



SAN SABA COUNTY TEXAS

AUDITED FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2016

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**ANNUAL FINANCIAL REPORT
SAN SABA COUNTY, TEXAS
YEAR ENDED SEPTEMBER 30, 2016**

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and Commissioners
of the Commissioners Court of San Saba County, Texas
County of San Saba
San Saba, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of San Saba, Texas (the County), as of and for the year ended September 30, 2016, 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 State 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 the 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 financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County of San Saba, Texas, as of September 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 7 to the financial statements, in 2015, the County adopted new accounting guidance prescribed by GASB 68 for its pension plan for a multiple employer, cost-sharing, defined benefit pension plan that has a special funding situation. Since GASB 68 implements new measurement criteria and reporting provisions, significant information has been added to the Governmentwide Financial Statements, Statement 1 discloses the County's Net Pension Liability and some deferred resource outflows and deferred resource inflows related to the County's pension plan. Statement 2 includes pension expenditures in addition to an increase to net position for disbursements made to the Texas County and District Retirement Services plan after the net pension liability measurement date of December 31, 2015, as a result of the new guidance. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-9 and 38-55 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2016, on our consideration of the County's internal control over financial reporting and 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 the 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.



Kevin Shahan, CPA
San Saba, Texas

December 23, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial Report, we, the Commissioners of the County of San Saba, Texas, provide a discussion and analysis of the County's financial performance for the fiscal year ended September 30, 2016. Please read it in conjunction with the independent auditor's report on page 1 and the County's financial statements, which begin on page 10.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and Statement of Revenues, Expenditures, and Changes in Net Position (on pages 10 and 11). These provide information about the activities of the County as a whole and present a longer-term view of the County's finances including property and capital lease obligations and other financial matters. These statements present the flow of total government-wide economic resources in a similar manner to financial reports of business enterprises.

Fund financial statements begin on page 13. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds.

FINANCIAL HIGHLIGHTS

- The County's net position increased \$235,769 or 5.0% from 2015 to 2016, as a result of increased sales tax, property tax, and grant revenue receipts and decreased public works expenditures.
- Total net position is comprised of the following:
 - (1) \$2,293,735 invested in capital assets, net of accumulated depreciation of \$6,730,117.
 - (2) \$49,164 related to debt service for motorgraders at Precinct 3.
 - (3) \$355,837 of restricted funds by constraints imposed from outside the County such as grantors, laws, special revenue contracts, and regulations,
 - (4) \$2,215,376 of unrestricted funds, which represent the portion available to maintain the County's continuing obligations to the general public and creditors.
- Total general revenues received by the County increased \$115,234, or 3.3%. The County received \$2,535,748 in ad valorem tax related revenue collections in 2016, an increase from 2015 of \$49,180, or 2.0%. Sales tax allocation receipts from the Texas State Comptroller increased \$36,293, or 19.8%. Other general revenues remained relatively similar to the prior year.
- Expenditures decreased in 2016 compared to 2015 by \$57,096, or 1.4% due mainly to public works related expenditures for permanent improvements that were capitalized in the amount of \$767,076. This decrease follows an increase of in 2015 of \$84,870, or 2.1%. Salaries increased for almost all departments in addition to payroll taxes and employee benefits, including health insurance. Increased outlays were experienced for County permanent improvements, professional fees for Indigent Defense, and records preservation related to a completed project for Records Management.
- There is no general obligation debt outstanding for the County as of September 30, 2016, however, refer to Note 4 of the financial statements to see the capital lease obligations of \$49,164 for the County as of September 30, 2016.
- The County's General Fund reported total ending fund balance of \$2,113,531, \$1,996,531 of which is unassigned, \$17,000 of which is restricted, and \$100,000 of which is committed to a bank CD for local school funding. This compares to the prior year balance of \$2,038,554, resulting in an increase of \$74,977, or 3.7%.
- The County's operating grant revenues included \$45,904 related to Crime Victim's Assistance funding and \$48,533 for the County Judge and County Attorney annual supplements. Grant funds in the amount of \$356,516 were also received from the Texas Historic County Courthouse emergency electrical and stairways project in fiscal year 2016. Additional grant income is anticipated by the County under this program for the 2016-2017 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. The County's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the County.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status under GASB Statements No. 63, No. 65, and most recently No. 68. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the County-wide statement of financial position presenting information that includes all of the County's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall economic health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Revenues, Expenditures, and Changes in Net Position*, which reports how the County's net position changed during the current fiscal year. All revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the County that are principally supported by taxes, court costs and fees, and charges for services. All of the activities for the County in the Statement of Net Position and the Statement of Revenues, Expenditures, and Changes in Net Position are reported as governmental activities. Governmental activities include general government, public safety, public services, public works, administration of justice, culture and recreation, and education. Fiduciary activities such as funds which are passed on to state agencies, accounts held for minors according to court instructions, and "pass through" federal and state grant receipts, are not included in the government-wide statements since these assets are not available to fund County programs.

Fund Financial Statements

The Fund financial statements begin on page 13 and provide information about the most significant funds – not the County as a whole. Laws and contracts often require the County to establish funds to account for items such as federal and state grants and funds that are restricted as to their use. The County's Commissioners may establish additional funds to help it control and manage money for particular purposes to show that it is meeting legal responsibilities for using certain taxes, grants, and other resources.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and

changes in fund balances provide reconciliations to the government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund, debt service, capital project, and special revenue funds. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

Fiduciary funds, such as accounts held for minors according to court instructions, funds "passed through" the County to state agencies, as well as "pass through" grant receipts are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs.

Notes to the financial statements

The accompanying notes to the financial statements provide information that is essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* including a Combining Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance for the Special Revenue Funds and the Capital Project Funds. In addition, a Schedule of Cash Receipts and Disbursements Compared with Budget is presented for the General Fund by Department as well as the Special Revenue, Capital Project, and Fiduciary Grant Funds by Department. Supplementary information follows the notes to the financial statements.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net Position. The County's net position increased to \$4,914,112 in fiscal year 2015 from \$4,678,343 in the prior fiscal year. Additional information regarding Capital Assets is available in the Notes to the Basic Financial Statements. For the year ended September 30, 2016 and 2015, the net position of the governmental activities changed as follows:

(Table I)
San Saba County, Texas
Net Position

	Governmental Activities	
	2016	2015
Current and Other Assets	\$ 2,754,218	\$ 2,803,430
Capital and Non-current Assets	2,342,899	2,187,353
Deferred Outflow of Resources	545,151	-
Total Assets	5,642,268	4,990,783
Current Liabilities	116,056	165,879
Long Term Liabilities	394,592	(40,813)
Total Liabilities	510,648	125,066
Deferred Inflow of Resources	217,508	187,374
Net Position		
Net investment in Capital Assets	2,293,735	1,977,918
Restricted	405,001	409,454
Unrestricted	2,215,376	2,290,971
Total Net Position	\$ 4,914,112	\$ 4,678,343

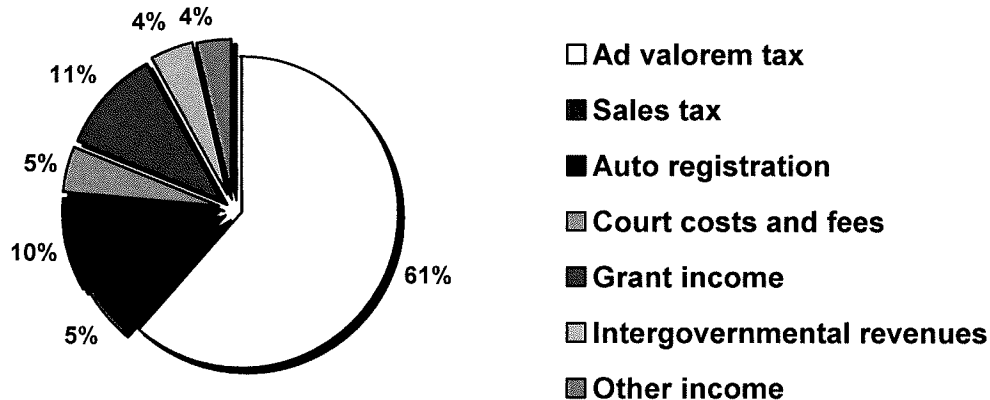
Governmental activities for 2016 realized an increase in Net Position of \$235,769, or 5.03% in 2016, compared to a decrease of \$68,898, or 1.4% in 2015. A portion of the Net Position is restricted as to the purposes for which it can be used and a portion is invested in capital assets. Unrestricted Net Position – the part of net position that is available for use in day-to-day operations without constraints established by legal requirements, debt covenants, donors or other legislation – decreased by \$75,595 to a total of \$2,215,376. Increased sales tax and property tax revenues in addition to decreased public works expenditures increased the Unrestricted Net Position; however expenditures for permanent improvements to the courthouse led to an overall decrease in fiscal year 2016 in the general fund Unrestricted Net Position. The County's overall net position increased \$235,769 in fiscal year 2016 with the permanent improvements included in Net investment in Capital Assets as noted in Table I. The County's Total Net Position decreased in 2015 due to depreciation on assets, however the Unrestricted portion of Total Net Position increased due to increased sales tax revenues and decreased outlays for public safety compared to the prior year.

(Table II)
San Saba County, Texas
Summary of Changes in Net Position

	Governmental Activities	
	2016	2015
Revenues		
Program revenues:		
Federal, state and local grants	\$ 450,953	\$ 95,466
Charges for services	123,654	197,230
General revenues:		
Property tax revenues	2,535,748	2,486,952
Sales taxes	218,949	182,656
Licenses and permits	408,763	395,002
Court costs, fines and fees	64,198	48,765
Rental revenues	18,000	18,000
Intergovernmental revenues	177,272	170,345
Interest income	7,546	7,800
Miscellaneous revenue	128,911	134,633
Total revenues	<u>4,133,994</u>	<u>3,736,849</u>
Expenses		
General government	841,292	826,362
Administration of justice	463,626	483,497
Public safety	865,740	822,395
Public works	1,317,018	1,403,366
Public health and welfare	243,129	279,291
Culture and recreation	167,420	140,410
Interest on long-term debt	-	-
Total expenses	<u>\$ 3,898,225</u>	<u>\$ 3,955,321</u>
Change in net position	235,769	(218,472)
Net position – beginning of year	\$ 4,678,343	\$ 4,747,241
Prior period adjustment – GASB 68	-	149,574
Net position – end of year	<u>\$ 4,914,112</u>	<u>\$ 4,678,343</u>

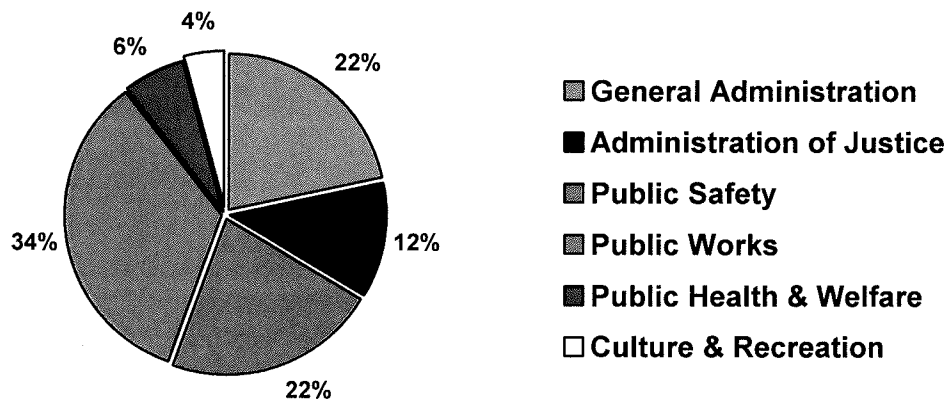
As noted in Table II above, total program revenues increased \$281,911 or 96.3% from 2015, after a prior year decrease of \$264,696, or 47.5%, as a result of the increase in Texas Historical Commission grant funds in fiscal year 2016. Total ad valorem tax revenues increased 2.0% due to increased property tax valuations compared to the prior year and sales tax allocation revenues from the Texas State Comptroller increased \$36,293. Crime Victim's Assistance grant revenues were \$45,904 the County Judge and Attorney annual supplements of \$48,533 increased by \$7,924 for 2016 compared to 2015. Overall grant funds increased at the County for 2016 by \$355,487. Charges for services decreased due to the EMS dissolution and lack of revenues generated from emergency services that were historically a part of San Saba County for over twenty years. An interlocal agreement is now shared with the City of San Saba and the City of Richland Springs to fund the contracted emergency medical services provided to San Saba County.

Total revenues increased from 2015 to 2016 by \$397,145, or 10.6%. This follows a decrease in revenues from 2014 to 2015 of \$232,252, or 5.8%. The increase in 2016 was mainly a result of an increase in program revenues, in addition to an increase in property tax and sale tax revenues as noted above. General revenues increased \$115,234, or 3.3%, from the prior year. The general fund property tax rate and the road and bridge fund tax rates remained unchanged at 0.6190/\$100, and 0.1335/\$100, of property value. The property tax base has increased slightly in recent years and is at approximately \$310M of taxable value. The values are expected to hold steady and potentially increase in the future, which should help to hold ad valorem tax revenues stable for the County in the near-term. As can be seen in Table II and the chart below for fiscal year 2016, the County is heavily reliant on ad valorem tax revenues to fund governmental operations.



Sales tax revenues allocated from the Texas State Comptroller increased in fiscal year 2016 by \$36,293, or 19.8% due to the addition of new retail vendors and restaurants in San Saba County, a greater number of community events, and increased sales tax on vehicle purchases. Ad valorem tax revenues increased in 2016 due to increased property tax valuations. Charges for services revenue decreased \$73,576, or 37.3% due to the local emergency services dissolution. Federal and local grant revenues increased with the Texas Historical Commission Project to work on emergency repairs to the electrical system and stairways. \$356,516 in grant revenues were received in fiscal year 2016 related to the project.

In general, expenditures remained relatively similar to the prior year with the largest decline in public works of \$86,348, or 6.1%. This 2016 expenditure decline for Public Works comes after an increase of \$129,647, or 10.1% in the prior year as a result of depreciation on equipment purchased, in addition to road maintenance supplies and expenditures at precincts. Therefore, this is to be expected as depreciation remained stable with less in equipment expenditures by the precincts in 2016. The expenditures in Table II can be compared to the prior year by using the supplementary information attached to the annual financial statements, which show the expenditures by each department and fund for the County. The following chart presents a picture of the County's expenditures for fiscal year 2016:



GENERAL FUND BUDGETARY HIGHLIGHTS

The adopted General Fund budget for fiscal year 2016-2017 includes revenues and expenditures of approximately \$2,941,745. This is a decrease compared to the 2015-2016 budget of \$596,117, or 16.8% as a result of a reduction in the budget for emergency repairs on the County courthouse for the electrical system and stairways. \$962,610 in expenditures were budgeted in the 2015-2016 budget year, while \$118,878 in expenditures have been budgeted for the 2016-2017 fiscal year. Grant income provided by the Texas Historical Commission is expected to offset approximately 50% of the cost of the project for the emergency repairs to the courthouse.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the close of fiscal year 2016, the County had \$2,342,899 invested in a broad range of capital assets, including land, buildings and improvements, infrastructure improvements, furniture and fixtures, and machinery and equipment.

(Table III)
San Saba County, Texas
Capital Assets

	Governmental Activities	
	2016	2015
Land	\$ 58,887	\$ 58,887
Buildings and improvements	1,564,727	833,540
Infrastructure improvements	3,710,463	3,710,463
Furniture and fixtures	425,636	413,526
Machinery and equipment	3,313,303	3,289,525
	9,073,016	8,305,941
Less Accumulated depreciation	(6,730,117)	(6,264,088)
Capital assets, net of depreciation	\$ 2,342,899	\$ 2,041,853

Major additions in 2016 included a Fire Department pumper truck of \$15,784, in addition to \$767,076 paid for permanent improvements to the County courthouse for electrical, structural, and restoration upgrades. Depreciation expense on capital assets for 2016 was \$466,029. The permanent improvements to the County courthouse reduced by 2016 depreciation expense resulted in an overall increase of \$301,046 in net fixed assets for fiscal year 2016 compared to 2015.

