>
Increase in Net OPEB Obligation	\$ 13,228,183
Net OPEB Obligation - beginning of year	<u>\$ 52,495,987</u>
Net OPEB Obligation - end of year	<u>\$ 65,724,170</u>



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 9 – Other Post-Employment Benefits (continued)**

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB Contributed	Net OPEB Obligation
09/30/2012	\$11,970,444	27.77%	\$39,495,821
09/30/2013	\$16,497,527	21.20%	\$52,495,987
09/30/2014	\$17,017,533	22.27%	\$65,724,170

**Funded Status and Funding Progress -**

As of October 1, 2012, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$159,551,852, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$159,551,852. The covered payroll (annual payroll of active employees covered by the plan) was \$63,647,485, and the ratio of the UAAL to the covered payroll was 251%.

The schedule of funding progress is presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Actuarial Methods and Assumptions –**

Projection of benefits for financial reporting are made on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In order to perform the valuation, it was necessary for the County and the actuary to make certain assumptions regarding items such as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare trend and interest rates.

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

In the October 1, 2012, actuarial valuation, a 4% discount rate and a general inflation rate of 2.75% per year was used. The medical trend rates without Medicare of 7% for 2012, 6.3% in 2013, 6.1% in the third year, 6.0% in the fourth year, and ultimately grading down to 4.7% per year after the



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 9 - Other Post-Employment Benefits (continued)**

seventy-seventh year was used. The medical trend rates with Medicare of 7% for 2012, 6.3% in 2013, 6.1% in the third year, 6% in the fourth year, and ultimately grading down to 4.9% per year after the seventy-seventh year was used. The dental trend rate of 5.76% for 2012, 5.62% in 2013, 5.48% in the third, 5.34 in the fourth, and ultimately grading down to 3.92% after the thirteenth year was used.

There has not been a separate, audited GAAP-basis postemployment benefit plan report issued.

**Note 10 - Deferred Compensation Plan**

Employees of Jefferson County, Texas may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is administered by an unrelated financial institution. Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997. The County approved plan amendments such that plan assets are held in trust by a third party custodian, for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. The County's beneficial ownership of plan assets will be held for the further exclusive benefit of the plan for the exclusive benefit of participants and beneficiaries.

Accordingly, the County performs minimal administrative functions and does not perform any investment functions for the plan. Consequently, the assets held by the custodian are not included in the financial statements as of September 30, 2014.

**Note 11 - Individual Funds Deficit Equity Balances**

The following funds had deficit equity balances as of September 30, 2014:



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 11 - Individual Funds Deficit Equity Balances (continued)**

<u>Governmental Activities</u>	
Juvenile Probation and Detention - State Aid	\$ 9,776
Juvenile Community Corrections Program	31,885
Juvenile Drug Court	661
Drug Diversion Program	11,234
Juvenile Advocate Incentive	711
Sheriff Training Grant	9,182
JAG Grant	8,918
Sheriff Dept Grants	11,428
Crime Victims Clearing - 2	2,888
Auto Theft Grant	6,615
Violence Against Women - 1	7,264
Family Treatment Court	1,524
Southeast Texas Entertainment Complex	164,433
CETRZ Grant	5,000
Total for Governmental Activities	<u>\$ 271,519</u>
<u>Business-type Activities</u>	
Liability Insurance Fund	\$ 20,188
Southeast Texas Government Employee Benefits Pool Fund	500,747
Total for Business-type Activities	<u>\$ 520,935</u>

If funding does not become available to cover these deficit fund balances from other governmental entities, the County plans to transfer funds to cover the deficit fund balance.

**Note 12 - Risk Management**

The Liability Insurance Fund was established to account for the contributions from the General Fund for payment of general liability claims. Under the laws of the State of Texas, claims for torts are limited to \$100,000 per person and \$300,000 per incident. The Liability Fund records a claim as payable when information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlement trends. Changes in the Liability Insurance Fund's claims liability (including an estimate for claims incurred but not reported) were:

	2014	2013
Liability for claims, beginning of fiscal year	\$370,760	\$498,175
Incurred claims and changes in estimates	268,378	190,454
Claim payments	(268,042)	(317,869)
Liability for claims, end of fiscal year	<u>\$371,096</u>	<u>\$370,760</u>



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 12 - Risk Management (continued)**

The Workers' Compensation Fund was established to account for the County's workers' compensation claims. Contributions are made from the General, Special Revenue, and Enterprise Funds for employees covered under the County's workers' compensation policy. Contributions to the fund are determined by position class code within each department. From October 1, 1999, to February 14, 2005 the County was fully insured for workers' compensation claims and employers' liability. As of February 15, 2005, the County is self insured for workers' compensation claims and employers' liability. The County has excess coverage for workers' compensation claims and employers' liability claims limiting the County's liability to \$500,000 per occurrence for losses occurring prior to October 1, 1999 and after February 15, 2005. Settled claims have not exceeded commercial coverages in any of the past three fiscal years. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlement trends. Changes in the Worker's Compensation Fund's claims liability (including an estimate for claims incurred but not reported) were:

	<u>2014</u>	<u>2013</u>
Liability for claims, beginning of fiscal year	\$301,481	\$563,813
Incurred claims and changes in estimates	774,404	265,048
Claim payments	<u>(679,841)</u>	<u>(527,380)</u>
Liability for claims, end of fiscal year	<u>\$396,044</u>	<u>\$301,481</u>

**Note 13 – Public Entity Risk Pool**

On November 27, 2000, the Jefferson County Commissioners' Court pursuant to Texas Local Government Code Ann. Sec. 172.001 organized the Southeast Texas Government Employee Benefits Pool (The Pool). The Pool was organized for the benefit of Texas Political Subdivisions and Special Districts to make available accident, life, and health benefits for Pool member employees. Twelve trustees govern the Pool. Five of these trustees are the Jefferson County Auditor, Jefferson County Insurance and Benefits Manager, Jefferson County Human Resources Director, Jefferson County Purchasing Agent, and the Jefferson County Assistant District Attorney. Two of the trustees are members of Commissioners' Court. The remaining five trustees are appointed by Commissioners' Court.

The Pool is responsible for adopting underwriting standards, qualifications for membership in the pool, and establishing the types of benefits to be provided and associated fees for these benefits. The members of the Pool are responsible for their members' eligibility in the pool and payment of monthly contributions for participation in the Pool. The Pool members are not subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would not be responsible for the Pool's liabilities. Pool members currently include Jefferson County, Texas (reporting entity), Jefferson County Drainage District #3, and Jefferson County Drainage District #6. The total number of members in the Pool is 1,807. Operations of the Pool are accounted for as an internal service fund.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2014

**Note 13 – Public Entity Risk Pool (continued)**

The Pool uses reinsurance agreements to reduce its exposure to large losses on medical and prescription claims. For the fiscal year ended September 30, 2014, the Pool had stop loss insurance contracts to limit the medical and prescription claims per individual member to \$250,000 in a calendar year with a \$1,250,000 aggregating group deductible. The Pool did exceed these limits by \$78,291 during fiscal year 2014, by \$187,182 during fiscal year 2013, and \$450,721 during year 2012.

Liabilities of the Pool are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlements trends.

Changes in the Pool’s claims liability (including an estimate of claims incurred but not reported and claim adjustment expenses) were:

	2014	2013
Liability for claims, beginning of fiscal year	\$1,625,837	\$1,046,882
Incurred claims and changes in estimates	18,709,205	17,118,463
Claim payments	(18,554,392)	(16,539,508)
Liability for claims, end of fiscal year	\$1,780,650	\$1,625,837

Additional information including ten-year revenue and claim development are addressed in a separate annual report. The annual report may be obtained from Southeast Texas Governmental Employee Benefits Pool, 215 Franklin Street Suite 200, Beaumont, Texas 77701.

**Note 14 - Construction and Other Significant Commitments**

As of September 30, 2014, the County had the following commitments with respect to unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Courthouse Restoration	\$ 176,404	09/30/2016
Public Health Building	1,863,609	12/31/2015
Marine Security Center	116,339	02/28/2015
Public Interest Projects	763,533	12/31/2013
	\$ 2,919,885	

**Note 15 - Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Texas. Any disallowed expenditures or claims, including amounts



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 15 - Contingent Liabilities (continued)**

already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County is involved in lawsuits and other claims in the ordinary course of operations. The outcome of these lawsuits and other claims are not presently determinable and the resolutions of these matters are not expected to have a material effect on the financial condition of the County.

**Note 16 – Prior Period Adjustments**

In the fund level financial statements for the year ended September 30, 2014, adjustments were made to beginning fund balance for the General Fund to decrease beginning fund balance by \$1,084,510 for Inmate billing revenue that has not been received as of 60 days after the close of the fiscal year. This adjustment does not affect beginning net position of the governmental activities.

In addition, adjustments were made to Non Major Special Revenue funds for Community Supervision to decrease beginning fund balance by \$41,979 for excess intergovernmental revenue recorded in prior year.

As a result of implementing GASB Statement 65, the County has decreased beginning net position as of October 1, 2013 by \$574,424 for the governmental activities. This decrease results from no longer deferring and amortizing bond issuance costs.

Further, the County has reclassified its deferred loss on bond refunding, previously reported as a component of long-term debt, to deferred outflows of resources in the government-wide statement in accordance with GASB Statement 65. This effect of this change increases the long-term liabilities of the governmental activities by \$1,433,368; and corresponds to an increase in deferred outflows of resources as of October 1, 2013.

The total effect of these adjustments decreased beginning net position of the governmental activities by \$616,403.

**Note 17 - Restatements and Reclassifications**

Certain restatements have been made to the prior year financial statements in order to conform to the presentation of the current year financial statements.

**Note 18 – Recent Accounting Pronouncements**

GASB Statement 67, *Financial Reporting for Pension Plans* (“GASB 67”), replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or similar arrangements meeting certain



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2014

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**Note 18 – Recent Accounting Pronouncements - continued**

criteria. GASB 67 enhances note disclosures and RSI for both defined benefit and defined contribution plans. GASB 67 will be implemented by the County in fiscal year 2015 and the impact has not yet been determined.

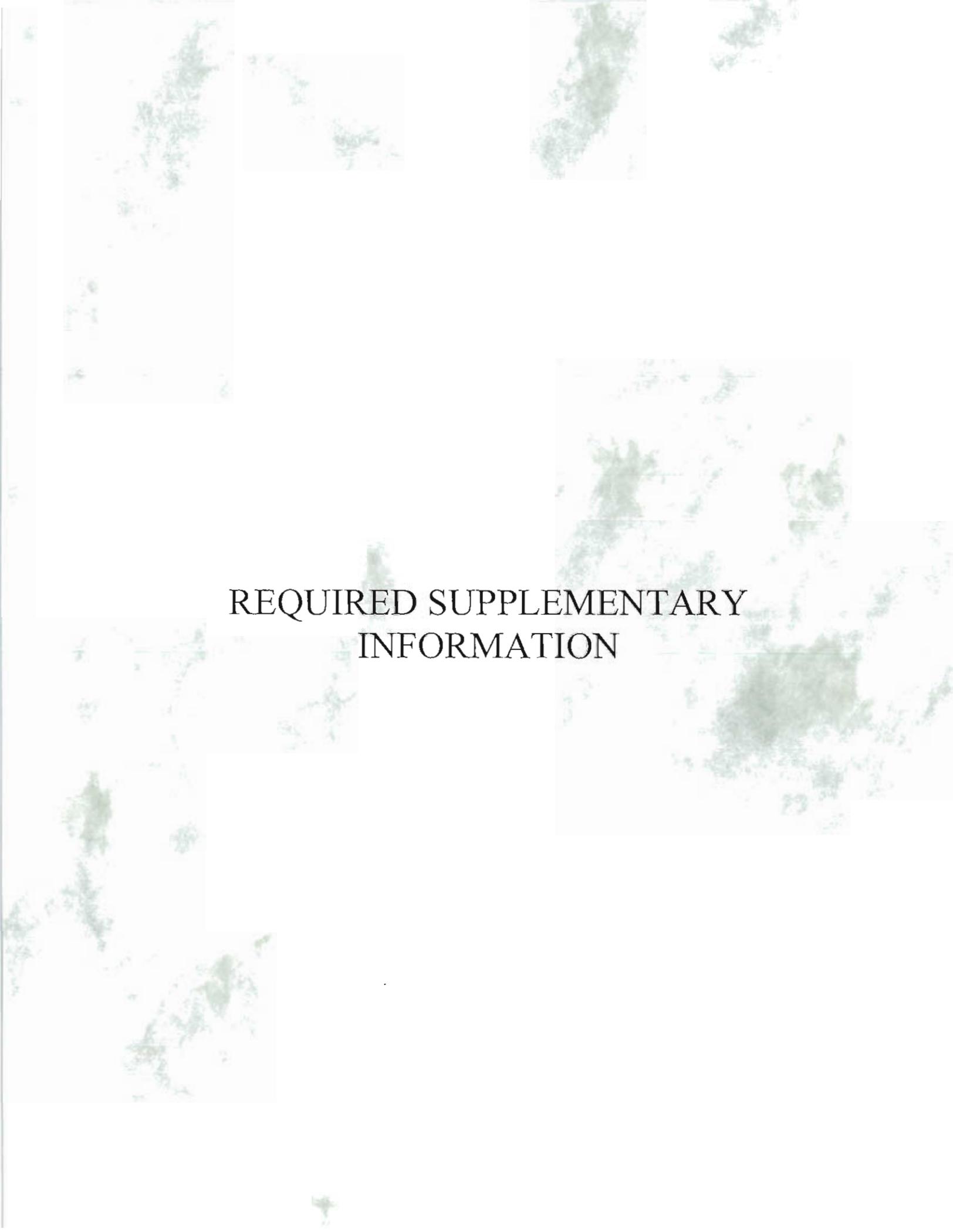
GASB Statement 68, *Accounting and Financial Reporting for Pensions* (“GASB 68”), replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB 68 will be implemented by the County in fiscal year 2015 and the impact has not yet been determined.

GASB Statement 69, *Government Combinations and Disposals of Government Operations* (“GASB 69”), requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. GASB 69 will be implemented by the County in fiscal year 2015 and the impact has not yet been determined.

GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Dates*, (“GASB 71”), amends GASB 68. GASB 71 will be implemented by the County in fiscal year 2015 and the impact has not yet been determined.

**Note 19 – Subsequent Events**

On January 22, 2015, the County entered into a capital lease in the amount of \$1,707,363 with an interest rate of 2.72% and five annual payments of \$369,835 beginning January 22, 2016 for the purchase of election system hardware and software.



REQUIRED SUPPLEMENTARY  
INFORMATION



JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2014

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
TAXES:				
PROPERTY	\$ 78,755,193	78,755,193	78,240,335	(514,858)
SALES TAX	21,450,000	21,450,000	24,679,241	3,229,241
FEES	8,701,544	8,701,544	9,184,628	483,084
LICENSES	430,000	430,000	480,386	50,386
SALES, RENTALS, AND SERVICES	1,465,162	1,465,162	2,176,020	710,858
INTERGOVERNMENTAL	1,497,541	1,497,541	1,650,487	152,946
FINES AND FORFEITURES	1,675,000	1,675,000	1,716,203	41,203
INTEREST	211,000	211,000	200,200	(10,800)
MISCELLANEOUS	24,000	24,000	30,355	6,355
CONTRIBUTIONS AND DONATIONS	400	400	205	(195)
<b>TOTAL REVENUES</b>	<b>\$ 114,209,840</b>	<b>114,209,840</b>	<b>118,358,060</b>	<b>4,148,220</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ 22,644,245	22,555,120	22,158,777	396,343
JUDICIAL AND LAW ENFORCEMENT	66,798,419	64,242,477	63,486,970	755,507
EDUCATION AND RECREATION	394,557	394,557	379,284	15,273
HEALTH AND WELFARE	10,599,338	10,408,303	10,155,467	252,836
MAINTENANCE - EQUIPMENT AND STRUCTURES	13,428,032	13,075,762	12,631,742	444,020
CAPITAL OUTLAY	-	-	-	-
DEBT SERVICE				
PRINCIPAL	218,094	218,094	218,094	-
INTEREST AND COMMISSION	4,390	43,814	43,782	32
<b>TOTAL EXPENDITURES</b>	<b>\$ 114,087,075</b>	<b>110,938,127</b>	<b>109,074,116</b>	<b>1,864,011</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 122,765</b>	<b>3,271,713</b>	<b>9,283,944</b>	<b>6,012,231</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	23,483	23,483
TRANSFERS OUT	(4,435,441)	(7,584,389)	(7,584,136)	253
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (4,435,441)</b>	<b>(7,584,389)</b>	<b>(7,560,653)</b>	<b>23,736</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (4,312,676)</b>	<b>(4,312,676)</b>	<b>1,723,291</b>	<b>6,035,967</b>
FUND BALANCES, BEGINNING	\$ 46,625,619	46,625,619	46,625,619	-
PRIOR PERIOD ADJUSTMENT	-	-	(1,084,510)	(1,084,510)
<b>FUND BALANCES, ENDING</b>	<b>\$ 42,312,943</b>	<b>42,312,943</b>	<b>47,264,400</b>	<b>4,951,457</b>



JEFFERSON COUNTY, TEXAS  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2014

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**1. Budgetary Basis**

- Budgets are prepared on a basis consistent with GAAP.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- Annual budgets are legally adopted for the General Fund and the Debt Service Funds.
- The Capital Project Fund – Capital Projects Fund which is considered a major fund does not have a legally adopted budget.

**2. Analysis of Significant Expenditure Variances from Original Budget**

Commissioners' Court approved approximately \$3.1 million in budget transfers over the original budget for additional Transfers Out to fund the next phase of Courthouse renovations and other projects in the Capital Project fund and increase the County's match in several grant funds.

In addition, the Court approved approximately \$350,000 in budget transfers over the original budget for the increased cost for indigent defense. These transfers were not part of the original budget.

The above budget transfers were funded with the savings from various departments. Commissioners' Court was able to achieve \$1,887,747 in actual savings from the total budget, with the assistance from all County departments.

**JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
SCHEDULE OF FUNDING PROGRESS**

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 <sup>2</sup> (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2011	\$190,465,968	\$254,265,841	\$63,799,873	74.91%	\$59,497,087	107.23%
12/31/2012	\$197,302,396	\$267,727,379	\$70,424,983	73.70%	\$60,052,781	117.27%
12/31/2013	\$208,683,386	\$278,692,356	\$70,008,970	74.88%	\$62,314,975	112.35%

<sup>2</sup> The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

**JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST EMPLOYMENT BENEFITS  
SCHEDULE OF FUNDING PROGRESS**

Fiscal Year	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]
2011	10/1/2010	\$0	\$110,088,287	\$110,088,287	0%	\$59,337,019	185.53%
2012	10/1/2011	\$0	\$116,841,925 ^	\$116,841,925	0%	\$59,322,820	196.96%
2013	10/1/2012	\$0	\$149,094,287	\$149,094,287	0%	\$62,180,294	239.78%
2014	10/1/2013	\$0	\$159,551,852 ^	\$159,551,852	0%	\$63,647,485	250.68%

\* Actuarial liability determined under the projected unit credit cost method.

^ Actuarial accrued liability estimated based on roll-forward of prior year October 1 valuation results.

