

WALLER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

WALLER COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2016

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Financial Section

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INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and Commissioners Comprising the
Commissioners' Court of Waller County

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 Waller County, Texas, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Waller County, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Waller County, Texas, as of December 31, 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.

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 5-11 and 44-49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

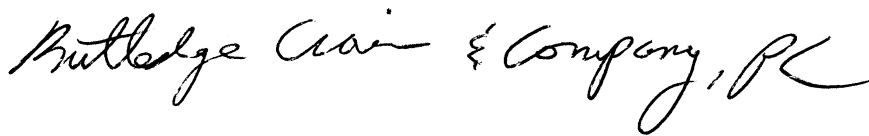
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Waller County, Texas' basic financial statements. The combining and individual nonmajor fund financial statements, and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2017, on our consideration of Waller County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Waller County, Texas' internal control over financial reporting and compliance.



November 17, 2017

Management's Discussion and Analysis

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As management of Waller County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented herein with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the fiscal year ended December 31, 2016, by \$28,481,662 (net position). Of this amount, \$8,970,181 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$1,209,288 (\$1,844,712 from operations) after the prior period adjustment.
- The County's governmental funds reported combined ending fund balances of \$20,268,426 an increase of \$948,483 in comparison to the previous year (\$313,058 after the prior period adjustment).
- The unassigned portion of the General Fund balance at the end of the year was \$11,244,863 or 54.58% of total General Fund expenditures and transfers out.
- Total General Obligation Debt of the County decreased by \$459,000 during the fiscal year for the 2014 Certificates of Obligation.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) fiduciary financial statements, and 4) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS: The government-wide financial statements are designed to provide readers with a broad overview of Waller County's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

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

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In addition, the statement of activities highlights government activities supported by taxes and intergovernmental revenues, along with program revenues classified to the corresponding government activity.

The government-wide financial statements can be found on pages 14 - 15 of this report.

FUND FINANCIAL STATEMENTS: The County, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains fifty-one individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Road and Bridge Fund, each of which are considered to be major funds. Data from the other forty-nine funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

FIDUCIARY FUNDS: Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. Private Purpose Trust funds account for assets held by the government under the terms of a formal trust agreement.

NOTES TO THE FINANCIAL STATEMENTS: The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements

OTHER INFORMATION: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found after the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At the end of fiscal year 2016, the County's net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled \$28,481,662. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).

NET POSITION: The largest portion of the County's net position, \$18,597,096 or 65.29 percent, reflects its investment in capital assets (land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The County uses these assets to provide services to its citizen's, consequently; these assets are not available for future spending. Although the County reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net assets totaling \$914,385 or 3.21 percent, are restricted for future debt service payments (\$325,596) and future capital renovations (\$588,789).

The remaining balance of unrestricted net position, \$8,970,181 or 31.50 percent, may be used to meet the government's ongoing obligations to citizens and creditors.

Table 1
Condensed Statement of Net Position

	12/31/2016	12/31/2015	Increase (Decrease)
ASSETS			
Current and other assets	\$51,291,832	\$48,200,669	\$3,091,163
Capital assets	23,100,229	21,287,713	1,812,516
Total assets	<u>74,392,061</u>	<u>69,488,382</u>	<u>4,903,679</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>3,936,088</u>	<u>1,362,009</u>	<u>2,574,079</u>
LIABILITIES			
Other liabilities	3,382,324	2,797,793	584,531
Long-term liabilities	21,260,867	18,341,105	2,919,762
Total liabilities	<u>24,643,191</u>	<u>21,138,898</u>	<u>3,504,293</u>
DEFERRED INFLOWS OF RESOURCES	<u>25,203,296</u>	<u>23,074,543</u>	<u>2,128,753</u>
NET POSITION			
Invested in capital assets, net	18,597,096	17,162,288	1,434,808
Restricted for debt service	325,596	257,788	67,808
Restricted for capital projects	588,789	1,480,148	(891,359)
Unrestricted	8,970,181	7,736,726	1,233,455
	<u>\$28,481,662</u>	<u>\$26,636,950</u>	<u>\$1,844,712</u>

CHANGES IN NET POSITION: The net position of the County increased by \$1,209,288 (\$1,844,712) for the fiscal year ended December 31, 2016. See page 15 for a detailed list of the items that contributed to current year increase in net position.

WALLER COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016
(Unaudited)

Table 2
Changes in Net Position

	12/31/2016	12/31/2015	Increase (Decrease)
Revenues:			
Program revenues			
Charges for services	\$3,142,707	\$3,490,542	(\$347,835)
Operating grants and contributions	240,275	229,051	11,224
Capital grants and contributions	1,367,899	698,615	669,284
General revenues			
Taxes	23,595,486	22,270,257	1,325,229
Interest	368,296	345,306	22,990
Miscellaneous	523,059	636,098	(113,039)
Gain/Loss sale of capital assets	0	(18,630)	18,630
Total revenues	<u>29,237,722</u>	<u>27,651,239</u>	<u>1,586,483</u>
Expenses:			
General government	3,071,801	2,956,304	115,497
Financial administration	1,405,370	1,327,937	77,433
Public safety	7,408,864	6,511,186	897,678
Judicial	2,447,987	2,279,542	168,445
Legal	1,286,164	1,126,899	159,265
Public transportation	5,899,184	4,527,620	1,371,564
Culture and recreation	431,312	445,949	(14,637)
Non departmental	5,332,467	6,342,038	(1,009,571)
Interest on long-term debt	109,861	118,242	(8,381)
Total expenses	<u>27,393,010</u>	<u>25,635,717</u>	<u>1,757,293</u>
Increase (decrease) in net position	1,844,712	2,015,522	(170,810)
Net position - beginning of year	27,272,374	24,349,926	2,922,448
Prior period adjustment	(635,424)	271,502	(906,926)
Net position - end of year	<u><u>\$28,481,662</u></u>	<u><u>\$26,636,950</u></u>	<u><u>\$1,844,712</u></u>

REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS

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

As of the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$20,268,426.

The General Fund is the main operating fund of the County. The General Fund had an increase in fund balance of \$1,638,394 (\$1,370,247 after the prior period adjustment) and at the end of the current fiscal year unassigned fund balance was \$11,244,863. Key factors of the increase are as follows:

- Total governmental revenues increased \$1,290,460 or 6.16% compared to 2015 and was significantly due to an increase in ad valorem taxes of \$1,051,750. The increase in ad valorem taxes was the result of the increase of taxable values, and the construction of new improvements.
- Total governmental expenditures increased \$900,106 or 4.97% compared to 2015.

The Road and Bridge Fund had an increase in the fund balance of \$23,239 (\$344,039 after the prior period adjustment) and at the end of the current fiscal year and the committed fund balance was zero. The total amount of revenues received for the Road & Bridge Fund was \$5,126,944 and the expenditures were \$7,184,945. Key factors of the changes are as follows:

- Total governmental revenues increased \$118,736 or 2.37% compared to 2015 and was significantly due to the increase in property tax revenue.
- Total governmental expenditures increased \$868,792 or 13.75 % compared to 2015.

GENERAL FUND BUDGETARY HIGHLIGHTS. The Commissioners' Court adopts the annual budget for the County according to State statute. Appropriated budgets are approved and employed as a management control device during the fiscal year. The County maintains strict budgetary controls and sets its appropriations at the department level. Budget amendments and transfers may be made only with the approval of Commissioners' Court. There were no material changes between the original budget and the final amended budget.

Actual revenues were more than the budgeted revenues by \$965,715 and the expenditure budget exceeded actual expenditures by \$3,559,614 for an overall positive budget variance of \$4,525,329.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS: The County's investment in capital assets as of December 31, 2016, totals \$23,100,229 (net of accumulated depreciation). Investment in capital assets includes land, buildings, and infrastructure. The total increase in the County's investment in capital assets for the current year was 8.51 percent.

Table 3
 Capital Assets at Year End
 Net of Accumulated Depreciation

Asset	12/31/2016	12/31/2015	Increase (Decrease)
Land	\$440,812	\$440,812	\$0
Construction in progress	1,264,443	361,188	903,255
Buildings	791,406	778,668	12,738
Roads	14,443,270	13,800,533	642,737
Bridges	2,278,460	1,892,924	385,536
Machinery and equipment	3,881,838	4,013,587	(131,749)
	<u>\$23,100,229</u>	<u>\$21,287,712</u>	<u>\$1,812,517</u>

Additional information on the County's capital assets can be found in the notes to the financial statements.

DEBT ADMINISTRATION: At the end of the current fiscal year, Waller County had total debt outstanding of \$18,341,105. Certificates of Obligations issued for capital renovations in the amount of \$4,552,000 are payable from annual appropriations of the Debt Service Fund and capital lease obligations for equipment in the amount of \$91,269 are payable from annual appropriations of the General Fund. The remainder of the debt consists of compensated absences payable of \$589,010, a liability for unfunded other post-employment benefits of \$12,380,625 and a liability for net pension benefits of \$728,201.

Table 4
 Outstanding Debt at Year End

Type of Debt	12/31/2016	12/31/2015	Increase (Decrease)
Certificates of obligation	\$4,093,000	\$4,552,000	(\$459,000)
Capital lease obligations	410,133	91,269	318,864
Compensated absences	380,912	589,010	(208,098)
Liability for unfunded OPEB	13,542,274	12,380,625	1,161,649
Net pension liability	2,834,548	728,201	2,106,347
	<u>\$21,260,867</u>	<u>\$18,341,105</u>	<u>\$2,919,762</u>

Additional information on the County's long-term debt can be found in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

For fiscal year 2017, the Commissioners' Court adopted a budget of \$34,871,882 in estimated revenues and a property tax rate of \$0.633760 per hundred dollars of taxable value. This rate was \$.021046 lower than fiscal year 2016. This is estimated to provide an overall tax increase of \$1,673,216 over the 2016 budget. Reserves of the General Fund in the amount of \$2,888,852 were allocated to balance the budget for 2017.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Waller County Auditor, 836 Austin Street, Suite 221, Hempstead, Texas, 77445.

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Basic Financial Statements

WALLER COUNTY, TEXAS

STATEMENT OF NET POSITION

DECEMBER 31, 2016

	Governmental Activities
ASSETS	
<i>Cash and cash equivalents</i>	\$ 27,955,806
<i>Investments</i>	470,153
Receivables (net of allowances for uncollectibles)	22,361,885
<i>Inventories</i>	222,830
<i>Prepaid items</i>	281,158
Capital assets (net of accumulated depreciation)	
<i>Land</i>	440,812
<i>Buildings</i>	791,406
<i>Roads</i>	14,443,270
<i>Bridges</i>	2,278,460
<i>Machinery and equipment</i>	3,881,838
<i>Construction in progress</i>	1,264,443
Total Assets	<u>74,392,061</u>
DEFERRED OUTFLOWS OF RESOURCES	
<i>Deferred charges</i>	3,936,088
Total Deferred Outflows of Resources	<u>3,936,088</u>
LIABILITIES	
<i>Accounts payable</i>	913,449
<i>Other payables and accruals</i>	828,949
<i>Due to other governments</i>	1,388,136
<i>Due to oim</i>	251,790
Noncurrent liabilities:	
<i>Due within one year</i>	719,707
<i>Due in more than one year</i>	20,541,160
Total Liabilities	<u>24,643,191</u>
DEFERRED INFLOW OF RESOURCES	
<i>Unearned revenue</i>	25,203,296
Total Deferred Inflows of Resources	<u>25,203,296</u>
NET POSITION:	
Net Investment in Capital Assets	18,597,096
Restricted For:	
<i>Debt Service</i>	325,596
<i>Capital Projects</i>	588,789
Unrestricted	8,970,181
Total Net Position	<u>\$ 28,481,662</u>

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
<i>General government</i>	\$ 3,071,801	\$ 560,932	\$ 26,251	\$ --	\$ (2,484,618)
<i>Financial administration</i>	1,405,370	27,518	--	--	(1,377,852)
<i>Public Safety</i>	7,408,864	91,892	63,055	283,779	(6,970,138)
<i>Judicial</i>	2,447,987	1,167,832	--	--	(1,280,155)
<i>Legal</i>	1,286,164	20,541	80,115	--	(1,185,508)
<i>Public transportation</i>	5,899,184	1,187,778	--	1,081,262	(3,630,144)
<i>Culture and recreation</i>	431,312	3,253	70,854	2,858	(354,347)
<i>Nondepartmental</i>	5,332,467	82,961	--	--	(5,249,506)
<i>Interest on long-term debt</i>	109,861	--	--	--	(109,861)
Total governmental activities	<u>27,393,010</u>	<u>3,142,707</u>	<u>240,275</u>	<u>1,367,899</u>	<u>(22,642,129)</u>
Total Primary Government	<u>\$ 27,393,010</u>	<u>\$ 3,142,707</u>	<u>\$ 240,275</u>	<u>\$ 1,367,899</u>	<u>(22,642,129)</u>
General Revenues:					
<i>Taxes</i>					23,595,486
<i>Unrestricted Investment Earnings</i>					368,296
<i>Miscellaneous</i>					523,059
Total General Revenues					<u>24,486,841</u>
Change in Net Position					1,844,712
Net Position - Beginning					27,272,374
Prior Period Adjustment					(635,424)
Net Position - Ending					<u>\$ 28,481,662</u>