Long-term Debt

At the close of fiscal year end 2016, the County had no notes or general long-term debt outstanding, however the County entered into two capital lease agreements with Warren CAT for two motorgraders at Precinct 3, which have an aggregate cost of \$260,700. The debt outstanding for the lease agreements was \$49,164 as of September 30, 2016.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The tax base for fiscal year 2016 is expected to remain stable at approximately \$310M.
- The 2016 property tax rates will remain the same for the General Fund at \$0.6190/\$100 of taxable property value; and the Road & Bridge Fund at \$0.1335/\$100 of taxable property value
- Additional merchants have opened retail sales stores and restaurants within the County, which should lead to increased sales tax revenues in the future.
- The County entered into a grant funding agreement with the Texas Historical Commission for the rehabilitation and restoration of the San Saba County Courthouse for fiscal years 2015-2017. The estimated project cost estimate is \$899,500, of which the County is providing 50%.

These factors were taken into account when adopting the County's budget for fiscal year 2016-2017. The adopted General Fund budget for fiscal year 2017 includes revenues and expenditures of approximately \$2,941,745. All expenditures for shared services including dispatch services, municipal court services, airport services, emergency medical services, and fire department services are paid by the County and an interlocal agreement, as outlined in the financial statement footnotes, have been entered into with the City of San Saba to receive intergovernmental funding for the annual budget necessary to provide such services. The Special Revenue Budget adopted for the 2016-2017 fiscal year is \$1,313,381.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional information, contact the County's business office, at the County of San Saba, Texas, 500 E. Wallace, San Saba, Texas, 76877.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

SAN SABA COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Pooled cash and cash equivalents	\$ 2,409,483	\$ -	\$ 2,409,483
Non-pooled cash and cash equivalents	22,439		22,439
Investments – current	137,840		137,840
Taxes receivable	184,456		184,456
Total current assets	<u>2,754,218</u>	<u>-</u>	<u>2,754,218</u>
Non-current Assets:			
Capital assets:			
Land	58,887		58,887
Buildings	280,907		280,907
Improvements	1,283,820		1,283,820
Infrastructure improvements	3,710,463		3,710,463
Furniture and fixtures	425,636		425,636
Machinery and equipment	3,313,303		3,313,303
Accumulated depreciation	(6,730,117)		(6,730,117)
Total non-current assets	<u>2,342,899</u>		<u>2,342,899</u>
Deferred outflow of resources			
Deferred outflows related to TCDRS	<u>545,151</u>		<u>545,151</u>
Total assets	<u><u>\$ 5,642,268</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,642,268</u></u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 100,941	\$ -	\$ 100,941
Capital lease obligations due in one year	15,115		15,115
Noncurrent Liabilities:			
Capital lease obligations	34,049		34,049
Net Pension Liability (Asset)	<u>360,543</u>		<u>360,543</u>
Total liabilities	510,648	-	510,648
Deferred inflow of resources			
Deferred state salary supplements	28,333		28,333
Deferred ad valorem tax revenues	184,456		184,456
Deferred inflows related to TCDRS	<u>4,719</u>		<u>4,719</u>
Total deferred inflow of resources	<u>217,508</u>	<u>-</u>	<u>217,508</u>
NET POSITION			
Invested in capital assets, net of related debt	2,293,735		2,293,735
Restricted for:			
Debt service	49,164		49,164
Specific projects	355,837		355,837
Unrestricted	<u>2,215,376</u>		<u>2,215,376</u>
Total net position	<u><u>\$ 4,914,112</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,914,112</u></u>

The accompanying notes are integral part of the financial statements.

SAN SABA COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General government					
General administration	\$ 776,114	\$ -	\$ 48,533	\$ -	\$ (727,581)
Financial administration	52,941				(52,941)
Elections	12,237				(12,237)
Total general government	841,292	-	48,533	-	(792,759)
Administration of justice					
Courts	263,601	122,621	-		(140,980)
Prosecutors	177,122	546			(176,576)
Adult probation	726				(726)
Juvenile programs	22,177				(22,177)
Total administration of justice	463,626	123,167	-	-	(340,459)
Public safety					
Law enforcement	678,332				(678,332)
Emergency management	187,408	-			(187,408)
Total public safety	865,740	-	-	-	(865,740)
Public works					
County roads and bridges	1,263,363	487			(1,262,876)
General building maintenance	53,655			356,516	302,861
Other public works	-				-
Total public works	1,317,018	487	-	356,516	(960,015)
Public health and welfare	243,129		45,904		(197,225)
Culture and recreation	167,420				(167,420)
Resource development	-				-
Interest on debt	-				-
Total Governmental Activities	410,549	-	45,904	-	(364,645)
Total	\$ 3,898,225	\$ 123,654	\$ 94,437	\$ 356,516	\$ (3,323,618)

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

STATEMENT 2
(CONTINUED)

SAN SABA COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2016

Changes in Net Position:	Governmental Activities	Business-type Activities	Total
Net (expense)/revenue	\$ (3,323,618)	\$ -	\$ (3,323,618)
General Revenues:			
Taxes:			
Property taxes levied for general purposes	2,018,322		2,018,322
Property taxes levied for roads and bridges	447,264		447,264
Prior year taxes, penalties, and interest	70,162		70,162
Sales tax	218,949		218,949
Mixed drink tax	6,841		6,841
Retained fees & fines	64,198		64,198
Auto registration fees	408,763		408,763
Rental income	18,000		18,000
Investment income	7,546		7,546
Intergovernmental income	177,272		177,272
Other income	122,070		122,070
Total general revenues and transfers	<u>\$ 3,559,387</u>	<u>\$ -</u>	<u>\$ 3,559,387</u>
Change in net position	235,769		235,769
Net position - beginning	<u>4,678,343</u>		<u>4,678,343</u>
Net position - ending	<u><u>\$ 4,914,112</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,914,112</u></u>

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

**SAN SABA COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	General Fund	Special Revenue	Capital Projects	Debt Service	Total Governmental Funds
<u>ASSETS</u>					
Pooled cash and cash equivalents	\$ 2,113,387	\$ 246,932	\$ -	\$ 49,164	\$ 2,409,483
Non-pooled cash and cash equivalents	22,439				22,439
Investments	100,000	37,840			137,840
Taxes receivable	150,313	34,143			184,456
Total Assets	\$ 2,386,139	\$ 318,915	\$ -	\$ 49,164	\$ 2,754,218
<u>LIABILITIES and FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts payable	93,962	6,979	-		100,941
Total Liabilities	\$ 93,962	\$ 6,979	\$ -	\$ -	\$ 100,941
<u>Deferred inflow of resources</u>					
Deferred state salary supplements	28,333				28,333
Deferred ad valorem taxes	150,313	34,143			184,456
Total Deferred inflow of resources	\$ 178,646	\$ 34,143	\$ -	\$ -	\$ 212,789
<u>FUND BALANCES</u>					
Restricted for Rylander Library Trust		74,927			74,927
Restricted for specific projects	17,000	163,910			180,910
Restricted for San Saba County schools	100,000				100,000
Assigned for debt service				49,164	49,164
Unassigned	1,996,531	38,956			2,035,487
Total Fund Balances	\$ 2,113,531	\$ 277,793	\$ -	\$ 49,164	\$ 2,440,488
Total Liabilities and Fund Balances	\$ 2,386,139	\$ 318,915	\$ -	\$ 49,164	\$ 2,754,218

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

SAN SABA COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

Total Fund Balances - Governmental Funds \$ 2,440,488

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

Capital assets used in governmental activities are not financial resources and are therefore, not reported in governmental funds. In addition, long-term liabilities are not due and payable in the current period and therefore, are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position. 2,108,391

Current year capital outlays are expenditures in the fund financial statements, but are shown as increases in capital assets in the government-wide financial statements. The effect of capital outlays is to increase net position. 767,076

Current year principal payments on capital lease obligations are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements. The effect of removing them is to increase net position. 14,771

Current year depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position. (466,029)

The County's adjustment for GASB 68 includes the recognition of deferred outflows of resources of \$545,151 and a net pension liability of \$360,543; pension expense of \$175,969; and deferred inflows of resources of \$4,719; the net effect of which is to increase the net position. 3,920

Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting including a decrease in accounts payable and accruals of \$50,195. The net effect of these transactions is to increase net position. 45,495

Net Position of Governmental Activities \$ 4,914,112

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

SAN SABA COUNTY, TEXAS **STATEMENT 5**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	General Fund	Special Revenue	Capital Projects	Debt Service	Total Governmental Funds
<u>REVENUES</u>					
Tax revenues	\$ 2,296,470	\$ 465,067	\$ -	\$ -	\$ 2,761,537
Licenses and permits	19,306	389,457			408,763
Charges for services					
Court costs	121,413	1,754			123,167
Public health and welfare	75	21,480			21,555
Retained state fines and forfeitures	13,765	28,878			42,643
Grant revenue	366,185	36,235			402,420
Rent revenue	18,000				18,000
Interest revenue	7,521	25			7,546
Miscellaneous	30,285	72,669			102,954
Lateral road income		19,604			19,604
Intergovernmental revenue	225,805				225,805
	<u>\$ 3,098,825</u>	<u>\$ 1,035,169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,133,994</u>
<u>EXPENDITURES</u>					
General government					
General administration	451,186	8,883			460,069
Financial administration	52,941				52,941
Elections	12,237				12,237
Administration of justice					
Courts	218,586	45,015			263,601
Prosecutors	177,122				177,122
Adult probation	726				726
Juvenile programs	22,177				22,177
Public safety					
Law enforcement	678,332				678,332
Emergency management	187,408				187,408
Public works					
County roads and bridges		976,946			976,946
General building maintenance	53,655				53,655
Public health and welfare	202,084	41,045			243,129
Culture/recreation/education	123,288	44,132			167,420
Utilities	50,845	11,194			62,039
Capital outlay:					
Fixed asset purchases	759,134	25,346			784,480
Debt service:					
Principal				14,771	14,771
Interest and other charges				1,374	1,374
Total expenditures	<u>\$ 2,989,721</u>	<u>\$ 1,152,561</u>	<u>\$ -</u>	<u>\$ 16,145</u>	<u>\$ 4,158,427</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 109,104</u>	<u>\$ (117,392)</u>	<u>\$ -</u>	<u>\$ (16,145)</u>	<u>\$ (24,433)</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers from other funds	-	34,127	-	1,374	35,501
Operating transfers to other funds	(34,127)	(1,374)			(35,501)
Net other financing sources (uses)	<u>\$ (34,127)</u>	<u>\$ 32,753</u>	<u>\$ -</u>	<u>\$ 1,374</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	74,977	(84,639)	-	(14,771)	(24,433)
Fund balances, beginning	<u>\$ 2,038,554</u>	<u>\$ 362,432</u>	<u>\$ -</u>	<u>\$ 63,935</u>	<u>\$ 2,464,921</u>
Fund balances, ending	<u>\$ 2,113,531</u>	<u>\$ 277,793</u>	<u>\$ -</u>	<u>\$ 49,164</u>	<u>\$ 2,440,488</u>

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

SAN SABA COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2016

Reconciliation of change in fund balances - total governmental funds to
the change in net position of governmental activities:

Net change in fund balances - total governmental funds	\$ (24,433)
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Amounts reported for governmental activities in the Statement of Revenues,
Expenditures, and Changes in Net Position are different because:

Current year capital outlays are expenditures in the fund financial statements, but are shown as increases in capital assets in the government-wide financial statements. The effect of removing current year capital outlays is to increase net position.	767,706
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Current year principal payments on capital lease obligations are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	14,771
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Depreciation is not recognized as an expense in governmental funds as it does not require the use of current financial resources while governmental activities report depreciation expense to allocate expenditures over the life of the assets.	(466,029)
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GASB 68 requires that certain expenditures be de-expended and recorded as deferred outflow of resources. These contributions made after the measurement date of 12/31/2015 increased net position by \$98,893. Additionally, deferred outflows of resources related to pensions have been recognized as noted in Note 7 Defined Benefit Pension Plan, in addition to pension expense of \$175,969; the net effect of which led to a decrease in net position.	(77,076)
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Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This includes the change in payables and accruals; for which the net effect of these transactions is to increase net position.	<div style="border-top: 1px solid black; border-bottom: 3px double black;">20,830</div>
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Change in Net Position of Governmental Activities	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 235,769</div>
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The accompanying notes are an integral part of the financial statements.

SAN SABA COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL, BUDGETED SPECIAL REVENUE, AND DEBT SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	General Fund			Special Revenue Fund			Debt Service Fund		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES									
Tax Revenues	\$ 2,224,806	\$ 2,296,470	\$ 71,664	\$ 461,051	\$ 465,067	\$ 4,016	\$ -	\$ -	\$ -
Licenses and Permits	17,000	19,306	2,306	360,000	389,457	29,457			
Court Costs and Pretrial Intervention	130,650	121,413	(9,237)	6,000	1,754	(4,246)			
Public Welfare	3,000	75	(2,925)	-	26,640	26,640			
Public Health	5,000	-	(5,000)	-	-	-			
Retained State Fines and Forfeitures	13,300	13,765	465	30,000	23,718	(6,282)			
Grant Revenue	457,250	366,185	(91,065)	42,000	36,235	(5,765)			
Rent Revenue	18,000	18,000	-	-	-	-			
Interest Income	8,000	7,521	(479)	100	25	(75)			
Miscellaneous	483,250	30,285	(452,965)	257,378	72,669	(184,709)			
Lateral road income	-	-	-	43,000	19,604	(23,396)			
Intergovernmental revenue	236,047	225,805	(10,242)	-	-	-			
Total revenues before prior year fund balance	3,596,303	3,098,825	(497,478)	1,199,529	1,035,169	(164,360)	-	-	-
Prior year fund balance	2,038,554	2,038,554	-	362,432	362,432	-			
Total revenues and prior year fund balance	\$ 5,634,857	\$ 5,137,379	\$ (497,478)	\$ 1,561,961	\$ 1,397,601	\$ (164,360)	\$ -	\$ -	\$ -
EXPENDITURES									
General Government									
General Administration	498,995	451,186	47,809	18,000	8,883	9,117			
Financial Administration	61,215	52,941	8,274						
Elections	18,000	12,237	5,763						
Administration of Justice									
Courts	270,053	218,586	51,467	26,784	45,015	(18,231)			
Prosecutors	183,149	177,122	6,027						
Adult Probation	1,075	726	349						
Juvenile Programs	32,264	22,177	10,087						
Public Safety									
Law Enforcement	703,137	678,332	24,805						
Emergency Management	191,245	187,408	3,837						
Public Works									
County Roads and Bridges				1,075,835	976,946	98,889			
General Building Maintenance	72,200	53,655	18,545						
Public Health and Welfare	220,033	202,084	17,949	42,000	41,045	955			
Culture/Recreation/Education	127,544	123,288	4,256	6,800	44,132	(37,332)			
Utilities	61,000	50,845	10,155	12,425	11,194	1,231			
Capital Outlay:									
Library Books and Publications				19,850	12,110	7,740			
Fixed Asset Purchases	1,002,516	759,134	243,382	151,710	13,236	138,474			
Debt Service:									
Principal							14,743	14,771	(28)
Interest and Fiscal Charges							1,402	1,374	28
Total Expenditures	\$ 3,442,426	\$ 2,989,721	\$ 452,705	\$ 1,353,404	\$ 1,152,561	\$ 200,843	\$ 16,145	\$ 16,145	\$ 0
Excess (deficiency) of revenues over expenditures	2,192,431	2,147,658	(44,773)	208,557	245,040	36,483	(16,145)	(16,145)	(0)
OTHER FINANCING SOURCES (USES)									
Operating transfers from other funds	-	-	-	-	34,127	34,127	-	1,374	1,374
Operating transfers to other funds	-	(34,127)	(34,127)	-	(1,374)	(1,374)	-	-	-
Total other financing sources (uses)	\$ -	\$ (34,127)	\$ (34,127)	\$ -	\$ 32,753	\$ 32,753	\$ -	\$ 1,374	\$ 1,374
Excess (deficiency) of revenues and other sources over expenditures and other uses	2,192,431	2,113,531	(78,900)	208,557	277,793	69,236		(14,771)	14,771
Fund balances, beg (non-GAAP budgetary basis)	\$ (1,472,085)	\$ 2,038,554	\$ 566,469	\$ (270,938)	\$ 362,432	\$ 91,494	\$ -	\$ 63,935	\$ 63,935
Less prior year fund balance	1,472,085	(2,038,554)	(566,469)	270,938	(362,432)	(91,494)		-	
Fund Balances, end (non-GAAP budgetary basis)	\$ 2,192,431	\$ 2,113,531	\$ (78,900)	\$ 208,557	\$ 277,793	\$ 69,236	\$ -	\$ 49,164	\$ 78,706
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES:									
Encumbrances related to prior year budgets		-			-			-	
Fund Balances, ending (GAAP basis)		\$ 2,113,531			\$ 277,793			\$ 49,164	

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

FIDUCIARY FUND FINANCIAL STATEMENTS

SAN SABA COUNTY, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2016

	<u>Agency Funds</u>
ASSETS	
Pooled cash and cash equivalents	\$ 1,909,538
Cash and cash equivalents	696
Investments - current	<u>30,737</u>
Total assets	<u><u>\$ 1,940,971</u></u>
LIABILITIES	
Accounts payable	1,909,538
Due to beneficiaries	<u>31,433</u>
Total liabilities	<u><u>\$ 1,940,971</u></u>

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

SAN SABA COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	<u>Agency Funds</u>
OPERATING REVENUES:	
Sales Tax and auto registration fees	\$ 447,756
Court costs, fines and fees	236,243
Other revenues	8,777
Investment Income	122
Total additions	<u>\$ 692,898</u>
OPERATING EXPENSES:	
Transfers per Court Order	235,354
Transfers to Primary Government	413,241
Transfers to State Government	270,757
Total deductions	<u>\$ 919,352</u>
Change in net position	<u>\$ (226,454)</u>
Net Position held for transfer to Primary Government, State Government or for the benefit of beneficiaries:	
Beginning of Year	<u>\$ 2,167,425</u>
End of Year	<u><u>\$ 1,940,971</u></u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The accounting and reporting policies of the County of San Saba, State of Texas (the "County") related to the funds in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the County has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the County are described below.