COMBINING AND INDIVIDUAL FUND  
INFORMATION AND OTHER  
SUPPLEMENTARY INFORMATION



JEFFERSON COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

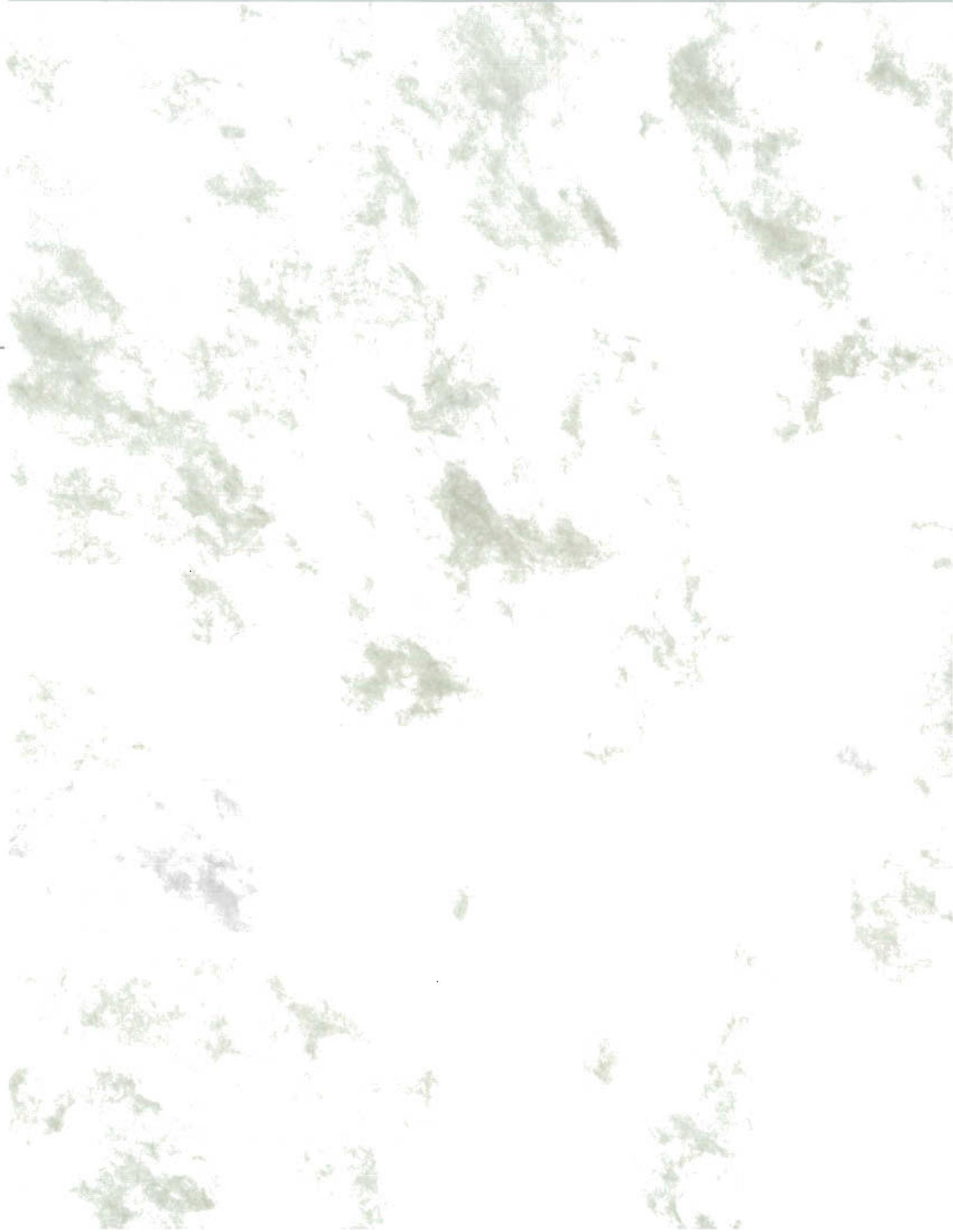
	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>GENERAL GOVERNMENT:</b>				
TAX ASSESSOR-COLLECTOR	\$ 3,599,623	3,412,514	3,369,167	43,347
HUMAN RESOURCES	427,626	405,445	373,671	31,774
COUNTY AUDITOR	1,378,829	1,357,131	1,329,069	28,062
COUNTY CLERK	2,151,039	2,157,843	2,140,000	17,843
COUNTY JUDGE	872,942	821,447	799,731	21,716
RISK MANAGEMENT	234,594	234,594	231,734	2,860
COUNTY TREASURER	364,587	364,587	353,398	11,189
PRINTING DEPARTMENT	155,883	155,883	148,203	7,680
PURCHASING AGENT	528,967	528,967	513,696	15,271
GENERAL SERVICES	9,640,764	9,823,326	9,690,448	132,878
DATA PROCESSING	1,882,451	1,861,407	1,829,638	31,769
VOTERS REGISTRATION DEPARTMENT	261,725	261,725	240,254	21,471
ELECTIONS DEPARTMENT	869,765	894,801	871,054	23,747
VETERANS SERVICE	275,450	275,450	268,714	6,736
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 22,644,245</b>	<b>22,555,120</b>	<b>22,158,777</b>	<b>396,343</b>
<b>JUDICIAL AND LAW ENFORCEMENT:</b>				
DISTRICT ATTORNEY	\$ 5,739,766	5,522,549	5,479,260	43,289
DISTRICT CLERK	1,752,456	1,569,104	1,557,466	11,638
CRIMINAL DISTRICT COURT	1,213,895	1,345,941	1,319,905	26,036
58TH DISTRICT COURT	291,735	292,427	286,837	5,590
60TH DISTRICT COURT	280,788	281,638	277,947	3,691
136TH DISTRICT COURT	282,714	282,919	276,658	6,261
172ND DISTRICT COURT	287,858	276,671	270,902	5,769
252ND DISTRICT COURT	1,427,687	1,582,281	1,570,809	11,472
279TH DISTRICT COURT	381,958	366,006	362,505	3,501
317TH DISTRICT COURT	686,311	725,333	702,530	22,803
JURY	1,081,343	783,289	757,237	26,052
J.P. PRECINCT NO. 1 - PLACE NO. 1	340,389	340,551	338,029	2,522
J.P. PRECINCT NO. 1 - PLACE NO. 2	340,774	340,774	329,380	11,394
J.P. PRECINCT NO. 2	328,477	293,560	280,003	13,557
J.P. PRECINCT NO. 4	345,086	345,086	327,047	18,039
J.P. PRECINCT NO. 6	351,354	354,336	348,425	5,911
J.P. PRECINCT NO. 7	345,341	318,568	305,146	13,422
J.P. PRECINCT NO. 8	354,100	337,187	314,030	23,157
COUNTY COURT AT LAW NO. 1	462,259	462,464	449,216	13,248
COUNTY COURT AT LAW NO. 2	649,558	649,869	634,737	15,132
COUNTY COURT AT LAW NO. 3	613,696	610,915	593,764	17,151
COURT MASTER	424,274	489,573	477,609	11,964
DISPUTE RESOLUTION CENTER	250,621	213,635	199,081	14,554
JUVENILE ALTERNATIVE SCHOOL	371,870	371,870	349,590	22,280
COMMUNITY SUPERVISION	47,601	47,601	46,949	652
SHERIFF	12,633,676	12,151,495	12,068,913	82,582
CRIME LABORATORY	1,239,795	1,158,725	1,130,286	28,439
JAIL	26,951,026	25,846,411	25,775,442	70,969
JUVENILE CORRECTIONAL PROBATION	1,523,590	1,213,486	1,178,120	35,366
JUVENILE DETENTION HOME	1,993,436	1,823,718	1,768,382	55,336
CONSTABLE PRECINCT NO. 1	759,381	718,746	687,782	30,964
CONSTABLE PRECINCT NO. 2	492,630	492,630	470,352	22,278
CONSTABLE PRECINCT NO. 4	447,738	447,738	427,303	20,435
CONSTABLE PRECINCT NO. 6	549,693	535,233	500,327	34,906
CONSTABLE PRECINCT NO. 7	446,393	434,998	428,405	6,593
CONSTABLE PRECINCT NO. 8	449,150	449,150	433,050	16,100
COUNTY MORGUE	660,000	766,000	763,546	2,454
<b>TOTAL JUDICIAL AND LAW ENFORCEMENT</b>	<b>\$ 66,798,419</b>	<b>64,242,477</b>	<b>63,486,970</b>	<b>755,507</b>

(CONTINUED)

JEFFERSON COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>EDUCATION AND RECREATION:</b>				
AGRICULTURAL EXTENSION SERVICE	\$ 394,557	394,557	379,284	15,273
<b>TOTAL EDUCATION AND RECREATION</b>	<b>\$ 394,557</b>	<b>394,557</b>	<b>379,284</b>	<b>15,273</b>
<b>HEALTH AND WELFARE:</b>				
PUBLIC HEALTH UNIT 1	\$ 1,236,606	1,124,476	1,085,178	39,298
PUBLIC HEALTH UNIT 2	1,181,709	1,135,074	1,063,778	71,296
NURSE PRACTITIONER	314,467	314,467	304,822	9,645
CHILD WELFARE	158,900	158,900	143,080	15,820
ENVIRONMENTAL CONTROL	361,356	361,356	344,560	16,796
INDIGENT MEDICAL SERVICE	4,906,729	4,921,729	4,903,741	17,988
MOSQUITO CONTROL	2,170,655	2,134,568	2,055,203	79,365
EMERGENCY MANAGEMENT	218,916	207,733	205,105	2,628
TOBACCO SETTLEMENT FUND	50,000	50,000	50,000	-
<b>TOTAL HEALTH AND WELFARE</b>	<b>\$ 10,599,338</b>	<b>10,408,303</b>	<b>10,155,467</b>	<b>252,836</b>
<b>MAINTENANCE - EQUIPMENT &amp; STRUCTURES:</b>				
COURTHOUSE & ANNEXES	\$ 2,746,831	2,537,742	2,518,433	19,309
PORT ARTHUR BUILDINGS	673,253	629,578	594,870	34,708
MID-COUNTY BUILDINGS	202,964	202,964	183,036	19,928
ROAD & BRIDGE PCT. 1	1,638,400	1,548,247	1,487,189	61,058
ROAD & BRIDGE PCT. 2	1,816,739	1,816,739	1,765,943	50,796
ROAD & BRIDGE PCT. 3	1,856,198	1,746,245	1,633,461	112,784
ROAD & BRIDGE PCT. 4	2,142,917	2,160,953	2,135,715	25,238
ENGINEERING	979,849	979,849	929,376	50,473
PARKS & RECREATION	170,636	193,200	147,957	45,243
SERVICE CENTER	1,200,245	1,260,245	1,235,762	24,483
<b>TOTAL MAINTENANCE - EQUIPMENT &amp; STRUCTURES</b>	<b>\$ 13,428,032</b>	<b>13,075,762</b>	<b>12,631,742</b>	<b>444,020</b>
<b>CAPITAL OUTLAY:</b>				
	\$ -	-	-	-
<b>DEBT SERVICE:</b>				
PRINCIPAL	\$ 218,094	218,094	218,094	-
INTEREST AND COMMISSION	4,390	43,814	43,782	32
<b>TOTAL DEBT SERVICE</b>	<b>\$ 222,484</b>	<b>261,908</b>	<b>261,876</b>	<b>32</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 114,087,075</b>	<b>110,938,127</b>	<b>109,074,116</b>	<b>1,864,011</b>
<b>OTHER FINANCING USES:</b>				
TRANSFERS OUT	\$ 4,435,441	7,584,389	7,584,136	253
<b>TOTAL OTHER FINANCING USES</b>	<b>\$ 4,435,441</b>	<b>7,584,389</b>	<b>7,584,136</b>	<b>253</b>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 118,522,516</b>	<b>118,522,516</b>	<b>116,658,252</b>	<b>1,864,264</b>

# NONMAJOR GOVERNMENTAL FUNDS



JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SUMMARY  
 SEPTEMBER 30, 2014

	<u>SPECIAL REVENUE</u>	<u>CAPITAL PROJECTS</u>	<u>DEBT SERVICE</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 18,157,090	1,709,498	969,140	20,835,728
ACCOUNTS RECEIVABLE, Net	127,572	-	-	127,572
INTEREST RECEIVABLE	4,673	505	286	5,464
DUE FROM OTHER GOVERNMENTAL ENTITIES	897,714	938,440	-	1,836,154
DELINQUENT TAXES RECEIVABLE, Net	-	-	99,926	99,926
PENALTY AND INTEREST RECEIVABLE, Net	-	-	50,721	50,721
INVENTORY, At Cost	48,943	-	-	48,943
PREPAID ITEM	838	-	-	838
<b>TOTAL ASSETS</b>	<u>\$ 19,236,830</u>	<u>2,648,443</u>	<u>1,120,073</u>	<u>23,005,346</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 926,710	654,943	-	1,581,653
DUE TO OTHER FUNDS	681,773	405,468	-	1,087,241
DUE TO OTHER GOVERNMENTAL ENTITIES	4,860	-	-	4,860
UNEARNED REVENUE	739,454	-	-	739,454
<b>TOTAL LIABILITIES</b>	<u>\$ 2,352,797</u>	<u>1,060,411</u>	<u>-</u>	<u>3,413,208</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE- PROPERTY TAXES	\$ -	-	132,947	132,947
UNAVAILABLE REVENUE- GRANTS	75,717	-	-	75,717
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ 75,717</u>	<u>-</u>	<u>132,947</u>	<u>208,664</u>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR:				
INVENTORY	\$ 48,943	-	-	48,943
PREPAID ITEMS	838	-	-	838
RESTRICTED FOR:				
DEBT SERVICE	-	-	987,126	987,126
CONSTRUCTION	-	14	-	14
PUBLIC INTEREST	1,837,335	-	-	1,837,335
JUDICIAL & LAW ENFORCEMENT	4,950,798	-	-	4,950,798
EDUCATION & RECREATION	1,319,023	-	-	1,319,023
HEALTH & WELFARE	8,385,278	-	-	8,385,278
MAINTENANCE OF STRUCTURES & EQUIPMENT	339,150	-	-	339,150
COMMITTED FOR:				
CONSTRUCTION CONTRACTS	116,339	2,627,142	-	2,743,481
ASSIGNED FOR CAPITAL PROJECTS	-	1,697,319	-	1,697,319
UNASSIGNED (DEFICIT)	(189,388)	(2,736,443)	-	(2,925,831)
<b>TOTAL FUND BALANCES</b>	<u>\$ 16,808,316</u>	<u>1,588,032</u>	<u>987,126</u>	<u>19,383,474</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 19,236,830</u>	<u>2,648,443</u>	<u>1,120,073</u>	<u>23,005,346</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SUMMARY  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
PROPERTY TAXES	\$ -	-	6,022,387	6,022,387
SALES TAXES	1,150,383	-	-	1,150,383
FEES	4,627,190	-	-	4,627,190
INTERGOVERNMENTAL	11,534,501	3,475,392	-	15,009,893
SALES, RENTAL & SERVICES	877,788	-	-	877,788
FINES AND FORFEITURES	184,427	-	-	184,427
CONTRIBUTIONS AND DONATIONS	156,104	28,510	-	184,614
INTEREST	60,969	5,288	10,824	77,081
<b>TOTAL REVENUES</b>	<b>\$ 18,591,362</b>	<b>3,509,190</b>	<b>6,033,211</b>	<b>28,133,763</b>
<b>EXPENDITURES:</b>				
<b>CURRENT</b>				
GENERAL GOVERNMENT	\$ 508,191	-	-	508,191
JUDICIAL AND LAW ENFORCEMENT	16,614,163	-	-	16,614,163
EDUCATION AND RECREATION	1,030,586	-	-	1,030,586
HEALTH AND WELFARE	261,372	-	-	261,372
MAINTENANCE OF STRUCTURES AND EQUIPMENT	45,936	-	-	45,936
CAPITAL OUTLAY	-	3,694,045	-	3,694,045
DEBT SERVICE				
PRINCIPAL	-	-	4,280,000	4,280,000
INTEREST AND COMMISSION	-	-	1,878,907	1,878,907
<b>TOTAL EXPENDITURES</b>	<b>\$ 18,460,248</b>	<b>3,694,045</b>	<b>6,158,907</b>	<b>28,313,200</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 131,114</b>	<b>(184,855)</b>	<b>(125,696)</b>	<b>(179,437)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ 1,330,695	50,000	11,423	1,392,118
TRANSFERS OUT	(338,559)	(233,615)	(11,423)	(583,597)
REFUNDING BONDS ISSUED	-	-	1,340,000	1,340,000
PAYMENT TO REFUNDING BONDS ESCROW AGENT	-	-	(1,298,192)	(1,298,192)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 992,136</b>	<b>(183,615)</b>	<b>41,808</b>	<b>850,329</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 1,123,250</b>	<b>(368,470)</b>	<b>(83,888)</b>	<b>670,892</b>
FUND BALANCES, BEGINNING	\$ 15,727,045	1,956,502	1,071,014	18,754,561
PRIOR PERIOD ADJUSTMENT	(41,979)	-	-	(41,979)
<b>FUND BALANCE, BEGINNING (Restated)</b>	<b>\$ 15,685,066</b>	<b>1,956,502</b>	<b>1,071,014</b>	<b>18,712,582</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 16,808,316</b>	<b>1,588,032</b>	<b>987,126</b>	<b>19,383,474</b>

# SPECIAL REVENUE FUNDS



## SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources other than expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes. Included in this heading are the following individual funds:

**Lateral Road Fund** - This fund is used to account for expenditures of materials incurred in the maintenance of the lateral roads of the County. Financing is provided by contributions from the State.

**Breath Alcohol Testing Fund** - This fund is used to account for fees collected by the courts on D.W.I. convictions and the expenditure of those funds.

**Law Library Fund** - This fund is used to account for the maintenance of the County Law Library. Financing is provided by fees from law suits filed in the District Courts and County Courts-at-Law.

**Juvenile Probation and Detention Fund** - This fund is used to account for receipts specifically designated for use in juvenile programs.

**County Clerk Records Management and Preservation Fund** - This fund is used to account for fees collected by the County Clerk for the maintenance of their records and the expenditure of those funds.

**County Clerk Records Archive Fund** - This fund is used to account for fees collected by the County Clerk for the preservation of records prior to 1990 and the expenditure of those funds.

**ASAP Constable Pct 8 Program** - This fund is used to account for fees collected from the Port Arthur Independent School for the administration of the Absent Student Assistance Program (ASAP) by the Constable Pct 8 and the expenditure of those funds for the program.

**County Records Management and Preservation Fund** - This fund is used to account for fees collected by the County Clerk, District Clerk, and Sheriff for the maintenance of County records and the expenditure of those funds.



**Justice Court Building Security** - This fund is used to account for fees collected by the justice courts to finance security services and equipment for justice courts not located in the County courthouse.

**Hotel Occupancy Tax Fund** - This fund is used to account for the collection of a 2% Hotel/Motel Occupancy tax. Revenues collected from this tax are to be used for tourism projects in the County.

**County and District Court Technology Fund** – This fund is used to account for fees collected from defendants convicted in a County, Statutory County, or District court and the expenditures of those funds on technological enhancements for the previously mentioned courts.

**Sheriff and Constable Education Fund** - This fund is used to account for the expenditures associated with the education of Sheriff's deputies and Constables of the County.

**Tax Office Auto Dealer Fund** - This fund is used to account for taxes collected from Local Auto Dealerships to be used by the County's Tax Office.

**Unclaimed Funds Management Fund** - This fund is used to account for Unclaimed Funds for all County departments.

**Family Protection Fund** - This fund is used to account for fees collected by the District Clerk for family violence prevention or intervention and the expenditure of this money.

**District Attorney Forfeiture Fund** - This fund is used to account for forfeitures received by the District Attorney from criminal convictions and the expenditure of those funds.

**Hot Check Fund** - This fund is used to account for fees received by the District Attorney for the prosecution of hot check offenders and the expenditure of those funds.

**Justice of the Peace Courtroom Technology Fund** – This fund is used to account for the fees collected by the Justices of the Peace on misdemeanor convictions and the expenditure of those funds on technological enhancements for the justices' courts.



**District Clerk Records Management Fund** - This fund is used to account for fees collected by the District Clerk for the maintenance of their records and the expenditure of those funds.

**County Clerk Election Contracts** - This fund is used to account for fees collected by the County Clerk for election contracts with local governments and the expenditure of those funds.

**County Clerk HAVA Fund** - This fund is used to account for fees collected by the County Clerk for the rental of equipment purchased by the Help Americans Vote Act (HAVA) grant.

**Child Abuse Prevention** - This fund is used to account for fees collected for certain child sexual assault and related convictions and the expenditure of those funds.

**Sheriff's Special Revenue Funds** - This fund is used to account for fees, forfeitures, and other revenue received by the Sheriff in association with Security Fees, Law Officer Training fees, D.A.R.E. Contributions, Sheriff's Forfeitures, Sheriff's Commissary, Sheriff – Spindletop Grant, and the Marine Division reimbursements, and the expenditure of those funds.

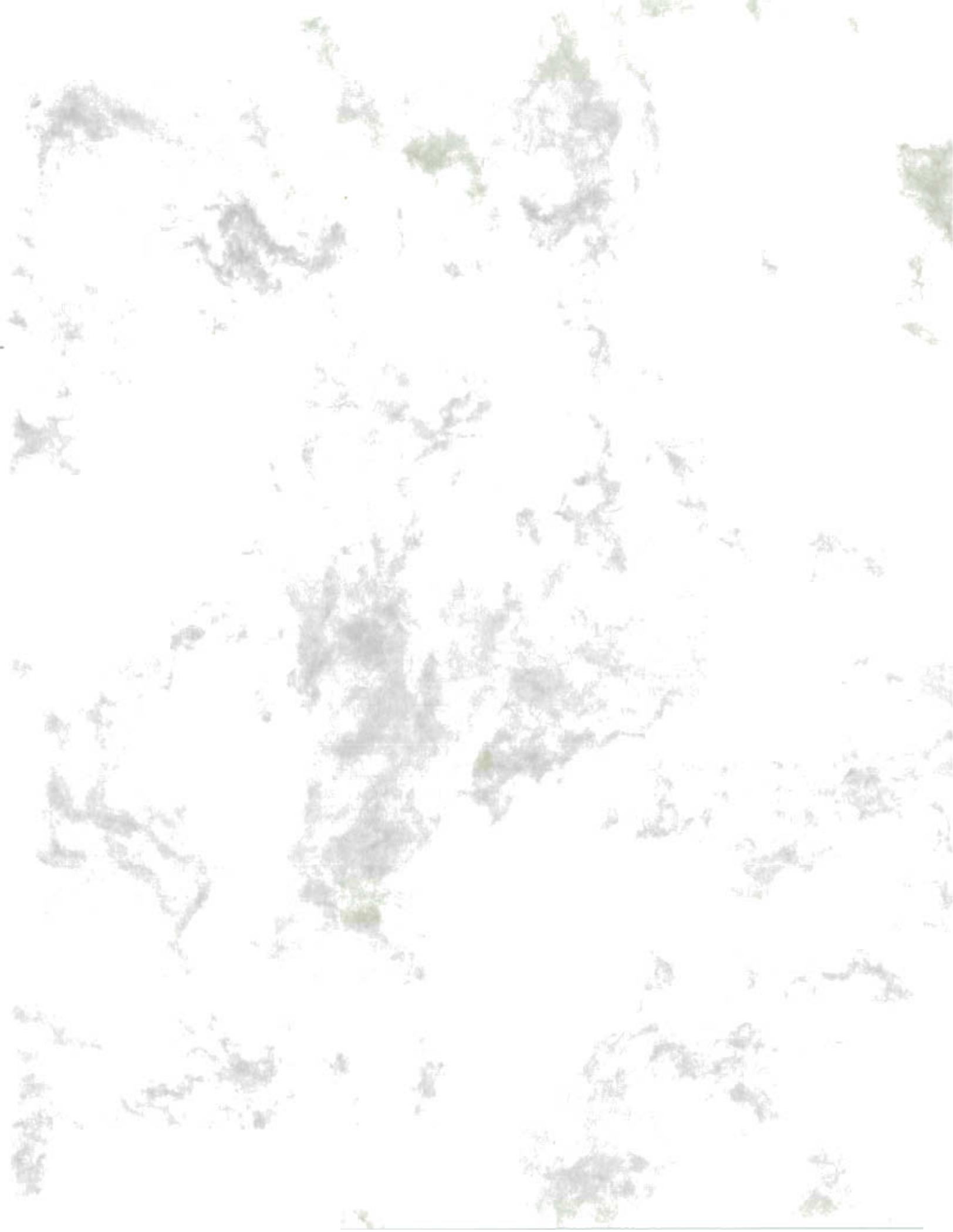
**Guardianship Fee Fund** - This fund is used to account for fees collected by the County Clerk to supplement the support of the judiciary in cases involving guardianships.