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
ASSETS				
<i>Cash and cash equivalents</i>	\$ 25,296,150	\$ 765,450	\$ 1,894,205	\$ 27,955,805
<i>Investments</i>	--	--	470,153	470,153
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	15,595,762	3,130,844	469,736	19,196,342
<i>Fines</i>	2,021,877	415,564	43,457	2,480,898
<i>Accounts</i>	--	--	165	165
<i>Intergovernmental</i>	134,319	368,204	181,957	684,480
<i>Due from other funds</i>	--	784,995	541,664	1,326,659
<i>Prepaid items</i>	275,316	5,842	--	281,158
Total Assets	\$ 43,323,424	\$ 5,470,899	\$ 3,601,337	\$ 52,395,660
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ 554,321	\$ 319,944	\$ 39,184	\$ 913,449
<i>Other payables and accruals</i>	660,731	117,604	2,990	781,325
<i>Due to other funds</i>	1,179,277	--	147,382	1,326,659
<i>Due to other governments</i>	1,388,136	--	--	1,388,136
<i>Due to others</i>	251,790	--	--	251,790
Total Liabilities	4,034,255	437,548	189,556	4,661,359
Deferred Inflows of Resources				
<i>Deferred revenue</i>	16,066,930	3,900,142	534,388	20,501,460
<i>Taxes collected in advance</i>	5,664,306	1,133,209	166,900	6,964,415
Total Deferred Inflows of Resources	21,731,236	5,033,351	701,288	27,465,875
Fund balances:				
<i>Nonspendable</i>	275,316	--	--	275,316
<i>Restricted</i>	37,754	--	2,688,883	2,726,637
<i>Committed to construction</i>	6,000,000	--	--	6,000,000
<i>Committed to justice administration</i>	--	--	21,610	21,610
<i>Unassigned</i>	11,244,863	--	--	11,244,863
Total fund balances	17,557,933	--	2,710,493	20,268,426
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 43,323,424	\$ 5,470,899	\$ 3,601,337	\$ 52,395,660

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXAS

*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2016*

Total fund balances - governmental funds balance sheet	\$ 20,268,426
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	23,100,230
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,365,230
Payables for bond principal which are not due in the current period are not reported in the funds.	(4,093,000)
Payables for capital leases which are not due in the current period are not reported in the funds.	(410,133)
Payables for bond interest which are not due in the current period are not reported in the funds.	(47,624)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(380,912)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	222,830
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	975,040
Grants receivable unavailable to pay for current period expenditures are deferred in the funds.	380,169
Liability for unfunded retiree insurance benefits which is not due in current period is not reported in the funds.	(13,542,274)
Recognition of the County's net pension liability is not reported in the funds.	(2,834,548)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(457,859)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	<u>3,936,087</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 28,481,662</u>

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXASSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
Revenues:				
<i>Taxes</i>	\$ 19,559,114	\$ 3,633,940	\$ 632,917	\$ 23,825,971
<i>Licenses and permits</i>	93,553	984,547	--	1,078,100
<i>Intergovernmental</i>	357,770	323,859	387,646	1,069,275
<i>Charges for services</i>	508,586	--	12,869	521,455
<i>Fines</i>	933,758	140,207	227,722	1,301,687
<i>Interest</i>	327,755	8,188	32,353	368,296
<i>Miscellaneous</i>	457,010	36,203	103,061	596,274
Total revenues	<u>22,237,546</u>	<u>5,126,944</u>	<u>1,396,568</u>	<u>28,761,058</u>
Expenditures:				
Current:				
<i>General government</i>	2,870,682	--	91,236	2,961,918
<i>Financial administration</i>	1,405,112	--	--	1,405,112
<i>Public safety</i>	6,779,196	--	219,726	6,998,922
<i>Judicial</i>	2,410,787	--	17,529	2,428,316
<i>Legal</i>	1,143,270	--	157,803	1,301,073
<i>Public transportation</i>	--	6,712,907	--	6,712,907
<i>Culture and recreation</i>	429,161	--	2,818	431,979
<i>Nondepartmental</i>	3,963,039	472,038	953,730	5,388,807
Debt service:				
<i>Principal</i>	--	--	459,000	459,000
<i>Interest and fiscal charges</i>	--	--	102,876	102,876
Total expenditures	<u>19,001,247</u>	<u>7,184,945</u>	<u>2,004,718</u>	<u>28,190,910</u>
Excess (deficiency) of revenues over (under) expenditures	3,236,299	(2,058,001)	(608,150)	570,148
Other financing sources (uses):				
<i>Transfers in</i>	105,000	1,702,905	11,275	1,819,180
<i>Transfers out</i>	(1,702,905)	--	(116,275)	(1,819,180)
<i>Proceeds from capital lease</i>	--	378,335	--	378,335
Total other financing sources (uses)	<u>(1,597,905)</u>	<u>2,081,240</u>	<u>(105,000)</u>	<u>378,335</u>
Net change in fund balances	1,638,394	23,239	(713,150)	948,483
Fund balances, January 1	16,187,685	344,039	3,423,643	19,955,367
Prior period adjustment	(268,146)	(367,278)	--	(635,424)
Fund balances, December 31	<u>\$ 17,557,933</u>	<u>\$ --</u>	<u>\$ 2,710,493</u>	<u>\$ 20,268,426</u>

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXAS

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016*

Net change in fund balances - total governmental funds	\$ 948,483
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	3,837,037
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,446,723)
Donations of capital assets increase net position in the SOA but not in the funds.	422,203
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(230,484)
Expenses not requiring the use of current financial resources are not reported as expenditures in the funds.	(160,214)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	459,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	59,471
(Increase) decrease in accrued interest from beginning of period to end of period.	(6,994)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	208,097
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.	(95,221)
Certain grant revenues are deferred in the funds. This is the change in these amounts this year.	380,169
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(378,335)
Retiree insurance contributions are reported as amount earned in the SOA but as amount paid in the funds.	(1,161,649)
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	9,874
	<hr/>
Change in net position of governmental activities - Statement of Activities	\$ <u>1,844,712</u>

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2016

	Private-purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
<i>Cash and cash equivalents</i>	\$ 55,793	\$ 7,889,780
<i>Investments</i>	62,320	--
<i>Intergovernmental</i>	--	58,818
<i>Capital assets</i>	1	--
Total Assets	<u>\$ 118,114</u>	<u>\$ 7,948,598</u>
LIABILITIES		
<i>Accounts payable</i>	\$ --	\$ 254,892
<i>Other payables and accruals</i>	--	20,366
<i>Due to other governments</i>	--	4,357,991
<i>Due to others</i>	--	3,315,349
Total Liabilities	<u> --</u>	<u>7,948,598</u>
NET POSITION		
<i>Held in trust</i>	<u>\$ 118,114</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

WALLER COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Private- Purpose Trusts
Additions:	
<i>Interest</i>	\$ 796
<i>Miscellaneous</i>	5,432
Total Additions	<u>6,228</u>
Deductions:	
<i>Administrative expenses</i>	475
<i>Payments to schools</i>	1,846
Total Deductions	<u>2,321</u>
Change in Net Position	3,907
<i>Net Position-Beginning of the Year</i>	114,207
Net Position-End of the Year	<u>\$ 118,114</u>

The accompanying notes are an integral part of this statement.

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WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County, a political subdivision of the State of Texas is governed by an elected judge and four county commissioners which comprise the commissioner's court. The County's operational activities include general government, financial administration, public safety, judicial, legal, public transportation, culture and recreation, and nondepartmental expenditures.

The accounting policies of Waller County, Texas, conform to generally accepted accounting principals issued by the Governmental Accounting Standards Board which is the recognized financial accounting standard setting body for governmental entities. The notes to the financial statements are an integral part of the County's basic financial statements.

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all organizations, activities, functions and component units for which the County (the "primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the County's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the County.

There are no component units which satisfy requirements for blending or discrete presentation within the County's financial statements. Accordingly, the basic financial statements present the County only.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

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

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fines and permits, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The County reports the following major governmental funds:

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

The *Road and Bridge Fund* accounts for the activities of the Road and Bridge department.

Additionally, the County reports the following fund types:

Special Revenue Funds account for specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The Debt Service Fund accounts for the accumulation of resources to be used for the payment of principal and interest.

The Capital Projects Funds accounts for construction or acquisition of major capital facilities primarily from the proceeds of debt issues.

Private Purpose Trust Funds are used to account for resources legally held in trust for use of other governmental entities. All resources of the funds, including any earnings on invested resources, may be used.

Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, and/or other funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes, miscellaneous revenue, and interest income.

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

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

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (B) secured by obligations that are described by (1) - (4); or, (6) fully

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the County, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter fund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Waller County Central Appraisal District. Taxes are due without penalty until January 31, of the next calendar year. After January 31 the County has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the County.

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Buildings	20 - 30 years
Infrastructure	20 - 45 years
Machinery and Equipment	5 - 10 years

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

5. Compensated absences

Employees accumulate earned but unused vacation and compensatory time. All vacation and compensatory pay is accrued when incurred in the government-wide funds. A liability is reported for these amounts in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are paid in the general, road and bridge, and grant fund.

6. Long-term obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as bond insurance, are deferred and amortized over the life of the bonds using the straight line method which approximate the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, and bond insurance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt insurance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Fund equity

Nonspendable Fund Balance Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the Commissioners Court through legislation, resolution or court order, unless the Commissioners Court removes or changes the specified use by taking the same type of action used to commit the amounts.

Assigned Fund Balance - Amounts that are constrained by the Commissioners Court, or by another County official or the finance division to which the Commissioners Court has delegated authority, that are to be used for specific purposes but are neither restricted nor committed.

Unassigned Fund Balance - Amounts that are available for any purpose; these amounts can be reported only in the County's General Fund.

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The County fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the County incurs an expenditure and both restricted and unrestricted amounts are available, the County considers restricted amounts to have been spent. When the County incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

	General Fund	Road & Bridge	Other Funds	Total
Fund Balances				
Nonspendable for:				
Prepays	\$275,316	\$ --	\$ --	\$275,316
Restricted for:				
Debt service	--	--	283,123	283,123
Justice administration	22,060	--	978,990	1,001,050
Grants	--	--	685,039	685,039
Construction	14,334	--	588,789	603,123
Other	1,360	--	152,942	154,302
	<u>37,754</u>	<u>--</u>	<u>2,688,883</u>	<u>2,726,637</u>
Committed to:				
Construction	6,000,000	--	--	6,000,000
Road and bridge	--	--	--	--
Justice administration	--	--	21,610	21,610
OPEB funding	--	--	--	--
	<u>6,000,000</u>	<u>--</u>	<u>21,610</u>	<u>6,021,610</u>
Unassigned	<u>11,244,863</u>	<u>--</u>	<u>--</u>	<u>11,244,863</u>
	<u>\$17,557,933</u>	<u>\$ --</u>	<u>\$2,710,493</u>	<u>\$20,268,426</u>

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

- A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “Other long-term assets are not available to pay for current-period expenditures and are deferred in the funds.” The details of this \$222,830 difference are as follows:

Inventory	<u>\$ 222,830</u>
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WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities :

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Expenses in the Statement of Activities not requiring the use of current financial resources are not reported as expenditures in the funds." The details of this \$160,214 difference are as follows:

Change in inventory balances	<u>\$160,214</u>
------------------------------	------------------

III. DETAILED NOTES ON ALL FUNDS

- A. Deposits and investments

Cash

At year end, the carrying amount of the County's cash on hand and deposits was \$35,901,379. All of the bank balance of \$36,058,208 was covered by federal deposit insurance or collateralized by the pledging financial institution with marketable securities held by the depository's agent in the County's name. At year end, the County's depository had pledged securities, with a par value of \$60,659,530 and fair value \$61,102,607.

Investments

As of December 31, 2016, the County had the following investments:

Investment type	Fair Value	Years to Maturity
Government sponsored investment pool (TexPool)	\$62,320	<60 days
First National Bank Savings	470,153	<60 days
Total Fair Value	\$532,473	

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the weighted average maturity of its portfolio to less than three years.

Credit Risk. State law limits investments as described previously in Note I, D. 1.