B. Financial Reporting Entity

The County was formed in 1856 and operates using a commissioner form of government under the Constitution of the State of Texas and State Laws related to the various aspects of county government operations. The County's basic financial statements include the accounts of the County's operations, including all funds, account groups, agencies, boards, commissions, and other organizations over which the Commissioners exercise oversight responsibility. Oversight responsibility includes appointment of governing bodies, budget authority, approval of tax levies, securing outstanding debt by the County's full faith and credit or revenues, and responsibility for funding deficits.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Based upon the application of these criteria and on the aforementioned criteria, the County has no component units. The following is a brief review of each potential component unit addressed in defining the County's reporting entity.

Included in the reporting entity:

San Saba County, Texas (Primary Government)

The County is a political subdivision of the State of Texas. The County is governed by the Commissioners Court, composed of four elected County Commissioners and an elected County Judge. Each of these officials serves a term of four years. The primary activities of the County include the construction and maintenance of county roads, provision of public safety through a sheriff's department, support of area fire protection and ambulance service, administration of justice, correctional facilities, health and welfare services, culture and recreation through libraries, and other social and administrative services.

For the year ended September 30, 2016, no other organizations have been combined for either blended or discrete presentation in the County's financial statements. The following organizations are not considered "related organizations":

Excluded from the reporting entity:

San Saba County Appraisal District

This is a separate entity providing property appraisal services to all taxing units within the county.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

This entity has its own governing board and is elected by the various taxing units which it serves; however the taxing units do not designate management or significantly influence operations. The Appraisal District's cost of operations is divided on a prorated basis among the various taxing units within the county. San Saba County's share of this cost is disclosed within the appropriate funds and functions that levy taxes.

Other entities within the county that provide similar services but are not included in the reporting entity because they do not meet the criteria are municipalities, school districts, utility districts, hospital districts, and various non-profit organizations.

Inter-local Agreements

The County and the City of San Saba, Texas participate in joint activities that are very similar in many aspects, such as the need for law enforcement, medical services, and emergency responders in shared geographical areas. The County participates in several joint activities with the City of San Saba, Texas, and the City of Richland Springs, Texas, whereby resources are pooled and costs are shared with the goal of providing goods and/or services to the general public of San Saba County, Texas. The County participates in the following joint activities, which are included in the reporting entity:

San Saba County Emergency Medical Services (EMS) and Emergency Management

The County is responsible for overseeing countywide emergency management and medical services whereby professional emergency personnel respond to calls for emergency management and/or medical assistance. The demand for emergency services continues to rise each year as the population increases and more people need such assistance. San Saba County municipalities share in funding the operations each fiscal year through inter-local agreements whereby the City of San Saba, Texas reimburses the County for 44% of the total cost of the current EMS service contract and \$3,343 per annum related to Emergency Management Services. The City of San Saba paid \$62,480 to the County for EMS services in 2016. The City of Richland Springs also shares in funding EMS services through an inter-local agreement whereby the City of Richland Springs reimburses the County for 4.5% of the total cost of EMS service contract. The City of Richland Springs paid \$6,390 to the County for EMS services in 2016. The County contracts with an outside emergency medical service company, currently Acadian Ambulance Services, to provide emergency medical services to the citizens of San Saba County.

San Saba County Emergency Dispatcher Services

San Saba County provides dispatching services from the San Saba County Jail in the case of emergencies involving medical, fire, and police. The City of San Saba and the County share in the cost associated with dispatching services for criminal activity, domestic violence, fire, and emergency medical services. The City pays \$80,340 per annum to cover its share of agreed upon services.

San Saba Volunteer Fire Department

This volunteer organization provides countywide emergency fire and rescue services whereby trained professionals respond to automobile, marine, and equipment accidents, as well as potentially disastrous circumstances such as grassfires and house fires. The County and the City of San Saba share in funding its annual operations. The County records its 50% share of expenditures in the general fund. The City paid the County \$3,810 in fiscal year 2015-2016 for equipment and supplies related to fire department operations.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

San Saba County Municipal Court Costs

An inter-local agreement exists between the City of San Saba and the County whereby costs are shared for municipal court functions. The City of San Saba reimbursed the County \$20,883 for the fiscal year ending September 30, 2016 for its share of expenses related to the inter-local agreement.

San Saba Municipal Airport

An inter-local agreement exists between the City of San Saba and the County whereby costs are shared for operations of the municipal airport located north of San Saba, Texas. No expenditures were incurred related to the inter-local agreement for fiscal year ended September 30, 2016.

The County remains committed to sharing expenditures for joint activities with other municipalities and government offices. Additional inter-local agreements exist with the 33rd Judicial District Drug Court Program for reimbursement of costs, in addition to the City of Richland Springs for the sharing of road maintenance expenditures during the fiscal year.

C. Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements

The County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and fiduciary activities. These statements present each major fund as a separate column on the fund financial statements.

Governmental Funds

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus is on the sources, uses and balances of current financial resources. The County has presented the following major funds:

General Fund –

The General Fund is the main operating fund of the County and is always classified as a major fund. This fund is used to account for all financial resources not legally or administratively required to be accounted for in other funds.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Special Revenue Fund –

The Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted to expenditures for designated purposes.

Capital Projects Fund –

The Capital Projects Fund is used to account for resources restricted for the acquisition or construction of specific capital projects. Generally, the Capital Projects Fund includes monies derived from state and federal grants that are obtained by the County.

Debt Service Fund –

The Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the County. The fund balance of the Debt Service Fund is reserved to signify the amounts that are restricted exclusively for debt service expenditures.

Fiduciary Funds (Not included in government-wide statements)

Fiduciary funds consist of trust and agency funds. The funds are generally used by the County Clerk, District Clerk, Tax Assessor Collector, and Justice of the Peace to account for assets held for other funds, governments, or individuals. In addition, the County has historically obtained grant funding for use by North San Saba Water Supply Corporation as well as local county residents through pass-through federal and state grant funds. The County often acts as a pass-through agent for the grant funds for such projects and therefore, accounts for them in the Fiduciary funds. Since agency funds are custodial in nature (i.e. – assets equal liabilities), they do not involve the measurement of results of operations.

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

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and are accounted for using the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

The revenues susceptible to accrual are property taxes, intergovernmental revenues, grant revenues, and investment income. All other miscellaneous revenue items are considered measurable and available only when the County receives cash. Investment earnings are recorded as earned, since

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

they are both measurable and available. See Note (1)G and (1)I, for property tax information and Note (6) for intergovernmental revenue information.

The County has presented the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the general fund.

The *Special Revenue Fund* accounts for the County Road and Bridge taxes, in addition to fees from auto registration, certificates of title, gross weight and axle fees, and approved expenditures for public transportation projects. The Rylander Library Trust, Indigent Defense, and other miscellaneous judicial funds are also accounted for within the special revenue fund.

The *Capital Projects Fund* is used to account for resources restricted for the acquisition or construction of specific capital projects. Generally, the Capital Projects Fund includes monies derived from state and federal grants that are obtained by the County.

The *Debt Service Fund* is used to account for the debt service associated with the County's road maintenance equipment.

Additionally, the County reports the following fiduciary funds:

The *Agency Fund* accounts for assets that the government holds on behalf of others as their agent.

E. Budgetary Data

Budget Policies and Practices

The Commissioners Court adopts an annual budget in September of each year for the general fund, all special revenue funds (Road and Bridge, Rylander Library Trust, Records Management County Judicial, Law Library, etc.), and the debt service fund. Once approved, the Commissioners Court may amend the legally adopted budget during the year when unexpected modifications are required in estimated revenues and appropriations. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

Legally authorized, non-appropriated budgets are also prepared for the capital projects funds. Expenditures for these funds are controlled on a project (or designated purpose) basis and are carried forward each year until the project is completed or the grant award has been expended.

Budgetary Control

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by fund and by department. The legal level of budgetary control is at the department level. The County Treasurer has authority to transfer appropriation balances from one expenditure category to another within a department. Budget revisions are subject to approval by the Commissioners Court. The reported supplementary budget data notes the original budgeted amounts and the final budget, which was revised for amendments authorized

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

during the 2015-2016 fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles.

There were no departments for the County that were overbudget for total expenditures in FY2016; however, expenditures of the following departments exceeded the appropriated line item budgeted amounts in fiscal year 2016 by more than \$100 for the following classes:

Department	Class	Amount of Expenditures over Budget
Tax Assessor Collector	Personnel and related	\$1,118
Justice of the Peace	Personnel and related	1,542
District Court	Personnel and related	9,459
County Attorney	Personnel and related	225
Sheriff	Personnel and related	7,987
Jail	Personnel and related	4,968
Municipal Court	Personnel and related	695
Crime Victims Coordinator	Office Supplies	224
Crime Victims Coordinator	Copier Maintenance Contract	600
Countywide	Personnel and related	277
Countywide	Repairs and Maintenance	508
Road & Bridge – Precinct 1	Fuel and Road Maintenance Supplies	2,942
Road & Bridge – Precinct 2	Road Maintenance Supplies	14,532

F. ASSETS, LIABILITIES, AND EQUITY

Cash and Investments

The County maintains and controls a cash pool for the reporting entity. Each fund's portion of the pool is displayed on its respective balance sheet as "pooled cash and cash equivalents". In addition non-pooled cash and investments are separately held and reflected in the respective funds as "non-pooled cash and cash equivalents" and "investments".

The County considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", investments are stated at fair value. GASB Statement No. 31 also allows governments to value short-term, highly liquid debt instruments (i.e., money market investments, certificates of deposit) at amortized cost if those investments have a remaining maturity of one year or less at the time they are acquired. Short-term investments are reported at cost, which reasonably estimates fair value.

In October 2008, the Emergency Economic Stabilization Act of 2008 temporarily raised the basic limit on federal deposit insurance coverage from \$100,000 to \$250,000 per depositor. The signing of the Dodd-Frank Wall Street Reform and Consumer Protection Act made the higher amount of \$250,000 permanent in July 2010.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds". Short-term Interfund loans are reported as "Interfund receivables and payables". Long-term Interfund loans are reported as "advances to and from other funds".

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - *Continued*

Interfund Receivables and Payables

Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Capital Assets

The accounting treatment of property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or fiduciary fund operations, and whether they are reported in the government-wide financial statements or fund financial statements.

Government-wide Statements

In the government-wide financial statements, fixed assets, which include property, plant, equipment, and infrastructure assets are reported as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date of donation. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Revenues, Expenses, and Changes in Net Position, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Buildings	25-50 years
Infrastructure	15-30 years
Improvements	10-20 years
Furniture and Fixtures	5-10 years
Machinery and Equipment	3-10 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are capitalized upon acquisition and presented net of accumulated depreciation expense in the government-wide financial statements.

Compensated Absences

The County Commissioners have adopted a policy whereby employees are paid lump sum payments for unused vacation time when they terminate employment with the County. Upon termination, up to 15 days of accumulated vacation at full pay will be paid if the employee meets prescribed conditions. The County does not pay its employees upon termination for accrued sick days.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the TCDRS and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Estimates

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

Long-term Debt

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. Instead, the debt proceeds are reported as other financing sources and uses and payment of principal and interest is reported as expenditures. Issuance costs are reported as debt service expenditures.

Fund Equity

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes, mortgages, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – consists of net positions with constraints placed on the use either by (1) external groups such as grantors, creditors, contributors, or other laws or regulations of other governments; or (2) law through constitutional provisions of enabling legislation.
- c. Unrestricted net position – all other net positions that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Fund Statements

In order to clarify the relationship between reserved fund balance and restricted net position, the GASB issued Statement No. 54 to be implemented for periods beginning after June 15, 2010. The objective of the new statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. Fund balance reporting requirements were changed to depict the relative strength of the spending constraints placed on the purposes for which the resources can be used as follows:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory) or are required to be maintained intact

Restricted fund balance – amounts that are constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority (the Commissioner's Court); to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority

Unassigned fund balance – amounts that are available for any purpose not contained in other classifications

The County's policy is to first apply restricted resources to an expense and then unrestricted resources for the same expenses in the case where both restricted and unrestricted net position resources are available to pay for the expense.

G. REVENUES, EXPENDITURES, AND EXPENSES

Sales Tax

The County presently levies one half of one-cent (0.005) sales tax on taxable sales within the County. The sales tax is collected by the Texas State Comptroller of Public Accounts and is remitted to the County in the month following receipt by the Comptroller. The Comptroller receives the sales tax approximately one month after collection by vendors. The sales tax is recorded entirely in the General Fund.

San Saba County Appraisal District was created by authority of Senate Bill 621, known as the Property Tax Code, of the 66th Legislature of the State of Texas. The Appraisal District is controlled by a Board of Directors whose members are elected by the governing bodies of various taxing units with San Saba County. The Appraisal District does not meet the criteria for requiring inclusion of its operations as part of San Saba County.

Ad Valorem Tax

Under the Property Tax Code, the San Saba County Central Appraisal District is required to appraise all real and personal property in San Saba County and may provide other services such as preparation of tax rolls and billings on tax collection services. A taxing unit may assess and collect taxes only from the appraisal roll prepared by the Appraisal District. Taxing units are charged a proportionate amount of the Appraisal District's budget for services rendered the taxing units.

The County has contracted with the Appraisal District to assess the values of property and to collect the tax revenue generated. The Appraisal District deposits monies received directly into the County Tax Assessor-Collector's bank account. The Appraisal District remits the monies received monthly to the County Treasurer for recognition of tax revenues in funds for which taxes were levied.

Expenses/ Expenditures

On an accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as Interfund transfers. For the purposes of the Statement of Revenues, Expenses, and Changes in Net Position, all Interfund transfers between individual governmental funds have been eliminated.

Reservations of equity show amounts that are not appropriate for expenditure, or are legally restricted for specific uses and purposes. Generally, the purpose is indicated in the fund name or account title on the face of the Statement of Net Position.

H. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local governmental unit, the County is subject to various federal, state, and local laws and contractual regulations. An analysis of the County's compliance with significant laws and regulations and demonstration of its stewardship over County resources follows:

Fund Accounting Requirements

The County complies with all state and local laws and regulations requiring the use of separate funds.

Deposits and Investments Laws and Regulations

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities. As required by 12 U.S.C.A. Section 1823(3), all financial institutions pledging collateral to the County must have a written collateral agreement approved by the board of directors or loan committee. As reflected in Note (2), all deposits of the County were fully insured or collateralized, except for funds being held in a fiduciary capacity by the District Clerk as required by the 33rd Judicial District Court, which are included in Category 3 below in the Deposits Note 2.

Revenue Restrictions

The County has various restrictions placed over certain revenue sources such as grants and contributions. These revenue sources involve contractual agreements entered into by the County whereby the funds may only be used for designated purposes as stated in the contract. Funds for Indigent Defense, Indigent Health, Rylander Library, Crime Victims Assistance, Texas Historical Commission, Texas Division of Emergency Management, and other various grant funds currently have such restrictions. In fiscal year 2014-2015, the County entered into a grant funding agreement with the Texas Historical Commission for the rehabilitation and restoration of the San Saba County Courthouse. The estimated project cost estimate is \$899,500, of which the County is responsible for 50%.