**Juvenile Delinquency Prevention** - This fund is used to account for fees collected by the courts for certain offenses and the expenditures associated with juvenile delinquency prevention and graffiti eradication measures.

**District Court Records Technology** - This fund is used to account for fees collected by the District Clerk for the preservation and restoration of District Court records.

**Probation Department Funds** - These funds are used to account for the expenditures of maintaining probation services as authorized by the County and District Courts. Financing is provided by State grant and probationary fees. Included in this heading are the following individual funds:

Juvenile Probation and Detention - State Aid  
Juvenile Community Corrections Program



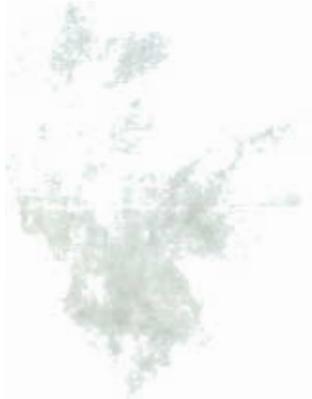
IV-E Foster Care Fund  
Juvenile Accountability #1  
Mentally Impaired Offenders  
Community Supervision  
Women's Center  
Mental Health Services  
Community Corrections  
Juvenile Drug Court  
Drug Diversion Program  
Juvenile Accountability #2  
Juvenile TJPC A  
Juvenile Advocate Incentive

**Grant Funds** - These funds are used to account for receipts of Federal and State grants designated for special projects or services. Included in this heading are the following individual funds:

Family Group Conferencing  
Bush-Clinton Recovery  
Sheriff Training Grant  
Forensic Science Improve  
JAG Grant  
Sheriff Dept Grants  
SCAAP Grant  
Crime Victims Clearing - 1  
Regional Communication  
Crime Victims Clearing - 2  
EMPG Grant  
Forensic Science Improvement Grant  
Port Security Grants  
ARRA Port Security 2009  
High Intensity Drug Traffic  
Auto Theft Grant  
FEMA Emergency  
Drug Intervention Grant  
Violence Against Women - 1  
Violence Against Women - 2  
Family Treatment Court  
Hamshire Water & Sewer III



SHSP & LETPP Grants  
Hamshire Dump Site Hwy 73  
Cheek Water and Sewer Phase 3  
Community Emergency Response Grant  
First Time Sewer  
TXCDBG Disaster Recovery  
FBI Firing Range







JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 SEPTEMBER 30, 2014

	LATERAL ROAD FUNDS	BREATH ALCOHOL TESTING FUND	LAW LIBRARY FUND	JUVENILE PROBATION & DETENTION FUND
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 339,050	30,657	14,107	626,850
ACCOUNTS RECEIVABLE, Net	-	-	-	-
INTEREST RECEIVABLE DUE FROM OTHER	100	9	3	185
GOVERNMENTAL ENTITIES	-	-	-	3,500
INVENTORY, At Cost	-	-	-	-
PREPAID ITEMS	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 339,150</b>	<b>30,666</b>	<b>14,110</b>	<b>630,535</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	-	12,893	107,616
DUE TO OTHER FUNDS	-	-	-	-
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>-</b>	<b>12,893</b>	<b>107,616</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	\$ -	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ -	-	-	-
PREPAID ITEMS	-	-	-	-
<b>RESTRICTED FOR:</b>				
PUBLIC INTEREST	-	-	-	-
JUDICIAL & LAW ENFORCEMENT	-	30,666	-	522,919
EDUCATION & RECREATION	-	-	1,217	-
HEALTH & WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	339,150	-	-	-
<b>COMMITTED FOR:</b>				
CONSTRUCTION CONTRACTS	-	-	-	-
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 339,150</b>	<b>30,666</b>	<b>1,217</b>	<b>522,919</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 339,150</b>	<b>30,666</b>	<b>14,110</b>	<b>630,535</b>

COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	ASAP CONSTABLE PCT 8 PROGRAM	COUNTY RECORDS MGMT. AND PRESERVATION FUND
600,043	283,815	-	511,246
-	-	-	-
168	74	-	146
-	-	91,523	-
-	-	-	-
-	-	-	-
<u>600,211</u>	<u>283,889</u>	<u>91,523</u>	<u>511,392</u>
10,596	3,312	30,955	1,441
-	-	60,568	-
-	-	-	-
-	-	-	-
<u>10,596</u>	<u>3,312</u>	<u>91,523</u>	<u>1,441</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
589,615	280,577	-	509,951
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>589,615</u>	<u>280,577</u>	<u>-</u>	<u>509,951</u>
<u>600,211</u>	<u>283,889</u>	<u>91,523</u>	<u>511,392</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 SEPTEMBER 30, 2014

	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	COUNTY & DISTRICT COURT TECHNOLOGY FUND
<b>ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$ 83,600	1,227,219	13,159
ACCOUNTS RECEIVABLE, Net	-	116,255	-
INTEREST RECEIVABLE DUE FROM OTHER	24	332	3
GOVERNMENTAL ENTITIES	-	-	-
INVENTORY, At Cost	-	-	-
PREPAID ITEMS	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 83,624</b>	<b>1,343,806</b>	<b>13,162</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
<b>LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$ -	26,000	208
DUE TO OTHER FUNDS	-	-	-
DUE TO OTHER	-	-	-
GOVERNMENTAL ENTITIES	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>26,000</b>	<b>208</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
UNAVAILABLE REVENUE-GRANTS	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>			
<b>NONSPENDABLE FOR:</b>			
INVENTORY	\$ -	-	-
PREPAID ITEMS	-	-	-
<b>RESTRICTED FOR:</b>			
PUBLIC INTEREST	-	-	-
JUDICIAL & LAW ENFORCEMENT	83,624	-	12,954
EDUCATION & RECREATION	-	1,317,806	-
HEALTH & WELFARE	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	-
<b>COMMITTED FOR:</b>			
CONSTRUCTION CONTRACTS	-	-	-
UNASSIGNED (DEFICIT)	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 83,624</b>	<b>1,317,806</b>	<b>12,954</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 83,624</b>	<b>1,343,806</b>	<b>13,162</b>

SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY FORFEITURE FUND	HOT CHECK FUND	JP COURTROOM TECHNOLOGY FUND
29,445	152,005	131,509	16,106	256,890	46,023	504,688
-	-	-	-	-	-	-
7	45	-	4	-	-	148
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>29,452</u>	<u>152,050</u>	<u>131,509</u>	<u>16,110</u>	<u>256,890</u>	<u>46,023</u>	<u>504,836</u>
1,007	-	10,420	-	525	1,182	1,840
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,007</u>	<u>-</u>	<u>10,420</u>	<u>-</u>	<u>525</u>	<u>1,182</u>	<u>1,840</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	152,050	121,089	-	-	-	-
28,445	-	-	16,110	256,365	44,841	502,996
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>28,445</u>	<u>152,050</u>	<u>121,089</u>	<u>16,110</u>	<u>256,365</u>	<u>44,841</u>	<u>502,996</u>
<u>29,452</u>	<u>152,050</u>	<u>131,509</u>	<u>16,110</u>	<u>256,890</u>	<u>46,023</u>	<u>504,836</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 SEPTEMBER 30, 2014

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	COUNTY CLERK HAVA FUND	CHILD ABUSE PREVENTION	SHERIFF'S SPECIAL REVENUE FUNDS
<b>ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$ 5,737	94	20,963	5,048	1,833,739
ACCOUNTS RECEIVABLE, Net	-	107	-	1	2,880
INTEREST RECEIVABLE DUE FROM OTHER	1	-	6	-	127
GOVERNMENTAL ENTITIES	-	7,711	2,520	-	576,669
INVENTORY, At Cost	-	-	-	-	48,943
PREPAID ITEMS	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 5,738</b>	<b>7,912</b>	<b>23,489</b>	<b>5,049</b>	<b>2,462,358</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$ 1,013	-	14,645	-	195,457
DUE TO OTHER FUNDS	-	-	-	-	506,662
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 1,013</b>	<b>-</b>	<b>14,645</b>	<b>-</b>	<b>702,119</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
UNAVAILABLE REVENUE-GRANTS	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>					
<b>NONSPENDABLE FOR:</b>					
INVENTORY	\$ -	-	-	-	48,943
PREPAID ITEMS	-	-	-	-	-
<b>RESTRICTED FOR:</b>					
PUBLIC INTEREST JUDICIAL & LAW ENFORCEMENT	-	7,912	8,844	-	-
EDUCATION & RECREATION	4,725	-	-	5,049	1,711,296
HEALTH & WELFARE	-	-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	-	-	-
<b>COMMITTED FOR:</b>					
CONSTRUCTION CONTRACTS	-	-	-	-	-
UNASSIGNED (DEFICIT)	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 4,725</b>	<b>7,912</b>	<b>8,844</b>	<b>5,049</b>	<b>1,760,239</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 5,738</b>	<b>7,912</b>	<b>23,489</b>	<b>5,049</b>	<b>2,462,358</b>

<u>GUARDIANSHIP FEE FUND</u>	<u>JUVENILE DELINQUENCY PREVENTION</u>	<u>DISTRICT COURT RECORDS TECHNOLOGY</u>	<u>PRORATION DEPARTMENT FUNDS</u>	<u>GRANT FUNDS</u>	<u>TOTAL</u>
167,448	82,092	91,926	2,539,534	8,544,097	18,157,090
-	-	-	6,351	1,978	127,572
49	24	26	679	2,513	4,673
-	-	-	2,627	213,164	897,714
-	-	-	-	-	48,943
-	-	-	838	-	838
<u>167,497</u>	<u>82,116</u>	<u>91,952</u>	<u>2,550,029</u>	<u>8,761,752</u>	<u>19,236,830</u>
200	-	-	436,858	70,542	926,710
-	-	-	3,288	111,255	681,773
-	-	-	-	4,860	4,860
-	-	-	739,454	-	739,454
<u>200</u>	<u>-</u>	<u>-</u>	<u>1,179,600</u>	<u>186,657</u>	<u>2,352,797</u>
-	-	-	-	75,717	75,717
-	-	-	-	75,717	75,717
-	-	-	-	-	48,943
-	-	-	838	-	838
167,297	-	-	-	-	1,837,335
-	82,116	91,952	1,423,915	132,825	4,950,798
-	-	-	-	-	1,319,023
-	-	-	-	8,385,278	8,385,278
-	-	-	-	-	339,150
-	-	-	-	116,339	116,339
-	-	-	(54,324)	(135,064)	(189,388)
<u>167,297</u>	<u>82,116</u>	<u>91,952</u>	<u>1,370,429</u>	<u>8,499,378</u>	<u>16,808,316</u>
<u>167,497</u>	<u>82,116</u>	<u>91,952</u>	<u>2,550,029</u>	<u>8,761,752</u>	<u>19,236,830</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	LATERAL ROAD FUND	BREATH ALCOHOL TESTING FUND	LAW LIBRARY FUND	JUVENILE PROBATION & DETENTION FUND
<b>REVENUES:</b>				
TAXES	\$ -	-	-	-
FEES	-	10,662	58,050	23,452
FINES AND FORFEITURES	-	-	-	-
SALES, RENTAL & SERVICES	-	-	295	-
INTERGOVERNMENTAL	31,056	-	-	301,540
INTEREST	1,314	101	110	2,117
CONTRIBUTIONS AND DONATIONS	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 32,370</b>	<b>10,763</b>	<b>58,455</b>	<b>327,109</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ -	-	-	-
JUDICIAL AND LAW ENFORCEMENT	-	7,137	-	350,372
EDUCATION AND RECREATION	-	-	156,026	-
HEALTH AND WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	45,936	-	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 45,936</b>	<b>7,137</b>	<b>156,026</b>	<b>350,372</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (13,566)</b>	<b>3,626</b>	<b>(97,571)</b>	<b>(23,263)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	53,505
TRANSFERS OUT	-	-	-	(1,284)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>52,221</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (13,566)</b>	<b>3,626</b>	<b>(97,571)</b>	<b>28,958</b>
FUND BALANCES, BEGINNING	\$ 352,716	27,040	98,788	493,961
PRIOR PERIOD ADJUSTMENT	-	-	-	-
<b>FUND BALANCES, BEGINNING (Restated)</b>	<b>\$ 352,716</b>	<b>27,040</b>	<b>98,788</b>	<b>493,961</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 339,150</b>	<b>30,666</b>	<b>1,217</b>	<b>522,919</b>

COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	ASAP CONSTABLE PCT 8 PROGRAM	COUNTY RECORDS MGMT. AND PRESERVATION FUND
-	-	-	-
357,929	373,475	-	161,101
-	-	-	-
-	-	50,816	-
-	-	701,762	-
1,720	449	-	1,641
-	-	-	-
<u>359,649</u>	<u>373,924</u>	<u>752,578</u>	<u>162,742</u>
229,040	87,568	-	101,826
-	-	752,578	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>229,040</u>	<u>87,568</u>	<u>752,578</u>	<u>101,826</u>
<u>130,609</u>	<u>286,356</u>	<u>-</u>	<u>60,916</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>130,609</u>	<u>286,356</u>	<u>-</u>	<u>60,916</u>
459,006	(5,779)	-	449,035
-	-	-	-
<u>459,006</u>	<u>(5,779)</u>	<u>-</u>	<u>449,035</u>
<u>589,615</u>	<u>280,577</u>	<u>-</u>	<u>509,951</u>

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	COUNTY & DISTRICT COURT TECHNOLOGY FUND
<b>REVENUES:</b>			
TAXES	\$ -	1,150,383	-
FEES	12,193	-	6,212
FINES AND FORFEITURES	-	-	-
SALES, RENTAL & SERVICES	-	8,172	-
INTERGOVERNMENTAL	-	-	-
INTEREST	278	3,419	44
CONTRIBUTIONS AND DONATIONS	-	514	-
<b>TOTAL REVENUES</b>	<b>\$ 12,471</b>	<b>1,162,488</b>	<b>6,256</b>
<b>EXPENDITURES:</b>			
GENERAL GOVERNMENT	\$ -	-	-
JUDICIAL AND LAW ENFORCEMENT	-	-	4,788
EDUCATION AND RECREATION	-	874,560	-
HEALTH AND WELFARE	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-
CAPITAL OUTLAY	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>874,560</b>	<b>4,788</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 12,471</b>	<b>287,928</b>	<b>1,468</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
TRANSFERS IN	\$ -	-	-
TRANSFERS OUT	-	(50,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>(50,000)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 12,471</b>	<b>237,928</b>	<b>1,468</b>
FUND BALANCES, BEGINNING	\$ 71,153	1,079,878	11,486
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCES, BEGINNING (Restated)	\$ 71,153	1,079,878	11,486
FUND BALANCES, ENDING	<b>\$ 83,624</b>	<b>1,317,806</b>	<b>12,954</b>

SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY FORFEITURE FUND	HOT CHECK FUND	JP COURTROOM TECHNOLOGY FUND
-	-	-	-	-	-	-
-	4,166	8,598	15,096	-	28,841	49,270
-	-	-	-	139,856	-	-
-	-	-	-	1,016	-	-
29,642	-	-	-	-	-	-
130	2,539	-	32	432	-	1,747
-	-	-	-	-	-	-
<u>29,772</u>	<u>6,705</u>	<u>8,598</u>	<u>15,128</u>	<u>141,304</u>	<u>28,841</u>	<u>51,017</u>
-	48,318	-	-	-	-	-
37,244	-	-	18,000	82,658	15,665	11,883
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>37,244</u>	<u>48,318</u>	<u>-</u>	<u>18,000</u>	<u>82,658</u>	<u>15,665</u>	<u>11,883</u>
<u>(7,472)</u>	<u>(41,613)</u>	<u>8,598</u>	<u>(2,872)</u>	<u>58,646</u>	<u>13,176</u>	<u>39,134</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(7,472)</u>	<u>(41,613)</u>	<u>8,598</u>	<u>(2,872)</u>	<u>58,646</u>	<u>13,176</u>	<u>39,134</u>
35,917	193,663	112,491	18,982	197,719	31,665	463,862
-	-	-	-	-	-	-
<u>35,917</u>	<u>193,663</u>	<u>112,491</u>	<u>18,982</u>	<u>197,719</u>	<u>31,665</u>	<u>463,862</u>
<u>28,445</u>	<u>152,050</u>	<u>121,089</u>	<u>16,110</u>	<u>256,365</u>	<u>44,841</u>	<u>502,996</u>

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	COUNTY CLERK HAVA FUND	CHILD ABUSE PREVENTION	SHERIFF'S SPECIAL REVENUE FUNDS
<b>REVENUES:</b>					
TAXES	\$ -	-	-	-	-
FEES	17,867	-	-	1,556	417,964
FINES AND FORFEITURES	-	-	-	-	44,571
SALES, RENTAL & SERVICES	-	8,916	8,966	-	799,607
INTERGOVERNMENTAL	-	-	-	-	2,016,523
INTEREST	16	14	81	15	4,242
CONTRIBUTIONS AND DONATIONS	-	-	-	-	1,400
<b>TOTAL REVENUES</b>	<b>\$ 17,883</b>	<b>8,930</b>	<b>9,047</b>	<b>1,571</b>	<b>3,284,307</b>
<b>EXPENDITURES:</b>					
GENERAL GOVERNMENT	\$ -	9,100	23,936	-	-
JUDICIAL AND LAW ENFORCEMENT	28,891	-	-	-	3,726,440
EDUCATION AND RECREATION	-	-	-	-	-
HEALTH AND WELFARE	-	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 28,891</b>	<b>9,100</b>	<b>23,936</b>	<b>-</b>	<b>3,726,440</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (11,008)</b>	<b>(170)</b>	<b>(14,889)</b>	<b>1,571</b>	<b>(442,133)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS IN	\$ -	-	-	-	500,000
TRANSFERS OUT	-	-	-	-	(178,011)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>321,989</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (11,008)</b>	<b>(170)</b>	<b>(14,889)</b>	<b>1,571</b>	<b>(120,144)</b>
FUND BALANCES, BEGINNING	\$ 15,733	8,082	23,733	3,478	1,880,383
PRIOR PERIOD ADJUSTMENT	-	-	-	-	-
FUND BALANCES, BEGINNING (Restated)	\$ 15,733	8,082	23,733	3,478	1,880,383
FUND BALANCES, ENDING	<u>\$ 4,725</u>	<u>7,912</u>	<u>8,844</u>	<u>5,049</u>	<u>1,760,239</u>

GUARDIANSHIP FEE FUND	JUVENILE DELINQUENCY PREVENTION	DISTRICT COURT RECORDS TECHNOLOGY	PROBATION DEPARTMENT FUNDS	GRANT FUNDS	TOTAL
-	-	-	-	-	1,150,383
25,600	126	30,195	3,024,837	-	4,627,190
-	-	-	-	-	184,427
-	-	-	-	-	877,788
-	-	-	5,316,676	3,137,302	11,534,501
561	293	271	9,101	30,302	60,969
-	-	-	-	154,190	156,104
<u>26,161</u>	<u>419</u>	<u>30,466</u>	<u>8,350,614</u>	<u>3,321,794</u>	<u>18,591,362</u>
8,403	-	-	-	-	508,191
-	-	-	7,959,560	3,618,947	16,614,163
-	-	-	-	-	1,030,586
-	-	-	-	261,372	261,372
-	-	-	-	-	45,936
-	-	-	-	-	-
<u>8,403</u>	<u>-</u>	<u>-</u>	<u>7,959,560</u>	<u>3,880,319</u>	<u>18,460,248</u>
<u>17,758</u>	<u>419</u>	<u>30,466</u>	<u>391,054</u>	<u>(558,525)</u>	<u>131,114</u>
-	-	-	80,379	696,811	1,330,695
-	-	-	(79,095)	(30,169)	(338,559)
-	-	-	1,284	666,642	992,136
<u>17,758</u>	<u>419</u>	<u>30,466</u>	<u>392,338</u>	<u>108,117</u>	<u>1,123,250</u>
149,539	81,697	61,486	1,020,070	8,391,261	15,727,045
-	-	-	(41,979)	-	(41,979)
<u>149,539</u>	<u>81,697</u>	<u>61,486</u>	<u>978,091</u>	<u>8,391,261</u>	<u>15,685,066</u>
<u>167,297</u>	<u>82,116</u>	<u>91,952</u>	<u>1,370,429</u>	<u>8,499,378</u>	<u>16,808,316</u>



JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 SEPTEMBER 30, 2014

	JUVENILE PROBATION AND DETENTION-- STATE AID	JUVENILE COMMUNITY CORRECTIONS PROGRAM	IV-E FOSTER CARE FUND	JUVENILE ACCOUNTABILITY #1
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 36,134	2,278	581,131	-
ACCOUNTS RECEIVABLE, Net	390	-	-	-
INTEREST RECEIVABLE	-	-	172	-
DUE FROM OTHER				
GOVERNMENTAL ENTITIES	-	-	-	2,627
PREPAID ITEMS	57	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 36,581</b>	<b>2,278</b>	<b>581,303</b>	<b>2,627</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 2,062	-	409	-
DUE TO OTHER FUNDS	-	-	-	2,627
DUE TO OTHER				
GOVERNMENTAL ENTITIES	-	-	-	-
UNEARNED REVENUE	44,295	34,163	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 46,357</b>	<b>34,163</b>	<b>409</b>	<b>2,627</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR:				
PREPAID ITEMS	\$ 57	-	-	-
RESTRICTED FOR: JUDICIAL & LAW ENFORCEMENT	-	-	580,894	-
UNASSIGNED (DEFICIT)	(9,833)	(31,885)	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ (9,776)</b>	<b>(31,885)</b>	<b>580,894</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 36,581</b>	<b>2,278</b>	<b>581,303</b>	<b>2,627</b>

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JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 SEPTEMBER 30, 2014

	MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	WOMEN'S CENTER	MENTAL HEALTH SERVICES
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 53,705	738,803	572,145	62,944
ACCOUNTS RECEIVABLE, Net	-	3,652	1,293	-
INTEREST RECEIVABLE	-	426	-	-
DUE FROM OTHER				
GOVERNMENTAL ENTITIES	-	-	-	-
PREPAID ITEMS	-	540	92	-
<b>TOTAL ASSETS</b>	<b>\$ 53,705</b>	<b>743,421</b>	<b>573,530</b>	<b>62,944</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 5,332	178,678	55,725	51,667
DUE TO OTHER FUNDS	-	-	-	-
DUE TO OTHER				
GOVERNMENTAL ENTITIES	-	-	-	-
UNEARNED REVENUE	23,653	236,089	241,103	-
<b>TOTAL LIABILITIES</b>	<b>\$ 28,985</b>	<b>414,767</b>	<b>296,828</b>	<b>51,667</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE FOR				
PREPAID ITEMS	\$ -	540	92	-
RESTRICTED FOR: JUDICIAL &				
LAW ENFORCEMENT	24,720	328,114	276,610	11,277
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 24,720</b>	<b>328,654</b>	<b>276,702</b>	<b>11,277</b>
<b>TOTAL LIABILITIES AND</b>				
<b>FUND BALANCES</b>	<b>\$ 53,705</b>	<b>743,421</b>	<b>573,530</b>	<b>62,944</b>

COMMUNITY CORRECTIONS	JUVENILE DRUG COURT	DRUG DIVERSION PROGRAM	JUVENILE ACCOUNTABILITY #2	JUVENILE TJPC A	JUVENILE ADVOCATE INCENTIVE	2014 TOTAL
237,014	-	83,782	6	168,136	3,456	2,539,534
1,016	-	-	-	-	-	6,351
-	-	-	-	81	-	679
-	-	-	-	-	-	2,627
149	-	-	-	-	-	838
<u>238,179</u>	<u>-</u>	<u>83,782</u>	<u>6</u>	<u>168,217</u>	<u>3,456</u>	<u>2,550,029</u>
16,298	-	27,402	-	99,285	-	436,858
-	661	-	-	-	-	3,288
-	-	-	-	-	-	-
88,370	-	67,614	-	-	4,167	739,454
<u>104,668</u>	<u>661</u>	<u>95,016</u>	<u>-</u>	<u>99,285</u>	<u>4,167</u>	<u>1,179,600</u>
149	-	-	-	-	-	838
133,362	-	-	6	68,932	-	1,423,915
-	(661)	(11,234)	-	-	(711)	(54,324)
<u>133,511</u>	<u>(661)</u>	<u>(11,234)</u>	<u>6</u>	<u>68,932</u>	<u>(711)</u>	<u>1,370,429</u>
<u>238,179</u>	<u>-</u>	<u>83,782</u>	<u>6</u>	<u>168,217</u>	<u>3,456</u>	<u>2,550,029</u>



JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	JUVENILE PROBATION AND DETENTION-- STATE AID	JUVENILE COMMUNITY CORRECTIONS PROGRAM	IV-E FOSTER CARE FUND	JUVENILE ACCOUNTABILITY #1
<b>REVENUES:</b>				
FEEs	\$ -	-	-	-
INTERGOVERNMENTAL INTEREST	63,820	-	-	11,560
	<u>-</u>	<u>-</u>	<u>2,086</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<b>\$ 63,820</b>	<b>-</b>	<b>2,086</b>	<b>11,560</b>
<b>EXPENDITURES:</b>				
JUDICIAL AND LAW ENFORCEMENT CAPITAL OUTLAY	\$ 55,652	-	7,919	12,844
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 55,652</b>	<b>-</b>	<b>7,919</b>	<b>12,844</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 8,168</b>	<b>-</b>	<b>(5,833)</b>	<b>(1,284)</b>
<b>OTHER FINANCIAL SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	1,284
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>1,284</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 8,168</b>	<b>-</b>	<b>(5,833)</b>	<b>-</b>
FUND BALANCES, BEGINNING	(17,944)	(31,885)	586,727	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, OCTOBER 1 (Restated)</b>	<b>\$ (17,944)</b>	<b>(31,885)</b>	<b>586,727</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ (9,776)</b>	<b>(31,885)</b>	<b>580,894</b>	<b>-</b>

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	WOMEN'S CENTER	MENTAL HEALTH SERVICES
REVENUES:				
FEEs	\$ 135,777	2,566,929	242,645	-
INTERGOVERNMENTAL	-	1,522,222	1,437,907	115,609
INTEREST	-	5,821	-	-
TOTAL REVENUES	<u>\$ 135,777</u>	<u>4,094,972</u>	<u>1,680,552</u>	<u>115,609</u>
EXPENDITURES:				
JUDICIAL AND LAW ENFORCEMENT	\$ 112,772	4,181,239	1,433,044	99,889
CAPITAL OUTLAY	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 112,772</u>	<u>4,181,239</u>	<u>1,433,044</u>	<u>99,889</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 23,005</u>	<u>(86,267)</u>	<u>247,508</u>	<u>15,720</u>
OTHER FINANCIAL SOURCES (USES):				
TRANSFERS IN	\$ -	-	-	-
TRANSFERS OUT	-	(79,095)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>(79,095)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	\$ 23,005	(165,362)	247,508	15,720
FUND BALANCES, BEGINNING	1,715	535,995	29,194	(4,443)
PRIOR PERIOD ADJUSTMENT	-	(41,979)	-	-
FUND BALANCES, OCTOBER 1 (Restated)	<u>\$ 1,715</u>	<u>494,016</u>	<u>29,194</u>	<u>(4,443)</u>
FUND BALANCES, ENDING	<u><u>\$ 24,720</u></u>	<u><u>328,654</u></u>	<u><u>276,702</u></u>	<u><u>11,277</u></u>

COMMUNITY CORRECTIONS	JUVENILE DRUG COURT	DRUG DIVERSION PROGRAM	JUVENILE ACCOUNTABILITY #2	JUVENILE TJPC A	JUVENILE ADVOCATE INCENTIVE	2014 TOTAL
-	-	79,486	-	-	-	3,024,837
502,547	-	416,924	-	1,246,087	-	5,316,676
-	-	-	6	1,188	-	9,101
502,547	-	496,410	6	1,247,275	-	8,350,614
382,205	661	580,810	-	1,092,525	-	7,959,560
-	-	-	-	-	-	-
382,205	661	580,810	-	1,092,525	-	7,959,560
120,342	(661)	(84,400)	6	154,750	-	391,054
-	-	79,095	-	-	-	80,379
-	-	-	-	-	-	(79,095)
-	-	79,095	-	-	-	1,284
120,342	(661)	(5,305)	6	154,750	-	392,338
13,169	-	(5,929)	-	(85,818)	(711)	1,020,070
-	-	-	-	-	-	(41,979)
13,169	-	(5,929)	-	(85,818)	(711)	978,091
133,511	(661)	(11,234)	6	68,932	(711)	1,370,429

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 SEPTEMBER 30, 2014

	FAMILY GROUP CONFERENCING PROJECT	BUSH- CLINTON RECOVERY	SHERIFF TRAINING GRANT	FORENSIC SCIENCE IMPROVE
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 34,588	-	-	-
ACCOUNTS RECEIVABLE , Net	-	-	-	-
INTEREST RECEIVABLE	10	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	9,192	-
<b>TOTAL ASSETS</b>	<b>\$ 34,598</b>	<b>-</b>	<b>9,192</b>	<b>-</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	-	-	2,908	-
DUE TO OTHER FUNDS	-	-	6,274	-
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>9,182</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	-	-	9,192	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>9,192</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>RESTRICTED FOR:</b>				
JUDICIAL & LAW ENFORCEMENT	\$ 34,598	-	-	-
HEALTH & WELFARE	-	-	-	-
<b>COMMITTED FOR:</b>				
CONSTRUCTION CONTRACTS	-	-	-	-
UNASSIGNED (DEFICIT)	-	-	(9,182)	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 34,598</b>	<b>-</b>	<b>(9,182)</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 34,598</b>	<b>-</b>	<b>9,192</b>	<b>-</b>

<u>JAG GRANT</u>	<u>SHERIFF DEPT GRANTS</u>	<u>SCAAP GRANT</u>	<u>CRIME VICTIMS CLEARING - 1</u>	<u>REGIONAL COMMUNICATION</u>
-	-	20,300	-	67,677
-	-	-	-	-
-	-	6	-	20
<u>16,533</u>	<u>11,428</u>	<u>-</u>	<u>10,458</u>	<u>-</u>
<u>16,533</u>	<u>11,428</u>	<u>20,306</u>	<u>10,458</u>	<u>67,697</u>
-	962	-	-	533
8,918	10,466	-	9,722	-
-	-	-	-	-
<u>8,918</u>	<u>11,428</u>	<u>-</u>	<u>9,722</u>	<u>533</u>
<u>16,533</u>	<u>11,428</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>16,533</u>	<u>11,428</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	20,306	736	67,164
-	-	-	-	-
-	-	-	-	-
<u>(8,918)</u>	<u>(11,428)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(8,918)</u>	<u>(11,428)</u>	<u>20,306</u>	<u>736</u>	<u>67,164</u>
<u>16,533</u>	<u>11,428</u>	<u>20,306</u>	<u>10,458</u>	<u>67,697</u>

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JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 SEPTEMBER 30, 2014

		CRIME VICTIMS CLEARING - 2	EMPG GRANT	FORENSIC SCIENCE IMPROVEMENT GRANT	PORT SECURITY GRANTS
<b>ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$	8,174	62,185	2,549	29,085
ACCOUNTS RECEIVABLE , Net		-	-	-	-
INTEREST RECEIVABLE		-	18	1	9
DUE FROM OTHER GOVERNMENTAL ENTITIES		4,162	42,424	-	-
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>12,336</b>	<b>104,627</b>	<b>2,550</b>	<b>29,094</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$	11,062	224	-	-
DUE TO OTHER FUNDS\$		-	-	-	-
DUE TO OTHER GOVERNMENTAL ENTITIES		-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>11,062</b>	<b>224</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
UNAVAILABLE REVENUE-GRANTS	\$	4,162	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<b>4,162</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>					
<b>RESTRICTED FOR:</b>					
JUDICIAL & LAW ENFORCEMENT	\$	-	-	2,550	-
HEALTH & WELFARE		-	104,403	-	-
<b>COMMITTED FOR:</b>					
CONSTRUCTION CONTRACTS		-	-	-	116,339
UNASSIGNED (DEFICIT)		(2,888)	-	-	(87,245)
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b>(2,888)</b>	<b>104,403</b>	<b>2,550</b>	<b>29,094</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<b>12,336</b>	<b>104,627</b>	<b>2,550</b>	<b>29,094</b>

ARRA PORT SECURITY 2009	HIGH INTENSITY DRUG TRAFFIC	AUTO THEFT GRANT	FEMA EMERGENCY	DRUG INTERVENTION GRANT	VIOLENCE AGAINST WOMEN - 1	VIOLENCE AGAINST WOMEN - 2
-	-	2	8,278,430	-	-	-
-	-	-	-	-	-	-
-	-	-	2,445	-	-	-
-	-	27,622	-	23,866	7,264	14,575
-	-	27,624	8,280,875	23,866	7,264	14,575
-	-	4,133	-	4,860	6,824	1,000
-	-	23,486	-	14,146	440	13,575
-	-	-	-	4,860	-	-
-	-	27,619	-	23,866	7,264	14,575
-	-	6,620	-	-	7,264	-
-	-	6,620	-	-	7,264	-
-	-	-	-	-	-	-
-	-	-	8,280,875	-	-	-
-	-	-	-	-	-	-
-	-	(6,615)	-	-	(7,264)	-
-	-	(6,615)	8,280,875	-	(7,264)	-
-	-	27,624	8,280,875	23,866	7,264	14,575

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JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 SEPTEMBER 30, 2014

		FAMILY TREATMENT COURT	HAMSHIRE WATER & SEWER III	SHSP & LETTP GRANTS	HAMSHIRE DUMP SITE HWY 73
<b>ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$	-	-	-	-
ACCOUNTS RECEIVABLE , Net		-	-	-	-
INTEREST RECEIVABLE		-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES		10,640	-	17,000	-
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>10,640</b>	<b>-</b>	<b>17,000</b>	<b>-</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$	2,418	-	-	-
DUE TO OTHER FUNDS		7,228	-	17,000	-
DUE TO OTHER GOVERNMENTAL ENTITIES		-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>9,646</b>	<b>-</b>	<b>17,000</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
UNAVAILABLE REVENUE-GRANTS	\$	2,518	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<b>2,518</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>					
RESTRICTED FOR:					
JUDICIAL & LAW ENFORCEMENT	\$	-	-	-	-
HEALTH & WELFARE		-	-	-	-
COMMITTED FOR:					
CONSTRUCTION CONTRACTS		-	-	-	-
UNASSIGNED (DEFICIT)		(1,524)	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b>(1,524)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<b>10,640</b>	<b>-</b>	<b>17,000</b>	<b>-</b>

CHEEK WATER AND SEWER PHASE 3	COMMUNITY EMERGENCY RESPONSE GRANT	FIRST TIME SEWER	TXCDBG DISASTER RECOVERY	FBI FIRING RANGE	2014 GRANT TOTALS
24,867	-	-	-	16,240	8,544,097
1,978	-	-	-	-	1,978
4	-	-	-	-	2,513
<u>18,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>213,164</u>
<u>44,849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,240</u>	<u>8,761,752</u>
19,378	-	-	-	16,240	70,542
-	-	-	-	-	111,255
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,860</u>
<u>19,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,240</u>	<u>186,657</u>
<u>18,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,717</u>
<u>18,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,717</u>
7,471	-	-	-	-	132,825
-	-	-	-	-	8,385,278
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,339</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(135,064)</u>
<u>7,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,499,378</u>
<u>44,849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,240</u>	<u>8,761,752</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FAMILY GROUP CONFERENCING PROJECT	BUSH CLINTON RECOVERY	SHERIFF TRAINING GRANT	FORENSIC SCIENCE IMPROVE
REVENUES:				
INTERGOVERNMENTAL	\$ -	-	13,291	24,673
INTEREST	125	6	10	-
CONTRIBUTIONS AND DONATIONS	-	-	-	-
TOTAL REVENUES	<u>\$ 125</u>	<u>6</u>	<u>13,301</u>	<u>24,673</u>
EXPENDITURES:				
JUDICIAL AND LAW ENFORCEMENT	\$ 1,310	-	15,272	24,673
HEALTH & WELFARE	-	-	-	-
CAPITAL OUTLAY	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,310</u>	<u>-</u>	<u>15,272</u>	<u>24,673</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (1,185)</u>	<u>6</u>	<u>(1,971)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	\$ -	-	-	-
TRANSFERS OUT	-	(1,652)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>(1,652)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	\$ (1,185)	(1,646)	(1,971)	-
FUND BALANCES, BEGINNING	<u>35,783</u>	<u>1,646</u>	<u>(7,211)</u>	<u>-</u>
FUND BALANCES, ENDING	<u><u>\$ 34,598</u></u>	<u><u>-</u></u>	<u><u>(9,182)</u></u>	<u><u>-</u></u>

JAG GRANT	SHERIFF DEPT GRANTS	SCAAP GRANT	CRIME VICTIMS CLEARING - 1	REGIONAL COMMUNICATION
35,478	26,406	35,405	44,910	-
3	-	123	-	246
-	-	-	-	-
<u>35,481</u>	<u>26,406</u>	<u>35,528</u>	<u>44,910</u>	<u>246</u>
16,693	49,804	43,084	251,645	2,133
-	-	-	-	-
-	-	-	-	-
<u>16,693</u>	<u>49,804</u>	<u>43,084</u>	<u>251,645</u>	<u>2,133</u>
<u>18,788</u>	<u>(23,398)</u>	<u>(7,556)</u>	<u>(206,735)</u>	<u>(1,887)</u>
-	12,339	-	205,807	-
-	-	-	-	-
-	<u>12,339</u>	-	<u>205,807</u>	-
18,788	(11,059)	(7,556)	(928)	(1,887)
<u>(27,706)</u>	<u>(369)</u>	<u>27,862</u>	<u>1,664</u>	<u>69,051</u>
<u>(8,918)</u>	<u>(11,428)</u>	<u>20,306</u>	<u>736</u>	<u>67,164</u>

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	CRIME VICTIMS CLEARING - 1	EMPG GRANT	FORENSIC SCIENCE IMPROVEMENT GRANT	PORT SECURITY GRANTS
REVENUES:				
INTERGOVERNMENTAL	\$ -	52,716	10,200	2,454,478
INTEREST	16	272	3	9
CONTRIBUTIONS AND DONATIONS	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 16</b>	<b>52,988</b>	<b>10,203</b>	<b>2,454,487</b>
EXPENDITURES:				
JUDICIAL AND LAW ENFORCEMENT	\$ 21,745	-	7,761	2,610,763
HEALTH & WELFARE	-	35,265	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 21,745</b>	<b>35,265</b>	<b>7,761</b>	<b>2,610,763</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (21,729)</b>	<b>17,723</b>	<b>2,442</b>	<b>(156,276)</b>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	\$ 17,567	4,773	-	185,370
TRANSFERS OUT	-	(716)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 17,567</b>	<b>4,057</b>	<b>-</b>	<b>185,370</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (4,162)</b>	<b>21,780</b>	<b>2,442</b>	<b>29,094</b>
FUND BALANCES, BEGINNING	1,274	82,623	108	-
<b>FUND BALANCES, ENDING</b>	<b>\$ (2,888)</b>	<b>104,403</b>	<b>2,550</b>	<b>29,094</b>

ARRA PORT SECURITY 1009	HIGH INTENSITY DRUG TRAFFIC	AUTO THEFT GRANT	FEMA EMERGENCY	DRUG INTERVENTION GRANT	VIOLENCE AGAINST WOMEN - 1	VIOLENCE AGAINST WOMEN - 2
-	26,707	82,310	84,452	60,593	-	71,375
-	-	1	29,393	-	12	-
-	-	-	-	-	-	-
-	26,707	82,311	113,845	60,593	12	71,375
165,303	10,190	106,215	-	59,485	13,269	145,296
-	-	-	-	-	-	-
-	-	-	-	-	-	-
165,303	10,190	106,215	-	59,485	13,269	145,296
(165,303)	16,517	(23,904)	113,845	1,108	(13,257)	(73,921)
165,303	-	23,370	1,652	-	5,993	73,921
-	-	-	-	-	-	-
165,303	-	23,370	1,652	-	5,993	73,921
-	16,517	(534)	115,497	1,108	(7,264)	-
-	(16,517)	(6,081)	8,165,378	(1,108)	-	-
-	-	(6,615)	8,280,875	-	(7,264)	-