Concentration of Credit Risk. The County's investment policy does not allow for an investment in any one issuer (other than investment pools) that is in excess of five percent of the fair value of the County's total investments.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the County's depository in the County's name and held by the depository's agent.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

TexPool is an external investment pools and is not SEC registered. The Texas Interlocal Cooperation Act and the Texas Public Funds Investment Act provide for creation of public funds investments pools and permit eligible governmental entities to jointly invest their funds in authorized investments. The fair value of investments in the pools are independently reviewed monthly. At December 31, 2016 the fair value of the County's positions in the pool approximate the fair value of the shares.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	General	Road and Bridge	NonMajor Other Funds	Total
Taxes receivable	\$15,889,888	\$3,186,069	\$480,953	\$19,556,910
Less allowance	(294,126)	(55,225)	(11,217)	(360,568)
	<u>\$15,595,762</u>	<u>\$3,130,844</u>	<u>\$469,736</u>	<u>\$19,196,342</u>
Fines receivable	\$2,588,307	\$921,169	\$97,071	\$3,606,547
Less allowance	(566,430)	(505,605)	(53,614)	(1,125,649)
	<u>\$2,021,877</u>	<u>\$415,564</u>	<u>\$43,457</u>	<u>\$2,480,898</u>
Account receivable	\$ --	\$ --	\$165	\$165
Intergovernmental	<u>\$134,319</u>	<u>\$368,204</u>	<u>\$181,957</u>	<u>\$684,480</u>

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Total
Fines receivable (General Fund)	\$516,015	\$ --	\$516,015
Fines receivable (Road & Bridge Fund)	415,564	--	415,564
Fines Receivable (Nonmajor Special Revenue Funds)	43,461	--	43,461
Current tax levy receivable (2015) (General Fund)	--	14,419,256	14,419,256
Current tax levy receivable (2015) (Road & Bridge Fund)	--	2,895,811	2,895,811
Current tax levy receivable (2015) (Debt Service Fund)	--	424,866	424,866
Taxes collected in advance (General Fund)	--	5,664,306	5,664,306
Taxes collected in advance (Road & Bridge Fund)	--	1,133,209	1,133,209
Taxes collected in advance (Debt Service Fund)	--	166,900	166,900
Grant receivable (General Fund)	29,465	--	29,465
Grant receivable (Road and Bridge Fund)	368,204	--	368,204
Grant receivable (Library Fund)	--	3,182	3,182
Grant receivable (SCAAP Fund)	--	20,406	20,406
Delinquent property taxes receivable (General Fund)	1,102,194	--	1,102,194
Delinquent property taxes receivable (Road & Bridge Fund)	220,563	--	220,563
Delinquent property taxes receivable (Debt Service Fund)	<u>42,473</u>	<u>--</u>	<u>42,473</u>
Total deferred/unearned revenue for governmental funds	<u>\$2,737,939</u>	<u>\$24,727,936</u>	<u>\$27,465,875</u>

Reported in financial statements as:

Deferred revenue	\$20,501,460
Taxes collected in advance	<u>6,964,415</u>
Total	<u>\$27,465,875</u>

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

C. Capital assets

Capital asset activity for the year ended December 31, 2016:

	Balance 12/31/15	Additions	Retirements	Completed Construction	Balance 12/31/16
GOVERNMENTAL ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$440,812	\$ --	--	\$ --	\$440,812
Construction in progress	361,186	903,257	--	--	1,264,443
Total capital assets not being depreciated	801,998	903,257	--	--	1,705,255
Capital assets, being depreciated:					
Buildings and improvements	5,229,301	95,665	--	--	5,324,966
Roads	20,416,236	1,774,284	(716,593)	--	21,473,927
Bridges	5,085,703	529,602	--	--	5,615,305
Machinery and equipment	10,904,110	956,432	--	--	11,860,542
Total capital assets being depreciated	41,635,350	3,355,983	(716,593)	--	44,274,740
Less accumulated depreciation for:					
Buildings	(4,450,633)	(82,927)	--	--	(4,533,560)
Roads	(6,615,703)	(1,131,547)	716,593	--	(7,030,657)
Bridges	(3,192,778)	(144,067)	--	--	(3,336,845)
Machinery and equipment	(6,890,522)	(1,088,182)	--	--	(7,978,704)
Total accumulated depreciation	(21,149,636)	(2,446,723)	716,593	--	(22,879,766)
Total capital assets being depreciated, net	20,485,714	909,260	--	--	21,394,974
Governmental activities capital assets, net	\$21,287,712	\$1,812,517	\$ --	\$ --	\$23,100,229

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

Governmental activities:

General government	\$114,891
Financial administration	8,161
Public safety	690,092
Judicial	34,631
Legal	16,933
Public transportation	1,554,084
Culture and recreation	1,614
Nondepartmental	26,317
Total depreciation expense - governmental activities	<u>\$2,446,723</u>

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

D. Interfund Receivables/Payables and Transfers In/Out

Interfund receivables:

Fund	Due From	Due To
Major Governmental Funds		
General Fund	\$ --	\$1,179,277
Road and Bridge	784,995	--
Total Major Funds	784,995	1,179,277
Nonmajor Governmental Funds		
Grant Fund	541,664	--
VOCA Grant	--	6,238
HSGP/CAD System	--	141,144
Total Nonmajor governmental funds	541,664	147,382
Totals	\$1,326,659	\$1,326,659

Interfund receivables/payables arise due to temporary overdrafts in pooled cash.

Interfund transfers:

Fund	Transfer In	Transfer Out
Major Governmental Funds		
General Fund	\$105,000	\$ 1,702,905
Road and Bridge	1,702,905	--
Total Major Funds	1,807,905	1,702,905
Nonmajor Governmental Funds		
DA Pre Trial	--	75,000
Juvenile Case Manager	--	30,000
Grant	--	11,275
Victim's Assistance (VOCA)	5,318	--
DA No Refusal Prosecutors	756	--
DA No Refusal Investigator	1,494	--
Body Worn Cameras	3,707	--
Total Nonmajor governmental funds	11,275	116,275
Totals	\$1,819,180	\$1,819,180

Interfund transfers arise because of a transfer of excess operating funds from the DA Pre Trial Fund to the General Fund, from the Juvenile Case Manager Fund to the General Fund, and a transfer from the Grant Fund to the DA No Refusal Prosecutors, DA No Refusal Investigator, the Body Worn Cameras to start the funds. Additionally, the General Fund transferred funds to help subsidize shortfalls in the Road and Bridge Fund.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

E. Long-term debt

The County issues general obligation bonds, certificates of obligation bonds, notes payable and capital lease obligations to provide funds for the acquisition and construction of major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

The County issues general obligation bonds, certificates of obligation bonds, notes payable and capital lease obligations to provide funds for the acquisition and construction of major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

General Debt Currently Outstanding:

Purpose	Original Amount	Year of Issue	Final Maturity	Interest Rate	Balance 12/31/16
General Long-Term Debt Issues					
Certificates of Obligation:					
Series 2014	\$5,000,000	2/13/14	2/15/24	2.380%	\$4,093,000
Total General Long-Term Debt					<u>\$4,093,000</u>

Annual debt service requirements to maturity for general debt:

Year	General Obligation Bonds		
	Principal	Interest	Total
2017	\$470,000	\$91,820	\$561,820
2018	481,000	80,504	561,504
2019	493,000	68,913	561,913
2020	505,000	57,037	562,037
2021	517,000	44,875	561,875
2022-2024	1,627,000	58,680	1,685,680
Total	<u>\$4,093,000</u>	<u>\$401,829</u>	<u>\$4,494,829</u>

Capital Lease Obligations Currently Outstanding:

Purpose	Original Amount	Date of Lease	Final Maturity	Interest Rate	Balance 12/31/16
Dump truck	\$96,541	12/03/15	12/03/17	2.240%	\$31,798
Gradall excavator	378,335	5/11/16	5/01/19	3.297%	378,335
					<u>\$410,133</u>

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

Capital lease obligation debt service requirements to maturity are as follows:

Year	Total
2017	\$166,703
2018	134,184
2019	<u>134,184</u>
Total payments	435,071
Less imputed interest	<u>(24,938)</u>
Total Capital Lease Obligations	<u><u>\$410,133</u></u>

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2016 was as follows:

	Balance 12/31/15	Additions	Retirements	Balance 12/31/16	Due Within One Year
Governmental activities:					
Certificates of obligation	\$4,552,000	\$ --	(\$459,000)	\$4,093,000	\$470,000
Capital lease obligations	91,269	378,335	(59,471)	410,133	154,479
Compensated absences	589,010	380,912	(589,010)	380,912	95,228
Liability for unfunded OPEB	12,380,625	1,161,649	--	13,542,274	--
Net pension liability	728,201	2,106,347	--	2,834,548	--
Governmental activity Long-Term Liabilities	<u>\$18,341,105</u>	<u>\$4,027,243</u>	<u>(\$1,107,481)</u>	<u>\$21,260,867</u>	<u>\$719,707</u>

For the governmental activities, claims and judgements are generally liquidated by the General Fund. Compensated absences are liquidated by the General Fund, Road and Bridge Fund, and Grant Fund.

V. OTHER INFORMATION

A. Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

B. Contingent Liabilities and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County is defendant in various lawsuits which normally occur in governmental operations. At December 31, 2016 after consultation with the County's attorney, it appears that these legal proceedings are not likely to have a material adverse impact on the County.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

The District Clerk has invested trust funds at various financial institutions in accordance with court orders. The County has a fiduciary responsibility over these funds until their final disposition.

C. Change in Generally Accepted Accounting Policy

The County has implemented new accounting guidance from Government Accounting Standards Board Statement 77, *Tax Abatement Disclosures*.

D. Restatement of Prior Year Balances

During the current year the County discovered that ad valorem tax receivables and tax revenue were overstated in the General Fund by \$268,146. Additionally, deferred tax revenue was understated by \$367,278 and tax revenue was overstated by the same amount. The effect of correcting this mistatement at December 31, 2015 was as follows:

	As Reported	Restatement	As Restated
General Fund			
Taxes receivable	\$14,118,629	(\$268,146)	\$13,850,483
Taxes revenue	18,507,364	(268,146)	18,239,218
Road and Bridge			
Deferred tax revenue	2,660,753	(367,278)	2,293,475
Taxes revenue	3,786,512	(367,278)	3,419,234

E. Tax Abatements

The County negotiates property tax abatement agreements on an individual basis. The County has a tax abatement agreements with several manufacturing facilities under the authority of the Texas Property Redevelopment Act. The County has established an abatement policy for the value of eligible improvements, and a requirement for creating or preventing the loss of 10 jobs. The tax abatement amount is determined by the Waller County Central Appraisal District (WCCAD) under the terms of the abatement agreement. An abatement factor (given by WCCAD's Tax Abatement Registry) is used to determine the portion of assessed taxable value excluded to determine the taxable value subject to the County's tax rate. If a default of the abatement agreement occurs during the agreement period, the County may apply established procedures to recapture abated taxes. Generally, abatement recipients agree to make eligible improvements and meet proposed employment targets.

Certain property improvements made during the improvement period are exempt from property taxes according to a multiyear abatement schedule with decreasing amounts abated over a 10 year period. Property taxes assessed October 1, 2015 for fiscal year 2016 amounted to a 100% abatement or \$1,000,917.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

E. Retirement Commitments

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-20343.

The plan provisions are adopted by the County commissioners' court, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the County commissioners' court within the 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 contribution and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Benefits

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS.

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	139
Inactive employees entitled to but not yet receiving benefits	165
Active employees	235
	<hr style="width: 100%;"/>
	539
	<hr style="width: 100%;"/>

3. Contributions

The contribution rate for employees in TCDRS is 7% of employee gross earnings, and the County percentages is 8.61%, both as adopted by the governing body of the County. Under the state law governing TCDRS, the contribution rate for each County is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The County's contributions to TCDRS for the year ended December 31, 2015, were \$899,973 and were equal to the required contributions.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

4. Net Pension Liability

The County's Net Pension Liability (NPL) was measured as of December 31, 2015, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions:

The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.5% (made up of 3.0% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.4% per year for a career employee.

Actuarial assumptions used in the December 31, 2015, valuation were based on the results of actuarial experience studies. These assumptions were first used in the December 31, 2014 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2015 valuation. The long-term expected rate of return on pension plan investments is 8.10%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

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 target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	14.50%	5.45%
Private Equity	14.00%	8.45%
Global Equities	1.50%	5.75%
International Equities - Developed	10.00%	5.45%
International Equities - Emerging	8.00%	6.45%
Investment - Grade Bonds	3.00%	1.00%
High-Yield Bonds	3.00%	5.10%
Opportunistic Credit	2.00%	5.09%
Direct Lending	5.00%	6.40%
Distressed Debt	3.00%	8.10%
REIT Equities	3.00%	4.00%
Master Limited Partnerships (MLPs)	3.00%	6.80%
Private Real Estate Partnerships	5.00%	6.90%
Hedge Funds	25.00%	5.25%
	100.00%	

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

Discount Rate

The discount rate used to measure the Total Pension Liability (Asset) was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, 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 rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability (Asset).

Changes in the net pension liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability(Asset)
	[a]	[b]	[a] - (b)
Balance at 12/31/14	\$37,449,884	\$36,721,683	\$728,201
Changes for the year:			
Service cost	1,175,789	--	1,175,789
Interest on total pension liability	3,015,428	--	3,015,428
Effect of plan changes	(198,135)	--	(198,135)
Effect of economic/demographic gains or losses	(610,479)	--	(610,479)
Effect of of assumptions changes or inputs	423,210	--	423,210
Refund of contributions	--	--	--
Benefit payments	(1,854,442)	(1,854,442)	--
Administrative expenses	--	(26,344)	26,344
Member contributions	--	731,684	(731,684)
Net investment income	--	119,932	(119,932)
Employer contributions	--	899,974	(899,974)
Other	--	(25,780)	25,780
Net changes	1,951,371	(154,976)	2,106,347
Balance at 12/31/15	\$39,401,255	\$36,566,707	\$2,834,548

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

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.1%) or 1 percentage point higher (9.1%) than the current rate:

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$44,485,331	\$39,401,255	\$35,175,975
Fiduciary net position	36,566,707	36,566,707	36,566,707
Net Pension Liability (Asset)	<u>\$7,918,624</u>	<u>\$2,834,548</u>	<u>(\$1,390,732)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained on the Internet at www.tcdrs.org.

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

For the year ended December 31, 2015, the County recognized pension expense of \$601,791. At December 31, 2015, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Original Amount	Date Established	Original Recognition Period	Amount Recognized in 12/31/15 Expense	Balance of Deferred Inflows 12/31/15	Balance of Deferred Outflows 12/31/2015
Investment (gains) or losses	\$423,563	12/31/2014	5.0	\$84,713	\$0	\$338,850
Economic/demographic gains or losses	164,247	12/31/2014	4.0	41,062	0	123,185
Employer contributions made subsequent to measurement date	899,976	01/01/2015	1.0	0	0	899,976
				<u>\$125,775</u>	<u>\$0</u>	<u>\$1,362,011</u>

For the County \$899,976 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Inflows/outflows to Be Recognized in Future Years

Year ended December 31,	
2016	\$125,774
2017	125,774
2018	125,774
2019	84,713
2020	--
	<u>\$462,035</u>

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

F. Other Post-Employment Benefits (OPEB)

1. Plan Description

General

The Waller County Retiree Health Care Plan is not a formal document detailing the specific terms of the plan, but is a *substantive* plan - loosely defined as the benefits covered by the plan as understood by the employer and plan members at the time of each actuarial valuation.