I. AD VALOREM TAXES RECEIVABLE AND CALENDAR

The County's property tax is levied each October 1st, based upon 100% of the assessed value as of the prior January 1 for all real and personal property located in the County. A tax lien attaches to real property by state law on January 1 in the year of assessment to assure collection of property taxes levied. The tax rate for fiscal year 2016 (2015 tax levy) was \$0.7525 per each \$100 assessed value. \$0.6190 was allocated to the General Fund and \$0.1335 was allocated to the Road and Bridge Fund. The original 2016 tax levy on assessed valuations was \$2,533,797. Tax collections on current taxes assessed for fiscal year 2016 were approximately 98.0%.

(2) DEPOSITS AND INVESTMENTS

Deposits were with the contracted depository bank in interest bearing accounts which were secured throughout the year by FDIC coverage and by securities conforming to the provisions of House Bill 1488 pledged to, and in the name of, the County. The County was adequately collateralized for all twelve (12) months during the year under the provisions of the Governmental Accounting Standards Board "Codification of Governmental Accounting Standards". Cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are:

- Category 1 Deposits that are insured or collateralized with securities held by the County or by its agent in the County's name.
- Category 2 Deposits, which are collateralized with securities, held by the pledging financial institution's trust department or agent in the County's name.
- Category 3 Deposits which are not collateralized.

Deposits at September 30, 2016, categorized by level of risk, are presented in the following table:

	Bank Balance	Category			Carrying Amount
		1	2	3	
POOLED DEPOSITS					
Pooled cash and cash equivalents					
General & Special Revenue	\$2,570,275	\$ 250,000	\$ 2,320,275	\$ -	\$2,531,500
NON-POOLED DEPOSITS					
Non- pooled cash and cash equivalents					
General Funds					
MMA	19,653		19,653		19,653
Sheriff Forfeiture	2,786		2,786		2,786
Fiduciary Funds					
County Clerk	3,561	3,561			3,561
District Clerk	1,868,047	250,000		1,618,047	1,868,047
Ag Program	4,344	4,344			4,344
Justice of the Peace	11,187	11,187			11,187
Tax Assessor – Collector	19,047	19,047			19,047
County Attorney	10,219	10,219			10,219
County Available School	929	929			929
Minor account	696	696			696
Non-pooled certificates of deposit					
General Fund	100,000		100,000		100,000
Special Revenue	37,840		37,840		37,840
Fiduciary Funds					
District Clerk	30,737	30,737			30,737
Total Deposits	\$4,679,321	\$ 580,720	\$ 2,480,554	\$1,618,047	\$4,640,546

As reflected above, all deposits of the County were fully insured or collateralized, except for funds being held in a fiduciary capacity by the District Clerk in the registry of the court as required by the 33rd Judicial District Court. The Court is fully aware that the funds have been placed in one banking entity and only insured up to FDIC limits of \$250,000. Upon settlement of the pending legal dispute, the funds will be disbursed by the District Clerk at the direction of the court.

3) CAPITAL ASSETS

Capital assets for governmental activities for the year ended September 30, 2016, are as follows:

	Balance September 30 2015	Additions	Retirements	Balance September 30 2016
Land	\$ 58,887	\$ -	\$ -	\$ 58,887
Buildings	280,907	-	-	280,907
Improvements	552,633	731,187	-	1,283,820
Infrastructure Improvements	3,710,463	-	-	3,710,463
Furniture & Fixtures	413,526	12,110	-	425,636
Machinery & Equipment	3,289,525	24,529	(751)	3,313,303
Totals at historical cost	\$ 8,305,941	\$ 767,826	\$ (751)	\$ 9,073,016
Less accumulated depreciation				
Buildings	(225,699)	(3,106)	-	(228,805)
Improvements	(260,203)	(13,546)	-	(273,749)
Infrastructure Improvements	(2,606,075)	(246,230)	1,406	(2,850,899)
Furniture & Fixtures	(350,862)	(22,298)	(1,406)	(374,566)
Machinery & Equipment	(2,821,249)	(180,849)	-	(3,002,098)
Total accumulated depreciation	(6,264,088)	(466,029)	-	(6,730,117)
Governmental Activities capital assets, net	\$ 2,041,853	\$ 301,797	\$ (751)	\$ 2,342,899

Depreciation expense was charged to governmental activities as follows:

General government administration	\$ 179,612
Road and bridge	<u>286,417</u>
Total depreciation expense	<u>\$ 466,029</u>

(4) LEASE COMMITMENTS

Capital Leases

The County leases certain vehicles and equipment, consisting of motorgraders and related equipment to maintain the County's roads, under capital leases. Two motorgraders are currently leased from Caterpillar®, which have an aggregate cost of \$260,700. The following is a schedule of the future aggregate minimum lease payments under capital leases:

	Principal	Interest	Total
Year ending September 30:			
2017	15,115	1,030	16,145
2018	15,498	647	16,145
2019	15,890	255	16,145
2020	2,661	32	2,693
	<u>\$ 49,164</u>	<u>\$ 1,964</u>	<u>\$ 51,128</u>

Operating Leases

As of September 30, 2016, the County had remaining operating lease commitments in the general fund of \$29,488 related to office equipment software and copier contracts. All leases are renewable one-year to five-year contracts. Expenditures related to such contracts for 2016 were \$30,860.

(5) LONG-TERM DEBT

There is no general obligation debt outstanding at September 30, 2016.

(6) INTERGOVERNMENTAL REVENUE

Revenue received from other governmental entities is classified according to the level from which the revenue is received:

Federal	State	Local	Total
\$45,904	\$933,002	\$ 186,872	\$ 1,165,778

(7) DEFINED BENEFIT PENSION PLAN

Plan Description. The County of San Saba provides retirement, disability, and death benefits for all of its regular employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 677 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782. TCDRS' CAFR is also available at www.tcdrs.org.

Pension plan fiduciary net position. Detailed information about the TCDRS fiduciary net position is available in a separately issued TCDRS report and is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782.

Benefits Provided. The plan provisions are adopted by the governing body of the employer, within the options available in the Texas State statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 or more 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 lump sum are not entitled to any amounts contributed by their employer.

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

Employees covered by benefit terms.

Inactive employees or beneficiaries currently receiving benefits	29
Inactive employees entitled to but not yet receiving benefits	31
Active	41
	<u>101</u>

Contributions. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of the employee members. The deposit rate for employees is 7% of compensation, as adopted by the employer's governing body. Participating employers of the TCDRS system are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Employer contribution rates are determined annually and approved by the TCDRS

(7) DEFINED BENEFIT PENSION PLAN - Continued

Board of Trustees. The Board hires independent outside actuaries to conduct an annual valuation to measure the funding status and to determine the required employer contribution rate for each employer plan. The County contributed using the actuarially determined rate of 8.6% for the months of the accounting year in 2015. Pursuant to state law, employers participating in the system must pay 100% of their actuarially determined required contributions on an annual basis. Investment income funds a large part of the benefits employees earn.

NET PENSION LIABILITY

The County's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at that date.

Asset valuation method and actuarial assumptions. When determining the actuarial value of assets for measuring a plan's funded status, TCDRS smoothes each year's actuarial investment gains and losses and recognizes them over a five-year period to better reflect the system's long-term investment horizons and to keep employer contribution rates more stable. The County's required contribution was determined as part of the December 31, 2015 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2015 include (a) an 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 effects of short-term volatility in the market value of investments over a five-year period. The five-year period helps stabilize employer rates while still ensuring that rates are reflective of current market conditions. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2015, was 14.5 years.

As of December 31, 2015, the most recent actuarial valuation date, the plan was 91.1% funded. The actuarial accrued liability for benefits was \$4,213,765 and the actuarial value of assets was \$3,838,085, resulting in an unfunded actuarial accrued liability (UAAL) of \$375,680. The covered payroll (annual payroll of active employees covered by the plan) was \$1,247,281, and the ratio of the UAAL to the covered payroll was 30.11%.

TCDRS has adopted the replacement life entry age cost method, a conservative cost method and an industry standard. The goal of this cost method is to fund benefits in an orderly manner for each participant over their career so that sufficient funds are accumulated by the time benefit payments begin. Benefits are funded in advance as a level percentage of pay. The December 31, 2015 most recent actuarial valuation used the following assumptions in the measurement:

Actuarial Valuation Information

Actuarial valuation date	12/31/13	12/31/14	12/31/15
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	20.0	20.0	20.0
Asset valuation method	SAF: 5-yr smoothed value	SAF: 5-yr smoothed value	SAF: 5-yr smoothed value

Actuarial assumptions:

Investment rate of return	8.00%	8.00%	8.00%
Projected salary increases	4.9%	4.9%	4.9%
Inflation ¹	3.0%	3.0%	3.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

(7) DEFINED BENEFIT PENSION PLAN - Continued

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long-term rate of return on pension plan investments is 8 percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	14.50%	5.45%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	14.00%	8.45%
Global Equities	MSCI World (net) Index	1.50%	5.75%
International Equities - Developed	MSCI World Ex USA (net)	10.00%	5.45%
International Equities - Emerging	MSCI World Ex USA (net)	8.00%	6.45%
Investment-Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	1.00%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	5.10%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.09%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	5.00%	6.40%
Distressed Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	8.10%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE EPRA/NAREIT Global Real Estate Index	3.00%	4.00%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	6.80%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	5.00%	6.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	25.00%	5.25%
		100%	

Discount rate. The discount rate used to measure the total pension liability was 8.1 percent. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses as required by GASB 68. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rates of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term rate of return on pension plan investments is 8%.

(7) DEFINED BENEFIT PENSION PLAN - Continued

Changes in the Net Pension Liability / (Asset)

Changes in Net Pension Liability / Asset	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances as of December 31, 2014	\$ 5,637,466	\$ 5,727,471	\$ (90,005)
Changes for the year:			
Service cost	168,518	-	168,518
Interest on total pension liability ⁽¹⁾	454,802	-	454,802
Effect of plan changes ⁽²⁾	(12,225)	-	(12,225)
Effect of economic/demographic gains or losses	(9,437)	-	(9,437)
Effect of assumptions changes or inputs	64,010	-	64,010
Refund of contributions	(6,285)	(6,285)	-
Benefit payments	(260,166)	(260,166)	-
Administrative expenses	-	(4,098)	4,098
Member contributions	-	87,310	(87,310)
Net investment income	-	1,862	(1,862)
Employer contributions	-	107,392	(107,392)
Other ⁽³⁾	-	22,652	(22,652)
Balances as of December 31, 2015	\$ 6,036,683	\$ 5,676,138	\$ 360,545

(1) Reflects the change in liability due to the time value of money. TCDRS does not charge fees or interest.

(2) Reflects new annuity purchase rates applicable to all TCDRS employers effective January 1, 2018.

(3) Relates to allocation of system-wide items.

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

	1% Decrease 7.10%	Current Discount Rate 8.10%	1% Increase 9.10%
Total Pension Liability	\$ 6,702,947	\$ 6,036,683	\$ 5,473,448
Fiduciary Net Position	5,676,140	5,676,140	5,676,140
Net Pension liability / (asset)	\$ 1,026,807	\$ 360,543	\$ (202,692)

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions. For the year ended December 31, 2015, the County recognized pension expense of \$175,969. At December 31, 2015, the County reported the following amounts as deferred inflows and outflows of resources related to pensions:

Deferred Inflows/Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected & actual economic experience	\$ 4,719	\$ -
Changes in actuarial assumptions	-	32,005
Net difference between projected and actual earnings	-	414,254
Contributions paid to TRS subsequent to measurement date	-	98,892
TOTAL	\$ 4,719	\$ 545,151

(7) DEFINED BENEFIT PENSION PLAN - *Continued*

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

Year ended December 31:	
2016	\$134,435
2017	107,148
2018	107,148
2019	92,810
2020	-
Thereafter	-

Pension Expense / (Income)

Pension Expense / (Income)	January 1, 2015 to December 31, 2015
Service cost	\$ 168,518
Interest on total pension liability ⁽¹⁾	454,802
Effect of plan changes	(12,225)
Administrative expenses	4,098
Member contributions	(87,310)
Expected investment return net of investment expenses	465,911
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	(2,504)
Recognition of assumption changes or inputs	32,005
Recognition of gains or losses	107,148
Other ⁽²⁾	(22,652)
Pension expense / (income)	\$ 175,969

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

(2) Relates to allocation of system-wide items.

(8) GROUP TERM LIFE FUND

Plan Description. The County of San Saba participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County & District Retirement System (TCDRS). The plan is referred to as the Group Term Life Fund (GTLF). This optional plan provides group-term life insurance coverage to current eligible employees and, if elected by employers, to retired employees. The coverage provided to retired employees is a postemployment benefit other than pension benefits (OPEB). Retired employees are insured for \$5,000.

The GTLF is a separate trust administered by the TCDRS Board of Trustees. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for the GTLF. This report may be obtained by writing to the Texas County and District Retirement System, PO Box 2034, Austin, TX 78768-2034, or by calling 800-823-7782. TCDRS' CAFR is also available at www.tcdrs.org.

Funding Policy. Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. San Saba County, Texas contributions to the GTLF for the year ended September 30, 2016 were \$8,106, which equaled the contractually required contributions each year.

(9) INTERFUND TRANSACTIONS

During the course of normal operations, the County has transactions between funds, including transfers or resources to provide funding as approved in the County's budget. The accompanying table reflects such transactions as interfund transfers as of September 30, 2016:

Transfer From	To Debt Service Fund	To Road & Bridge General Precincts	To Special Revenue	Total Transfers In/ (Out)
General				
Indigent Defense			\$ 34,127	\$ 34,127
Road & Bridge				
General	1,374	964,001		965,375
Total Transfers	\$ 1,374	\$ 964,001	\$ 34,127	\$ 999,502

(10) RISK MANAGEMENT

The County incurs risk in the areas of property and liability, errors and omissions, and law enforcement liability. Risk of loss for each of these areas is transferred to the commercial carriers. A public entity risk pool is a cooperative group of governmental entities joining to finance an exposure, liability or risk.

The County participates in a risk-sharing pool with the Texas Association of Counties for worker's compensation, wherein member counties pool funds and share in the risk of loss as a whole.

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Claims against the County are expected to be paid by that public entity risk pool. Should the pool become insolvent, or otherwise unable to pay claims, the County may have to pay claims. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the past three years.

(11) LITIGATION

As of September 30, 2016, one case is pending against the County; however the County is not expected to incur a liability related to the matter.

(12) NEW PRONOUNCEMENTS

In June 2012, the GASB approved a new pronouncement Statement No. 68, *Accounting and Financial Reporting for Pensions*, which revises and establishes new financial reporting requirements for state and local governments that provide employees with pension benefits. GASB 68 replaces the requirements of GASB 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. GASB 68 requires governments providing defined benefit pensions through entities such as the TCDRS to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, requires employer contributions made between the measurement date, which is the date used to determine an employer's net pension liability, and the employer's fiscal year end be reported as a deferred outflow of resources. The statement "requires a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability".