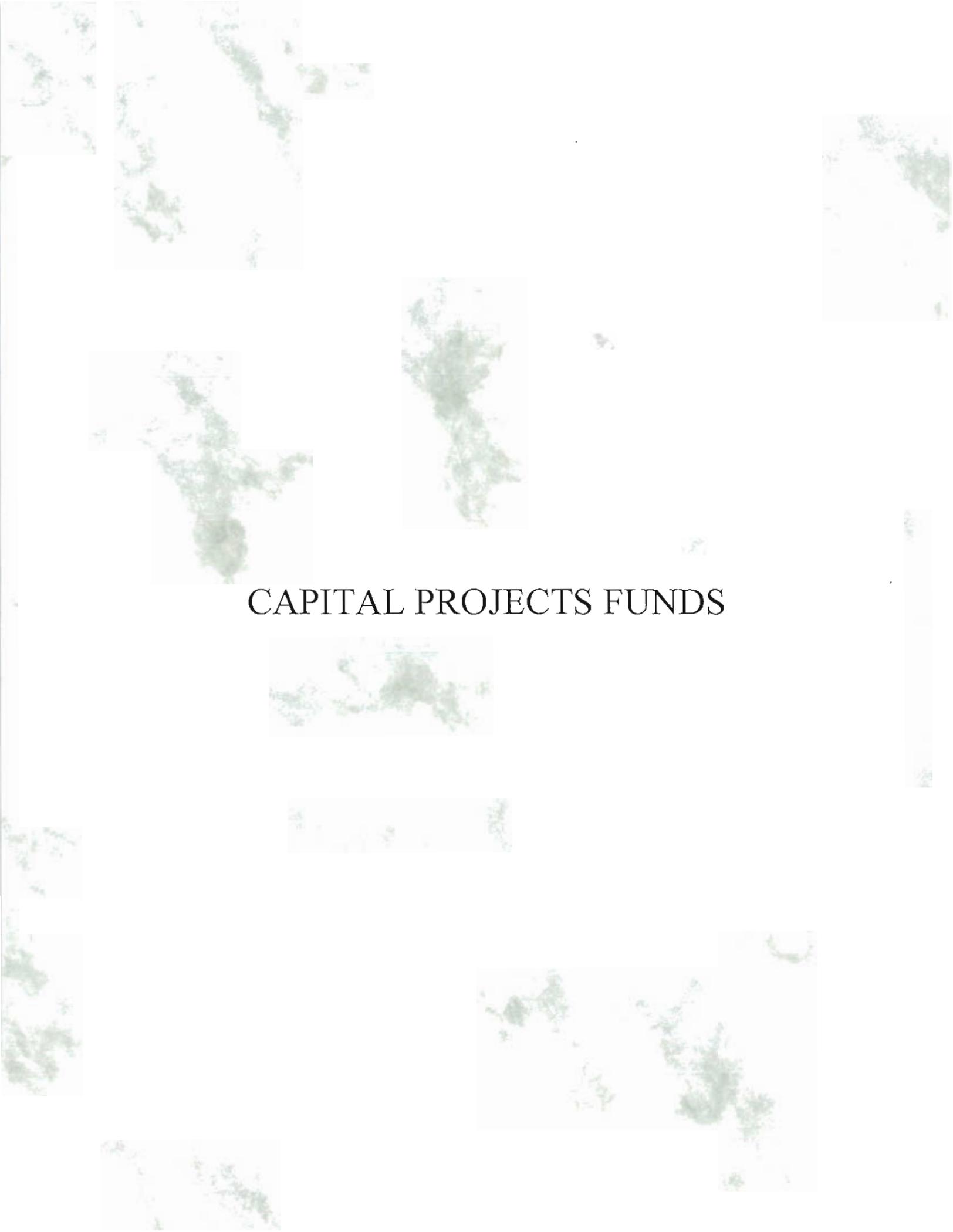
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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FAMILY TREATMENT COURT	HAMSHIRE WATER & SEWER III	SHSP & LETPP GRANTS	HAMSHIRE DUMP SITE HWY 73
REVENUES:				
INTERGOVERNMENTAL	\$ 31,792	-	19,666	-
INTEREST	3	8	-	6
CONTRIBUTIONS AND DONATIONS	1,500	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 33,295</b>	<b>8</b>	<b>19,666</b>	<b>6</b>
EXPENDITURES:				
JUDICIAL AND LAW ENFORCEMENT	\$ 34,374	-	-	-
HEALTH & WELFARE	-	-	18,017	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 34,374</b>	<b>-</b>	<b>18,017</b>	<b>-</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (1,079)	8	1,649	6
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	-	-	716	-
TRANSFERS OUT	-	(2,135)	-	(198)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>(2,135)</b>	<b>716</b>	<b>(198)</b>
NET CHANGE IN FUND BALANCES	\$ (1,079)	(2,127)	2,365	(192)
FUND BALANCES, BEGINNING	(445)	2,127	(2,365)	192
FUND BALANCES, ENDING	<u>\$ (1,524)</u>	<u>-</u>	<u>-</u>	<u>-</u>

CHEEK WATER AND SEWER PHASE 3	COMMUNITY EMERGENCY RESPONSE GRANT	FIRST TIME SEWER	TXCDBG DISASTER RECOVERY	FBI FIRING RANGE	2014 GRANT TOTALS
62,850	-	-	-	-	3,137,302
21	11	-	34	-	30,302
152,690	-	-	-	-	154,190
215,561	11	-	34	-	3,321,794
-	-	-	-	39,932	3,618,947
208,090	-	-	-	-	261,372
-	-	-	-	-	-
208,090	-	-	-	39,932	3,880,319
7,471	11	-	34	(39,932)	(558,525)
-	-	-	-	-	696,811
-	(4,773)	(758)	(19,937)	-	(30,169)
-	(4,773)	(758)	(19,937)	-	666,642
7,471	(4,762)	(758)	(19,903)	(39,932)	108,117
-	4,762	758	19,903	39,932	8,391,261
7,471	-	-	-	-	8,499,378





# CAPITAL PROJECTS FUNDS



## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition or construction of capital facilities except those financed by Enterprise Funds or Internal Service Funds. Included in this heading are the following individual funds:

**Highway Improvement Fund** - This fund is used to account for expenditures in the construction of county roads.

**Southeast Texas Entertainment Complex** – This fund is used to account for the construction costs of a multi-facility park which has been renamed Ford Park.

**1957 Road Bond Fund** - This fund is used to account for the purchase of right-of-way for highway and utility adjustments in conjunction with the Texas State Highway Department.

**TCEQ – First Time Sewer** - This fund is used to account for the expenditures for the installation of a low pressure sewer system to approximately 81 low income residential customers in the Candlelight and Martel subdivisions. Funds for this project are from penalties assessed by the Texas Commission on Environmental Quality.

**CETRZ Grant** - This fund is used to account for the revenues and expenditures related to the County Energy Transportation Reinvestment Zone (CETRZ) Grant from the State of Texas. This grant will be used to rehabilitate County roads within all the Road & Bridge precincts.

**Keith Lake Fish Pass** - This fund is used to account for the expenditures to construct erosion control devices in the Keith Lake Fish Pass.

**ORA Capital Grants** -- This fund is used to account for the grants from the Office of Rural Affairs (ORA) and Community Development Block Grants for Disaster Recovery Programs.



**SEP Umphrey State Park Project** - This fund is used to account for the expenditures for the construction of the Walter Umphrey State Park Pavilion. Funds for this project are from penalties assessed by the Texas Commission on Environmental Quality.





JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS  
 SEPTEMBER 30, 2014

	HIGHWAY IMPROVEMENT FUND	SOUTHEAST TEXAS ENTERTAINMENT COMPLEX	1957 ROAD BOND FUND
<b>ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$ -	-	341,340
INTEREST RECEIVABLE	-	-	101
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>-</b>	<b>341,441</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$ -	-	12,670
DUE TO OTHER FUNDS	-	164,433	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>164,433</b>	<b>12,670</b>
<b>FUND BALANCES:</b>			
RESTRICTED FOR CONSTRUCTION	\$ -	-	-
COMMITTED FOR CONSTRUCTION CONTRACTS	-	-	-
ASSIGNED FOR CAPITAL PROJECTS	-	-	328,771
UNASSIGNED (DEFICIT)	-	(164,433)	-
<b>TOTAL FUND BALANCES</b>	<b>\$ -</b>	<b>(164,433)</b>	<b>328,771</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>-</b>	<b>341,441</b>

<u>TCEQ - FIRST TIME SEWER</u>	<u>CETRZ GRANT</u>	<u>KEITH LAKE FISH PASS</u>	<u>ORA CAPITAL GRANTS</u>	<u>SEP UMPHREY STATE PARK PROJECT</u>	<u>TOTAL</u>
14	-	1,368,144	-	-	1,709,498
-	-	404	-	-	505
-	-	-	938,440	-	938,440
<u>14</u>	<u>-</u>	<u>1,368,548</u>	<u>938,440</u>	<u>-</u>	<u>2,648,443</u>
-	-	-	642,273	-	654,943
-	5,000	-	236,035	-	405,468
-	5,000	-	878,308	-	1,060,411
14	-	-	-	-	14
-	-	-	2,627,142	-	2,627,142
-	-	1,368,548	-	-	1,697,319
-	(5,000)	-	(2,567,010)	-	(2,736,443)
<u>14</u>	<u>(5,000)</u>	<u>1,368,548</u>	<u>60,132</u>	<u>-</u>	<u>1,588,032</u>
<u>14</u>	<u>-</u>	<u>1,368,548</u>	<u>938,440</u>	<u>-</u>	<u>2,648,443</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	HIGHWAY IMPROVEMENT FUND	SOUTHEAST TEXAS ENTERTAINMENT COMPLEX	1957 ROAD BOND FUND
REVENUES:			
INTERGOVERNMENTAL CONTRIBUTIONS	\$ -	-	1,411
INTEREST	-	-	-
	<u>-</u>	<u>-</u>	<u>1,411</u>
TOTAL REVENUES	\$ -	-	1,411
EXPENDITURES:			
CAPITAL OUTLAY	\$ -	-	140,080
	<u>-</u>	<u>-</u>	<u>140,080</u>
TOTAL EXPENDITURES	\$ -	-	140,080
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	-	(138,669)
OTHER FINANCING SOURCES (USES):			
TRANSFERS IN	\$ -	50,000	-
TRANSFERS OUT	(155,654)	-	-
	<u>(155,654)</u>	<u>50,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ (155,654)	50,000	-
NET CHANGE IN FUND BALANCES	\$ (155,654)	50,000	(138,669)
FUND BALANCES, BEGINNING	<u>155,654</u>	<u>(214,433)</u>	<u>467,440</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>(164,433)</u>	<u>328,771</u>

TCEQ - FIRST TIME SEWER	CETRZ GRANT	KEITH LAKE FISH PASS	ORA CAPITAL GRANTS	SEP UMPHREY STATE PARK PROJECT	TOTAL
-	-	-	3,473,981	-	3,475,392
28,510	-	-	-	-	28,510
91	-	4,932	263	2	5,288
28,601	-	4,932	3,474,244	2	3,509,190
73,650	5,000	-	3,473,981	1,334	3,694,045
73,650	5,000	-	3,473,981	1,334	3,694,045
(45,049)	(5,000)	4,932	263	(1,332)	(184,855)
-	-	-	-	-	50,000
-	-	(77,507)	(454)	-	(233,615)
-	-	(77,507)	(454)	-	(183,615)
(45,049)	(5,000)	(72,575)	(191)	(1,332)	(368,470)
45,063	-	1,441,123	60,323	1,332	1,956,502
14	(5,000)	1,368,548	60,132	-	1,588,032





# DEBT SERVICE FUNDS



## DEBT SERVICE FUNDS

The Debt Service Funds are used to account for each specific long -term debt. These funds account for the accumulation of resources and subsequent disbursement of such resources to pay principal, interest, and commissions. Included in this heading are the following individual funds:

**2012 Refunding Bond** - This fund is used to account for the revenues and expenditures associated with the \$47,305,000 General Obligation Refunding Bonds issued in May 2012.

**2013 Refunding Bond** - This fund is used to account for the revenues and expenditures associated with the \$1,340,000 General Obligation Refunding Bonds issued in October 2013.

**2003B Certificates of Obligation** - This fund is used to account for the revenues and expenditures associated with the \$1,505,000 in Certificates of Obligation issued in May 2003.

**2011 Refunding Bond** - This fund is used to account for the revenues and expenditures associated with the \$5,550,000 General Obligation Refunding Bonds issued in March 2011.





JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS - DEBT SERVICE  
 SEPTEMBER 30, 2014

	2012 REFUNDING BOND	2013 REFUNDING BOND
	<u>                    </u>	<u>                    </u>
<b>ASSETS:</b>		
CASH AND CASH EQUIVALENTS	\$ 823,946	43,192
INTEREST RECEIVABLE	243	13
DELINQUENT TAXES RECEIVABLE, Net	75,105	5,251
PENALTY AND INTEREST RECEIVABLE, Net	<u>38,122</u>	<u>2,666</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>937,416</u></b>	<b><u>51,122</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<b>DEFERRED INFLOWS OF RESOURCES</b>		
UNAVAILABLE REVENUE-PROPERTY TAXES	\$ <u>99,923</u>	<u>6,987</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ <u>99,923</u></b>	<b><u>6,987</u></b>
<b>FUND BALANCES:</b>		
RESTRICTED FOR DEBT SERVICE	\$ <u>837,493</u>	<u>44,135</u>
<b>TOTAL FUND BALANCES</b>	<b>\$ <u>837,493</u></b>	<b><u>44,135</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ <u>937,416</u></b>	<b><u>51,122</u></b>

2003B CERTIFICATES OF OBLIGATION	2011 REFUNDING BOND	TOTAL
-	102,002	969,140
-	30	286
-	19,570	99,926
-	9,933	50,721
-	131,535	1,120,073
-	26,037	132,947
-	26,037	132,947
-	105,498	987,126
-	105,498	987,126
-	131,535	1,120,073

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	2012 REFUNDING BOND	2013 REFUNDING BOND
<b>REVENUES:</b>		
PROPERTY TAXES	\$ 4,529,243	313,335
INTEREST	8,327	526
<b>TOTAL REVENUES</b>	<b>\$ 4,537,570</b>	<b>313,861</b>
<b>EXPENDITURES:</b>		
DEBT SERVICE:		
PRINCIPAL	\$ 2,955,000	270,000
INTEREST AND COMMISSION	1,692,100	52,957
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,647,100</b>	<b>322,957</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (109,530)</b>	<b>(9,096)</b>
<b>OTHER FINANCING SOURCES (USES):</b>		
TRANSFERS IN	\$ -	11,423
TRANSFERS OUT	-	-
REFUNDING BONDS ISSUED	-	1,340,000
PAYMENT TO REFUNDING BONDS ESCROW AGENT	-	(1,298,192)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>53,231</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (109,530)</b>	<b>44,135</b>
<b>FUND BALANCES, BEGINNING</b>	<b>947,023</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 837,493</b>	<b>44,135</b>

2003B CERTIFICATES OF OBLIGATION	2011 REFUNDING BOND	TOTAL
-	1,179,809	6,022,387
-	1,971	10,824
-	1,181,780	6,033,211
-	1,055,000	4,280,000
-	133,850	1,878,907
-	1,188,850	6,158,907
-	(7,070)	(125,696)
-	-	11,423
(11,423)	-	(11,423)
-	-	1,340,000
-	-	(1,298,192)
(11,423)	-	41,808
(11,423)	(7,070)	(83,888)
11,423	112,568	1,071,014
-	105,498	987,126

JEFFERSON COUNTY, TEXAS  
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 5,875,787	5,875,787	6,022,387	146,600
INTEREST	8,850	8,850	10,824	1,974
TOTAL REVENUES	<u>\$ 5,884,637</u>	<u>5,884,637</u>	<u>6,033,211</u>	<u>148,574</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 4,250,000	4,280,000	4,280,000	-
INTEREST AND COMMISSION	1,889,512	1,859,512	1,878,907	(19,395)
TOTAL EXPENDITURES	<u>\$ 6,139,512</u>	<u>6,139,512</u>	<u>6,158,907</u>	<u>(19,395)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (254,875)</u>	<u>(254,875)</u>	<u>(125,696)</u>	<u>129,179</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	11,423	11,423
TRANSFERS OUT	-	-	(11,423)	(11,423)
REFUNDING BONDS ISSUED	-	-	1,340,000	1,340,000
PAYMENT TO REFUNDING BONDS ESCROW AGENT	-	-	(1,298,192)	(1,298,192)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>-</u>	<u>41,808</u>	<u>41,808</u>
NET CHANGE IN FUND BALANCES	<u>\$ (254,875)</u>	<u>(254,875)</u>	<u>(83,888)</u>	<u>170,987</u>
FUND BALANCES, BEGINNING	<u>1,071,014</u>	<u>1,071,014</u>	<u>1,071,014</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 816,139</u>	<u>816,139</u>	<u>987,126</u>	<u>170,987</u>

JEFFERSON COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
DEBT SERVICE - 2012 REFUNDING BONDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 4,418,767	4,418,767	4,529,243	110,476
INTEREST	<u>7,000</u>	<u>7,000</u>	<u>8,327</u>	<u>1,327</u>
TOTAL REVENUES	\$ <u>4,425,767</u>	<u>4,425,767</u>	<u>4,537,570</u>	<u>111,803</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 2,955,000	2,955,000	2,955,000	-
INTEREST AND COMMISSION	<u>1,695,000</u>	<u>1,695,000</u>	<u>1,692,100</u>	<u>2,900</u>
TOTAL EXPENDITURES	\$ <u>4,650,000</u>	<u>4,650,000</u>	<u>4,647,100</u>	<u>2,900</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ <u>(224,233)</u>	<u>(224,233)</u>	<u>(109,530)</u>	<u>114,703</u>
NET CHANGE IN FUND BALANCE	\$ (224,233)	(224,233)	(109,530)	114,703
FUND BALANCES, BEGINNING	<u>947,023</u>	<u>947,023</u>	<u>947,023</u>	<u>-</u>
FUND BALANCES, ENDING	\$ <u><u>722,790</u></u>	<u><u>722,790</u></u>	<u><u>837,493</u></u>	<u><u>114,703</u></u>

JEFFERSON COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
DEBT SERVICE - 2013 REFUNDING BOND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

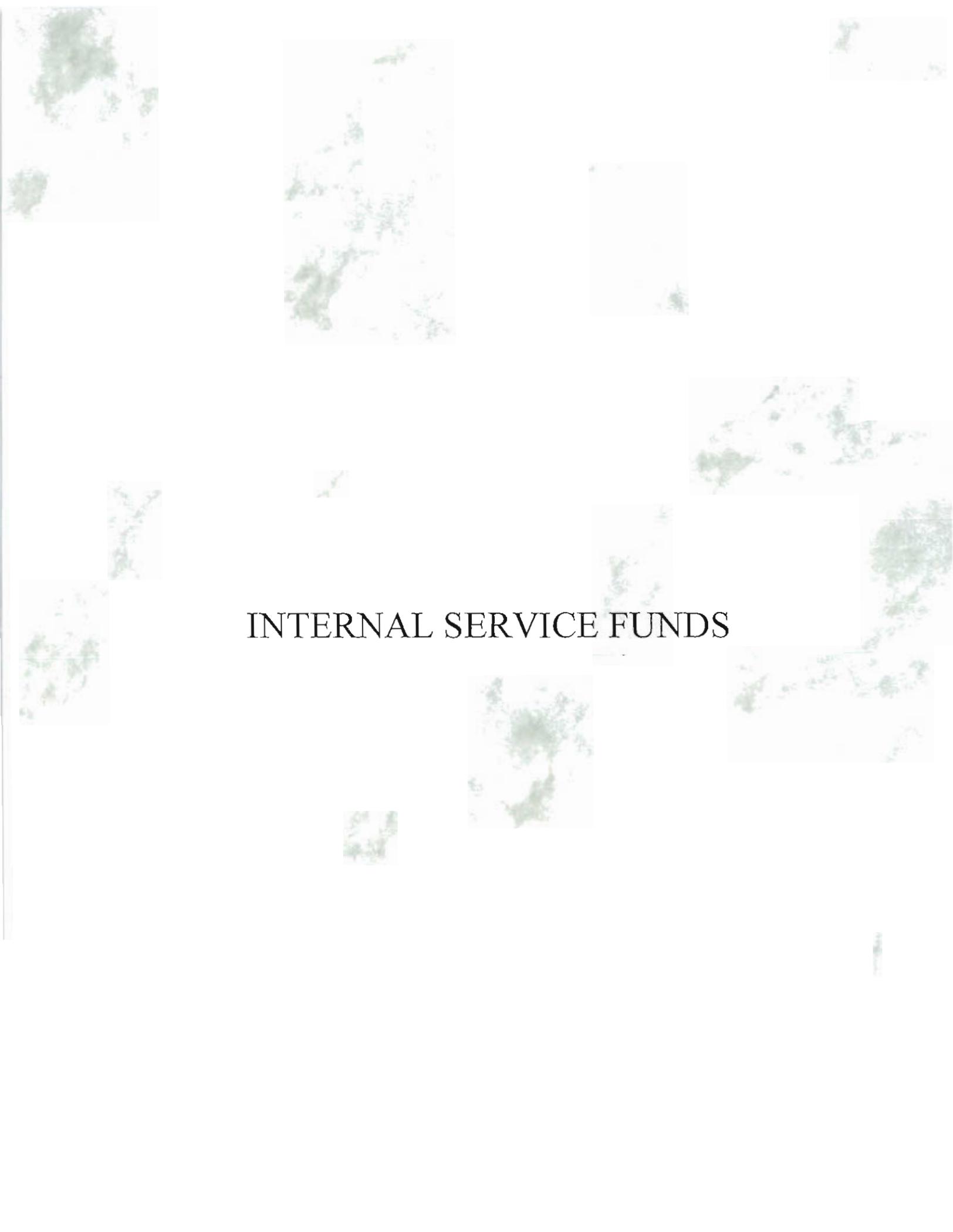
	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ -	305,959	313,335	7,376
INTEREST	-	150	526	376
TOTAL REVENUES	<u>\$ -</u>	<u>306,109</u>	<u>313,861</u>	<u>7,752</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ -	270,000	270,000	-
INTEREST AND COMMISSION	-	27,362	52,957	(25,595)
TOTAL EXPENDITURES	<u>\$ -</u>	<u>297,362</u>	<u>322,957</u>	<u>(25,595)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>8,747</u>	<u>(9,096)</u>	<u>(17,843)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	11,423	11,423
TRANSFERS OUT	-	-	-	-
REFUNDING BONDS ISSUED	-	-	1,340,000	1,340,000
PAYMENT TO REFUNDING BONDS ESCROW AGENT	-	-	(1,298,192)	(1,298,192)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>53,231</u>	<u>53,231</u>
NET CHANGE IN FUND BALANCE	\$ -	8,747	44,135	35,388
FUND BALANCES, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>8,747</u>	<u>44,135</u>	<u>35,388</u>

JEFFERSON COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
DEBT SERVICE - 2003B CERTIFICATES OF OBLIGATION  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 305,959	-	-	-
INTEREST	150	-	-	-
TOTAL REVENUES	<u>\$ 306,109</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 240,000	-	-	-
INTEREST AND COMMISSION	57,362	-	-	-
TOTAL EXPENDITURES	<u>\$ 297,362</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 8,747</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
TRANSFERS OUT	-	-	(11,423)	(11,423)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(11,423)</u>	<u>(11,423)</u>
NET CHANGE IN FUND BALANCE	\$ 8,747	-	(11,423)	(11,423)
FUND BALANCES, BEGINNING	<u>11,423</u>	<u>11,423</u>	<u>11,423</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 20,170</u>	<u>11,423</u>	<u>-</u>	<u>(11,423)</u>

JEFFERSON COUNTY, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE - 2011 REFUNDING BONDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 1,151,061	1,151,061	1,179,809	28,748
INTEREST	<u>1,700</u>	<u>1,700</u>	<u>1,971</u>	<u>271</u>
TOTAL REVENUES	\$ <u>1,152,761</u>	<u>1,152,761</u>	<u>1,181,780</u>	<u>29,019</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 1,055,000	1,055,000	1,055,000	-
INTEREST AND COMMISSION	<u>137,150</u>	<u>137,150</u>	<u>133,850</u>	<u>3,300</u>
TOTAL EXPENDITURES	\$ <u>1,192,150</u>	<u>1,192,150</u>	<u>1,188,850</u>	<u>3,300</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ <u>(39,389)</u>	<u>(39,389)</u>	<u>(7,070)</u>	<u>32,319</u>
NET CHANGE IN FUND BALANCE	\$ (39,389)	(39,389)	(7,070)	32,319
FUND BALANCES, BEGINNING	<u>112,568</u>	<u>112,568</u>	<u>112,568</u>	<u>-</u>
FUND BALANCES, ENDING	\$ <u><u>73,179</u></u>	<u><u>73,179</u></u>	<u><u>105,498</u></u>	<u><u>32,319</u></u>

The background of the page is a collage of various green foliage and tree images, scattered across the white space. The images are semi-transparent and vary in size and orientation, creating a natural, organic feel.