Beginning in FY 2008, the County implemented GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions". In connection with such implementation, the County has commissioned a biennial actuarial study from an outside consultant to quantify the amount of the County's OPEB obligations. This study indicates an unfunded actuarial accrued liability as of January 1, 2016 of approximately \$16,295,524.

OPEB Plan Eligibility

The OPEB Plan provides retiree health-care benefits for all employees (except temporary staff) who must participate in TCDRS and are eligible to receive full retiree health care benefits. Members are eligible for retirement at age 60 with 8 years of service credit or at any age with 30 years of service credit or when member's age plus service credit totals 75. Members retiring under early retirement conditions are eligible for retiree health care benefits. Members who terminate employment are not eligible for retiree health care benefits. Survivors of employees who die while actively employed are not eligible for coverage.

Employees who retire under a disability retirement are immediately eligible for retiree health care benefits. Employees who are not vested in the TCDRS plan cannot apply for disability retirement unless the injury was a result of their job duties. Vested members can apply for disability retirement whether the disability is job related or not. These members do not have to meet the age requirement for service retirement, but must have eight years of service. The injury or illness must keep the member from working in any job, not just his or her current job. Doctors must confirm that the employee's condition will not improve.

Spouses of retired employees are eligible to receive retiree health care benefits for a fee. Coverage becomes secondary when the spouse becomes eligible for Medicare.

Retirees are required to enroll in Medicare once eligible. Retiree pays full Medicare premiums. The County coverage becomes secondary when the retiree becomes eligible for Medicare coverage.

There is no additional stipend provided for those who opt out of retiree health care.

Health Care Benefit

The health care coverage offered to active employees is available to retirees under 65 and their eligible dependents. The benefit includes medical and prescription drug. Dental coverage is offered for retirees and dependents, but retirees must pay 100% of the premium. Life insurance is offered for retirees, but retirees must pay 100% of the premium.

2. Funding Policies

The County has elected to fund the plan on a current pay as you go (PAYGO), i.e., the annual employer contributions each year are equal to the benefits that are paid on behalf of the retirees. Under this funding policy, GASB 45 requires the use of a discount rate consistent with the investment return on the employer's general assets. In the valuation, the discount rate is 4.5%.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

The actuarially determined contribution requirement for the County's fiscal year is computed through an actuarial valuation performed as of December 31. The actuarial valuation is performed to determine the adequacy of the contribution rate, to describe the current financial condition of OPEB and to analyze changes in conditions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the plan and include the types of benefits in force at the valuations date and the pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect a long term perspective and employ methods and assumptions that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

Significant Actuarial Assumptions

Actuarially assumed investment rate	4.5% per annum compounded annually net after investment expense.
Mortality rates for males and females	Retirement Plans 2000 Healthy Mortality Table
Retirement, disablement and separation rates	Graduated rates based on age (detailed in actuary's report).
Actuarial Cost Method	The projected unit credit cost method
General inflation	3.0% per annum
Payroll growth rate	3.0% per annum
Health cost increase	Graduated rates based on age (detailed in actuary report)
Method used for determining actuarial value of assets	Market value of assets
Amortization method	Level percent, closed
Remaining amortization	21 years

3. Annual OPEB Cost

The County's annual other post employment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

WALLER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2016

The County's annual OPEB costs, contributions, percent contributed, and net OPEB cost are as follows:

Year Ended	OPEB Plan			
	Annual	County	Percentage	Net Change
	OPEB			in OPEB
Cost	Contribution	Contributed	Obligation	
December 31, 2014	\$2,561,498	\$543,426	20.8%	\$2,018,072
December 31, 2015	\$2,561,498	\$543,426	20.8%	\$2,018,072
December 31, 2016	\$1,605,908	\$444,259	20.8%	\$1,161,649

4. Net OPEB Liability

The County's net OPEB liability for fiscal years ended December 31, 2016, 2015 and 2014 follows:

	12/31/16	12/31/15	12/31/14
Annual Required Contribution (ARC)	\$1,564,995	\$2,533,922	\$2,533,922
Interest on net OPEB (NOPEB)	557,128	375,502	375,502
Adjustment to ARC	(516,215)	(347,926)	(347,926)
Annual OPEB cost	1,605,908	2,561,498	2,561,498
Employer contributions	(444,259)	(543,426)	(543,426)
Change in OPEB	1,161,649	2,018,072	2,018,072
NOPEB - January 1	12,380,625	10,362,553	8,344,481
NOPEB - December 31	<u>\$13,542,274</u>	<u>\$12,380,625</u>	<u>\$10,362,553</u>

G. Concentrations of Credit Risk

Taxes receivable are due from citizens and businesses within the County's boundaries. Risk of loss is immaterial due to wide dispersion of receivables and because of policies which address procedures for filing property tax liens.

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Required Supplementary Information

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

WALLER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT B-1
Page 1 of 2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
<i>Taxes</i>	\$ 19,095,679	\$ 19,095,679	\$ 19,559,114	\$ 463,435
<i>Licenses and permits</i>	70,926	70,926	93,553	22,627
<i>Intergovernmental</i>	400,324	406,830	357,770	(49,060)
<i>Charges for services</i>	476,689	476,689	508,586	31,897
<i>Fines</i>	943,015	943,015	933,758	(9,257)
<i>Interest</i>	181,738	181,738	327,755	146,017
<i>Miscellaneous</i>	90,142	96,954	457,010	360,056
Total revenues	<u>21,258,513</u>	<u>21,271,831</u>	<u>22,237,546</u>	<u>965,715</u>
Expenditures:				
Current:				
<i>General Government</i>				
<i>Commissioners' Court</i>	355,607	355,607	330,324	25,283
<i>County Clerk</i>	431,920	436,341	420,444	15,897
<i>Veterans Services</i>	35,425	37,570	34,515	3,055
<i>All Others</i>	2,185,533	2,124,711	1,809,728	314,983
<i>County Court</i>	6,000	6,000	--	6,000
<i>County Judge</i>	283,516	283,516	275,671	7,845
Total General Government	<u>3,298,001</u>	<u>3,243,745</u>	<u>2,870,682</u>	<u>373,063</u>
<i>Financial Administration</i>				
<i>County Auditor</i>	338,678	340,186	336,469	3,717
<i>County Treasurer</i>	244,732	244,732	240,948	3,784
<i>Central Appraisal District</i>	388,799	388,799	329,855	58,944
<i>Tax Assessor Collector</i>	522,958	523,260	497,840	25,420
Total Financial Administration	<u>1,495,167</u>	<u>1,496,977</u>	<u>1,405,112</u>	<u>91,865</u>
<i>Public Safety</i>				
<i>Short Term Detention</i>	195,500	195,500	161,548	33,952
<i>Jail</i>	2,007,268	2,041,910	1,941,576	100,334
<i>Juvenile Probation</i>	139,195	142,620	136,987	5,633
<i>Domestic Violence Grant</i>	69,500	69,500	31,837	37,663
<i>Constable Precinct Number One</i>	64,170	67,856	61,831	6,025
<i>Constable Precinct Number Two</i>	73,326	90,352	78,708	11,644
<i>Constable Precinct Number Three</i>	68,574	81,019	68,614	12,405
<i>Constable Precinct Number Four</i>	69,802	74,808	58,992	15,816
<i>Health and Wellness Grant</i>	137,466	144,698	136,154	8,544
<i>Sheriff Administration</i>	3,094,122	3,121,995	3,095,307	26,688
<i>Sheriff Communication</i>	591,262	666,492	666,276	216
<i>Law Enforcement Vehicle Maintenance</i>	110,000	163,000	148,642	14,358
<i>Community Supervision Corrections</i>	9,000	9,000	8,247	753
<i>Juvenile Board</i>	4,203	4,203	4,333	(130)
<i>Department of Public Safety</i>	2,000	2,000	610	1,390
<i>911 Grant</i>	168,026	181,608	179,534	2,074
Total Public Safety	<u>6,803,414</u>	<u>7,056,561</u>	<u>6,779,196</u>	<u>277,365</u>

WALLER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT B-1
Page 2 of 2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Judicial</i>				
<i>District Judge - 506th District</i>	\$ 189,462	\$ 189,462	\$ 178,647	\$ 10,815
<i>County Court at Law</i>	349,430	349,854	345,885	3,969
<i>District Court</i>	27,000	55,000	49,607	5,393
<i>Justice Court</i>	2,000	3,000	2,660	340
<i>District Clerk</i>	400,010	400,010	389,581	10,429
<i>Justice of the Peace Precinct Number One</i>	197,372	199,804	193,208	6,596
<i>Justice of the Peace Precinct Number Two</i>	197,648	197,648	192,455	5,193
<i>Justice of the Peace Precinct Number Three</i>	197,309	197,381	197,155	226
<i>Justice of the Peace Precinct Number Four</i>	292,363	293,920	276,895	17,025
<i>Court Expense</i>	575,459	575,459	499,768	75,691
<i>Judicial Order</i>	105,000	105,000	84,926	20,074
<i>Total Judicial</i>	<u>2,533,053</u>	<u>2,566,538</u>	<u>2,410,787</u>	<u>155,751</u>
<i>Legal</i>				
<i>Criminal D.A.</i>	1,160,414	1,166,384	1,143,270	23,114
<i>Total Legal</i>	<u>1,160,414</u>	<u>1,166,384</u>	<u>1,143,270</u>	<u>23,114</u>
<i>Culture and Recreation</i>				
<i>County Library</i>	403,371	408,898	397,161	11,737
<i>Waller County Historical Commission</i>	15,000	15,000	15,000	--
<i>County Museum</i>	17,000	17,000	17,000	--
<i>Total Culture and Recreation</i>	<u>435,371</u>	<u>440,898</u>	<u>429,161</u>	<u>11,737</u>
<i>Nondepartmental</i>				
<i>Elections Administration</i>	462,557	468,789	403,206	65,583
<i>Maintenance of buildings</i>	446,167	474,557	439,814	34,743
<i>Texas Capital Grant</i>	170,438	174,738	157,010	17,728
<i>Indigent Health</i>	1,626,342	1,626,342	131,905	1,494,437
<i>Extension Service</i>	163,032	164,952	147,147	17,805
<i>Capital Outlay</i>	1,500,000	1,231,738	358,519	873,219
<i>Employee Benefits</i>	2,488,086	2,448,642	2,325,438	123,204
<i>Total Nondepartmental</i>	<u>6,856,622</u>	<u>6,589,758</u>	<u>3,963,039</u>	<u>2,626,719</u>
Total expenditures	<u>22,582,042</u>	<u>22,560,861</u>	<u>19,001,247</u>	<u>3,559,614</u>
Excess (deficiency) of revenues over (under) expenditures	(1,323,529)	(1,289,030)	3,236,299	4,525,329
Other financing sources (uses):				
<i>Transfers in</i>	3,188,365	3,223,448	105,000	(3,118,448)
<i>Transfers out</i>	(1,864,836)	(1,864,836)	(1,702,905)	161,931
Total other financing sources (uses)	<u>1,323,529</u>	<u>1,358,612</u>	<u>(1,597,905)</u>	<u>(2,956,517)</u>
Net change in fund balances	--	69,582	1,638,394	1,568,812
Fund balance, January 1	16,187,685	16,187,685	16,187,685	--
Prior period adjustment	--	--	(268,146)	(268,146)
Fund balance, December 31	<u>\$ 16,187,685</u>	<u>\$ 16,257,267</u>	<u>\$ 17,557,933</u>	<u>\$ 1,300,666</u>

WALLER COUNTY, TEXAS
ROAD AND BRIDGE
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT B-2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
<i>Taxes</i>	\$ 3,749,203	\$ 3,749,203	\$ 3,633,940	\$ (115,263)
<i>Licenses and permits</i>	915,549	915,549	984,547	68,998
<i>Intergovernmental</i>	40,495	40,495	323,859	283,364
<i>Fines</i>	136,450	136,450	140,207	3,757
<i>Interest</i>	7,865	7,865	8,188	323
<i>Miscellaneous</i>	53,038	53,038	36,203	(16,835)
Total revenues	<u>4,902,600</u>	<u>4,902,600</u>	<u>5,126,944</u>	<u>224,344</u>
Expenditures:				
Current:				
<i>Public Transportation</i>				
<i>Road and Bridge Administration</i>	714,240	815,866	759,587	56,279
<i>Road and Bridge Maintenance</i>	5,592,689	5,520,546	5,953,320	(432,774)
Total Public Transportation	<u>6,306,929</u>	<u>6,336,412</u>	<u>6,712,907</u>	<u>(376,495)</u>
<i>Nondepartmental</i>				
<i>Employee Benefits</i>	450,507	490,576	472,038	18,538
Total Nondepartmental	<u>450,507</u>	<u>490,576</u>	<u>472,038</u>	<u>18,538</u>
Total expenditures	<u>6,757,436</u>	<u>6,826,988</u>	<u>7,184,945</u>	<u>(357,957)</u>
Excess (deficiency) of revenues over (under) expenditures	(1,854,836)	(1,924,388)	(2,058,001)	(133,613)
Other financing sources (uses):				
<i>Transfers in</i>	1,854,836	1,854,836	1,702,905	(151,931)
<i>Proceeds from capital lease</i>	--	--	378,335	378,335
Total other financing sources (uses)	<u>1,854,836</u>	<u>1,854,836</u>	<u>2,081,240</u>	<u>226,404</u>
Net change in fund balances	--	(69,552)	23,239	92,791
Fund balance, January 1	344,039	344,039	344,039	--
Prior period adjustment	--	--	(367,278)	(367,278)
Fund balance, December 31	<u>\$ 344,039</u>	<u>\$ 274,487</u>	<u>\$ --</u>	<u>\$ (274,487)</u>