REQUIRED
SUPPLEMENTARY INFORMATION

San Saba County, Texas
Schedule of Cash Receipts and Disbursements As Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual (Over) Under Budget
REVENUES:				
Taxes	\$ 1,986,306.00	\$ 1,986,306.00	\$ 2,018,322.13	\$ (32,016.13)
Taxes - Prior Year	51,000.00	51,000.00	27,296.63	23,703.37
Penalty & Interest	25,000.00	25,000.00	25,061.86	(61.86)
Sales Tax	160,000.00	160,000.00	218,948.85	(58,948.85)
Mixed Drink Tax	2,500.00	2,500.00	6,840.87	(4,340.87)
Fees of Office	120,500.00	120,500.00	116,338.89	4,161.11
Fees to Clerks	6,000.00	6,000.00	1,529.18	4,470.82
Fees for Peace Officers	10,000.00	10,000.00	8,791.33	1,208.67
Fees for Services of Prosecutors	500.00	500.00	545.76	(45.76)
Liquor Licenses	100.00	100.00	1,587.00	(1,487.00)
Auto Registration Fees	17,000.00	17,000.00	19,306.34	(2,306.34)
Jury Fees	850.00	850.00	186.15	663.85
Traffic Fees	750.00	750.00	589.18	160.82
County Transaction Fees	1,200.00	1,200.00	902.34	297.66
Bond Forfeiture	-	-	2,750.00	(2,750.00)
Child Safety	500.00	500.00	75.00	425.00
Law Library Fund	2,000.00	2,000.00	-	2,000.00
Traffic Law Failure to Appear	1,500.00	1,500.00	922.08	577.92
Pretrial Interventions	-	-	1,000.00	(1,000.00)
Court Appointed Attorney Fee	2,500.00	2,500.00	-	2,500.00
Judicial Education Fee	550.00	550.00	36.00	514.00
State Salary Supplement	48,533.33	48,533.33	48,533.00	0.33
Indigent Program Reimbursement	5,000.00	5,000.00	-	5,000.00
Intergovernmental Revenue	187,513.95	187,513.95	177,271.82	10,242.13
Grant Income	457,250.00	457,250.00	366,185.02	91,064.98
Rental Income	18,000.00	18,000.00	18,000.00	-
Other Income	33,500.00	33,500.00	30,285.25	3,214.75
Supplement from Undesignated Reserve	449,750.00	449,750.00	-	449,750.00
Interest Income	8,000.00	8,000.00	7,521.26	478.74
District Attorney State Supplement	-	-	-	-
TRANSFERS:				
Interfund Transfers In	-	-	-	-
Interdepartmental Transfers In	-	-	-	-
TOTAL GENERAL FUND REVENUES	\$ 3,596,303.28	\$ 3,596,303.28	\$ 3,098,825.94	\$ 497,477.34

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
COUNTY JUDGE				
Salary - Department Head	\$ 60,658.76	\$ 60,658.76	\$ 60,658.80	\$ 0.04
Salary - #1	24,419.42	24,419.42	23,534.62	(884.80)
Payroll Tax - Social Security	5,027.85	5,027.85	5,112.25	84.40
Payroll Tax - Medicare	1,233.63	1,233.63	1,195.60	(38.03)
Retirement	8,252.58	8,252.58	7,737.45	(515.13)
Death Benefits	629.58	629.58	728.76	99.18
Health Insurance	13,296.00	13,296.00	12,359.88	(936.12)
Unemployment	79.36	79.36	82.22	2.86
Worker's Compensation	595.55	595.55	399.81	(195.74)
Office Supplies/Postage	2,000.00	1,795.00	1,193.46	(601.54)
Advertising & Required Publications	1,115.00	1,115.00	715.00	(400.00)
Travel/Dues/Conventions	6,500.00	6,500.00	6,490.33	(9.67)
Telephone	3,100.00	3,305.00	3,301.52	(3.48)
Repairs/Maintenance	300.00	300.00	-	(300.00)
Equipment Maintenance & Supplies	450.00	450.00	-	(450.00)
TOTAL County Judge	\$ 127,657.73	\$ 127,657.73	\$ 123,509.70	\$ (4,148.03)
COUNTY CLERK				
Salary - Department Head	\$ 17,171.00	\$ 17,171.00	\$ 17,171.04	\$ 0.04
Salary - #6 or Part-Time	11,144.25	11,144.25	7,020.12	(4,124.13)
Payroll Tax - Social Security	1,755.55	1,755.55	1,499.89	(255.66)
Payroll Tax - Medicare	410.57	410.57	350.80	(59.77)
Retirement	2,746.58	2,746.58	2,195.07	(551.51)
Death Benefits	209.53	209.53	152.66	(56.87)
Unemployment	36.22	36.22	26.41	(9.81)
Worker's Compensation	167.06	167.06	115.21	(51.85)
Office Supplies/Postage	7,000.00	7,000.00	5,425.04	(1,574.96)
Travel/Dues/Conventions	625.00	625.00	210.00	(415.00)
Telephone	600.00	600.00	442.19	(157.81)
Repairs/Maintenance	300.00	300.00	220.00	(80.00)
Copier/Maintenance Contract	10,100.00	10,100.00	7,508.64	(2,591.36)
Capital Outlay	500.00	500.00	-	(500.00)
TOTAL County Clerk	\$ 52,765.76	\$ 52,765.76	\$ 42,337.07	\$ (10,428.69)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
DISTRICT CLERK				
Salary - Department Head	\$ 17,171.00	\$ 17,171.00	\$ 17,170.92	\$ (0.08)
Salary - #1	24,419.42	24,419.42	24,174.54	(244.88)
Overtime	-	-	52.83	52.83
Payroll Tax - Social Security	2,578.61	2,578.61	2,532.39	(46.22)
Payroll Tax - Medicare	603.06	603.06	592.27	(10.79)
Retirement	4,034.27	4,034.27	3,804.50	(229.77)
Death Benefits	307.77	307.77	264.99	(42.78)
Health Insurance	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	79.36	79.36	130.32	50.96
Worker's Compensation	245.38	245.38	196.68	(48.70)
Office Supplies/Postage	3,700.00	3,700.00	3,618.13	(81.87)
Travel/Dues/Conventions	600.00	600.00	50.00	(550.00)
Telephone	550.00	550.00	441.41	(108.59)
Repairs/Maintenance	150.00	150.00	110.00	(40.00)
Copier/Maintenance Contract	1,200.00	1,200.00	1,170.52	(29.48)
Capital Outlay	100.00	100.00	56.53	(43.47)
TOTAL District Clerk	\$ 62,386.87	\$ 62,386.87	\$ 60,785.05	\$ (1,601.82)
COUNTY TREASURER				
Salary - Department Head	\$ 34,341.99	\$ 34,341.99	\$ 34,341.96	\$ (0.03)
Salary - #6 or Part Time	4,000.00	4,000.00	120.56	(3,879.44)
Payroll Tax - Social Security	2,377.20	2,377.20	2,136.67	(240.53)
Payroll Tax - Medicare	555.96	555.96	499.72	(56.24)
Retirement	3,719.17	3,719.17	3,167.08	(552.09)
Death Benefits	283.73	283.73	220.55	(63.18)
Health Insurance	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	13.00	13.00	(2.85)	(15.85)
Worker's Compensation	226.22	226.22	163.77	(62.45)
Office Supplies/Postage	2,500.00	2,500.00	2,478.05	(21.95)
Other Supplies	200.00	200.00	7.98	(192.02)
Advertising & Required Publications	100.00	100.00	78.40	(21.60)
Travel/Dues/Conventions	3,200.00	3,800.00	3,777.36	(22.64)
Telephone	550.00	550.00	481.71	(68.29)
Repairs/Maintenance	300.00	300.00	243.75	(56.25)
Software Maintenance	500.00	500.00	-	(500.00)
Capital Outlay	1,700.00	1,100.00	-	(1,100.00)
TOTAL County Treasurer	\$ 61,215.27	\$ 61,215.27	\$ 54,133.73	\$ (7,081.54)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
TAX ASSESSOR				
Salary - Department Head	\$ 19,375.78	\$ 19,375.78	\$ 20,493.63	\$ 1,117.85
Salary - #1	24,419.42	24,419.42	24,414.88	(4.54)
Salary - #2	24,419.42	24,419.42	24,391.40	(28.02)
Overtime	-	-	70.44	70.44
Payroll Tax - Social Security	4,229.31	4,229.31	3,915.68	(313.63)
Payroll Tax - Medicare	989.11	989.11	915.70	(73.41)
Retirement	6,616.82	6,616.82	6,375.13	(241.69)
Death Benefits	504.78	504.78	433.93	(70.85)
Health Insurance	13,296.00	13,296.00	12,838.04	(457.96)
Unemployment	158.73	158.73	133.94	(24.79)
Worker's Compensation	402.46	402.46	336.35	(66.11)
Office Supplies/Postage	4,500.00	4,500.00	2,690.33	(1,809.67)
Other Supplies	300.00	300.00	-	(300.00)
Travel/Dues/Conventions	1,500.00	1,500.00	110.30	(1,389.70)
Voter Registrar	3,000.00	3,000.00	310.43	(2,689.57)
Telephone	1,820.00	1,820.00	1,777.78	(42.22)
Repairs/Maintenance	300.00	300.00	64.20	(235.80)
Capital Outlay	200.00	200.00	-	(200.00)
TOTAL Tax Assessor	\$ 106,031.83	\$ 106,031.83	\$ 99,272.16	\$ (6,759.67)
JUSTICE OF PEACE				
Salary - Department Head	\$ 34,445.37	\$ 34,445.37	\$ 35,987.85	\$ 1,542.48
Salary - #1	24,419.42	24,419.42	22,264.11	(2,155.31)
Contract Labor	612.00	612.00	600.00	(12.00)
Payroll Tax - Social Security	3,649.62	3,649.62	3,530.57	(119.05)
Payroll Tax - Medicare	853.54	853.54	825.74	(27.80)
Retirement	5,709.88	5,709.88	5,353.40	(356.48)
Death Benefits	435.60	435.60	373.49	(62.11)
Health Insurance	13,296.00	13,296.00	11,745.50	(1,550.50)
Unemployment	79.36	79.36	68.57	(10.79)
Worker's Compensation	347.30	347.30	273.33	(73.97)
Office Supplies/Postage	2,000.00	1,248.05	1,245.38	(2.67)
Travel/Dues/Conventions	1,500.00	1,766.95	1,608.90	(158.05)
Telephone	1,550.00	2,035.00	1,841.04	(193.96)
Copier/Maintenance Contract	2,550.00	2,550.00	2,547.00	(3.00)
TOTAL Justice of Peace	\$ 91,448.09	\$ 91,448.09	\$ 88,264.88	\$ (3,183.21)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

STATEMENT 10
(CONTINUED)

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
COUNTY EXTENSION AGENTS				
Salary - Department Head	\$ 12,423.60	\$ 12,423.60	\$ 12,422.40	\$ (1.20)
Salary - #1	12,423.60	12,423.60	12,422.40	(1.20)
Salary - #2	24,419.42	24,419.42	24,509.04	89.62
Payroll Tax - Social Security	3,054.53	3,054.53	2,920.59	(133.94)
Payroll Tax - Medicare	714.37	714.37	683.04	(31.33)
Retirement	2,368.68	2,368.68	2,252.41	(116.27)
Death Benefits	364.57	364.57	156.95	(207.62)
Health Insurance	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	160.12	160.12	138.10	(22.02)
Worker's Compensation	290.67	290.67	116.46	(174.21)
Office Supplies/Postage	2,000.00	1,500.00	1,373.02	(126.98)
Other Supplies	200.00	200.00	173.29	(26.71)
Travel/Dues/Conventions	2,500.00	3,317.79	3,099.05	(218.74)
Continuing Education	550.00	362.21	250.00	(112.21)
Association Dues	300.00	170.00	170.00	-
Mileage	15,000.00	15,000.00	15,011.12	11.12
Telephone	1,480.00	1,480.00	1,415.14	(64.86)
Copier/Maintenance Contract	4,450.00	4,450.00	3,643.64	(806.36)
TOTAL County Extension Agents	\$ 89,347.56	\$ 89,347.56	\$ 87,175.67	\$ (2,171.89)
VETERANS SERVICE OFFICER				
Salary - Department Head	\$ 4,969.44	\$ 4,969.44	\$ 4,969.44	\$ -
Payroll Tax - Social Security	308.11	308.11	308.11	-
Payroll Tax - Medicare	72.06	72.06	72.00	(0.06)
Retirement	482.04	482.04	456.72	(25.32)
Death Benefits	36.77	36.77	31.77	(5.00)
Unemployment	16.15	16.15	14.83	(1.32)
Worker's Compensation	29.32	29.32	23.62	(5.70)
Office Supplies/Postage	150.00	150.00	133.93	(16.07)
Travel/Dues/Conventions	550.00	550.00	208.28	(341.72)
Telephone	480.00	480.00	451.59	(28.41)
TOTAL Veterans Service Officer	\$ 7,093.89	\$ 7,093.89	\$ 6,670.29	\$ (423.60)
LIBRARY				
Salary - Department Head	\$ 23,404.42	\$ 23,404.42	\$ 23,404.44	\$ 0.02
Salary - #6 or Part- Time	826.50	826.50	847.80	21.30
Payroll Tax - Social Security	1,451.07	1,451.07	1,503.64	52.57
Payroll Tax - Medicare	339.36	339.36	351.66	12.30
Retirement	2,279.23	2,279.23	2,150.88	(128.35)
Death Benefits	173.19	173.19	149.76	(23.43)
Health Insurance	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	76.06	76.06	71.67	(4.39)
Worker's Compensation	128.72	128.72	112.85	(15.87)
Other Supplies	350.00	350.00	249.22	(100.78)
Travel/Dues/Conventions	300.00	300.00	-	(300.00)
Telephone	420.00	420.00	431.49	11.49
Utilities	6,000.00	6,000.00	5,171.48	(828.52)
Repairs/Maintenance	800.00	800.00	420.00	(380.00)
Capital Outlay	1,000.00	1,000.00	-	(1,000.00)
TOTAL Library	\$ 44,196.55	\$ 44,196.55	\$ 41,283.91	\$ (2,912.64)

STATEMENT 10
(CONTINUED)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
PUBLIC SERVICE				
Salary - Indigent Payroll	\$ 15,613.89	\$ 15,613.89	\$ 15,693.18	\$ 79.29
Payroll Tax - Social Security	968.06	968.06	909.68	(58.38)
Payroll Tax - Medicare	226.40	226.40	212.78	(13.62)
Retirement	1,514.55	1,514.55	1,442.22	(72.33)
Death Benefits	115.54	115.54	99.90	(15.64)
Health Insurance (Indigent Director)	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	50.75	50.75	13.89	(36.86)
Worker's Compensation	92.12	92.12	93.01	0.89
Medical/Psychological	1,000.00	1,000.00	-	(1,000.00)
Legal	1,200.00	1,200.00	1,200.00	-
Indigent Health Care	158,904.00	158,904.00	153,234.24	(5,669.76)
Soil Conservation	6,000.00	6,000.00	6,000.00	-
Airport	6,246.18	6,246.18	-	(6,246.18)
Child Welfare Board	3,500.00	3,500.00	1,059.76	(2,440.24)
Children's Advocacy/CASA	1,660.00	1,660.00	1,521.63	(138.37)
HCCAA	8,000.00	8,000.00	6,514.00	(1,486.00)
MHMR	2,400.00	2,400.00	2,200.00	(200.00)
TOTAL Public Service	\$ 214,139.49	\$ 214,139.49	\$ 196,613.31	\$ (17,526.18)
PUBLIC SAFETY				
Salary - Department Head	\$ -	\$ -	\$ -	\$ -
Payroll Tax - Social Security	-	-	-	-
Payroll Tax - Medicare	-	-	-	-
Retirement	-	-	-	-
Death Benefits	-	-	-	-
Unemployment	-	-	(2.50)	(2.50)
Worker's Compensation	-	-	-	-
Adult Probation	1,075.00	1,075.00	725.68	(349.32)
Crime Stoppers	950.00	950.00	738.04	(211.96)
Game Wardens	475.00	475.00	442.71	(32.29)
Highway Patrol	1,100.00	1,100.00	1,190.01	90.01
Trapper's Association	43,200.00	43,200.00	43,200.00	-
Insurance	2,000.00	2,000.00	801.00	(1,199.00)
Juvenile Probation/Detention	32,264.00	32,264.00	22,176.87	(10,087.13)
Fire Department	10,500.00	10,500.00	10,500.00	-
TOTAL Public Safety	\$ 91,564.00	\$ 91,564.00	\$ 79,771.81	\$ (11,792.19)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
COUNTY-WIDE				
Professional Fees/Contract Services	\$ 17,500.00	\$ 17,500.00	\$ 12,384.88	\$ (5,115.12)
Health Insurance	-	-	276.60	276.60
Office Supplies/Postage	2,000.00	2,000.00	1,172.84	(827.16)
Other Supplies	1,500.00	1,500.00	1,186.67	(313.33)
Advertising & Required Publications	2,500.00	2,500.00	1,550.80	(949.20)
Travel/Dues/Conventions	2,500.00	2,500.00	2,293.93	(206.07)
Telephone	4,720.00	4,720.00	2,486.83	(2,233.17)
Utilities	30,000.00	34,600.00	30,629.55	(3,970.45)
Insurance	55,000.00	55,270.00	55,267.27	(2.73)
Repairs/Maintenance	12,500.00	15,595.08	16,102.78	507.70
CTTC-Telephone Contract	4,575.00	4,575.00	4,496.45	(78.55)
Copier/Maintenance Contract	7,000.00	7,000.00	7,023.18	23.18
County Permanent Improvements	962,610.74	962,610.74	722,450.70	(240,160.04)
Fees and Licenses	500.00	500.00	135.00	(365.00)
Audit	21,000.00	21,000.00	20,600.00	(400.00)
Central Appraisal District	100,940.56	92,975.48	88,756.72	(4,218.76)
Election Expense	18,000.00	18,000.00	12,237.34	(5,762.66)
TOTAL County-Wide	\$ 1,242,846.30	\$ 1,242,846.30	\$ 979,051.54	\$ (263,794.76)
JANITORIAL				
Salary - Department Head	\$ 25,783.23	\$ 25,783.23	\$ 25,789.60	\$ 6.37
Salary - #6 or Part-time	7,091.78	7,091.78	6,396.26	(695.52)
Payroll Tax - Social Security	2,038.25	2,038.25	1,975.80	(62.45)
Payroll Tax - Medicare	476.69	476.69	462.05	(14.64)
Retirement	3,188.88	3,188.88	2,878.49	(310.39)
Death Benefits	243.28	243.28	200.54	(42.74)
Unemployment	106.84	106.84	116.75	9.91
Worker's Compensation	1,518.83	1,518.83	1,277.65	(241.18)
Other Supplies	6,796.60	7,930.61	7,715.95	(214.66)
Telephone	360.00	825.99	792.82	(33.17)
Repairs/Maintenance	2,000.99	400.99	-	(400.99)
TOTAL Janitorial	\$ 49,605.37	\$ 49,605.37	\$ 47,605.91	\$ (1,999.46)