# INTERNAL SERVICE FUNDS



## INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other agencies of the government and to other government units, on a cost reimbursement basis. Included in this heading are the following individual funds:

**Liability Insurance Fund** - This fund is used to account for the County's contribution and payment for liability claims.

**Workers' Compensation Fund** - This fund is used to account for the County's contribution and payment for workers' compensation claims.

**Southeast Texas Government Employee Benefits Pool** - This fund is used to account for the County's group health insurance program, which includes comprehensive major medical and dental care.



JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF NET POSITION -  
 INTERNAL SERVICE FUNDS  
 SEPTEMBER 30, 2014

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 350,805	1,097,682	1,046,932	2,495,419
ACCOUNTS RECEIVABLE	-	-	30,651	30,651
INTEREST RECEIVABLE	103	88	309	500
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	218,272	218,272
INSURANCE DEPOSIT	-	75,500	-	75,500
<b>TOTAL ASSETS</b>	<b>\$ 350,908</b>	<b>1,173,270</b>	<b>1,296,164</b>	<b>2,820,342</b>
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	-	16,261	16,261
CLAIMS LIABILITY	371,096	396,044	1,780,650	2,547,790
<b>TOTAL LIABILITIES</b>	<b>\$ 371,096</b>	<b>396,044</b>	<b>1,796,911</b>	<b>2,564,051</b>
<b>NET POSITION:</b>				
UNRESTRICTED	\$ (20,188)	777,226	(500,747)	256,291
<b>TOTAL NET POSITION</b>	<b>\$ (20,188)</b>	<b>777,226</b>	<b>(500,747)</b>	<b>256,291</b>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN NET POSITION -  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
OPERATING REVENUES:				
EMPLOYEE CONTRIBUTIONS	\$ -	-	2,106,315	2,106,315
CHARGES FOR SERVICES	-	1,300,000	14,698,112	15,998,112
<b>TOTAL OPERATING REVENUES</b>	<b>\$ -</b>	<b>1,300,000</b>	<b>16,804,427</b>	<b>18,104,427</b>
OPERATING EXPENSES:				
ADMINISTRATIVE	\$ -	-	1,592,661	1,592,661
INCURRED & ESTIMATED CLAIMS	268,378	812,811	17,371,686	18,452,875
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 268,378</b>	<b>812,811</b>	<b>18,964,347</b>	<b>20,045,536</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (268,378)</b>	<b>487,189</b>	<b>(2,159,920)</b>	<b>(1,941,109)</b>
NONOPERATING REVENUES:				
INTEREST	\$ 1,873	669	5,090	7,632
REFUNDS AND RECOVERIES	-	-	450,473	450,473
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 1,873</b>	<b>669</b>	<b>455,563</b>	<b>458,105</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (266,505)</b>	<b>487,858</b>	<b>(1,704,357)</b>	<b>(1,483,004)</b>
NET POSITION, BEGINNING	246,317	289,368	1,203,610	1,739,295
NET POSITION, ENDING	<u><u>\$ (20,188)</u></u>	<u><u>777,226</u></u>	<u><u>(500,747)</u></u>	<u><u>256,291</u></u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF CASH FLOWS -  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
RECEIPTS FROM CUSTOMERS AND USERS	\$ -	-	2,232,838	2,232,838
RECEIPTS FROM EMPLOYEES	-	-	2,104,596	2,104,596
PAYMENTS TO SUPPLIERS	-	-	(1,591,851)	(1,591,851)
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	-	1,300,000	12,501,093	13,801,093
CLAIMS PAID	(268,042)	(718,248)	(17,216,873)	(18,203,163)
OTHER RECEIPTS	-	-	448,319	448,319
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (268,042)</u>	<u>581,752</u>	<u>(1,521,878)</u>	<u>(1,208,168)</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES:				
INTEREST	\$ 1,852	649	5,123	7,624
NET CASH PROVIDED BY INVESTMENT ACTIVITIES	<u>\$ 1,852</u>	<u>649</u>	<u>5,123</u>	<u>7,624</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - BEGINNING	<u>\$ (266,190)</u>	<u>582,401</u>	<u>(1,516,755)</u>	<u>(1,200,544)</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 350,805</u>	<u>1,097,682</u>	<u>1,046,932</u>	<u>2,495,419</u>
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:				
OPERATING INCOME(LOSS)	\$ (268,378)	487,189	(2,159,920)	(1,941,109)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
OTHER NON-OPERATING REVENUES	-	-	450,473	450,473
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	-	-	(3,873)	(3,873)
INSURANCE DEPOSIT	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	35,819	35,819
ACCOUNTS PAYABLE	-	-	810	810
CLAIMS LIABILITY	336	94,563	154,813	249,712
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (268,042)</u>	<u>581,752</u>	<u>(1,521,878)</u>	<u>(1,208,168)</u>



# FIDUCIARY FUNDS



## FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the County as a trustee or agent for individuals, private organizations, and other units of government. Such funds are operated by carrying out specific terms of trust indentures, ordinances, grant requirements, or other governing regulations. Included in this heading are the following individual funds:

**Treasurer Maintained Fund** - This fund is used to account for various monies deposited with the County Treasurer for distribution to other individuals and/or government entities.

**County Clerk Fund** - This fund is used to account for the collection and distribution of money held in trust by the Clerk of the County Courts.

**District Clerk Fund** - This fund is used to account for the collection and distribution of the money held in trust by the Clerk of the District Courts.

**Sheriff's Fund** - This fund is used to account for the collection and distribution of money held in trust by the Sheriff.

**Justice of the Peace Fund** - This fund is used to account for the collection and distribution of money held in trust by the Justices of the Peace.

**Tax Assessor/Collector Fund** - This fund is used to account for the collection and distribution of money held in trust by the Tax Assessor/Collector .

**District Attorney's Seizure Fund** - This fund is used to account for the seizure and subsequent distribution of seized personal property.

**Community Supervision Trust Fund** - This fund is used to account for the collection and distribution of money held in trust by the Community Supervision Department.

**Juvenile Probation Trust Fund** - This fund is used to account for the collection and distribution of money held in trust by the Juvenile Probation Department.

**Flexible Spending** - This fund is used to account for the collection and distribution of money collected under the Internal Revenue Code Section 125 benefit plan.



**Women's Center Trust Fund** - This fund is used to account for the collection and distribution of money held in trust by the Women's Center .





JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	TREASURER MAINTAINED FUND	COUNTY CLERK FUND	DISTRICT CLERK FUND	SHERIFF'S FUND	JUSTICE OF THE PEACE FUND
<b>TOTAL AGENCY FUNDS</b>					
<b>ASSETS - OCTOBER 1, 2013</b>					
CASH AND CASH EQUIVALENTS	\$ 401,213	2,748,718	6,365,240	518,564	172,134
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	6,715	-	-	-	-
	294,814	-	29,357	-	-
<b>TOTAL</b>	<b>\$ 702,742</b>	<b>2,748,718</b>	<b>6,394,597</b>	<b>518,564</b>	<b>172,134</b>
<b>ADDITIONS</b>					
CASH AND CASH EQUIVALENTS	\$ 1,972,728	5,577,931	10,582,058	5,335,663	3,431,793
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	7,410	-	-	-	-
	344,676	-	68,294	-	-
<b>TOTAL</b>	<b>\$ 2,324,814</b>	<b>5,577,931</b>	<b>10,650,352</b>	<b>5,335,663</b>	<b>3,431,793</b>
<b>DELETIONS</b>					
CASH AND CASH EQUIVALENTS	\$ 1,978,662	4,321,508	10,550,881	5,441,462	3,418,326
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	6,715	-	-	-	-
	298,208	-	29,357	-	-
<b>TOTAL</b>	<b>\$ 2,283,585</b>	<b>4,321,508</b>	<b>10,580,238</b>	<b>5,441,462</b>	<b>3,418,326</b>
<b>ASSETS - SEPTEMBER 30, 2014</b>					
CASH AND CASH EQUIVALENTS	\$ 395,279	4,005,141	6,396,417	412,765	185,601
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	7,410	-	-	-	-
	341,282	-	68,294	-	-
<b>TOTAL ASSETS</b>	<b>\$ 743,971</b>	<b>4,005,141</b>	<b>6,464,711</b>	<b>412,765</b>	<b>185,601</b>
<b>LIABILITIES - OCTOBER 1, 2013</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 244,558	707,473	6,337,522	477,931	30,065
OTHER PAYABLES	458,184	55,034	57,075	40,633	142,069
	-	1,986,211	-	-	-
<b>TOTAL</b>	<b>\$ 702,742</b>	<b>2,748,718</b>	<b>6,394,597</b>	<b>518,564</b>	<b>172,134</b>
<b>ADDITIONS</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 73,719	233,607	9,051,655	1,802,737	322,686
OTHER PAYABLES	1,951,935	66,896	79,296	55,644	152,388
	-	2,257,157	-	-	-
<b>TOTAL</b>	<b>\$ 2,025,654</b>	<b>2,557,660</b>	<b>9,130,951</b>	<b>1,858,381</b>	<b>475,074</b>
<b>DELETIONS</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 69,516	230,229	8,990,822	1,923,548	319,538
OTHER PAYABLES	1,914,909	55,034	70,015	40,632	142,069
	-	1,015,974	-	-	-
<b>TOTAL</b>	<b>\$ 1,984,425</b>	<b>1,301,237</b>	<b>9,060,837</b>	<b>1,964,180</b>	<b>461,607</b>
<b>LIABILITIES - SEPTEMBER 30, 2014</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 248,761	710,851	6,398,355	357,120	33,213
OTHER PAYABLES	495,210	66,896	66,356	55,645	152,388
	-	3,227,394	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 743,971</b>	<b>4,005,141</b>	<b>6,464,711</b>	<b>412,765</b>	<b>185,601</b>

TAX ASSESSOR COLLECTOR FUND	DISTRICT ATTORNEY'S SEIZURE FUND	COMMUNITY SUPERVISION TRUST FUND	JUVENILE PROBATION TRUST FUND	FLEXIBLE SPENDING FUND	WOMEN'S CENTER TRUST FUND	TOTAL AGENCY FUNDS
4,315,432	366,591	353,068	3,889	11,368	22,568	15,278,785
-	-	-	-	-	-	6,715
-	-	-	-	896	-	325,067
<u>4,315,432</u>	<u>366,591</u>	<u>353,068</u>	<u>3,889</u>	<u>12,264</u>	<u>22,568</u>	<u>15,610,567</u>
593,587,338	81,680	4,443,934	26,402	266,156	527,808	625,833,491
-	-	-	-	-	-	7,410
-	-	-	-	1,290	-	414,260
<u>593,587,338</u>	<u>81,680</u>	<u>4,443,934</u>	<u>26,402</u>	<u>267,446</u>	<u>527,808</u>	<u>626,255,161</u>
593,659,670	279,894	4,403,043	26,488	249,999	526,474	624,856,407
-	-	-	-	-	-	6,715
-	-	-	-	896	-	328,461
<u>593,659,670</u>	<u>279,894</u>	<u>4,403,043</u>	<u>26,488</u>	<u>250,895</u>	<u>526,474</u>	<u>625,191,583</u>
4,243,100	168,377	393,959	3,803	27,525	23,902	16,255,869
-	-	-	-	-	-	7,410
-	-	-	-	1,290	-	410,866
<u>4,243,100</u>	<u>168,377</u>	<u>393,959</u>	<u>3,803</u>	<u>28,815</u>	<u>23,902</u>	<u>16,674,145</u>
4,315,432	366,591	353,068	3,889	12,264	22,568	12,871,361
-	-	-	-	-	-	752,995
-	-	-	-	-	-	1,986,211
<u>4,315,432</u>	<u>366,591</u>	<u>353,068</u>	<u>3,889</u>	<u>12,264</u>	<u>22,568</u>	<u>15,610,567</u>
594,520,397	81,680	4,444,288	28,491	270,692	527,808	611,357,760
-	-	-	-	-	-	2,306,159
-	-	-	-	-	-	2,257,157
<u>594,520,397</u>	<u>81,680</u>	<u>4,444,288</u>	<u>28,491</u>	<u>270,692</u>	<u>527,808</u>	<u>615,921,076</u>
594,592,729	279,894	4,403,397	28,577	254,141	526,474	611,618,865
-	-	-	-	-	-	2,222,659
-	-	-	-	-	-	1,015,974
<u>594,592,729</u>	<u>279,894</u>	<u>4,403,397</u>	<u>28,577</u>	<u>254,141</u>	<u>526,474</u>	<u>614,857,498</u>
4,243,100	168,377	393,959	3,803	28,815	23,902	12,610,256
-	-	-	-	-	-	836,495
-	-	-	-	-	-	3,227,394
<u>4,243,100</u>	<u>168,377</u>	<u>393,959</u>	<u>3,803</u>	<u>28,815</u>	<u>23,902</u>	<u>16,674,145</u>





# CAPITAL ASSETS



**JEFFERSON COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY SOURCE**  
**SEPTEMBER 30, 2014**

	<u>TOTAL</u>
<b>GOVERNMENTAL FUNDS CAPITAL ASSETS:</b>	
LAND	\$ 3,840,787
INFRASTRUCTURE	58,543,801
BUILDINGS AND IMPROVEMENTS	98,773,482
EQUIPMENT	38,704,189
CONSTRUCTION IN PROGRESS	<u>14,283,860</u>
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<b>\$ <u>214,146,119</u></b>

**INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:**

GENERAL FUND	\$ 87,294,308
SPECIAL REVENUE FUND	30,989,852
CAPITAL PROJECTS FUND	93,256,403
GIFTS	<u>2,605,556</u>
	<b>\$ <u>214,146,119</u></b>

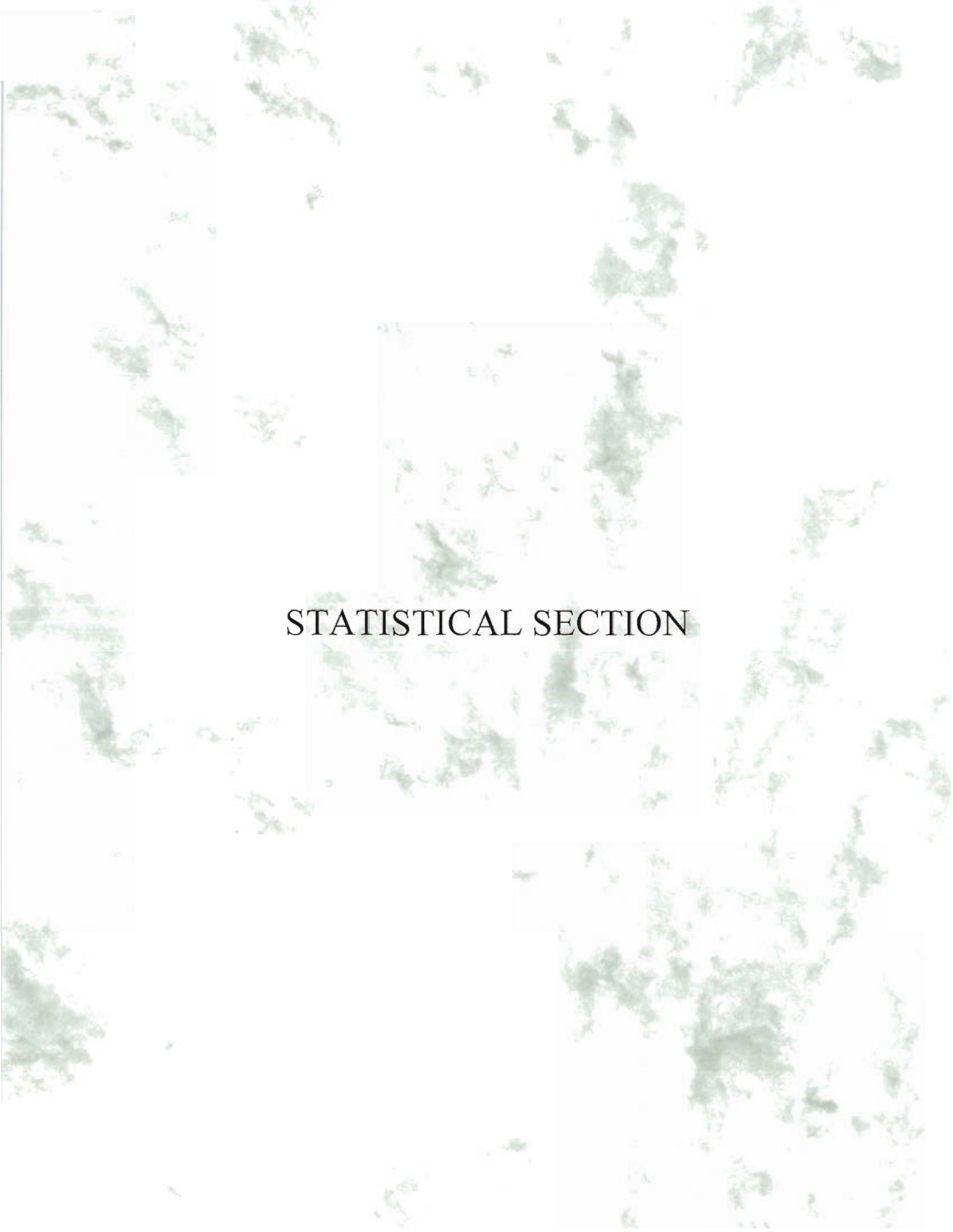
JEFFERSON COUNTY, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION  
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

<u>FUNCTION</u>	<u>LAND</u>	<u>INFRASTRUCTURE</u>
GENERAL GOVERNMENT	\$ -	\$ -
JUDICIAL AND LAW ENFORCEMENT	45,446	-
HEALTH & WELFARE	14,000	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	<u>3,781,341</u>	<u>58,543,801</u>
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<b><u>\$ 3,840,787</u></b>	<b><u>\$ 58,543,801</u></b>

<u>BUILDINGS &amp; IMPROVEMENTS</u>	<u>EQUIPMENT</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
\$ 475,678	\$ 4,770,281	\$ -	\$ 5,245,959
31,219,835	18,847,135	-	50,112,416
975,669	1,055,381	661,562	2,706,612
<u>66,102,300</u>	<u>14,031,392</u>	<u>13,622,298</u>	<u>156,081,132</u>
<u>\$ 98,773,482</u>	<u>\$ 38,704,189</u>	<u>\$ 14,283,860</u>	<u>\$ 214,146,119</u>

JEFFERSON COUNTY, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

FUNCTION	BALANCE 10/1/2013	ADDITIONS	DEDUCTIONS	TRANSFERS	BALANCE 9/30/2014
GENERAL GOVERNMENT	\$ 5,148,329	\$ 148,791	\$ (51,161)	\$ -	\$ 5,245,959
JUDICIAL AND LAW ENFORCEMENT	49,033,788	1,596,357	(517,729)	-	50,112,416
HEALTH AND WELFARE	2,515,417	244,598	(53,403)	-	2,706,612
MAINTENANCE OF STRUCTURES AND EQUIPMENT	152,344,234	3,878,985	(142,087)	-	156,081,132
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 209,041,768</u>	<u>\$ 5,868,731</u>	<u>\$ (764,380)</u>	<u>\$ -</u>	<u>\$ 214,146,119</u>



STATISTICAL SECTION



## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	135
Revenue Trends <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	142
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	146
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	150
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	152

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



TABLE 1

JEFFERSON COUNTY, TEXAS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007 **	2008	2009	2010	2011 ^	2012	2013	2014
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 49,581,705	\$ 51,600,015	\$ 56,750,081	\$ 62,450,468	\$ 68,242,040	\$ 71,336,466	\$ 81,583,824	\$ 82,640,727	\$ 84,123,857	\$ 85,095,478
Restricted	5,940,456	3,955,825	3,993,898	7,893,536	10,615,478	13,851,538	18,910,796	18,017,919	25,433,198	28,919,622
Unrestricted	(49,275,540)	(29,540,936)	(16,829,422)	(17,964,265)	(21,899,574)	(35,286,048)	(48,931,222)	(43,402,923)	(53,259,615)	(64,427,876)
Total governmental activities net position	\$ 6,746,621	\$ 26,014,904	\$ 43,914,557	\$ 52,379,739	\$ 56,966,944	\$ 49,901,956	\$ 51,563,398	\$ 57,255,723	\$ 56,297,440	\$ 49,587,224
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 87,708,682	\$ 88,876,715	\$ 89,080,109	\$ 88,482,217	\$ 93,237,299	\$ 91,674,403	\$ 90,465,368	\$ 90,441,044	\$ 87,043,444	\$ 84,297,573
Unrestricted	(4,764,038)	(175,098)	(760,424)	133,397	1,425,854	2,114,066	377,046	620,635	592,300	479,535
Total business-type activities net position	\$ 82,944,644	\$ 88,701,617	\$ 88,319,685	\$ 88,615,614	\$ 94,663,153	\$ 93,788,469	\$ 90,842,414	\$ 91,061,679	\$ 87,635,744	\$ 84,777,108
<b>Reclassifications:</b>										
Net investment in capital assets	\$ (63,373,806)	\$ (64,799,956)	\$ (64,096,344)	\$ (63,016,132)	\$ (61,855,720)	\$ (60,663,707)	\$ (57,637,497)	\$ (50,438,282)	\$ (46,786,666)	\$ (43,072,050)
Unrestricted	63,373,806	64,799,956	64,096,344	63,016,132	61,855,720	60,663,707	57,637,497	50,438,282	46,786,666	43,072,050
Total reclassifications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Primary government:</b>										
Net investment in capital assets	\$ 73,916,581	\$ 75,676,774	\$ 81,733,846	\$ 87,916,553	\$ 99,623,619	\$ 102,347,162	\$ 114,411,695	\$ 122,643,489	\$ 124,380,635	\$ 126,321,001
Restricted	5,940,456	3,955,825	3,993,898	7,893,536	10,615,478	13,851,538	18,910,796	18,017,919	25,433,198	28,919,622
Unrestricted	9,334,228	35,083,922	46,506,498	45,185,264	41,391,000	27,491,725	9,083,321	7,655,994	(5,880,649)	(20,876,291)
Total primary government net position	\$ 89,191,265	\$ 114,716,521	\$ 132,234,242	\$ 140,995,353	\$ 151,630,097	\$ 143,690,425	\$ 142,405,812	\$ 148,317,402	\$ 143,933,184	\$ 134,564,332

Note: The reclassification is for the debt associated with the construction of Ford Park. The assets are accounted for in the Business-type activities column and the debt is accounted for in the Governmental activities column.