WALLER COUNTY, TEXAS
*SCHEDULE OF CHANGES IN THE COUNTY'S
 NET PENSION LIABILITY AND RELATED RATIOS
 WALLER COUNTY PENSION FUND
 LAST TEN PLAN YEARS **

	Plan Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total pension liability:										
Service cost	\$ 1,175,789	\$ 1,124,034	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Interest	3,015,428	2,811,471	--	--	--	--	--	--	--	--
Changes of benefit terms	(198,135)	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	(610,479)	164,247	--	--	--	--	--	--	--	--
Changes of assumptions	423,210	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,854,442)	(1,585,763)	--	--	--	--	--	--	--	--
Net change in total pension liability	1,951,371	2,513,989	--	--	--	--	--	--	--	--
Total pension liability - beginning	37,449,884	34,935,895	--	--	--	--	--	--	--	--
Total pension liability - ending (a)	<u>\$ 39,401,255</u>	<u>\$ 37,449,884</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Plan fiduciary net position:										
Contributions - employer	\$ 899,974	\$ 843,133	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Contributions - employee	731,684	678,384	--	--	--	--	--	--	--	--
Net investment income	119,932	2,388,736	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,854,442)	(1,585,763)	--	--	--	--	--	--	--	--
Administrative expense	(26,344)	(27,389)	--	--	--	--	--	--	--	--
Other	(25,780)	(3,806)	--	--	--	--	--	--	--	--
Net change in plan fiduciary net position	(154,976)	2,293,295	--	--	--	--	--	--	--	--
Plan fiduciary net position - beginning	36,721,683	34,428,388	--	--	--	--	--	--	--	--
Plan fiduciary net position - ending (b)	<u>\$ 36,566,707</u>	<u>\$ 36,721,683</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's net pension liability - ending (a) - (b)	<u>\$ 2,834,548</u>	<u>\$ 728,201</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Plan fiduciary net position as a percentage of the total pension liability	92.81%	98.06%	--	--	--	--	--	--	--	--
Covered-employee payroll	\$ 10,452,630	\$ 9,691,202	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
County's net pension liability as a percentage of covered-employee payroll	27.12%	7.51%	--	--	--	--	--	--	--	--

Notes to Schedule:

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

WALLER COUNTY, TEXAS
 SCHEDULE OF COUNTY CONTRIBUTIONS
 WALLER COUNTY PENSION PLAN
 LAST TEN FISCAL YEARS

	December 31,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$ 986,458	\$ 899,973	\$ 843,133	\$ 725,029	\$ 674,422	\$ 623,950	\$ 648,871	\$ 533,911	\$ 475,858	\$ 467,354
Contributions in relation to the actuarially determined contribution	(986,458)	(899,973)	(843,133)	(725,029)	(674,422)	(623,950)	(648,871)	(601,832)	(531,261)	(470,040)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ (67,921)	\$ (55,403)	\$ (2,686)
Covered-employee payroll	\$ 11,551,047	\$ 10,452,647	\$ 9,691,202	\$ 8,928,955	\$ 8,624,341	\$ 8,594,368	\$ 8,640,090	\$ 8,597,604	\$ 7,589,444	\$ 6,714,853
Contributions as a percentage of covered-employee payroll	8.54%	8.61%	8.70%	8.12%	7.82%	7.26%	7.51%	6.21%	6.27%	6.96%

Notes to Schedule

Valuation date: December 31

Actuarially determined contribution rates are calculated as of June 30, 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
Amortization method	Level percentage of payroll, closed
Remaining amortization period	14.4 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	8.0%, net of pension plan 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 Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
Changes in Plan Provisions Reflected in the Schedule	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

Other Post-Employment Benefits (OPEB)

Actuarial Valuation Information

Actuarial valuation date	12/31/16	12/31/15	12/31/14
Actuarial value of assets	N/A	N/A	N/A
Actuarial Accrued Liability (AAL)	\$16,295,524	\$23,967,365	\$23,967,365
Unfunded AAL (UAAL)	\$16,295,524	\$23,967,365	\$23,967,365
Funded Ratio	0.00%	0.00%	0.00%
Annual Covered Payroll (actuarial)	\$11,551,047	\$10,452,647	\$9,097,363
UAAL as a Percentage of Covered Payroll	141.07%	229.29%	263.45%

The plan receives an actuarial valuation biennially.

WALLER COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended December 31, 2016

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on the modified accrual basis of accounting for the General Fund; certain Special Revenue Funds (Road and Bridge, Elections, Law Library, Title IV Juvenile Justice, RPF District Clerk, RMPF County Clerk/District Clerk, RPF County Clerk, Preservation Fee Birth/Death County Clerk, Courthouse Security, Graffiti Eradication, JP Technology Fund, Family Protection Fee, Court Initiated Guardianship, Justice Court Security Fund, County Clerk Technology Fund, District Clerk Technology Fund, CC Records Preservation Digitization Fund, DC Records Preservation Digitization Fund, DA Pretrial Diversion, Juvenile Case Manager, Fire Marshall Service, SCAAP, HSGP Radios, Body Worn Cameras, TSLAC Library 2016), and the Debt Service Fund.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available fund balance.

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

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. The General Fund appropriations were decreased by \$21,181 during the year, and the Road and Bridge Fund appropriations were increased by \$69,552. The additional appropriations were budgeted to be paid by additional revenues, and available fund balance.

Encumbrance accounting is not employed by the County because it is not considered necessary to assure effective budgetary control.

B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2016, the following fund had expenditures exceeding appropriations:

Special Revenue Fund	
Road and Bridge Fund	\$357,957

C. Deficit Fund Balances

For the year ended December 31, 2016, there were no funds with deficits.

*Combining Statements and Budget Comparisons
as Supplementary Information*

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

WALLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	Special Revenue Funds	Debt Service Fund	Capital Projects Series 2014	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS				
<i>Cash and cash equivalents</i>	\$ 1,323,262	\$ 447,626	\$ 124,800	\$ 1,895,688
<i>Investments</i>	2,882	--	467,271	470,153
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	--	469,736	--	469,736
<i>Fines</i>	43,457	--	--	43,457
<i>Accounts</i>	165	--	--	165
<i>Intergovernmental</i>	174,236	--	--	174,236
<i>Due from other funds</i>	541,664	--	--	541,664
Total Assets	\$ 2,085,666	\$ 917,362	\$ 592,071	\$ 3,595,099
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ 35,902	\$ --	\$ 3,282	\$ 39,184
<i>Other payables and accruals</i>	2,990	--	--	2,990
<i>Due to other funds</i>	141,144	--	--	141,144
Total Liabilities	180,036	--	3,282	183,318
Deferred Inflows of Resources				
<i>Deferred revenue</i>	67,049	467,339	--	534,388
<i>Taxes collected in advance</i>	--	166,900	--	166,900
Total Deferred Inflows of Resources	67,049	634,239	--	701,288
Fund balances:				
<i>Restricted</i>	1,816,971	283,123	588,789	2,688,883
<i>Committed to justice administration</i>	21,610	--	--	21,610
Total fund balances	1,838,581	283,123	588,789	2,710,493
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,085,666	\$ 917,362	\$ 592,071	\$ 3,595,099

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Special Revenue Funds	Debt Service Fund	Capital Projects Series 2014	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
<i>Taxes</i>	\$ --	\$ 632,917	\$ --	\$ 632,917
<i>Intergovernmental</i>	360,982	--	--	360,982
<i>Charges for services</i>	12,869	--	--	12,869
<i>Fines</i>	227,722	--	--	227,722
<i>Interest</i>	17,500	2,955	11,898	32,353
<i>Miscellaneous</i>	103,061	--	--	103,061
Total revenues	<u>722,134</u>	<u>635,872</u>	<u>11,898</u>	<u>1,369,904</u>
Expenditures:				
Current:				
<i>General government</i>	91,236	--	--	91,236
<i>Public safety</i>	219,726	--	--	219,726
<i>Judicial</i>	17,529	--	--	17,529
<i>Legal</i>	131,139	--	--	131,139
<i>Culture and recreation</i>	2,818	--	--	2,818
<i>Nondepartmental</i>	50,473	--	903,257	953,730
Debt service:				
<i>Principal</i>	--	459,000	--	459,000
<i>Interest and fiscal charges</i>	--	102,876	--	102,876
Total expenditures	<u>512,921</u>	<u>561,876</u>	<u>903,257</u>	<u>1,978,054</u>
Excess (deficiency) of revenues over (under) expenditures	209,213	73,996	(891,359)	(608,150)
Other financing sources (uses):				
<i>Transfers in</i>	11,275	--	--	11,275
<i>Transfers out</i>	(116,275)	--	--	(116,275)
Total other financing sources (uses)	<u>(105,000)</u>	<u>--</u>	<u>--</u>	<u>(105,000)</u>
Net change in fund balances	104,213	73,996	(891,359)	(713,150)
Fund balances, January 1	1,734,368	209,127	1,480,148	3,423,643
Fund balances, December 31	<u>\$ 1,838,581</u>	<u>\$ 283,123</u>	<u>\$ 588,789</u>	<u>\$ 2,710,493</u>

WALLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	D.A. Warrant Seizure	Chapter 19 Voter's Registration	District Attorney Apportionment	Sheriff Forfeiture
ASSETS				
<i>Cash and cash equivalents</i>	\$ 4,730	\$ 5,472	\$ 958	\$ 6,576
<i>Investments</i>	--	--	--	--
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	1,323	--	--	--
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
Total Assets	<u>\$ 6,053</u>	<u>\$ 5,472</u>	<u>\$ 958</u>	<u>\$ 6,576</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Other payables and accruals</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	1,322	--	--	--
Total Deferred Inflows of Resources	<u>1,322</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances:				
<i>Restricted</i>	4,731	5,472	958	6,576
<i>Committed to justice administration</i>	--	--	--	--
Total fund balances	<u>4,731</u>	<u>5,472</u>	<u>958</u>	<u>6,576</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,053</u>	<u>\$ 5,472</u>	<u>\$ 958</u>	<u>\$ 6,576</u>

D.A. Warrant Forfeiture	D.A. Worthless Check	Elections	District Attorney Forfeiture	Law Library
\$ 91	\$ 378	\$ 57,531	\$ 940	\$ 101,318
--	--	--	--	--
--	--	--	--	200
--	--	--	--	--
--	--	--	--	--
<u>\$ 91</u>	<u>\$ 378</u>	<u>\$ 57,531</u>	<u>\$ 940</u>	<u>\$ 101,518</u>
\$ --	\$ --	\$ --	\$ --	\$ 672
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>672</u>
--	--	--	--	200
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>200</u>
91	378	57,531	940	100,646
--	--	--	--	--
<u>91</u>	<u>378</u>	<u>57,531</u>	<u>940</u>	<u>100,646</u>
<u>\$ 91</u>	<u>\$ 378</u>	<u>\$ 57,531</u>	<u>\$ 940</u>	<u>\$ 101,518</u>

WALLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	Title IV Juvenile Justice	RPF District Clerk	RMPF County Clerk District Clerk	RPF County Clerk
ASSETS				
<i>Cash and cash equivalents</i>	\$ 142,435	\$ 33,605	\$ 40,585	\$ 186,761
<i>Investments</i>	--	--	--	--
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	--	749	27,506	2,072
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
Total Assets	<u>\$ 142,435</u>	<u>\$ 34,354</u>	<u>\$ 68,091</u>	<u>\$ 188,833</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ 6,425
<i>Other payables and accruals</i>	--	--	--	1,038
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,463</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	750	27,507	2,072
Total Deferred Inflows of Resources	<u>--</u>	<u>750</u>	<u>27,507</u>	<u>2,072</u>
Fund balances:				
<i>Restricted</i>	142,435	33,604	40,584	179,298
<i>Committed to justice administration</i>	--	--	--	--
Total fund balances	<u>142,435</u>	<u>33,604</u>	<u>40,584</u>	<u>179,298</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 142,435</u>	<u>\$ 34,354</u>	<u>\$ 68,091</u>	<u>\$ 188,833</u>

Preservation Fee Birth Death County Clerk	Courthouse Security	Graffiti Eradication	JP Technology Fee	Child Abuse Prevention
\$ 17,769	\$ 99,741	\$ 601	\$ 228,937	\$ 232
--	--	--	--	--
--	7,095	7	115	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 17,769</u>	<u>\$ 106,836</u>	<u>\$ 608</u>	<u>\$ 229,052</u>	<u>\$ 232</u>
\$ --	\$ --	\$ --	\$ 1,694	\$ --
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>1,694</u>	<u>--</u>
--	7,096	8	115	--
<u>--</u>	<u>7,096</u>	<u>8</u>	<u>115</u>	<u>--</u>
17,769	99,740	600	227,243	232
--	--	--	--	--
<u>17,769</u>	<u>99,740</u>	<u>600</u>	<u>227,243</u>	<u>232</u>
<u>\$ 17,769</u>	<u>\$ 106,836</u>	<u>\$ 608</u>	<u>\$ 229,052</u>	<u>\$ 232</u>

WALLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	Family Protection Fee	Court Initiated Guardianship	Justice Court Security	County Clerk Technology
ASSETS				
<i>Cash and cash equivalents</i>	\$ 22,212	\$ 22,684	\$ 60,546	\$ 3,400
<i>Investments</i>	--	--	--	--
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	126	--	2,911	--
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
Total Assets	<u>\$ 22,338</u>	<u>\$ 22,684</u>	<u>\$ 63,457</u>	<u>\$ 3,400</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Other payables and accruals</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	126	--	2,911	--
Total Deferred Inflows of Resources	<u>126</u>	<u>--</u>	<u>2,911</u>	<u>--</u>
Fund balances:				
<i>Restricted</i>	22,212	22,684	60,546	3,400
<i>Committed to justice administration</i>	--	--	--	--
Total fund balances	<u>22,212</u>	<u>22,684</u>	<u>60,546</u>	<u>3,400</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 22,338</u>	<u>\$ 22,684</u>	<u>\$ 63,457</u>	<u>\$ 3,400</u>

District Clerk Technology	CC Records Preservation Digitization	DC Records Preservation Digitization	DA Pre Trial Diversion	Juvenile Case Manager
\$ 1,597	\$ 17,980	\$ 15,686	\$ 3,803	\$ 21,445
--	--	--	--	--
1,254	--	99	--	--
--	--	--	--	165
--	--	--	--	--
<u>\$ 2,851</u>	<u>\$ 17,980</u>	<u>\$ 15,785</u>	<u>\$ 3,803</u>	<u>\$ 21,610</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	469	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>469</u>	<u>--</u>
1,254	--	100	--	--
<u>1,254</u>	<u>--</u>	<u>100</u>	<u>--</u>	<u>--</u>
1,597	17,980	15,685	3,334	--
--	--	--	--	21,610
<u>1,597</u>	<u>17,980</u>	<u>15,685</u>	<u>3,334</u>	<u>21,610</u>
<u>\$ 2,851</u>	<u>\$ 17,980</u>	<u>\$ 15,785</u>	<u>\$ 3,803</u>	<u>\$ 21,610</u>

WALLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	Fire Marshall Service	D.A. Worthless Check Trust	Hospital Trust	Grant
ASSETS				
<i>Cash and cash equivalents</i>	\$ 60,968	\$ 5,516	\$ --	\$ --
<i>Investments</i>	--	--	2,882	--
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	--	--	--	--
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	33,092
<i>Due from other funds</i>	--	--	--	541,664
Total Assets	<u>\$ 60,968</u>	<u>\$ 5,516</u>	<u>\$ 2,882</u>	<u>\$ 574,756</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ 3,700	\$ --	\$ --	\$ --
<i>Other payables and accruals</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>3,700</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances:				
<i>Restricted</i>	57,268	5,516	2,882	574,756
<i>Committed to justice administration</i>	--	--	--	--
Total fund balances	<u>57,268</u>	<u>5,516</u>	<u>2,882</u>	<u>574,756</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 60,968</u>	<u>\$ 5,516</u>	<u>\$ 2,882</u>	<u>\$ 574,756</u>

Narc Program	Federal Forfeiture	Imprest	SCAAP	CDBG DRP Generators
\$ 2,511	\$ 106,380	\$ 1,392	\$ 20,406	\$ 20,593
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>\$ 2,511</u>	<u>\$ 106,380</u>	<u>\$ 1,392</u>	<u>\$ 20,406</u>	<u>\$ 20,593</u>
\$ --	\$ --	\$ --	\$ --	\$ 20,593
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>20,593</u>
--	--	--	20,406	--
--	--	--	<u>20,406</u>	--
2,511	106,380	1,392	--	--
--	--	--	--	--
<u>2,511</u>	<u>106,380</u>	<u>1,392</u>	<u>--</u>	<u>--</u>
<u>\$ 2,511</u>	<u>\$ 106,380</u>	<u>\$ 1,392</u>	<u>\$ 20,406</u>	<u>\$ 20,593</u>

WALLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2016

	VOCA Grant 2016-17	HSGP Radios	TSLAC Library 2016	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
ASSETS				
<i>Cash and cash equivalents</i>	\$ 1,483	\$ --	\$ 6,000	\$ 1,323,262
<i>Investments</i>	--	--	--	2,882
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	--	--	--	43,457
<i>Accounts</i>	--	--	--	165
<i>Intergovernmental</i>	--	141,144	--	174,236
<i>Due from other funds</i>	--	--	--	541,664
Total Assets	\$ 1,483	\$ 141,144	\$ 6,000	\$ 2,085,666
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ 2,818	\$ 35,902
<i>Other payables and accruals</i>	1,483	--	--	2,990
<i>Due to other funds</i>	--	141,144	--	141,144
Total Liabilities	1,483	141,144	2,818	180,036
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	3,182	67,049
Total Deferred Inflows of Resources	--	--	3,182	67,049
Fund balances:				
<i>Restricted</i>	--	--	--	1,816,971
<i>Committed to justice administration</i>	--	--	--	21,610
Total fund balances	--	--	--	1,838,581
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,483	\$ 141,144	\$ 6,000	\$ 2,085,666

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WALLER COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	D.A. Warrant Seizure	Chapter 19 Voter's Registration	District Attorney Apportionment	Sheriff Forfeiture
Revenues:				
Intergovernmental	\$ --	\$ --	\$ 29,323	\$ --
Charges for services	--	--	--	--
Fines	4	--	--	1,675
Interest	45	69	72	88
Miscellaneous	--	--	--	--
Total revenues	<u>49</u>	<u>69</u>	<u>29,395</u>	<u>1,763</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public safety	--	--	--	7,227
Judicial	--	--	--	--
Legal	--	--	34,371	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>34,371</u>	<u>7,227</u>
Excess (deficiency) of revenues over (under) expenditures	49	69	(4,976)	(5,464)
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	49	69	(4,976)	(5,464)
Fund balances, January 1	4,682	5,403	5,934	12,040
Fund balances, December 31	<u>\$ 4,731</u>	<u>\$ 5,472</u>	<u>\$ 958</u>	<u>\$ 6,576</u>

D.A. Warrant Forfeiture	D.A. Worthless Check	Elections	District Attorney Forfeiture	Law Library
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	1,130	--	--	12,940
1	9	500	28	1,065
--	182	53,939	6,416	--
<u>1</u>	<u>1,321</u>	<u>54,439</u>	<u>6,444</u>	<u>14,005</u>
--	--	--	--	--
--	--	--	--	--
--	2,075	--	12,151	6,909
--	--	--	--	--
--	--	28,399	--	--
<u>--</u>	<u>2,075</u>	<u>28,399</u>	<u>12,151</u>	<u>6,909</u>
1	(754)	26,040	(5,707)	7,096
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1	(754)	26,040	(5,707)	7,096
90	1,132	31,491	6,647	93,550
<u>\$ 91</u>	<u>\$ 378</u>	<u>\$ 57,531</u>	<u>\$ 940</u>	<u>\$ 100,646</u>

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Title IV Juvenile Justice	RPF District Clerk	RMPF County Clerk District Clerk	RPF County Clerk
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ --	\$ --	\$ --
<i>Charges for services</i>	--	--	--	--
<i>Fines</i>	--	8,532	15,031	95,155
<i>Interest</i>	1,538	320	394	1,884
<i>Miscellaneous</i>	--	--	--	--
Total revenues	<u>1,538</u>	<u>8,852</u>	<u>15,425</u>	<u>97,039</u>
Expenditures:				
Current:				
<i>General government</i>	--	--	4,788	86,448
<i>Public safety</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>4,788</u>	<u>86,448</u>
Excess (deficiency) of revenues over (under) expenditures	1,538	8,852	10,637	10,591
Other financing sources (uses):				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	1,538	8,852	10,637	10,591
Fund balances, January 1	140,897	24,752	29,947	168,707
Fund balances, December 31	<u>\$ 142,435</u>	<u>\$ 33,604</u>	<u>\$ 40,584</u>	<u>\$ 179,298</u>

Preservation Fee Birth Death County Clerk	Courthouse Security	Graffiti Eradication	JP Technology Fee	Child Abuse Prevention
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
1,088	29,023	--	18,648	231
187	1,042	6	2,471	1
--	--	--	--	--
<u>1,275</u>	<u>30,065</u>	<u>6</u>	<u>21,119</u>	<u>232</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	17,529	--
--	--	--	--	--
--	22,074	--	--	--
--	<u>22,074</u>	--	<u>17,529</u>	--
1,275	7,991	6	3,590	232
--	--	--	--	--
--	--	--	--	--
1,275	7,991	6	3,590	232
16,494	91,749	594	223,653	--
<u>\$ 17,769</u>	<u>\$ 99,740</u>	<u>\$ 600</u>	<u>\$ 227,243</u>	<u>\$ 232</u>

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Family Protection Fee	Court Initiated Guardianship	Justice Court Security	County Clerk Technology
Revenues:				
Intergovernmental	\$ --	\$ 3,470	\$ --	\$ --
Charges for services	--	--	--	--
Fines	2,775	--	4,633	399
Interest	226	227	640	35
Miscellaneous	--	--	--	--
Total revenues	<u>3,001</u>	<u>3,697</u>	<u>5,273</u>	<u>434</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public safety	--	--	1,670	--
Judicial	--	--	--	--
Legal	--	--	--	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>1,670</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	3,001	3,697	3,603	434
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	3,001	3,697	3,603	434
Fund balances, January 1	19,211	18,987	56,943	2,966
Fund balances, December 31	<u>\$ 22,212</u>	<u>\$ 22,684</u>	<u>\$ 60,546</u>	<u>\$ 3,400</u>

District Clerk Technology	CC Records Preservation Digitization	DC Records Preservation Digitization	DA Pre Trial Diversion	Juvenile Case Manager
\$ --	\$ --	\$ --	\$ 23,000	\$ --
--	--	--	--	12,869
416	2,650	800	--	--
15	181	198	895	376
--	--	--	--	--
<u>431</u>	<u>2,831</u>	<u>998</u>	<u>23,895</u>	<u>13,245</u>
--	--	--	--	--
--	--	--	12,405	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>12,405</u>	<u>--</u>
431	2,831	998	11,490	13,245
--	--	--	--	--
--	--	--	(75,000)	(30,000)
<u>--</u>	<u>--</u>	<u>--</u>	<u>(75,000)</u>	<u>(30,000)</u>
431	2,831	998	(63,510)	(16,755)
1,166	15,149	14,687	66,844	38,365
<u>\$ 1,597</u>	<u>\$ 17,980</u>	<u>\$ 15,685</u>	<u>\$ 3,334</u>	<u>\$ 21,610</u>

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Fire Marshall Service	D.A. Worthless Check Trust	Hospital Trust	Grant
Revenues:				
Intergovernmental	\$ --	\$ --	\$ --	\$ --
Charges for services	--	--	--	--
Fines	32,592	--	--	--
Interest	569	136	10	4,190
Miscellaneous	--	42,524	--	--
Total revenues	<u>33,161</u>	<u>42,660</u>	<u>10</u>	<u>4,190</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public safety	13,550	--	--	--
Judicial	--	--	--	--
Legal	--	42,524	--	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Total expenditures	<u>13,550</u>	<u>42,524</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	19,611	136	10	4,190
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	(11,275)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(11,275)</u>
Net change in fund balances	19,611	136	10	(7,085)
Fund balances, January 1	37,657	5,380	2,872	581,841
Fund balances, December 31	<u>\$ 57,268</u>	<u>\$ 5,516</u>	<u>\$ 2,882</u>	<u>\$ 574,756</u>

	Narc Program	Federal Forfeiture	Imprest	SCAAP	Victim's Assistance (VOCA)
\$	--	\$ 103,500	\$ --	\$ 19,715	\$ --
	--	--	--	--	--
	--	--	--	--	--
	50	32	--	--	--
	--	--	--	--	--
	<u>50</u>	<u>103,532</u>	<u>--</u>	<u>19,715</u>	<u>--</u>
	--	--	--	--	--
	4,000	--	3,837	19,715	--
	--	--	--	--	--
	--	--	--	--	5,318
	--	--	--	--	--
	--	--	--	--	--
	<u>4,000</u>	<u>--</u>	<u>3,837</u>	<u>19,715</u>	<u>5,318</u>
	(3,950)	103,532	(3,837)	--	(5,318)
	--	--	--	--	5,318
	--	--	--	--	--
	--	--	--	--	<u>5,318</u>
	(3,950)	103,532	(3,837)	--	--
	6,461	2,848	5,229	--	--
\$	<u>2,511</u>	<u>\$ 106,380</u>	<u>\$ 1,392</u>	<u>\$ --</u>	<u>\$ --</u>

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	VOCA Grant 2016-17	HSGP Radios	DA No Refusal Prosecutors
Revenues:			
Intergovernmental	\$ 16,377	\$ 141,144	\$ 4,033
Charges for services	--	--	--
Fines	--	--	--
Interest	--	--	--
Miscellaneous	--	--	--
Total revenues	<u>16,377</u>	<u>141,144</u>	<u>4,033</u>
Expenditures:			
Current:			
General government	--	--	--
Public safety	--	141,144	--
Judicial	--	--	--
Legal	16,377	--	4,789
Culture and recreation	--	--	--
Nondepartmental	--	--	--
Total expenditures	<u>16,377</u>	<u>141,144</u>	<u>4,789</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	(756)
Other financing sources (uses):			
Transfers in	--	--	756
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>756</u>
Net change in fund balances	--	--	--
Fund balances, January 1	--	--	--
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