STATEMENT 10
(CONTINUED)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
FIRE DEPARTMENT				
Retirement	\$ 3,000.00	\$ 4,179.54	\$ 4,179.54	\$ -
Unemployment	-	-	(11.30)	-
Worker's Compensation	1,500.00	1,500.00	1,507.70	7.70
Other Supplies	1,500.00	94.00	93.06	(0.94)
Travel/Dues/Conventions	3,500.00	1,515.00	1,515.00	-
Telephone	900.00	900.00	795.23	(104.77)
Utilities	2,400.00	1,400.00	1,044.95	(355.05)
Insurance	-	294.00	294.00	-
Repairs/Maintenance	10,000.00	10,000.00	8,211.81	(1,788.19)
Fuel/Oil/Etc	7,000.00	5,000.00	3,638.64	(1,361.36)
Equipment Maintenance & Supplies	6,000.00	6,133.00	6,068.29	(64.71)
Capital Outlay	11,000.00	15,784.46	15,784.00	(0.46)
TOTAL Fire Department	\$ 46,800.00	\$ 46,800.00	\$ 43,120.92	\$ (3,667.78)
DISTRICT COURT				
JUDICIAL				
Professional Fees	\$ -	\$ 2,250.00	2,250.00	-
Coordinator	10,362.00	13,621.05	10,540.83	(3,080.22)
Court Reporter	19,830.00	14,320.95	9,459.07	(4,861.88)
Payroll Taxes	863.00	863.00	1,442.98	579.98
Retirement	1,272.00	1,272.00	2,334.07	1,062.07
Death Benefits	50.00	50.00	91.89	41.89
Health Insurance	3,590.00	3,590.00	3,619.28	29.28
Unemployment	18.00	18.00	23.47	5.47
Worker's Compensation	133.00	133.00	117.91	(15.09)
Office Supplies/Postage	72.00	72.00	23.47	(48.53)
Other Supplies	235.00	235.00	105.50	(129.50)
Advertising & Required Publications	31.00	31.00	78.40	47.40
Travel/Dues/Conventions	475.00	475.00	1,671.51	1,196.51
Continuing Education/Dues	662.00	662.00	205.39	(456.61)
Telephone	187.00	187.00	6.24	(180.76)
Professional Liability Insurance	288.00	288.00	193.47	(94.53)
Repairs and Maint	78.00	78.00	28.00	(50.00)
Equipment Contract	294.00	294.00	250.15	(43.85)
Miscellaneous	72.00	72.00	20.65	(51.35)
Capital Outlay	141.00	141.00	1,261.39	1,120.39
SERVICES				
Professional Fees/Contract Labor	45,000.00	45,000.00	42,391.44	(2,608.56)
Judicial Administration	2,400.00	2,400.00	2,200.00	(200.00)
Law Books	400.00	400.00	-	(400.00)
Appeals Records	3,000.00	3,000.00	-	(3,000.00)
Fees & Licenses	-	-	-	-
Jury Fees	2,500.00	2,500.00	(638.00)	(3,138.00)
Medical/Psychological	1,000.00	1,000.00	-	(1,000.00)
TOTAL District Court	\$ 92,953.00	\$ 92,953.00	\$ 77,677.11	\$ (15,275.89)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
VOLUNTEER AMBULANCE				
Salary - Department Head	\$ -	\$ -	\$ -	\$ -
Salary - #1	-	-	-	-
Salary - #2	-	-	-	-
Salary - #6 or Part-time	-	-	-	-
Overtime	-	-	-	-
Professional Fees	142,000.00	142,000.00	141,996.00	(4.00)
Payroll Tax - Social Security	-	-	-	-
Payroll Tax - Medicare	-	-	-	-
Retirement	-	-	-	-
Death Benefits	-	-	-	-
Health Insurance	-	-	-	-
Worker's Compensation	-	-	-	-
Other Supplies	-	-	-	-
Telephone	-	-	-	-
Utilities	-	-	-	-
Repairs/Maintenance	-	-	754.92	754.92
Equipment Maintenance & Supplies	-	-	-	-
TOTAL Volunteer Ambulance	\$ 142,000.00	\$ 142,000.00	\$ 142,750.92	\$ 750.92
EMERGENCY MANAGEMENT				
Salary - Department Head	\$ 10,990.68	\$ 10,990.68	\$ 10,905.46	\$ (85.22)
Payroll Tax - Social Security	681.42	681.42	632.14	(49.28)
Payroll Tax - Medicare	159.36	159.36	147.81	(11.55)
Retirement	1,066.10	1,066.10	1,002.20	(63.90)
Death Benefits	81.33	81.33	70.34	(10.99)
Unemployment	35.72	35.72	65.18	29.46
Worker's Compensation	64.85	64.85	61.28	(3.57)
Office Supplies/Postage	150.00	150.00	-	(150.00)
Other Supplies	100.00	100.00	-	(100.00)
Advertising & Required Publications	150.00	150.00	132.00	(18.00)
Travel/Dues/Conventions	5,000.00	4,528.46	3,726.85	(801.61)
Telephone	1,150.00	1,621.54	1,621.54	-
Capital Outlay	75.00	75.00	-	(75.00)
TOTAL Emergency Management	\$ 19,704.46	\$ 19,704.46	\$ 18,364.80	\$ (1,339.66)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
COUNTY ATTORNEY				
Salary - Department Head	\$ 57,729.74	\$ 57,729.74	\$ 57,729.72	\$ (0.02)
Salary - #1	2,996.41	2,996.41	2,996.40	(0.01)
Payroll Tax - Social Security	3,765.02	3,765.02	3,317.08	(447.94)
Payroll Tax - Medicare	880.53	880.53	775.77	(104.76)
Retirement	5,890.44	5,890.44	5,580.72	(309.72)
Death Benefits	449.37	449.37	674.40	225.03
Health Insurance	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	9.74	9.74	13.55	3.81
Worker's Compensation	358.28	358.28	279.07	(79.21)
Office Supplies/Postage	3,400.00	690.17	690.17	-
Travel/Dues/Conventions	2,250.00	2,858.37	2,517.49	(340.88)
Telephone	3,120.00	3,230.29	3,230.29	-
Repairs/Maintenance	1,700.00	506.26	506.25	(0.01)
Capital Outlay	1,714.00	4,898.91	4,898.91	-
TOTAL County Attorney	\$ 90,911.53	\$ 90,911.53	\$ 89,628.84	\$ (1,282.69)
SHERIFF				
Salary - Department Head	\$ 19,375.78	\$ 19,375.78	\$ 22,495.24	\$ 3,119.46
Salary - #1	37,636.47	37,636.47	35,506.84	(2,129.63)
Salary - #2	36,521.38	36,521.38	37,715.08	1,193.70
Salary - #3	36,521.80	36,521.80	40,025.13	3,503.33
Salary - #4	36,521.80	29,693.55	27,815.99	(1,877.56)
Overtime	12,000.00	18,828.25	19,000.77	172.52
Payroll Tax - Social Security	11,071.83	11,071.83	11,001.13	(70.70)
Payroll Tax - Medicare	2,589.38	2,589.38	2,572.87	(16.51)
Retirement	17,322.03	17,322.03	16,777.20	(544.83)
Death Benefits	1,321.48	1,321.48	1,177.52	(143.96)
Health Insurance	26,592.00	26,592.00	25,129.81	(1,462.19)
Unemployment	517.41	517.41	470.82	(46.59)
Worker's Compensation	5,178.76	5,178.76	4,292.07	(886.69)
Office Supplies/Postage	1,853.00	1,853.00	274.43	(1,578.57)
Other Supplies	2,000.00	4,500.00	4,000.04	(499.96)
Uniforms	2,000.00	3,000.00	2,855.82	(144.18)
Advertising & Required Publications	1,000.00	1,000.00	292.80	(707.20)
Travel/Dues/Conventions	1,000.00	1,000.00	60.42	(939.58)
Case Management	4,500.00	4,500.00	808.00	(3,692.00)
Impress Funds	1,000.00	1,000.00	-	(1,000.00)
Telephone	4,750.00	5,424.60	5,424.60	-
Repairs/Maintenance	8,000.00	9,500.00	9,525.81	25.81
Fuel/Oil/Etc	30,000.00	16,978.19	16,086.54	(891.65)
Capital Outlay	22,000.00	10,847.21	10,847.21	-
TOTAL Sheriff	\$ 321,273.12	\$ 302,773.12	\$ 294,156.14	\$ (8,616.98)

STATEMENT 10
(CONTINUED)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
JAIL				
Salary - Department Head	\$ 28,310.03	\$ 28,310.03	\$ 30,901.25	\$ 2,591.22
Salary - #1	27,195.16	27,195.16	27,750.26	555.10
Salary - #2	27,195.16	27,195.16	26,041.31	(1,153.85)
Salary - #3	27,195.16	27,195.16	29,017.14	1,821.98
Salary - #4	27,195.16	27,195.16	26,938.86	(256.30)
Salary - #6 or Part-time	18,541.43	9,831.74	8,637.90	(1,193.84)
Overtime	10,000.00	18,709.69	18,709.69	-
Payroll Tax - Social Security	10,269.19	10,269.19	9,883.85	(385.34)
Payroll Tax - Medicare	2,401.67	2,401.67	2,311.57	(90.10)
Retirement	16,066.31	16,066.31	15,438.90	(627.41)
Death Benefits	1,225.68	1,225.68	1,075.00	(150.68)
Health Insurance	33,240.00	33,240.00	31,548.83	(1,691.17)
Unemployment	538.30	538.30	352.15	(186.15)
Worker's Compensation	4,803.33	4,803.33	4,079.49	(723.84)
Office Supplies/Postage	2,500.00	2,500.00	1,877.90	(622.10)
Other Supplies	2,000.00	2,000.00	1,492.15	(507.85)
Uniforms	1,000.00	1,000.00	577.60	(422.40)
Travel/Dues/Conventions	1,500.00	1,500.00	937.21	(562.79)
Case Management	3,000.00	2,390.58	-	(2,390.58)
Telephone	2,720.00	3,329.42	3,329.42	-
Utilities	19,000.00	19,000.00	13,996.32	(5,003.68)
Repairs/Maintenance	8,000.00	8,000.00	6,937.82	(1,062.18)
Copier/Maintenance Contract	3,000.00	3,000.00	2,646.10	(353.90)
Prisoner Meals	18,000.00	24,500.00	23,286.17	(1,213.83)
Inmate Overflow	49,589.22	61,589.22	59,762.50	(1,826.72)
Medical/Psychological	9,000.00	9,000.00	4,620.57	(4,379.43)
Capital Outlay	7,500.00	7,500.00	3,961.94	(3,538.06)
TOTAL Jail	\$ 360,985.80	\$ 379,485.80	\$ 356,111.90	\$ (23,373.90)
DISTRICT ATTORNEY				
Salary - Department Head	\$ 62,545.00	\$ 62,545.00	\$ 62,171.35	\$ (373.65)
Salary - Part-time	2,363.00	2,363.00	-	(2,363.00)
Payroll Taxes	4,959.00	4,959.00	4,796.73	(162.27)
Retirement	7,597.00	7,751.84	7,751.84	-
Health Insurance	11,188.00	11,188.00	10,554.35	(633.65)
Unemployment	104.00	104.00	74.88	(29.12)
Worker's Compensation	422.00	566.98	566.98	-
Office Supplies/Postage	979.00	827.14	216.53	(610.61)
Other Supplies	1,801.00	844.24	844.24	-
Travel/Dues/Conventions	705.00	705.00	332.56	(372.44)
Continuing Education/Dues	939.00	939.00	707.98	(231.02)
Case Management	-	-	6.73	6.73
Telephone	238.00	866.53	866.53	-
Repairs/Maintenance	2,658.00	127.62	127.62	-
Copier/Maintenance Contract	638.00	638.00	663.07	25.07
Capital Outlay	-	2,710.65	2,710.65	-
TOTAL District Attorney	\$ 97,136.00	\$ 97,136.00	\$ 92,392.04	\$ (4,743.96)

San Saba County, Texas
Schedule of Cash Receipts and Disbursements as Compared with Budget
General Fund
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
MUNICIPAL COURT				
Salary - Department Head	\$ 7,789.00	\$ 7,789.00	\$ 8,484.34	\$ 695.34
Salary - #1	10,223.56	10,223.56	9,491.90	(731.66)
Payroll Tax - Social Security	1,116.78	1,116.78	1,079.87	(36.91)
Payroll Tax - Medicare	261.19	261.19	252.50	(8.69)
Retirement	1,747.22	1,747.22	1,651.95	(95.27)
Death Benefits	133.30	133.30	114.31	(18.99)
Unemployment	33.74	33.74	28.65	(5.09)
Worker's Compensation	60.31	60.31	82.59	22.28
TOTAL Municipal Court	\$ 21,365.10	\$ 21,365.10	\$ 21,186.11	\$ (178.99)
COUNTY COURT				
Professional Fees/Contract Services	\$ -	\$ -	\$ -	\$ -
Judicial Administration	500.00	500.00	391.34	(108.66)
Case Management	1,000.00	1,000.00	500.00	(500.00)
Jury Fees	250.00	250.00	-	(250.00)
Medical/Psychological	250.00	250.00	-	(250.00)
TOTAL County Court	\$ 2,000.00	\$ 2,000.00	\$ 891.34	\$ (1,108.66)
COURTHOUSE ANNEX				
Repairs/Maintenance	\$ 7,000.00	\$ 7,000.00	\$ 2,014.95	\$ (4,985.05)
TOTAL Courthouse Annex	\$ 7,000.00	\$ 7,000.00	\$ 2,014.95	\$ (4,985.05)
INTERFUND TRANSFERS				
	-	-	-	-
TOTAL GENERAL FUND EXPENDITURES	\$ 3,442,427.72	\$ 3,442,427.72	\$ 3,044,770.10	\$ (397,646.32)

Cash fund balance, October 1, 2015	\$ 2,038,553.96
Receipts	3,098,825.94
Interfund Transfers In	-
	<u>\$ 5,137,379.90</u>
Disbursements	(3,044,770.10)
Interfund Transfers Out	(34,127.25)
Cash fund balance, September 30, 2016	<u><u>\$ 2,058,482.55</u></u>

SAN SABA COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE SCHEDULE OF CASH
RECEIPTS AND DISBURSEMENTS - BUDGETARY BASIS
YEAR ENDED SEPTEMBER 30, 2016

Reconciliation of change in fund balances - total governmental funds to
the change in governmental activities on a budgetary basis:

Cash fund balance - cash receipts and disbursements budgetary basis \$ 2,058,483

Amounts reported for governmental activities in the Statement of Revenues,
Expenditures, and Changes in Net Position are different because:

The governmental funds statement of revenues, expenditures and changes in fund
balance includes accrued payroll, employee vacation, and expenses that were
payable as of the year end financial statement date. These payables and accruals
increased the fund balance of the governmental fund balance.

55,718

Various other reclassifications and eliminations are necessary to convert from
the budgetary basis of accounting to accrual basis of accounting. This
includes the adjustments to receivables and the changes to other payables.