\*\* In 2007, the Southeast Texas Government Employee Benefits Pool Fund was reclassified from an Enterprise Fund to an Internal Service Fund.  
^ GASB 54 was implemented.

TABLE 2

JEFFERSON COUNTY, TEXAS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007 **	2008	2009	2010	2011	2012	2013	2014
<b>Expenses</b>										
<b>Governmental activities:</b>										
General Government	\$ 14,089,777	\$ 15,048,763	\$ 20,008,549	\$ 20,369,690	\$ 34,940,366	\$ 33,344,391	\$ 34,710,153	\$ 32,862,570	\$ 37,253,918	\$ 42,933,889
Judicial and Law Enforcement	53,370,635	55,468,283	59,282,186	69,170,421	74,059,745	75,939,112	76,819,206	81,522,130	85,995,590	82,058,360
Education and Recreation	1,119,956	1,140,083	1,713,942	1,931,084	1,611,435	1,637,026	1,313,440	1,315,819	1,369,159	1,416,537
Health and Welfare	9,140,307	8,339,076	10,104,601	11,205,583	10,824,644	9,704,323	9,704,323	17,258,075	10,917,065	10,570,568
Maintenance - Equipment and Structures	11,711,754	47,442,781	18,185,968	21,118,467	35,000,580	18,724,938	13,365,410	15,552,976	17,162,873	14,859,687
Interest and Charges on Long-term Debt	4,251,603	4,128,450	3,985,181	3,804,914	3,715,282	3,587,860	3,388,354	1,936,302	1,762,428	1,611,661
Total governmental activities expenses	\$ 93,684,032	\$ 131,557,436	\$ 111,980,122	\$ 126,499,177	\$ 160,532,991	\$ 144,057,871	\$ 139,300,886	\$ 150,947,872	\$ 154,461,033	\$ 153,450,702
<b>Business-type activities:</b>										
Airport	\$ 3,573,304	\$ 4,117,325	\$ 4,219,627	\$ 4,902,822	\$ 4,710,467	\$ 5,095,941	\$ 5,506,746	\$ 6,618,247	\$ 7,386,238	\$ 6,943,749
Entertainment Complex	7,195,328	7,392,777	8,685,343	7,648,462	7,977,002	7,889,891	6,866,792	10,248,437	9,771,707	9,760,675
Health Insurance Risk Pool	20,764,410	21,611,319	12,904,970	12,551,284	12,687,469	12,985,832	12,373,538	16,866,704	17,157,945	16,704,424
Total Business-type expenses	\$ 114,448,443	\$ 153,178,755	\$ 124,865,092	\$ 139,050,461	\$ 173,220,460	\$ 157,043,803	\$ 151,674,424	\$ 167,814,576	\$ 171,618,978	\$ 170,155,126
<b>Total primary government expenses</b>										
	\$ 206,132,475	\$ 284,736,191	\$ 236,845,214	\$ 265,549,638	\$ 333,753,451	\$ 301,101,674	\$ 290,975,310	\$ 318,762,448	\$ 326,080,011	\$ 323,605,828
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General Government	\$ 3,643,656	\$ 4,616,001	\$ 6,913,696	\$ 6,637,669	\$ 8,741,944	\$ 7,612,696	\$ 8,218,241	\$ 9,076,015	\$ 7,279,674	\$ 6,234,887
Judicial and Law Enforcement	10,283,910	11,587,628	11,434,794	10,700,195	10,434,533	9,376,938	9,679,128	9,859,550	9,234,538	10,067,596
Education and Recreation	153,760	223,468	191,921	88,432	208,036	101,907	86,010	74,005	84,613	66,517
Health and Welfare	88,359	93,465	86,231	92,009	370,557	575,343	401,929	369,503	392,612	430,032
Maintenance - Equipment and Structures	5,295,623	15,177,669	8,232,587	5,768,715	8,447,195	6,328,641	4,047,555	5,362,121	5,837,681	5,515,713
Operating grants and contributions	9,411,568	36,793,964	11,718,420	14,050,116	30,927,086	15,607,904	16,494,833	18,243,076	19,150,824	13,417,014
Capital grants and contributions	3,292,628	2,114,187	1,290,133	2,693,347	937,390	2,336,880	8,991,187	11,938,532	5,222,624	4,287,420
Total governmental activities program revenues	\$ 32,167,504	\$ 70,606,382	\$ 39,867,782	\$ 37,606,523	\$ 60,066,741	\$ 41,940,309	\$ 47,918,883	\$ 54,922,802	\$ 47,202,566	\$ 40,039,179
<b>Business-type activities:</b>										
Charges for services:										
Airport	\$ 2,423,738	\$ 2,693,193	\$ 2,407,949	\$ 2,269,502	\$ 2,999,857	\$ 2,897,411	\$ 3,088,666	\$ 3,712,848	\$ 3,978,820	\$ 4,526,324
Entertainment Complex	3,483,933	2,918,548	3,924,467	3,064,942	3,716,433	3,684,655	2,943,861	6,274,380	5,536,308	5,564,686
Health Insurance Risk Pool	9,263,491	10,973,699	-	-	43,397	-	-	-	-	-
Operating grants and contributions	247,732	4,395,052	3,725,475	2,741,002	8,278,928	2,145,711	1,100,366	1,960,880	943,357	231,418
Capital grants and contributions	476,678	247,732	1,390,786	2,741,002	8,278,928	2,145,711	1,100,366	1,960,880	943,357	231,418
Total business-type activities program revenues	\$ 15,897,572	\$ 22,371,278	\$ 10,057,891	\$ 9,075,446	\$ 15,035,615	\$ 8,727,777	\$ 7,132,893	\$ 11,948,108	\$ 10,458,485	\$ 10,322,428
<b>Total primary government program revenues</b>	\$ 48,065,076	\$ 92,977,660	\$ 49,925,673	\$ 46,681,969	\$ 75,102,356	\$ 50,668,086	\$ 55,051,776	\$ 66,870,910	\$ 57,661,051	\$ 50,361,607
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (61,516,528)	\$ (60,961,054)	\$ (72,092,340)	\$ (88,892,654)	\$ (100,466,250)	\$ (102,117,662)	\$ (91,382,003)	\$ (96,025,070)	\$ (107,258,467)	\$ (113,411,523)
Business-type activities	(4,866,838)	759,959	(2,837,079)	(3,475,838)	2,351,146	(4,258,955)	(5,240,645)	(4,918,596)	(6,699,460)	(6,381,996)
<b>Total primary government net expense</b>	\$ (66,383,366)	\$ (60,201,095)	\$ (74,929,419)	\$ (92,368,492)	\$ (98,115,104)	\$ (106,375,717)	\$ (96,622,648)	\$ (100,943,666)	\$ (113,957,927)	\$ (119,793,519)

	2005	2006	2007 **	2008	2009	2010	2011	2012	2013	2014
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities										
Taxes:										
Property taxes	\$ 57,515,230	\$ 72,615,806	\$ 65,719,324	\$ 72,615,806	\$ 75,616,097	\$ 75,407,511	\$ 73,158,156	\$ 79,416,013	\$ 83,036,649	\$ 84,616,538
Sales taxes	14,743,209	23,906,777	21,654,606	23,906,777	30,410,633	21,361,596	20,061,453	23,864,675	24,695,194	24,064,857
Alcoholic Beverage Tax	431,874	506,047	503,134	506,047	614,474	575,928	547,605	484,988	475,162	614,384
Hotel Occupancy Tax	709,941	1,011,577	973,569	1,011,577	1,294,063	893,234	981,619	1,064,165	1,015,651	1,150,383
Investment earnings	1,174,286	2,735,655	3,373,514	2,871,285	842,485	402,735	266,118	541,703	281,672	311,546
Miscellaneous	6,406	9,957	214,078	208,489	29,275	26,095	74,164	25,206	35,918	30,355
Transfers	(4,386,185)	(4,805,971)	(2,086,110)	(3,762,155)	(3,687,832)	(3,330,199)	(2,271,146)	(4,183,564)	(3,223,628)	(3,470,353)
Total governmental activities	\$ 70,014,761	\$ 95,979,848	\$ 90,352,115	\$ 97,357,836	\$ 105,119,195	\$ 95,336,900	\$ 93,667,969	\$ 101,213,186	\$ 106,316,618	\$ 107,317,710
Business-type activities:										
Investment earnings	\$ 8,673	\$ 15,356	\$ 18,915	\$ 9,467	\$ 2,369	\$ 3,338	\$ 2,979	\$ 935	\$ 269	\$ 550
Miscellaneous	-	175,687	-	145	6,192	49,834	20,465	71,930	49,628	52,457
Transfers	4,586,185	4,805,971	2,086,110	3,762,155	3,687,832	3,330,199	2,271,146	4,183,564	3,223,628	3,470,353
Total business-type activities	\$ 4,594,858	\$ 4,997,014	\$ 2,105,025	\$ 3,771,767	\$ 3,696,393	\$ 3,383,371	\$ 2,294,590	\$ 4,256,449	\$ 3,273,525	\$ 3,523,360
Total primary government	\$ 74,609,619	\$ 100,976,862	\$ 92,457,140	\$ 101,129,603	\$ 108,815,588	\$ 98,720,271	\$ 95,962,559	\$ 105,469,635	\$ 109,590,143	\$ 110,841,070
Changes in Net Position										
Governmental activities	\$ 8,498,233	\$ 35,018,794	\$ 18,259,775	\$ 8,465,182	\$ 4,652,945	\$ (6,780,762)	\$ 2,285,966	\$ 5,188,116	\$ (941,849)	\$ (6,093,813)
Business-type activities	(271,980)	5,756,973	(742,054)	295,929	6,047,539	(874,684)	(2,946,053)	(662,147)	(3,425,935)	(2,858,656)
Total primary government	\$ 8,226,253	\$ 40,775,767	\$ 17,517,721	\$ 8,761,111	\$ 10,700,484	\$ (7,655,446)	\$ (660,087)	\$ 4,525,969	\$ (4,367,784)	\$ (8,952,469)

\*\* In 2007, the Southeast Texas Government Employee Benefits Pool Fund was reclassified from an Enterprise Fund to an Internal Service Fund

TABLE 3

**JEFFERSON COUNTY, TEXAS**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Alcoholic Beverage Tax</b>	<b>Hotel Occupancy Tax</b>	<b>Total</b>
2005	\$ 57,535,230	\$ 14,743,209	\$ 431,874	\$ 709,941	\$ 61,637,600
2006	61,247,030	20,150,358	494,201	894,368	73,420,254
2007	65,719,324	21,654,606	503,134	973,569	82,785,957
2008	72,615,806	23,906,777	506,047	1,011,577	88,850,633
2009	75,616,097	30,410,633	614,474	1,294,063	98,040,207
2010	75,407,511	21,361,596	575,928	893,234	107,935,267
2011	73,158,156	20,961,453	547,605	981,619	98,238,269
2012	79,416,013	23,864,675	484,988	1,064,165	95,648,833
2013	83,036,649	24,695,194	475,162	1,015,651	104,829,841
2014	84,616,538	24,064,857	614,384	1,150,383	110,446,162

TABLE 4

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011 <sup>^</sup>	2012	2013	2014
General Fund:										
Reserved	\$ 3,660,569	\$ 1,101,397	\$ 1,196,058	\$ 1,124,272	\$ 1,247,682	\$ 1,107,057				
Unreserved	9,473,913	19,445,189	28,724,474	31,324,562	37,639,200	34,899,538	1,023,855	898,536	1,043,407	897,102
Nonspendable							3,482,075	2,295,347	4,312,676	10,082,383
Assigned							31,886,947	39,034,450	41,269,536	36,284,915
Unassigned							\$ 36,392,877	\$ 42,228,333	\$ 46,625,619	\$ 47,264,400
Total general fund	\$ 13,134,482	\$ 20,546,586	\$ 29,920,532	\$ 32,448,834	\$ 38,886,882	\$ 36,006,595	\$ 36,392,877	\$ 42,228,333	\$ 46,625,619	\$ 47,264,400
All other governmental funds:										
Reserved	\$ 5,943,842	\$ 3,958,995	\$ 3,996,377	\$ 7,895,953	\$ 10,617,541	\$ 13,853,088				
Unreserved, reported in:										
Special revenue funds	7,095,623	16,985,952	17,623,438	12,483,025	14,975,902	15,625,403				
Capital project funds	(62,120)	-	(1,618)	(1,618)	-	-				
Debt service funds	257,097	826,359	482,912	287,948	376,688	186,623	9,130	58,197	41,047	49,781
Nonspendable										
Restricted							17,397,567	18,116,476	25,561,948	28,846,726
Committed							5,150,723	3,047,323	1,902,675	2,919,885
Assigned							4,867,061	8,499,277	2,064,217	1,697,319
Unassigned (Deficit)							(4,832,614)	(2,670,874)	(787,118)	(2,925,831)
Total all other governmental funds	\$ 13,234,442	\$ 21,771,306	\$ 22,101,109	\$ 20,665,308	\$ 25,970,131	\$ 29,665,114	\$ 22,591,867	\$ 27,050,399	\$ 28,782,769	\$ 30,587,880

<sup>^</sup> GASB Statement 54 was implemented for fiscal year 2011 which changed the classification of fund balance amounts. Prior year amounts have not been restated for the implementation of Statement 54.

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES:</b>										
Property Taxes	\$ 57,343,655	\$ 61,103,193	\$ 65,071,514	\$ 71,516,193	\$ 75,912,693	\$ 75,995,020	\$ 72,959,364	\$ 79,446,316	\$ 82,593,407	\$ 84,262,722
Sales Taxes	15,885,024	21,518,927	23,131,309	25,424,401	32,319,170	22,850,758	22,490,677	25,413,828	26,186,007	25,829,624
Fees	12,058,229	12,752,383	13,232,594	13,844,334	13,372,000	13,247,758	13,176,331	13,056,182	13,101,871	13,811,818
Licenses	404,647	425,438	423,313	409,386	487,856	453,002	407,512	465,720	590,148	480,386
Intergovernmental	10,984,676	39,011,714	12,962,160	14,315,347	30,549,286	17,890,178	23,206,710	30,138,180	23,807,603	18,488,048
Sales, Rental & Services	5,407,000	4,963,482	5,486,288	4,173,703	5,583,920	3,073,201	2,837,481	3,819,630	3,369,016	3,053,808
Fines and Forfeitures	2,897,474	3,538,886	3,008,196	2,181,478	2,076,417	2,199,528	2,072,725	2,130,801	2,074,656	1,900,630
Interest	1,123,912	2,703,210	3,083,938	2,236,357	1,250,787	692,129	271,177	536,993	254,207	307,434
Miscellaneous	8,256	62,805	17,539	17,936	29,275	26,095	24,164	25,205	35,918	30,355
Contributions and Donations	26,300	10,196	18,968	4,116	1,315,190	31,727	4,041	1,412,098	4,700	184,819
Total Revenues	\$ 105,159,123	\$ 146,110,234	\$ 126,435,819	\$ 134,121,251	\$ 162,898,594	\$ 136,439,396	\$ 137,452,184	\$ 156,444,954	\$ 152,017,533	\$ 148,349,644
<b>EXPENDITURES:</b>										
General Government	\$ 13,851,082	\$ 15,367,339	\$ 17,962,946	\$ 18,587,891	\$ 20,335,453	\$ 20,853,875	\$ 20,474,698	\$ 20,252,981	\$ 21,237,703	\$ 22,666,968
Judicial and Law Enforcement	52,714,845	53,848,433	60,795,584	69,726,438	69,656,955	72,502,150	73,081,968	79,934,077	84,561,028	80,101,133
Education and Recreation	1,117,604	1,137,019	1,717,102	1,915,987	1,579,264	1,614,588	1,298,502	1,304,505	1,361,048	1,409,870
Health and Welfare	7,011,489	8,256,283	8,794,712	10,024,011	10,600,245	10,576,843	9,538,311	10,345,286	10,622,898	10,416,839
Maintenance of Structures and Equipment	11,255,900	43,799,011	15,850,658	19,851,954	36,379,418	17,121,159	12,543,110	12,115,480	11,792,372	12,677,678
Capital Outlay	5,358,002	4,776,391	3,690,980	2,016,129	4,076,087	7,218,487	17,434,755	11,913,277	6,777,118	8,270,112
Debt Services										
Principal	3,335,000	3,890,000	4,045,000	3,510,000	3,660,000	3,760,000	4,942,070	55,731,845	4,344,169	4,498,094
Interest and Commission	4,120,881	4,084,539	3,938,978	3,794,062	3,671,261	3,538,141	3,530,237	4,123,025	1,976,429	1,922,689
Total Expenditures	\$ 98,764,803	\$ 135,159,035	\$ 116,795,960	\$ 129,426,472	\$ 149,958,683	\$ 137,187,243	\$ 142,843,651	\$ 195,720,474	\$ 142,672,765	\$ 141,963,383
Excess (Deficiency) of Revenues Over Expenditures	\$ 7,374,320	\$ 10,951,199	\$ 9,639,859	\$ 4,696,779	\$ 12,939,911	\$ (747,847)	\$ (5,391,467)	\$ (39,275,520)	\$ 9,344,768	\$ 6,386,261

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfer In	\$ 735,870	\$ 5,508,237	\$ 3,101,422	\$ 8,147,776	\$ 10,267,060	\$ 8,491,580	\$ 2,851,000	\$ 6,709,370	\$ 6,590,699	\$ 5,310,045
Transfer Out	(3,175,594)	(10,514,208)	(5,187,532)	(11,909,931)	(13,954,892)	(11,821,779)	(3,648,785)	(9,523,951)	(9,789,377)	(8,167,733)
Proceeds from Sale of Capital Assets	-	-	-	-	-	2,111,000	-	-	-	-
Capital Lease Obligations	-	-	-	-	-	1,751,957	-	-	-	-
Insurance Proceeds	-	10,000,000	2,150,000	157,877	2,556,532	1,314,011	-	-	-	-
Issuance of Debt	3,000,000	-	-	-	-	-	5,550,000	47,365,000	-	1,340,000
Premium on Debt Issued	490	-	-	-	-	-	249,283	4,970,522	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-	-	-	(5,672,472)	-	-	(1,298,192)
<b>Total Other Financing Sources (Uses)</b>	\$ 560,766	\$ 4,994,029	\$ 63,890	\$ (3,604,278)	\$ (1,131,300)	\$ 1,846,769	\$ (670,974)	\$ 49,460,941	\$ (3,198,678)	\$ (2,815,880)
<b>Net Change In Fund Balances</b>	\$ 7,935,086	\$ 15,945,228	\$ 9,703,749	\$ 1,092,501	\$ 11,808,611	\$ 1,098,922	\$ (6,062,441)	\$ 10,183,421	\$ 6,146,090	\$ 3,370,381
<b>Debt Service As A Percentage of Noncapital Expenditures</b>	8.1%	6.1%	7.3%	6.0%	5.3%	5.8%	6.6%	32.0%	4.6%	4.7%

JEFFERSON COUNTY, TEXAS  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Tax	Hotel Occupancy Tax	Total
2005	\$ 57,343,655	\$ 14,743,209	\$ 431,874	\$ 709,941	\$ 73,228,679
2006	61,103,193	20,150,358	494,201	894,368	82,642,120
2007	65,071,514	21,654,606	503,134	973,569	88,202,823
2008	71,516,193	23,906,777	506,047	1,011,577	96,940,594
2009	75,912,693	30,410,633	614,474	1,294,063	108,231,863
2010	75,995,020	21,361,596	575,928	893,234	98,825,778
2011	72,959,364	20,961,453	547,605	981,619	95,450,041
2012	79,446,316	23,864,675	484,988	1,064,165	104,860,144
2013	82,593,407	24,695,194	475,162	1,015,651	108,779,414
2014	84,262,722	24,064,857	614,384	1,150,383	110,092,346

TABLE 6

JEFFERSON COUNTY, TEXAS  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

Fiscal Year Ended September 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value (a) as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2006	\$ 5,763,919,286	\$ 8,244,921,075	\$ 53,451,410	\$ 3,377,709,770	\$ 3,069,336,201	\$ 14,370,665,340	\$ 0.425	\$ 14,455,989,770	82.89%
2007	5,433,538,560	10,360,470,535	54,889,880	3,872,073,860	3,180,724,674	16,540,248,161	0.400	16,560,749,332	83.98%
2008	6,729,159,173	11,409,878,641	62,781,190	4,196,575,015	3,824,188,028	18,574,205,991	0.390	18,879,604,039	84.29%
2009	7,717,517,403	12,524,372,020	63,467,330	4,907,849,539	4,416,709,776	20,796,496,516	0.365	21,244,031,039	84.26%
2010	7,848,755,180	11,452,048,660	59,394,290	4,831,378,530	3,053,531,674	21,138,044,986	0.365	21,337,887,316	88.20%
2011	8,042,282,874	12,128,893,349	47,961,490	4,820,689,110	2,904,361,132	22,135,465,691	0.365	22,248,999,610	88.85%
2012	7,989,089,195	12,510,887,710	51,129,790	5,421,135,950	2,819,185,882	23,153,056,763	0.365	23,199,553,509	89.32%
2013	7,912,100,439	14,408,052,759	62,242,770	6,068,922,220	3,198,328,907	25,252,989,281	0.365	25,274,550,281	88.83%
2014	7,974,453,458	17,857,917,342	66,248,570	6,675,937,170	6,667,443,764	25,907,112,776	0.365	25,914,410,662	79.55%

Source: Jefferson County Appraisal District

Note: Property in the county is reassessed annually. The county assesses property at 100% of actual value for all types of real and personal property. However, each homestead residential property can only increase by a maximum of 10% in any given year. Estimated actual value is calculated by adding back the loss to the limit on homestead residential properties to the total taxable assessed value. Tax rates are per \$100 of assessed value.