DA No Refusal Investigator	Body Worn Cameras	TSLAC Library 2016	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ 5,131	\$ 12,471	\$ 2,818	\$ 360,982
--	--	--	12,869
--	--	--	227,722
--	--	--	17,500
--	--	--	103,061
<u>5,131</u>	<u>12,471</u>	<u>2,818</u>	<u>722,134</u>
--	--	--	91,236
--	16,178	--	219,726
--	--	--	17,529
6,625	--	--	131,139
--	--	2,818	2,818
--	--	--	50,473
<u>6,625</u>	<u>16,178</u>	<u>2,818</u>	<u>512,921</u>
(1,494)	(3,707)	--	209,213
1,494	3,707	--	11,275
--	--	--	(116,275)
<u>1,494</u>	<u>3,707</u>	<u>--</u>	<u>(105,000)</u>
--	--	--	104,213
--	--	--	1,734,368
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,838,581</u>

WALLER COUNTY, TEXAS
 ELECTIONS
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-5

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 19	\$ 500	\$ 481
<i>Miscellaneous</i>	86,162	53,939	(32,223)
Total revenues	<u>86,181</u>	<u>54,439</u>	<u>(31,742)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>			
<i>Elections</i>	107,623	28,399	79,224
Total Nondepartmental	<u>107,623</u>	<u>28,399</u>	<u>79,224</u>
Total expenditures	<u>107,623</u>	<u>28,399</u>	<u>79,224</u>
Excess (deficiency) of revenues over (under) expenditures	(21,442)	26,040	47,482
Other financing sources (uses):			
<i>Transfers in</i>	21,442	--	(21,442)
Total other financing sources (uses)	<u>21,442</u>	<u>--</u>	<u>(21,442)</u>
Net change in fund balances	--	26,040	26,040
Fund balance, January 1	31,491	31,491	--
Fund balance, December 31	<u>\$ 31,491</u>	<u>\$ 57,531</u>	<u>\$ 26,040</u>

WALLER COUNTY, TEXAS
 LAW LIBRARY
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 10,440	\$ 12,940	\$ 2,500
<i>Interest</i>	26	1,064	1,038
Total revenues	<u>10,466</u>	<u>14,004</u>	<u>3,538</u>
Expenditures:			
Current:			
<i>Legal</i>			
<i>Law Library</i>	97,638	6,909	90,729
Total Legal	<u>97,638</u>	<u>6,909</u>	<u>90,729</u>
Total expenditures	<u>97,638</u>	<u>6,909</u>	<u>90,729</u>
Excess (deficiency) of revenues over (under) expenditures	(87,172)	7,095	94,267
Other financing sources (uses):			
<i>Transfers in</i>	87,172	--	(87,172)
Total other financing sources (uses)	<u>87,172</u>	<u>--</u>	<u>(87,172)</u>
Net change in fund balances	--	7,095	7,095
Fund balance, January 1	93,551	93,551	--
Fund balance, December 31	<u>\$ 93,551</u>	<u>\$ 100,646</u>	<u>\$ 7,095</u>

WALLER COUNTY, TEXAS
TITLE IV JUVENILE JUSTICE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-7

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Interest</i>	\$ 44	\$ 1,538	\$ 1,494
Total revenues	<u>44</u>	<u>1,538</u>	<u>1,494</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>Title V Juvenile Justice</i>	139,968	--	139,968
Total Judicial	<u>139,968</u>	<u>--</u>	<u>139,968</u>
Total expenditures	<u>139,968</u>	<u>--</u>	<u>139,968</u>
Excess (deficiency) of revenues over (under) expenditures	(139,924)	1,538	141,462
Other financing sources (uses):			
<i>Transfers in</i>	139,924	--	(139,924)
Total other financing sources (uses)	<u>139,924</u>	<u>--</u>	<u>(139,924)</u>
Net change in fund balances	--	1,538	1,538
Fund balance, January 1	140,897	140,897	--
Fund balance, December 31	<u>\$ 140,897</u>	<u>\$ 142,435</u>	<u>\$ 1,538</u>

WALLER COUNTY, TEXAS
 RPF DISTRICT CLERK
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-8

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ --	\$ 8,532	\$ 8,532
<i>Interest</i>	6,581	319	(6,262)
Total revenues	<u>6,581</u>	<u>8,851</u>	<u>2,270</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>District Clerk Records Preservation</i>	23,080	--	23,080
Total Judicial	<u>23,080</u>	<u>--</u>	<u>23,080</u>
Total expenditures	<u>23,080</u>	<u>--</u>	<u>23,080</u>
Excess (deficiency) of revenues over (under) expenditures	(16,499)	8,851	25,350
Other financing sources (uses):			
<i>Transfers in</i>	16,499	--	(16,499)
Total other financing sources (uses)	<u>16,499</u>	<u>--</u>	<u>(16,499)</u>
Net change in fund balances	--	8,851	8,851
Fund balance, January 1	24,753	24,753	--
Fund balance, December 31	<u>\$ 24,753</u>	<u>\$ 33,604</u>	<u>\$ 8,851</u>

WALLER COUNTY, TEXAS
 RMPF COUNTY CLERK/DISTRICT CLERK
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-9

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 11,896	\$ 15,031	\$ 3,135
<i>Interest</i>	9	394	385
Total revenues	<u>11,905</u>	<u>15,425</u>	<u>3,520</u>
Expenditures:			
Current:			
<i>General Government</i>			
<i>Records Management</i>	31,225	4,788	26,437
Total General Government	<u>31,225</u>	<u>4,788</u>	<u>26,437</u>
Total expenditures	<u>31,225</u>	<u>4,788</u>	<u>26,437</u>
Excess (deficiency) of revenues over (under) expenditures	(19,320)	10,637	29,957
Other financing sources (uses):			
<i>Transfers in</i>	19,320	--	(19,320)
Total other financing sources (uses)	<u>19,320</u>	<u>--</u>	<u>(19,320)</u>
Net change in fund balances	--	10,637	10,637
Fund balance, January 1	29,947	29,947	--
Fund balance, December 31	<u>\$ 29,947</u>	<u>\$ 40,584</u>	<u>\$ 10,637</u>

WALLER COUNTY, TEXAS
 RPF COUNTY CLERK
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-10

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 88,658	\$ 95,155	\$ 6,497
<i>Interest</i>	61	1,883	1,822
Total revenues	<u>88,719</u>	<u>97,038</u>	<u>8,319</u>
Expenditures:			
Current:			
<i>General Government</i>			
<i>Records Preservation</i>	231,143	86,448	144,695
Total General Government	<u>231,143</u>	<u>86,448</u>	<u>144,695</u>
Total expenditures	<u>231,143</u>	<u>86,448</u>	<u>144,695</u>
Excess (deficiency) of revenues over (under) expenditures	(142,424)	10,590	153,014
Other financing sources (uses):			
<i>Transfers in</i>	142,394	--	(142,394)
Total other financing sources (uses)	<u>142,394</u>	<u>--</u>	<u>(142,394)</u>
Net change in fund balances	(30)	10,590	10,620
Fund balance, January 1	168,708	168,708	--
Fund balance, December 31	<u>\$ 168,678</u>	<u>\$ 179,298</u>	<u>\$ 10,620</u>

WALLER COUNTY, TEXAS
 PRESERVATION FEE BIRTH/DEATH COUNTY CLERK
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-11

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 1,243	\$ 1,088	\$ (155)
<i>Interest</i>	5	186	181
Total revenues	<u>1,248</u>	<u>1,274</u>	<u>26</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>TJPC-Y</i>	16,466	--	16,466
Total Public Safety	<u>16,466</u>	<u>--</u>	<u>16,466</u>
Total expenditures	<u>16,466</u>	<u>--</u>	<u>16,466</u>
Excess (deficiency) of revenues over (under) expenditures	(15,218)	1,274	16,492
Other financing sources (uses):			
<i>Transfers in</i>	15,218	--	(15,218)
Total other financing sources (uses)	<u>15,218</u>	<u>--</u>	<u>(15,218)</u>
Net change in fund balances	--	1,274	1,274
Fund balance, January 1	16,495	16,495	--
Fund balance, December 31	<u>\$ 16,495</u>	<u>\$ 17,769</u>	<u>\$ 1,274</u>

WALLER COUNTY, TEXAS
COURTHOUSE SECURITY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-12

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 31,188	\$ 29,023	\$ (2,165)
<i>Interest</i>	21	1,042	1,021
Total revenues	<u>31,209</u>	<u>30,065</u>	<u>(1,144)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>			
<i>Courthouse Security</i>	112,144	22,074	90,070
Total Nondepartmental	<u>112,144</u>	<u>22,074</u>	<u>90,070</u>
Total expenditures	<u>112,144</u>	<u>22,074</u>	<u>90,070</u>
Excess (deficiency) of revenues over (under) expenditures	(80,935)	7,991	88,926
Other financing sources (uses):			
<i>Transfers in</i>	80,935	--	(80,935)
Total other financing sources (uses)	<u>80,935</u>	<u>--</u>	<u>(80,935)</u>
Net change in fund balances	--	7,991	7,991
Fund balance, January 1	91,749	91,749	--
Fund balance, December 31	<u>\$ 91,749</u>	<u>\$ 99,740</u>	<u>\$ 7,991</u>

WALLER COUNTY, TEXAS
GRAFFITI ERADICATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-13

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Interest</i>	\$ --	\$ 6	\$ 6
Total revenues	<u> --</u>	<u> 6</u>	<u> 6</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>TJPC-A/SEPT/ 2000/AUG 2001</i>	590	--	590
Total Public Safety	<u> 590</u>	<u> --</u>	<u> 590</u>
Total expenditures	<u> 590</u>	<u> --</u>	<u> 590</u>
Excess (deficiency) of revenues over (under) expenditures	(590)	6	596
Other financing sources (uses):			
<i>Transfers in</i>	590	--	(590)
Total other financing sources (uses)	<u> 590</u>	<u> --</u>	<u> (590)</u>
Net change in fund balances	--	6	6
Fund balance, January 1	594	594	--
Fund balance, December 31	<u>\$ 594</u>	<u>\$ 600</u>	<u>\$ 6</u>

WALLER COUNTY, TEXAS
JP TECHNOLOGY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 23,263	\$ 18,648	\$ (4,615)
<i>Interest</i>	61	2,472	2,411
Total revenues	<u>23,324</u>	<u>21,120</u>	<u>(2,204)</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>Justice Court Technology</i>	233,060	17,529	215,531
Total Judicial	<u>233,060</u>	<u>17,529</u>	<u>215,531</u>
Total expenditures	<u>233,060</u>	<u>17,529</u>	<u>215,531</u>
Excess (deficiency) of revenues over (under) expenditures	(209,736)	3,591	213,327
Other financing sources (uses):			
<i>Transfers in</i>	209,736	--	(209,736)
Total other financing sources (uses)	<u>209,736</u>	<u>--</u>	<u>(209,736)</u>
Net change in fund balances	--	3,591	3,591
Fund balance, January 1	223,652	223,652	--
Fund balance, December 31	<u>\$ 223,652</u>	<u>\$ 227,243</u>	<u>\$ 3,591</u>

WALLER COUNTY, TEXAS
FAMILY PROTECTION FEE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-15

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 2,355	\$ 2,775	\$ 420
<i>Interest</i>	4	226	222
Total revenues	<u>2,359</u>	<u>3,001</u>	<u>642</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>Docket Management</i>	19,028	--	19,028
Total Judicial	<u>19,028</u>	<u>--</u>	<u>19,028</u>
Total expenditures	<u>19,028</u>	<u>--</u>	<u>19,028</u>
Excess (deficiency) of revenues over (under) expenditures	(16,669)	3,001	19,670
Other financing sources (uses):			
<i>Transfers in</i>	16,669	--	(16,669)
Total other financing sources (uses)	<u>16,669</u>	<u>--</u>	<u>(16,669)</u>
Net change in fund balances	--	3,001	3,001
Fund balance, January 1	19,211	19,211	--
Fund balance, December 31	<u>\$ 19,211</u>	<u>\$ 22,212</u>	<u>\$ 3,001</u>

WALLER COUNTY, TEXAS
 COURT INITIATED GUARDIANSHIP
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-16

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 2,610	\$ 3,470	\$ 860
<i>Interest</i>	4	228	224
Total revenues	<u>2,614</u>	<u>3,698</u>	<u>1,084</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>Special Revenue Support Court Initiative</i>	18,775	--	18,775
Total Judicial	<u>18,775</u>	<u>--</u>	<u>18,775</u>
Total expenditures	<u>18,775</u>	<u>--</u>	<u>18,775</u>
Excess (deficiency) of revenues over (under) expenditures	(16,161)	3,698	19,859
Other financing sources (uses):			
<i>Transfers in</i>	16,161	--	(16,161)
Total other financing sources (uses)	<u>16,161</u>	<u>--</u>	<u>(16,161)</u>
Net change in fund balances	--	3,698	3,698
Fund balance, January 1	18,986	18,986	--
Fund balance, December 31	<u>\$ 18,986</u>	<u>\$ 22,684</u>	<u>\$ 3,698</u>

WALLER COUNTY, TEXAS
 JUSTICE COURT SECURITY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-17

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 5,752	\$ 4,633	\$ (1,119)
<i>Interest</i>	14	640	626
Total revenues	<u>5,766</u>	<u>5,273</u>	<u>(493)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Juvenile Probation Grants</i>	57,023	1,670	55,353
Total Public Safety	<u>57,023</u>	<u>1,670</u>	<u>55,353</u>
Total expenditures	<u>57,023</u>	<u>1,670</u>	<u>55,353</u>
Excess (deficiency) of revenues over (under) expenditures	(51,257)	3,603	54,860
Other financing sources (uses):			
<i>Transfers in</i>	51,257	--	(51,257)
Total other financing sources (uses)	<u>51,257</u>	<u>--</u>	<u>(51,257)</u>
Net change in fund balances	--	3,603	3,603
Fund balance, January 1	56,943	56,943	--
Fund balance, December 31	<u>\$ 56,943</u>	<u>\$ 60,546</u>	<u>\$ 3,603</u>