(670)

Fund Balance Governmental Funds

\$ 2,113,531

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

San Saba County
Road and Bridge - General Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Fines	\$ 30,000.00	\$ 30,000.00	\$ 19,896.00	\$ (10,104.00)
Road Tax	445,551.00	445,551.00	447,263.50	1,712.50
Road Tax - Prior Year	10,000.00	10,000.00	6,358.62	(3,641.38)
Road Tax - Penalty and Interest	5,500.00	5,500.00	11,445.36	5,945.36
Auto Registration Fees	360,000.00	360,000.00	389,456.65	29,456.65
Lateral Road Income	43,000.00	43,000.00	19,605.10	(23,394.90)
Other Income	230,727.72	230,727.72	486.55	(230,241.17)
TRANSFERS				
Interfund Transfer In	-	-	-	-
TOTAL Receipts	\$ 1,124,778.72	\$ 1,124,778.72	\$ 894,511.78	\$ (230,266.94)
DISBURSEMENTS:				
Professional Fees/Contract Services	\$ 1,000.00	\$ 1,000.00	\$ -	\$ (1,000.00)
Insurance	15,000.00	15,000.00	8,467.10	(6,532.90)
Repairs & Maintenance	1,000.00	1,000.00	-	(1,000.00)
County Permanent Improvements	1,000.00	1,000.00	-	(1,000.00)
TRANSFERS				
Interdepartmental Transfer Out	1,239,969.68	1,239,969.68	-	(1,239,969.68)
TOTAL Expenditures	\$ 1,257,969.68	\$ 1,257,969.68	\$ 8,467.10	\$ (1,249,502.58)

Schedule of Cash Balance

Cash Fund Balance, October 1, 2015	\$ 116,913.11
Receipts	894,511.78
Transfers In	-
	<u>\$ 1,011,424.89</u>
Disbursements	(8,467.10)
Transfers Out	(964,001.69)
Cash Fund Balance, September 30, 2016	<u><u>\$ 38,956.10</u></u>

San Saba County
Road and Bridge - Precinct No. 1
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS				
Lateral Road Income	\$ -	\$ -	\$ -	\$ -
Other Income	-	-	2,661.60	2,661.60
TRANSFERS:				
Road and Bridge General	30,000.00	30,000.00	-	(30,000.00)
Total Receipts and Transfers	\$ 30,000.00	\$ 30,000.00	\$ 2,661.60	\$ (27,338.40)
DISBURSEMENTS:				
Salary - Department Head	\$ 35,987.84	\$ 35,987.84	\$ 35,987.88	\$ 0.04
Salary - #1	31,116.68	31,116.68	30,687.80	(428.88)
Salary - #2	31,116.68	31,116.68	30,658.32	(458.36)
Salary #6 or Part-time	1,000.00	1,000.00	-	(1,000.00)
Overtime	1,000.00	1,000.00	-	(1,000.00)
Payroll tax - Social Security	6,213.71	6,213.71	6,034.71	(179.00)
Payroll tax - Medicare	1,453.21	1,453.21	1,411.45	(41.76)
Retirement	9,721.46	9,721.46	8,945.03	(776.43)
Death Benefits	741.63	741.63	622.90	(118.73)
Health Insurance	19,944.00	19,944.00	19,257.06	(686.94)
Unemployment	208.76	208.76	173.01	(35.75)
Worker's Compensation	3,303.00	3,303.00	2,656.08	(646.92)
Other Supplies	1,900.00	1,900.00	1,483.95	(416.05)
Uniforms	1,150.00	1,150.00	695.22	(454.78)
Travel/Dues/Conventions	700.00	700.00	596.96	(103.04)
Telephone	1,100.00	1,100.00	1,024.60	(75.40)
Utilities	3,000.00	3,000.00	2,458.12	(541.88)
Repairs/Maintenance	6,000.00	11,000.00	7,627.69	(3,372.31)
Fuel/Oil/Etc	25,000.00	14,001.67	14,218.45	216.78
Lateral Road Fuel, Oil, Etc.	5,100.00	6,278.03	6,278.03	-
Equipment Maintenance & Supplies	28,400.00	20,271.25	14,292.42	(5,978.83)
Road Maintenance Supplies	30,000.00	75,471.38	78,196.88	2,725.50
Cattle guards/fences	2,500.00	2,500.00	444.90	(2,055.10)
Capital Outlay	35,386.25	2,863.92	-	(2,863.92)
TOTAL Precinct No. 1	\$ 282,043.22	\$ 282,043.22	\$ 263,751.46	\$ (18,291.76)

Schedule of Cash Balance

Cash Fund Balance, October 1, 2015	\$ -
Transfers in	261,089.86
Receipts	2,661.60
	<u>\$ 263,751.46</u>
Disbursements	(263,751.46)
Cash Fund Balance, September 30, 2016	<u><u>\$ -</u></u>

STATEMENT 12
(CONTINUED)

San Saba County
Road and Bridge - Precinct No. 2
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS				
Lateral Road Income	\$ -	\$ -	\$ -	\$ -
Other Income	-	-	15,403.14	15,403.14
TRANSFERS:				
Road and Bridge General	102,755.65	102,755.65	-	(102,755.65)
	\$ 102,755.65	\$ 102,755.65	\$ 15,403.14	\$ (87,352.51)
DISBURSEMENTS:				
Salary - Department Head	\$ 35,987.84	\$ 35,987.84	\$ 35,987.88	\$ 0.04
Salary - #1	31,116.68	31,116.68	27,860.37	(3,256.31)
Salary - #2	31,116.68	31,116.68	30,689.12	(427.56)
Salary #6 or Part-time	1,000.00	1,000.00	-	(1,000.00)
Overtime	1,000.00	1,000.00	-	(1,000.00)
Payroll tax - Social Security	6,213.71	6,213.71	5,795.37	(418.34)
Payroll tax - Medicare	1,453.21	1,453.21	1,355.40	(97.81)
Retirement	9,721.46	9,721.46	8,688.01	(1,033.45)
Death Benefits	741.63	741.63	604.50	(137.13)
Health Insurance	19,944.00	19,944.00	16,945.38	(2,998.62)
Unemployment	208.76	208.76	199.57	(9.19)
Worker's Compensation	3,303.00	3,303.00	2,334.57	(968.43)
Other Supplies	5,459.51	5,459.51	1,860.94	(3,598.57)
Uniforms	1,000.00	1,000.00	825.78	(174.22)
Travel/Dues/Conventions	650.00	650.00	596.96	(53.04)
Telephone	1,675.00	1,675.00	1,617.23	(57.77)
Utilities	2,200.00	2,200.00	2,152.12	(47.88)
Repairs/Maintenance	14,000.00	14,000.00	12,899.52	(1,100.48)
Fuel/Oil/Etc	30,000.00	22,490.00	16,182.14	(6,307.86)
Lateral Road Fuel, Oil, Etc.	5,100.00	5,100.00	4,675.00	(425.00)
Equipment Maintenance & Supplies	17,500.00	17,500.00	13,787.36	(3,712.64)
Road Maintenance Supplies	20,200.00	27,200.00	41,731.75	14,531.75
Cattle guards/fences	2,575.00	3,085.00	3,084.63	(0.37)
Capital Outlay	112,755.65	112,755.65	8,736.21	(104,019.44)
TOTAL Precinct No. 2	\$ 354,922.13	\$ 354,922.13	\$ 238,609.81	\$ (116,312.32)

Schedule of Cash Balance

Cash Fund Balance, October 1, 2015	\$ -
Transfers in	223,206.67
Receipts	15,403.14
	\$ 238,609.81
Disbursements	(238,609.81)
Cash Fund Balance, September 30, 2016	\$ -

STATEMENT 12
(CONTINUED)

San Saba County
Road and Bridge - Precinct No. 3
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS				
Lateral Road Income	\$ -	\$ -	\$ -	\$ -
Other Income	-	-	8,272.50	8,272.50
TRANSFERS:				
Road and Bridge General	46,972.07	46,972.07	-	(46,972.07)
	\$ 46,972.07	\$ 46,972.07	\$ 8,272.50	\$ (38,699.57)
DISBURSEMENTS:				
Salary - Department Head	\$ 35,987.84	\$ 35,987.84	\$ 35,987.88	\$ 0.04
Salary - #1	31,116.68	31,116.68	30,776.24	(340.44)
Salary - #2	31,116.68	31,116.68	30,599.36	(517.32)
Salary #6 or Part-time	50.00	50.00	-	(50.00)
Overtime	50.00	50.00	-	(50.00)
Payroll tax - Social Security	6,095.91	6,095.91	5,869.92	(225.99)
Payroll tax - Medicare	1,425.66	1,425.66	1,372.77	(52.89)
Retirement	9,537.16	9,537.16	8,947.75	(589.41)
Death Benefits	727.58	727.58	623.02	(104.56)
Health Insurance	19,944.00	19,944.00	19,257.06	(686.94)
Unemployment	202.58	202.58	166.86	(35.72)
Worker's Compensation	3,212.75	3,212.75	2,442.21	(770.54)
Other Supplies	4,000.00	4,000.00	577.20	(3,422.80)
Uniforms	1,110.00	1,110.00	434.08	(675.92)
Travel/Dues/Conventions	700.00	700.00	680.64	(19.36)
Telephone	1,000.00	1,000.00	1,037.48	37.48
Utilities	1,200.00	1,200.00	831.47	(368.53)
Repairs/Maintenance	10,000.00	10,000.00	3,700.49	(6,299.51)
Fuel/Oil/Etc	26,599.00	26,599.00	18,105.47	(8,493.53)
Lateral Road Fuel, Oil, Etc.	5,100.00	5,100.00	5,101.00	1.00
Equipment Maintenance & Supplies	25,000.00	25,550.00	25,421.35	(128.65)
Road Maintenance Supplies	30,000.00	29,450.00	8,962.07	(20,487.93)
Cattle guards/fences	3,500.00	3,500.00	1,653.29	(1,846.71)
Capital Outlay	36,090.60	36,090.60	4,500.00	(31,590.60)
Debt Service - Principal	14,742.68	14,742.68	14,770.81	28.13
Debt Service - Interest	1,402.24	1,402.24	1,374.11	(28.13)
TOTAL Precinct No. 3	\$ 299,911.36	\$ 299,911.36	\$ 223,192.53	\$ (76,718.83)

Schedule of Cash Balance

Cash Fund Balance, October 1, 2015	\$ -
Transfers in	214,920.03
Receipts	8,272.50
	<u>\$ 223,192.53</u>
Disbursements	(223,192.53)
Cash Fund Balance, September 30, 2016	<u><u>\$ -</u></u>

San Saba County
Road and Bridge - Precinct No. 4
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS				
Lateral Road Income	\$ -	\$ -	\$ -	\$ -
Other Income	-	-	27,182.50	27,182.50
TRANSFERS:				
Road and Bridge General	51,000.00	51,000.00		(51,000.00)
	\$ 51,000.00	\$ 51,000.00	\$ 27,182.50	\$ (23,817.50)
DISBURSEMENTS:				
Salary - Department Head	\$ 35,987.84	\$ 35,987.84	\$ 35,987.88	\$ 0.04
Salary - #1	31,116.68	31,116.68	30,805.72	(310.96)
Salary - #2	31,116.68	31,116.68	28,246.71	(2,869.97)
Salary #6 or Part-time	1,000.00	-	-	-
Overtime	1,000.00	50.00	44.88	(5.12)
Payroll tax - Social Security	6,213.71	6,213.71	5,886.12	(327.59)
Payroll tax - Medicare	1,453.21	1,453.21	1,376.63	(76.58)
Retirement	9,721.46	9,721.46	8,741.07	(980.39)
Death Benefits	741.63	741.63	607.92	(133.71)
Health Insurance	19,944.00	19,944.00	14,886.90	(5,057.10)
Unemployment	208.76	208.76	194.80	(13.96)
Worker's Compensation	3,303.00	3,303.00	2,357.23	(945.77)
Other Supplies	1,250.00	1,250.00	1,113.89	(136.11)
Uniforms	1,000.00	900.00	890.24	(9.76)
Travel/Dues/Conventions	700.00	600.00	596.96	(3.04)
Telephone	650.00	650.00	737.15	87.15
Utilities	2,100.00	1,600.00	1,335.71	(264.29)
Repairs/Maintenance	15,000.00	36,000.00	35,896.61	(103.39)
Fuel/Oil/Etc	30,000.00	8,000.00	8,039.97	39.97
Lateral Road Fuel, Oil, Etc.	5,100.00	5,100.00	5,100.00	-
Equipment Maintenance & Supplies	16,000.00	15,800.00	15,757.48	(42.52)
Road Maintenance Supplies	50,220.00	89,836.00	89,863.76	27.76
Cattle guards/fences	3,750.00	3,500.00	3,500.00	-
Capital Outlay	35,516.00	-	-	-
TOTAL Precinct No. 4	\$ 303,092.97	\$ 303,092.97	\$ 291,967.63	\$ (11,125.34)

Schedule of Cash Balance

Cash Fund Balance, October 1, 2015	\$ -
Transfers in (out)	264,785.13
Receipts	27,182.50
	<u>\$ 291,967.63</u>
Disbursements	(291,967.63)
Cash Fund Balance, September 30, 2016	<u><u>\$ -</u></u>

SUPPLEMENTARY INFORMATION

SAN SABA COUNTY, TEXAS
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	Road and Bridge General	Rylander Library Trust Fund	Crime Victim's Assistance Fund	Records Management & Preservation Fund	Law Library Fund
<u>ASSETS</u>					
Pooled Cash and Cash Equivalents	\$ 38,956	\$ 37,087	\$ -	\$ 142,972	\$ 17,641
Non-Pooled Cash and Cash Equivalents					
Investments		37,840			
Taxes Receivable	34,143				
Grants Receivable					
Due from Other Funds					
Land					
Buildings					
Improvements					
Infrastructure Improvements					
Furniture and Fixtures					
Machinery and Equipment					
Amounts to be Provided for Retirement of Long-Term Debt					
Total assets	\$ 73,099	\$ 74,927	\$ -	\$ 142,972	\$ 17,641
<u>LIABILITIES</u>					
Pooled Cash and Cash Equivalents	\$ -	\$ -	\$ 6,979	\$ -	\$ -
Accounts Payable					
Accrued Liabilities					
State Fines Payable					
Deferred Revenue	34,143				
Certificates of Obligation					
Notes Payable					
Capital Leases Payable					
Total liabilities	34,143	-	6,979	-	-
<u>FUND EQUITY</u>					
Contributed Capital					
Investment in General Fixed Assets					
Fund Balance					
Reserved for Debt Service					
Reserved for Obligated Projects		74,927	(6,979)	142,972	17,641
Unreserved	38,956				
Total fund equity	\$ 38,956	\$ 74,927	\$ (6,979)	\$ 142,972	\$ 17,641
Total liabilities and fund equity	\$ 73,099	\$ 74,927	\$ -	\$ 142,972	\$ 17,641

SAN SABA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2016

	Road and Bridge General	Road and Bridge Precincts	Rylander Library Trust Fund	Crime Victim's Assistance Fund	Records Management & Preservation Fund
REVENUES					
Tax Revenues	\$ 465,067				
Licenses and Permits	389,457				
Charges for Services					
Court Costs					
Fees of Office					12,715
Court Appointed Attorney Fee					
Retained State Fines and Forfeitures	19,896				
Grant Revenue				36,235	
Interest Income			25		
Miscellaneous	487	53,520	18,520		
Lateral Road Income	19,604				
	<u>\$ 894,511</u>	<u>\$ 53,520</u>	<u>\$ 18,545</u>	<u>\$ 36,235</u>	<u>\$ 12,715</u>
EXPENDITURES					
General Government					
General Administration	8,467				
Administration of Justice					
Courts					
Public Health and Welfare				41,045	
Public Works					
County Roads and Bridges		976,946			
General Building Maintenance					
Culture/Recreation/Education			5,633		36,625
Resource Development					
Utilities		11,194			
Capital Outlay:					
Library Books and Publications			12,110		
Fixed Asset Purchases		13,236			
Debt Service:					
Principal		14,771			
Interest and Fiscal Charges		1,374			
Total Expenditures	<u>\$ 8,467</u>	<u>\$ 1,017,521</u>	<u>\$ 17,743</u>	<u>\$ 41,045</u>	<u>\$ 36,625</u>
Excess (deficiency) of revenues over expenditures	886,044	(964,001)	802	(4,810)	(23,910)
OTHER FINANCING SOURCES (USES)					
Operating transfers from (to) other funds	(964,001)	\$ 964,001	-		-
Capital Financing					
Net Other financing sources (uses)	<u>\$ (964,001)</u>	<u>\$ 964,001</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(77,957)	-	802	(4,810)	(23,910)
Fund Balance, beginning	116,913	-	74,125	(2,169)	166,882
Fund Balance, ending	<u>\$ 38,956</u>	<u>\$ -</u>	<u>\$ 74,927</u>	<u>\$ (6,979)</u>	<u>\$ 142,972</u>