(a) Includes tax-exempt property.

\* Reporting began in fiscal year 2006.

TABLE 7

JEFFERSON COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING (a) GOVERNMENTS  
LAST TEN FISCAL YEARS

Fiscal Year	Overlapping Rates										Total Direct & Overlapping Rates
	Cities					School Districts					
	Operating Rate	Debt Service Rate	Total County Rate	Operating Rate	Debt Service Rate	Total City Rate	Operating Rate	Debt Service Rate	Total School Rate	Special Districts	
2006	\$ 0.375	\$ 0.050	\$ 0.425	\$ 0.406	\$ 0.271	\$ 0.677	\$ 1.491	\$ 0.136	\$ 1.627	\$ 0.216	\$ 2.945
2007	0.355	0.045	0.400	0.420	0.232	0.652	1.311	0.119	1.430	0.216	2.698
2008	0.353	0.037	0.390	0.419	0.187	0.606	1.077	0.144	1.221	0.205	2.422
2009	0.331	0.034	0.365	0.385	0.202	0.587	1.058	0.186	1.244	0.217	2.413
2010	0.330	0.035	0.365	0.394	0.199	0.593	1.073	0.220	1.293	0.226	2.477
2011	0.331	0.034	0.365	0.394	0.197	0.591	1.058	0.226	1.284	0.192	2.432
2012	0.336	0.029	0.365	0.401	0.185	0.586	1.059	0.230	1.289	0.193	2.433
2013	0.340	0.025	0.365	0.412	0.182	0.594	1.059	0.217	1.276	0.194	2.429
2014	0.341	0.024	0.365	0.419	0.189	0.608	1.058	0.235	1.293	0.193	2.459

Source: Jefferson County Tax Assessor Collector

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

Note: Rates are per \$100 of taxable value. Rates for overlapping entities are an average tax rate of all cities (6), school districts (7), and special districts (13) located within Jefferson County. For fiscal year 2014, total rates ranged between .2158 and .7920 for cities, 1.12 and 1.434 for school districts, and .0286 and .5734 for special districts.

\* Reporting began in fiscal year 2006.

TABLE 8

JEFFERSON COUNTY, TEXAS  
PRINCIPAL TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

Taxpayers	2014			2005		
	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value
Motiva Refinery	\$ 5,376,213,660	1	20.75%	\$ 822,289,930	2	6.08%
ExxonMobil Oil Corporation	2,309,873,672	2	8.92%	1,782,218,790	1	13.17%
Premcor Refining Group Inc	1,301,592,044	3	5.02%	435,386,120	4	3.22%
Total Petrochemicals USA	856,734,540	4	3.31%	434,394,890	5	3.21%
Huntsman Petrochemical Corp	432,061,860	5	1.67%	774,736,600	3	5.73%
Sunoco Partners Mktg & Term LP	357,468,990	6	1.38%			-
BASF-Atofina Joint Venture	336,886,140	7	1.30%			-
Chevron Phillips Chemical Co	336,674,350	8	1.30%	282,022,350	6	2.08%
Entergy Gulf States Inc.	286,743,290	9	1.11%	249,886,860	7	1.85%
Enterprise Texas Pipeline LP	268,134,700	10	1.03%			-
Port Arthur Coker Company LP	-		-	241,124,100	8	1.78%
Goodyear Tire & Rubber Co.	-		-	205,912,950	9	1.52%
E I Dupont De Nemours	-		-	123,184,290	10	0.91%
<b>TOTAL</b>	<b>\$11,862,383,246</b>		<b>45.79%</b>	<b>\$5,351,156,880</b>		<b>39.55%</b>

Source: Jefferson County Appraisal District.

(b) Amounts shown for these taxpayers do not include assessed values attributable to certain subsidiaries and affiliates which are not grouped on the tax roll with the taxpayers shown.

TABLE 9

**JEFFERSON COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date		
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy	
2006	\$ 60,781,086	\$ 59,849,203	98.47%	\$ 679,567	\$ 60,528,770	99.58%	
2007	64,520,345	63,544,312	98.49%	754,666	64,298,978	99.66%	
2008	70,671,482	69,387,969	98.18%	1,015,430	70,403,399	99.62%	
2009	74,723,436	73,704,158	98.64%	702,465	74,406,623	99.58%	
2010	74,410,291	73,446,110	98.70%	585,038	74,031,148	99.49%	
2011	79,154,414	77,966,579	98.50%	715,846	78,682,425	99.40%	
2012	83,541,506	82,381,734	98.61%	590,774	82,972,508	99.32%	
2013	89,360,145	88,220,195	98.72%	408,652	88,628,847	99.18%	
2014	92,637,604	91,329,673	98.59%	-	91,329,673	98.59%	

\* Reporting began in fiscal year 2006.

TABLE 10

**JEFFERSON COUNTY, TEXAS**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	General		Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income (a)		Per Capita (a)
	Obligation Bonds					Income (a)		
2006	\$ 79,392,478		\$ 2,648,987	\$ 101,959	\$ 82,143,424	1.20%	\$	332
2007	75,385,127		2,332,066	52,224	77,769,417	1.09%	\$	319
2008	71,912,777		2,005,529	-	73,918,306	0.96%	\$	305
2009	68,290,426		1,669,086	-	69,959,512	0.85%	\$	289
2010	64,553,045		1,322,435	1,144,977	67,020,457	0.74%	\$	266
2011	60,664,579		965,267	585,075	62,214,921	0.66%	\$	247
2012	56,704,005		597,263	-	57,301,268	0.59%	\$	227
2013	52,482,467		218,094	-	52,700,561	0.55%	\$	209
2014	49,281,192		-	-	49,281,192	0.49%	\$	195

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

(a) See the Schedule of Demographic and Economics Statistics in Table 14 for personal income and population data.

\* Reporting began in fiscal year 2006.

TABLE 11

**JEFFERSON COUNTY, TEXAS**  
**RATIO OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Fund	Total	Percentage of Estimated Actual Taxable Value (a) of Property	Per Capita (b)
2006	\$ 79,392,478	\$ 337,083	\$ 79,055,395	0.55%	\$ 319
2007	75,385,127	318,212	75,066,915	0.45%	308
2008	71,912,777	76,619	71,836,158	0.38%	297
2009	68,290,426	176,339	68,114,087	0.32%	281
2010	64,553,045	330,833	64,222,212	0.30%	255
2011	60,664,579	354,241	60,310,338	0.27%	239
2012	56,704,005	716,106	55,987,899	0.24%	221
2013	52,482,467	901,217	51,581,250	0.20%	205
2014	49,281,192	1,010,241	48,270,951	0.19%	191

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

(a) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property in Table 6 for property value data.

(b) See the Schedule of Demographic and Economics Statistics in Table 14 for population data.

\* Reporting began in fiscal year 2006.

TABLE 12

JEFFERSON COUNTY, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2014

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
JEFFERSON COUNTY DIRECT DEBT	\$49,281,192	100.0%	\$49,281,192
Total Direct Debt			<u>\$49,281,192</u>
OVERLAPPING DEBT REPAID WITH PROPERTY TAXES:			
CITIES:			
BEAUMONT	230,709,150	100.0%	230,709,150
BEVIL OAKS	-	100.0%	-
GROVES	1,157,506	100.0%	1,157,506
NEDERLAND	14,065,000	100.0%	14,065,000
PORT ARTHUR	39,845,000	100.0%	39,845,000
PORT NECHES	14,420,000	100.0%	14,420,000
TAYLOR LANDING	-	100.0%	-
SCHOOL DISTRICTS:			
BEAUMONT	388,680,000	100.0%	388,680,000
HAMSHIRE FANNETT	1,085,000	100.0%	1,085,000
HARDIN JEFFERSON	31,865,080	51.8%	16,506,111
NEDERLAND	27,755,000	100.0%	27,755,000
PORT ARTHUR	269,645,000	100.0%	269,645,000
PORT NECHES	112,202,534	100.0%	112,202,534
SABINE PASS	30,302,431	100.0%	30,302,431
PORT DISTRICTS:			
BEAUMONT	5,485,000	100.0%	5,485,000
PORT ARTHUR	31,120,000	100.0%	31,120,000
SABINE PASS	995,000	100.0%	995,000
DRAINAGE DISTRICTS:			
DRAINAGE DISTRICTS #3	-	100.0%	-
DRAINAGE DISTRICTS #6	-	100.0%	-
DRAINAGE DISTRICTS #7	19,480,000	100.0%	19,480,000
NAVIGATION DISTRICTS:			
JEFFERSON COUNTY	-	100.0%	-
MUNICIPAL UTILITY DISTRICTS:			
NORTHWEST FOREST	-	100.0%	-
WATER DISTRICTS:			
WATER DISTRICT #10	4,160,000	100.0%	4,160,000
EMERGENCY SERVICE DISTRICTS:			
EMERGENCY SERVICE DISTRICT #1	-	100.0%	-
EMERGENCY SERVICE DISTRICT #2	-	100.0%	-
EMERGENCY SERVICE DISTRICT #3	-	100.0%	-
CONSERVATION DISTRICTS:			
TRINITY BAY	-	100.0%	-
IMPROVEMENT DISTRICT:			
CARDINAL MEADOWS	-	100.0%	-
Total Overlapping Debt			<u>\$1,207,612,732</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$1,256,893,924</u>

Sources: Debt outstanding data was provided by each of the taxing entities.

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

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of taxing entity that is within the County's boundaries and dividing it by the taxing entity's total taxable assessed value.

TABLE 13

JEFFERSON COUNTY, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(amounts expressed in thousands)

	Fiscal Year										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 3,469,794	\$ 3,639,382	\$ 3,502,210	\$ 3,948,502	\$ 4,534,760	\$ 5,060,472	\$ 4,825,201	\$ 5,042,794	\$ 5,124,994	\$ 5,580,038	\$ 6,458,093
Total net debt applicable to limit	82,987	82,888	79,203	75,177	71,908	68,149	64,234	60,416	60,416	48,404	44,070
Legal debt margin	\$ 3,386,807	\$ 3,556,494	\$ 3,423,007	\$ 3,873,325	\$ 4,462,852	\$ 4,992,323	\$ 4,760,967	\$ 4,982,378	\$ 5,064,578	\$ 5,531,634	\$ 6,414,023
Total net debt applicable to the limit as a percentage of debt limit	2.39%	2.28%	2.26%	1.90%	1.59%	1.35%	1.33%	1.20%	1.18%	0.87%	0.68%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Value of Real Property	\$ 25,832,371
Debt limit (25% of assessed value of real property)	6,458,093
Debt applicable to limit:	
General obligation bonds	45,080
Less: Amount set aside for repayment of general obligation debt	1,010
Total net debt applicable to limit	\$ 44,070
Legal debt margin	\$ 6,414,023

Note: Under Article III, Section 52 of the State Constitution, Jefferson County's outstanding general obligation debt should not exceed 25% of assessed valuation of real property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

TABLE 14

**JEFFERSON COUNTY, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	Population (a)	Personal Income (amounts expressed in thousands)	Per Capita		Median Age (a)	School Enrollment (a)	Unemployment Rate (b)
			Personal Income (b)	Income (b)			
2006	247,571	\$ 6,854,993	\$ 27,689	\$ 36.5	62,002	6.6%	
2007	243,914	\$ 7,152,534	\$ 29,324	\$ 36.4	59,776	5.7%	
2008	241,975	\$ 7,684,158	\$ 31,756	\$ 36.7	62,290	7.3%	
2009	242,142	\$ 8,183,189	\$ 33,795	\$ 36.5	61,721	10.7%	
2010	252,273	\$ 9,099,739	\$ 36,071	\$ 35.6	62,433	10.6%	
2011	252,273	\$ 9,369,167	\$ 37,139	\$ 36.0	63,371	11.7%	
2012	252,802	\$ 9,786,471	\$ 38,712	\$ 35.9	63,371	10.2%	
2013	251,813	\$ 9,658,791	\$ 38,357	\$ 36.0	63,433	10.1%	
2014	252,358	\$ 10,083,721	\$ 39,958	\$ 35.9	63,350	7.8%	

Data sources

(a) Bureau of Census

(b) Texas Workforce Commission

\* Reporting began in fiscal year 2006.

TABLE 15

JEFFERSON COUNTY, TEXAS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

Employer	2014			2005		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
State of Texas	5,000	1	4.75%	1,950	5	1.85%
Beaumont ISD	2,385	2	2.27%	2,840	1	2.69%
ExxonMobil Oil Corporation	2,000	3	1.90%	2,150	4	2.04%
Christus Health Southeast Texas	1,734	4	1.65%	2,500	2	2.37%
Motiva Enterprises	1,575	5	1.50%	-	-	-
City of Beaumont	1,321	6	1.26%	1,450	9	1.38%
Port Arthur ISD	1,274	7	1.21%	-	-	-
Jefferson County	1,206	8	1.15%	-	-	-
Memorial Hermann Baptist Hospital	1,100	9	1.05%	2,250	3	2.14%
Valero	829	10	0.79%	-	-	-
Westvaco	-	-	-	1,690	6	1.60%
U S Postal Encoding	-	-	-	1,686	7	1.60%
E.I. DuPont Sabine River Works	-	-	-	1,450	8	1.38%
Huntsman	-	-	-	1,041	10	0.99%
<b>TOTAL</b>	<b>18,424</b>		<b>17.53%</b>	<b>19,007</b>		<b>18.04%</b>

Source: Employment numbers provided by each entity

TABLE 16

JEFFERSON COUNTY, TEXAS  
 FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION  
 LAST TEN FISCAL YEARS

Function	Full-time Equivalent Employees as of September 30								
	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	169	176	171	180	170	166	164	166	165
Judicial & Law Enforcement									
Deputies	114	122	124	131	134	131	134	138	138
Detention Officers	222	239	221	240	242	239	238	241	238
Others	439	435	436	441	444	440	442	436	443
Education & Recreation	14	17	18	18	20	14	15	15	15
Health & Welfare	64	55	56	63	63	59	60	60	60
Maintenance - Equipment & Structures									
Road & Bridges	59	71	70	69	68	67	66	64	64
Engineering	10	9	10	10	9	10	10	10	10
Maintenance	31	30	27	30	29	28	28	30	27
Jack Brooks Regional Airport	25	23	26	23	25	25	23	24	25
Ford Park	125	101	79	22	23	19	20	23	21
<b>TOTAL</b>	<u>1,272</u>	<u>1,278</u>	<u>1,238</u>	<u>1,227</u>	<u>1,227</u>	<u>1,198</u>	<u>1,200</u>	<u>1,207</u>	<u>1,206</u>

Sources: County and Ford Park payroll records

\* Reporting began in fiscal year 2006.

TABLE 17

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

Function	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Judicial & Law Enforcement										
Courts										
Number of Indigent Cases Heard	2,082	2,839	2,984	2,945	2,945	2,490	2,413	3,249	6,376	
Number of Justice of Peace Cases	47,627	51,416	50,997	43,326	43,488	44,642	48,363	43,205	41,359	
Sheriff										
Number of Arrests	6,147	6,423	6,543	6,404	6,573	6,099	6,023	5,898	5,517	
Number of Citations	1,203	1,242	2,300	1,112	1,043	1,241	1,081	915	1,558	
Jail										
Average Daily Population of Inmates	959	1,171	986	899	910	926	815	767	855	
Constables										
Number of Papers Served	21,209	19,874	15,847	15,954	16,967	16,860	15,344	15,472	17,348	
Education & Recreation										
Library										
Number of Patron Visits	6,129	5,995	6,300	4,002	1,536	n/a ^	n/a ^	n/a ^	n/a ^	
Health & Welfare										
Health & Welfare										
Number of Patients Seen in Clinic	7,363	8,111	8,310	9,375	11,531	11,968	11,644	7,433	11,314	
Mosquito Control										
Number of Acreage Sprayed	2,613,632	1,386,752	1,393,743	2,175,872	1,070,464	818,972	1,328,128	700,672	1,048,256	
Maintenance - Equipment & Structures										
Road & Bridge										
Road Miles Maintained	368	368	370	370	370	370	369	370	370	
Airport										
Number of Aircraft Operations	61,856	55,350	32,273	27,891	26,332	22,602	22,515	20,351	19,109	
Number of Enplaned	25,687	25,650	22,126	22,174	17,957	18,098	5,666	24,669	36,605	
Number of Deplaned	26,219	26,117	22,387	21,588	17,997	18,207	5,328	24,351	35,340	
Health Insurance Risk Pool										
Number of Participants in Plan	1,389	1,429	1,490	1,541	1,568	1,550	1,581	1,612	1,807	
Entertainment Complex										
Number of Events	199	160	221	183	198	188	185	176	174	
Total Attendance	248,639	617,246	280,012	658,337	647,207	629,123	712,688	668,718	650,089	

Sources: Various county departments

Note: Indicators are not available for the general government functions.

^ Library was closed 12/31/10.

\* Reporting began in fiscal year 2006.

TABLE 18

JEFFERSON COUNTY, TEXAS  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS

Function	FISCAL YEAR									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Judicial & Law Enforcement										
Sheriff										
Patrol Units	92	109	119	116	120	122	122	126	121	
Aviation Units	3	2	3	3	3	3	4	4	3	
Marine Units	3	3	4	9	9	11	11	11	11	
Jail										
Dorms	23	23	23	23	23	23	23	23	23	
Bed Capacity	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	
Constables										
Patrol Units	29	29	30	31	32	27	24	29	32	
Education & Recreation										
Library Holdings (ie books, audio, video)	45,378	44,281	46,104	35,549	36,038	n/a ^	n/a ^	n/a ^	n/a ^	
Health & Welfare										
Mosquito Control										
Mosquito Spray Trucks	8	8	8	8	8	8	8	8	8	
Weed Control Trucks	2	2	2	2	2	2	2	2	2	
Aviation Units	3	3	3	3	3	3	3	3	3	
Maintenance - Equipment & Structures										
Road (miles)	368	368	370	370	370	370	369	370	370	
Bridges	65	65	65	65	65	65	65	65	65	
Airport										
Runways (linear feet)	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820	
T-Hangar & Open Span Hangars (square feet)	138,706	154,376	144,276	123,076	123,076	150,470	150,470	150,470	150,470	
Office Space (square feet)	15,055	15,535	14,439	14,426	14,426	18,885	18,885	43,850	43,850	
Entertainment Complex										
Number of venues	5	5	5	5	5	5	5	5	5	
Softball Fields	12	12	12	12	12	12	12	12	12	
Exhibit Floor Space (square feet)	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	
Seating Capacity	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500	

Sources: Various county departments

Note: Indicators are not available for the general government function.

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