SAN SABA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED SEPTEMBER 30, 2016

Law Library Fund	Courthouse Security Fund	Judicial Education Fund	Indigent Defense Grant Fund	Justice Court Technology Fund	Pretrial Intervention Fund	Truancy Prevention & Detection Fund	Law Enforcement Education Fund	Total for Special Revenue Funds
REVENUES								
								465,067
								389,457
	1,754							1,754
2,231					6,535			21,481
			5,159					5,159
				1,600		898	1,324	23,718
								36,235
								25
		141	1					72,669
								19,604
\$ 2,231	\$ 1,754	\$ 141	\$ 5,160	\$ 1,600	\$ 6,535	\$ 898	\$ 1,324	\$ 1,035,169
EXPENDITURES								
	416							8,883
			39,287	1,440	4,288			45,015
								41,045
								976,946
								-
1,774							100	44,132
								-
								11,194
								12,110
								13,236
								14,771
								1,374
\$ 1,774	\$ 416	\$ -	\$ 39,287	\$ 1,440	\$ 4,288	\$ -	\$ 100	\$ 1,168,706
457	1,338	141	(34,127)	160	2,247	898	1,224	(133,537)
OTHER FINANCING SOURCES (USES)								
-	-	-	34,127	-	-	-	-	34,127
								-
\$ -	\$ -	\$ -	\$ 34,127	\$ -	\$ -	\$ -	\$ -	\$ 34,127
457	1,338	141	-	160	2,247	898	1,224	(99,410)
17,183	23,461	3,211	-	13,226	12,161	150	1,223	426,366
\$ 17,640	\$ 24,799	\$ 3,352	\$ -	\$ 13,386	\$ 14,408	\$ 1,048	\$ 2,447	\$ 326,956

San Saba County
Rylander Library Trust Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Interest Income	\$ 100.00	\$ 100.00	\$ 25.63	\$ (74.37)
Other Income	26,650.00	26,650.00	18,519.81	(8,130.19)
TOTAL Receipts	\$ 26,750.00	\$ 26,750.00	\$ 18,545.44	\$ (8,204.56)
DISBURSEMENTS:				
Professional Fees/Contract Labor	\$ 800.00	800.00	\$ 634.50	\$ (165.50)
Office Supplies/Postage	400.00	550.00	546.42	(3.58)
Other Supplies	200.00	200.00	-	(200.00)
Copier/Computer Maint Contract	4,100.00	400.00	3,702.50	3,302.50
Telephone	400.00	4,100.00	-	(4,100.00)
Fees/Licenses	750.00	750.00	750.00	-
Capital Outlay - Books	20,000.00	19,850.00	12,109.70	(7,740.30)
TOTAL Disbursements	\$ 26,650.00	\$ 26,650.00	\$ 17,743.12	\$ (8,906.88)

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 74,124.92
Receipts	18,545.44
	<u>\$ 92,670.36</u>
Disbursements	(17,743.12)
Cash fund balance, September 30, 2016	<u>\$ 74,927.24</u>

San Saba County
Records Management & Preservation
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Fees of Office	\$ -	\$ -	\$ 12,714.56	\$ 12,714.56
TOTAL Receipts	\$ -	\$ -	\$ 12,714.56	\$ 12,714.56
DISBURSEMENTS:				
Office Supplies and Postage	\$ -	\$ -	\$ 36,625.00	\$ 36,625.00
Capital Outlay	-	-	-	-
TOTAL Disbursements	\$ -	\$ -	\$ 36,625.00	\$ 36,625.00

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 166,882.25
Receipts	12,714.56
	<u>\$ 179,596.81</u>
Disbursements	(36,625.00)
Cash fund balance, September 30, 2016	<u>\$ 142,971.81</u>

San Saba County
Law Library
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Law Library Fund	\$ -	\$ -	\$ 2,231.04	\$ 2,231.04
TOTAL Receipts	\$ -	\$ -	\$ 2,231.04	\$ 2,231.04
DISBURSEMENTS:				
Advertising and Required Publications	\$ -	\$ -	\$ -	\$ -
Office Supplies/Postage	-	-	-	-
Legal	-	-	1,773.85	1,773.85
TOTAL Disbursements	\$ -	\$ -	\$ 1,773.85	\$ 1,773.85

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 17,183.31
Receipts	2,231.04
	<u>\$ 19,414.35</u>
Disbursements	(1,773.85)
Cash fund balance, September 30, 2016	<u><u>\$ 17,640.50</u></u>

San Saba County
Courthouse Security Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Fees of Office	\$ 1,500.00	\$ 1,500.00	\$ 1,753.95	\$ 253.95
Fees to Clerks	-	-	-	-
TOTAL Receipts	\$ 1,500.00	\$ 1,500.00	\$ 1,753.95	\$ 253.95
DISBURSEMENTS:				
Other Supplies	\$ -	\$ -	\$ -	\$ -
Copier/Computer Maint Contract	-	-	-	-
Contingency	-	-	416.02	416.02
TOTAL Disbursements	\$ -	\$ -	\$ 416.02	\$ 416.02

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 23,461.24
Receipts	1,753.95
	<u>\$ 25,215.19</u>
Disbursements	(416.02)
Cash fund balance, September 30, 2016	<u><u>\$ 24,799.17</u></u>

San Saba County
County Judicial Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Judicial Education Fee	\$ -	\$ -	\$ 140.44	\$ 140.44
TOTAL Receipts	\$ -	\$ -	\$ 140.44	\$ 140.44
DISBURSEMENTS:				
Other Supplies	\$ -	\$ -	\$ -	\$ -
Telephone	-	-	-	-
Travel	-	-	-	-
Continuing Education	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL Disbursements	\$ -	\$ -	\$ -	\$ -

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 3,211.51
Receipts	140.44
	<u>\$ 3,351.95</u>
Disbursements	-
Cash fund balance, September 30, 2016	<u>\$ 3,351.95</u>

San Saba County
Indigent Defense Grant Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Court Appointed Attorney Fee	\$ -	\$ -	\$ 5,159.41	\$ 5,159.41
Grant Income	-	-	-	-
TOTAL Receipts	\$ -	\$ -	\$ 5,159.41	\$ 5,159.41
DISBURSEMENTS:				
General Administration	\$ -	\$ -	\$ -	\$ -
Professional Fees/Contract Services	-	22,500.00	39,286.66	16,786.66
Appeal Records	-	-	-	-
TOTAL Disbursements	\$ -	\$ 22,500.00	\$ 39,286.66	\$ 16,786.66

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ -
Transfers In from General Fund	34,127.25
Receipts	5,159.41
	<u>\$ 39,286.66</u>
Disbursements	(39,286.66)
Cash fund balance, September 30, 2016	<u>\$ -</u>

San Saba County
Justice Court Technology Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Justice Court Technology Fund	\$ -	\$ -	\$ 1,600.46	\$ 1,600.46
TOTAL Receipts	\$ -	\$ -	\$ 1,600.46	\$ 1,600.46
DISBURSEMENTS:				
Professional Fees/Contract Services	\$ -	\$ -	\$ -	\$ -
Office Supplies/Postage	-	-	-	-
Travel/Dues/Conventions	-	-	85.00	85.00
Copier/Computer Maint Contract	-	-	1,355.00	1,355.00
Capital Outlay	-	-	-	-
TOTAL Disbursements	\$ -	\$ -	\$ 1,440.00	\$ 1,440.00

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 13,225.67
Receipts	1,600.46
	<u>\$ 14,826.13</u>
Disbursements	(1,440.00)
Cash fund balance, September 30, 2016	<u>\$ 13,386.13</u>

San Saba County
Law Enforcement Education Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Law Enforcement Education	\$ -	\$ -	\$ 1,324.02	\$ 1,324.02
TOTAL Receipts	\$ -	\$ -	\$ 1,324.02	\$ 1,324.02
DISBURSEMENTS:				
Professional Fees/Contract Services	\$ -	\$ -	\$ -	\$ -
Other Supplies	-	-	-	-
Travel/Dues/Conventions	-	-	100.00	100.00
Capital Outlay-Library Books	-	-	-	-
TOTAL Disbursements	\$ -	\$ -	\$ 100.00	\$ 100.00

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 1,223.35
Receipts	1,324.02
	<u>\$ 2,547.37</u>
Disbursements	(100.00)
Cash fund balance, September 30, 2016	<u>\$ 2,447.37</u>

San Saba County
Truancy Prevention and Detection Fund
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Truancy Prevention and Detection	\$ -	\$ -	\$ 897.73	\$ 897.73
TOTAL Receipts	\$ -	\$ -	\$ 897.73	\$ 897.73
DISBURSEMENTS:				
Professional Fees/Contract Services	\$ -	\$ -	\$ -	\$ -
TOTAL Disbursements	\$ -	\$ -	\$ -	\$ -

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 149.95
Receipts	897.73
Cash fund balance, September 30, 2016	<u>\$ 1,047.68</u>

Crime Victim's Assistance Grant
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Grant Income	\$ 42,000.00	\$ 42,000.00	\$ 36,235.02	\$ (5,764.98)
TOTAL Receipts	\$ 42,000.00	\$ 42,000.00	\$ 36,235.02	\$ (5,764.98)
DISBURSEMENTS:				
Salary - Department Head	\$ 27,410.04	\$ 27,410.04	\$ 27,410.04	\$ -
Payroll Tax - Social Security	1,699.42	1,699.42	1,612.64	(86.78)
Payroll Tax - Medicare	397.45	397.45	377.19	(20.26)
Retirement	2,658.77	2,658.77	2,518.92	(139.85)
Death Benefits	202.83	202.83	175.47	(27.36)
Health Insurance	6,648.00	6,648.00	6,419.02	(228.98)
Unemployment	89.08	89.08	82.50	(6.58)
Worker's Compensation	161.72	161.72	151.20	(10.52)
Office Supplies/Postage	532.69	532.69	757.58	224.89
Travel/Dues/Conventions	750.00	750.00	71.00	(679.00)
Telephone	650.00	650.00	591.68	(58.32)
Equipment Maint & Supplies	800.00	800.00	277.99	(522.01)
Copier/Computer Maint Contract	-	-	600.00	600.00
TOTAL Disbursements	\$ 42,000.00	\$ 42,000.00	\$ 41,045.23	\$ (954.77)

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ (2,169.31)
Receipts	36,235.02
	<u>\$ 34,065.71</u>
Disbursements	(41,045.23)
Cash fund balance, September 30, 2016	<u>\$ (6,979.52)</u>

San Saba County
Pretrial Intervention
Schedule of Cash Receipts and Disbursements as Compared with Budget
For the Year Ended September 30, 2016

	Initial Budget Year Ended 30-Sep-16	Final Budget Year Ended 30-Sep-16	Actual Year Ended 30-Sep-16	Actual Over (Under) Budget
RECEIPTS:				
Pretrial Intervention	\$ 4,500.00	\$ 4,500.00	\$ 6,535.00	\$ 2,035.00
TOTAL Receipts	\$ 4,500.00	\$ 4,500.00	\$ 6,535.00	\$ 2,035.00
DISBURSEMENTS:				
Salary - #1	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ -
Payroll tax - Social Security	223.20	223.20	247.78	24.58
Payroll tax - Medicare	52.20	52.20	49.53	(2.67)
Retirement	349.20	349.20	330.84	(18.36)
Death Benefits	26.64	26.64	23.11	(3.53)
Unemployment	11.70	11.70	30.68	18.98
Worker's Compensation	21.24	21.24	5.70	(15.54)
Professional Fees/Contract Services	-	-	-	-
TOTAL Disbursements	\$ 4,284.18	\$ 4,284.18	\$ 4,287.64	\$ 3.46

Schedule of Cash Balance

Cash fund balance, October 1, 2015	\$ 12,161.00
Receipts	<u>6,535.00</u>
	\$ 18,696.00
Disbursements	<u>(4,287.64)</u>
Cash fund balance, September 30, 2016	<u>\$ 14,408.36</u>

SAN SABA COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

	<u>Year ended December 31</u>	
	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service Cost	\$ 168,518	\$ 184,929
Interest on the Total Pension Liability	454,802	424,458
Effect of plan changes	(12,225)	-
Effect of assumption changes or inputs	64,010	-
Effect of economic/demographic (gains) or losses	(9,437)	4,431
Benefit payments, including refunds of employee contributions	(266,451)	(247,000)
Net Change in Total Pension Liability	399,217	366,818
Total Pension Liability - Beginning	5,637,466	5,270,648
Total Pension Liability - Ending (a)	\$ 6,036,683	\$ 5,637,466
 Plan Fiduciary Net Position		
Employer contributions	\$ 107,392	\$ 136,540
Member contributions	87,310	96,935
Investment income net of investment expenses	1,862	367,150
Benefit payments, including refunds of employee contributions	(266,451)	(247,000)
Administrative expense	(4,098)	(4,271)
Other	22,652	8,451
Net Change in Plan Fiduciary Net Position	(51,333)	357,805
Plan Fiduciary Net Position - Beginning	5,727,471	5,369,666
Plan Fiduciary Net Position - Ending (b)	\$ 5,676,138	\$ 5,727,471
 Net Pension Liability - Ending (a) - (b)	\$ 360,545	\$ (90,005)
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.03%	101.60%
Covered employee payroll	\$ 1,247,291	\$ 1,384,784
Net Pension Liability as a Percentage of Covered Employee Payroll	28.91%	-6.50%

Notes to Schedule:

- (1) Only two years of data is presented in accordance with GASB 68 paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these case, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement.

SAN SABA COUNTY TEXAS
SCHEDULE OF DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2015

	Original Amount	Date Established	Original Recognition Period ⁽¹⁾	Amount Recognized in 12/31/2015 Expenses ⁽¹⁾	Balance of Deferred Inflows 12/31/2015	Balance of Deferred Outflows 12/31/2015
Investment (gains) or losses						
	\$ 464,048	12/31/2015	5.0	\$ 92,810	\$ -	\$ 371,239
	71,693	12/31/2014	5.0	14,339	-	43,016
Economic/ demographic (gains) or losses						
	(9,437)	12/31/2015	2.0	(4,719)	4,719	-
	4,430	12/31/2014	2.0	2,215	-	-
Assumption changes or inputs						
	64,010	12/31/2015	2	32,005	-	32,005
	-	12/31/2014	2	-	-	-
Employer contributions made subsequent to measurement date ⁽²⁾						
	\$ 98,891	9/30/2016	-	-	-	98,891

⁽¹⁾ Investment (gains)/losses are recognized in pension expense over a period of five years; economic/ demographic (gains)/losses and assumption changes or inputs are recognized over the average remaining service life for all active, inactive, and retired members.

⁽²⁾ Employer contributions made subsequent to measurement date of December 31, 2015.

SAN SABA COUNTY, TEXAS
SCHEDULE OF SAN SABA COUNTY CONTRIBUTIONS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
FOR FISCAL YEAR 2015

Year Ending December 31	Actuarially Determined Contribution ⁽¹⁾	Actual Employer Contribution ⁽¹⁾	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽²⁾	Actual Contribution as a % of Covered Payroll
2006	\$61,093	\$61,093	0	864,115	7.1%
2007	67,320	67,320	0	919,666	7.3%
2008	59,475	59,475	0	941,053	6.3%
2009	36,645	36,645	0	996,012	6.4%
2010	88,585	88,585	0	1,045,873	8.5%
2011	91,975	91,975	0	1,138,304	8.1%
2012	99,283	99,283	0	1,141,179	8.7%
2013	118,119	118,119	(15)	1,278,349	9.2%
2014	136,540	136,540	0	1,384,784	9.9%
2015	107,392	107,392	0	1,247,291	8.6%

Notes to Schedule:

⁽¹⁾ TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

⁽²⁾ Payroll is calculated based on contributions as reported to TCDRS.

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	14.5 years (based on contribution rate calculated in 12/31/15 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	3.0%
Salary Increases	Varies by age and service. 4.9% average over career including inflation
Investment Rate of Return	8% net of investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scall AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
Change in Plan Provisions Reflected in the Schedule	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

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

Honorable County Judge and Commissioners
of the Commissioners Court of San Saba County, Texas
San Saba, Texas

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of San Saba, Texas (the County) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 23, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Saba County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink, appearing to read "K. Shahan", with a stylized, cursive script.

Kevin Shahan, CPA, PLLC
San Saba, Texas
December 23, 2016