WALLER COUNTY, TEXAS
 COUNTY CLERK TECHNOLOGY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-18

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 497	\$ 399	\$ (98)
<i>Interest</i>	--	35	35
Total revenues	<u>497</u>	<u>434</u>	<u>(63)</u>
Expenditures:			
Current:			
<i>General Government</i>			
<i>County Clerk Technology</i>	2,831	--	2,831
Total General Government	<u>2,831</u>	<u>--</u>	<u>2,831</u>
Total expenditures	<u>2,831</u>	<u>--</u>	<u>2,831</u>
Excess (deficiency) of revenues over (under) expenditures	(2,334)	434	2,768
Other financing sources (uses):			
<i>Transfers in</i>	2,334	--	(2,334)
Total other financing sources (uses)	<u>2,334</u>	<u>--</u>	<u>(2,334)</u>
Net change in fund balances	--	434	434
Fund balance, January 1	2,966	2,966	--
Fund balance, December 31	<u>\$ 2,966</u>	<u>\$ 3,400</u>	<u>\$ 434</u>

WALLER COUNTY, TEXAS
 DISTRICT CLERK TECHNOLOGY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-19

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 241	\$ 416	\$ 175
<i>Interest</i>	--	15	15
Total revenues	<u>241</u>	<u>431</u>	<u>190</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>District Clerk Preservation and Digitization</i>	1,056	--	1,056
Total Judicial	<u>1,056</u>	<u>--</u>	<u>1,056</u>
Total expenditures	<u>1,056</u>	<u>--</u>	<u>1,056</u>
Excess (deficiency) of revenues over (under) expenditures	(815)	431	1,246
Other financing sources (uses):			
<i>Transfers in</i>	815	--	(815)
Total other financing sources (uses)	<u>815</u>	<u>--</u>	<u>(815)</u>
Net change in fund balances	--	431	431
Fund balance, January 1	1,166	1,166	--
Fund balance, December 31	<u>\$ 1,166</u>	<u>\$ 1,597</u>	<u>\$ 431</u>

WALLER COUNTY, TEXAS
 CC RECORDS PRESERVATION DIGITIZATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-20

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 2,070	\$ 2,650	\$ 580
<i>Interest</i>	4	182	178
Total revenues	<u>2,074</u>	<u>2,832</u>	<u>758</u>
Expenditures:			
Current:			
<i>General Government</i>			
<i>County Clerk Preservation and Digitization</i>	14,633	--	14,633
Total General Government	<u>14,633</u>	<u>--</u>	<u>14,633</u>
Total expenditures	<u>14,633</u>	<u>--</u>	<u>14,633</u>
Excess (deficiency) of revenues over (under) expenditures	(12,559)	2,832	15,391
Other financing sources (uses):			
<i>Transfers in</i>	12,559	--	(12,559)
Total other financing sources (uses)	<u>12,559</u>	<u>--</u>	<u>(12,559)</u>
Net change in fund balances	--	2,832	2,832
Fund balance, January 1	15,148	15,148	--
Fund balance, December 31	<u>\$ 15,148</u>	<u>\$ 17,980</u>	<u>\$ 2,832</u>

WALLER COUNTY, TEXAS
DC RECORDS PRESERVATION DIGITIZATION FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-21

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines</i>	\$ 7,259	\$ 800	\$ (6,459)
<i>Interest</i>	5	198	193
Total revenues	<u>7,264</u>	<u>998</u>	<u>(6,266)</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>District Clerk Records Preservation</i>	21,066	--	21,066
Total Judicial	<u>21,066</u>	<u>--</u>	<u>21,066</u>
Total expenditures	<u>21,066</u>	<u>--</u>	<u>21,066</u>
Excess (deficiency) of revenues over (under) expenditures	(13,802)	998	14,800
Other financing sources (uses):			
<i>Transfers in</i>	13,802	--	(13,802)
Total other financing sources (uses)	<u>13,802</u>	<u>--</u>	<u>(13,802)</u>
Net change in fund balances	--	998	998
Fund balance, January 1	14,687	14,687	--
Fund balance, December 31	<u>\$ 14,687</u>	<u>\$ 15,685</u>	<u>\$ 998</u>

WALLER COUNTY, TEXAS
DA PRETRIAL DIVERSION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-22

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 25,358	\$ 23,000	\$ (2,358)
<i>Interest</i>	30	895	865
Total revenues	<u>25,388</u>	<u>23,895</u>	<u>(1,493)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Juvenile Probation</i>	17,408	12,405	5,003
Total Public Safety	<u>17,408</u>	<u>12,405</u>	<u>5,003</u>
Total expenditures	<u>17,408</u>	<u>12,405</u>	<u>5,003</u>
Excess (deficiency) of revenues over (under) expenditures	7,980	11,490	3,510
Other financing sources (uses):			
<i>Transfers in</i>	92,020	--	(92,020)
<i>Transfers out</i>	(100,000)	(75,000)	25,000
Total other financing sources (uses)	<u>(7,980)</u>	<u>(75,000)</u>	<u>(67,020)</u>
Net change in fund balances	--	(63,510)	(63,510)
Fund balance, January 1	66,844	66,844	--
Fund balance, December 31	<u>\$ 66,844</u>	<u>\$ 3,334</u>	<u>\$ (63,510)</u>

WALLER COUNTY, TEXAS
 JUVENILE CASE MANAGER
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-23

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 4,762	\$ 12,869	\$ 8,107
<i>Interest</i>	--	376	376
Total revenues	<u>4,762</u>	<u>13,245</u>	<u>8,483</u>
Other financing sources (uses):			
<i>Transfers in</i>	25,238	--	(25,238)
<i>Transfers out</i>	(30,000)	(30,000)	--
Total other financing sources (uses)	<u>(4,762)</u>	<u>(30,000)</u>	<u>(25,238)</u>
Net change in fund balances	--	(16,755)	(16,755)
Fund balance, January 1	38,365	38,365	--
Fund balance, December 31	<u>\$ 38,365</u>	<u>\$ 21,610</u>	<u>\$ (16,755)</u>

WALLER COUNTY, TEXAS
 FIRE MARSHALL SERVICE
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-24

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 18,375	\$ 32,592	\$ 14,217
<i>Interest</i>	--	569	569
Total revenues	<u>18,375</u>	<u>33,161</u>	<u>14,786</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>CSEC 911 Addressing Grant</i>	31,250	13,550	17,700
Total Public Safety	<u>31,250</u>	<u>13,550</u>	<u>17,700</u>
Total expenditures	<u>31,250</u>	<u>13,550</u>	<u>17,700</u>
Excess (deficiency) of revenues over (under) expenditures	(12,875)	19,611	32,486
Other financing sources (uses):			
<i>Transfers in</i>	12,875	--	(12,875)
Total other financing sources (uses)	<u>12,875</u>	<u>--</u>	<u>(12,875)</u>
Net change in fund balances	--	19,611	19,611
Fund balance, January 1	37,657	37,657	--
Fund balance, December 31	<u>\$ 37,657</u>	<u>\$ 57,268</u>	<u>\$ 19,611</u>

WALLER COUNTY, TEXAS
 SCAAP
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-25

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 40,121	\$ 19,715	\$ (20,406)
Total revenues	<u>40,121</u>	<u>19,715</u>	<u>(20,406)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>WSNTF Grant</i>	40,121	19,715	20,406
Total Public Safety	<u>40,121</u>	<u>19,715</u>	<u>20,406</u>
Total expenditures	<u>40,121</u>	<u>19,715</u>	<u>20,406</u>
Net change in fund balances	--	--	--
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

WALLER COUNTY, TEXAS

HSGP RADIOS

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-26

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 142,723	\$ 141,144	\$ (1,579)
Total revenues	<u>142,723</u>	<u>141,144</u>	<u>(1,579)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Homeland Security</i>	142,723	141,144	1,579
Total Public Safety	<u>142,723</u>	<u>141,144</u>	<u>1,579</u>
 Total expenditures	 <u>142,723</u>	 <u>141,144</u>	 <u>1,579</u>
Net change in fund balances	--	--	--
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

WALLER COUNTY, TEXAS
 BODY WORN CAMERAS
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-27

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 12,656	\$ 12,471	\$ (185)
Total revenues	<u>12,656</u>	<u>12,471</u>	<u>(185)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Body Worn Cameras</i>	16,425	16,178	247
Total Public Safety	<u>16,425</u>	<u>16,178</u>	<u>247</u>
Total expenditures	<u>16,425</u>	<u>16,178</u>	<u>247</u>
Excess (deficiency) of revenues over (under) expenditures	(3,769)	(3,707)	62
Other financing sources (uses):			
<i>Transfers in</i>	3,769	3,707	(62)
Total other financing sources (uses)	<u>3,769</u>	<u>3,707</u>	<u>(62)</u>
Net change in fund balances	--	--	--
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

WALLER COUNTY, TEXAS
 TSLAC LIBRARY 2016
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-28

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 6,000	\$ 2,818	\$ (3,182)
Total revenues	<u>6,000</u>	<u>2,818</u>	<u>(3,182)</u>
Expenditures:			
Current:			
<i>Culture and Recreation</i>			
County Library	6,000	2,818	3,182
Total Culture and Recreation	<u>6,000</u>	<u>2,818</u>	<u>3,182</u>
Total expenditures	<u>6,000</u>	<u>2,818</u>	<u>3,182</u>
Net change in fund balances	--	--	--
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

WALLER COUNTY, TEXAS
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2016

EXHIBIT C-29

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Taxes</i>	\$ 561,876	\$ 632,917	\$ 71,041
<i>Interest</i>	--	2,955	2,955
Total revenues	<u>561,876</u>	<u>635,872</u>	<u>73,996</u>
Expenditures:			
Debt service:			
<i>Principal</i>	459,000	459,000	--
<i>Interest and fiscal charges</i>	102,876	102,876	--
Total Debt Service	<u>561,876</u>	<u>561,876</u>	<u>--</u>
Total expenditures	<u>561,876</u>	<u>561,876</u>	<u>--</u>
Net change in fund balances	--	73,996	73,996
Fund balance, January 1	209,127	209,127	--
Fund balance, December 31	<u>\$ 209,127</u>	<u>\$ 283,123</u>	<u>\$ 73,996</u>

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WALLER COUNTY, TEXAS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PRIVATE-PURPOSE TRUST FUNDS
 DECEMBER 31, 2016

	Permanent School	Permanent School Available
	<u> </u>	<u> </u>
ASSETS		
<i>Cash and cash equivalents</i>	\$ --	\$ 3,143
<i>Investments</i>	--	--
<i>Capital assets</i>	1	--
Total Assets	<u>\$ 1</u>	<u>\$ 3,143</u>
LIABILITIES		
NET POSITION		
<i>Held in trust</i>	<u>\$ 1</u>	<u>\$ 3,143</u>

<u>Ogg Trust</u>	<u>Dismuke Estate Trust</u>	<u>Total Private- Purpose Trust Funds (See Exhibit A-7)</u>
\$ 52,650	\$ --	\$ 55,793
--	62,320	62,320
--	--	1
<u>\$ 52,650</u>	<u>\$ 62,320</u>	<u>\$ 118,114</u>
 <u>\$ 52,650</u>	 <u>\$ 62,320</u>	 <u>\$ 118,114</u>

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Permanent School	Permanent School Available	Ogg Trust
Additions:			
Interest	\$ --	\$ 23	550
Miscellaneous	--	5,432	--
Total Additions	<u>--</u>	<u>5,455</u>	<u>550</u>
Deductions:			
Administrative expenses	--	475	--
Payments to schools	--	1,846	--
Total Deductions	<u>--</u>	<u>2,321</u>	<u>--</u>
Change in Net Position	--	3,134	550
Net Position-Beginning of the Year	1	9	52,100
Net Position-End of the Year	<u>\$ 1</u>	<u>\$ 3,143</u>	<u>\$ 52,650</u>

EXHIBIT C-31

Dismuke Estate Trust	Total Private-Purpose Trust Funds (See Exhibit A-8)
\$ 223	\$ 796
<u> --</u>	<u>5,432</u>
<u> 223</u>	<u>6,228</u>
 	475
 	<u>1,846</u>
 	<u>2,321</u>
223	3,907
62,097	114,207
<u>\$ 62,320</u>	<u>\$ 118,114</u>

WALLER COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2016

	<u>TJJD Grant A</u>	<u>Officers Agency Fund</u>
ASSETS		
<i>Cash and cash equivalents</i>	\$ --	\$ 7,618,040
<i>Intergovernmental</i>	58,818	--
Total Assets	<u>\$ 58,818</u>	<u>\$ 7,618,040</u>
<i>Accounts payable</i>	\$ 3,157	\$ --
<i>Other payables and accruals</i>	4,889	--
<i>Due to other governments</i>	50,772	4,307,219
<i>Due to others</i>	--	3,310,821
Total Liabilities	<u>\$ 58,818</u>	<u>\$ 7,618,040</u>

Interchange Improvements Woods Road	County Clerk IRS	Payroll Clearing Fund	Total Agency Funds (See Exhibit A-7)
\$ 961	\$ 3,567	\$ 267,212	\$ 7,889,780
--	--	--	58,818
<u>\$ 961</u>	<u>\$ 3,567</u>	<u>\$ 267,212</u>	<u>\$ 7,948,598</u>
\$ --	\$ --	\$ 251,735	\$ 254,892
--	--	15,477	20,366
--	--	--	4,357,991
961	3,567	--	3,315,349
<u>\$ 961</u>	<u>\$ 3,567</u>	<u>\$ 267,212</u>	<u>\$ 7,948,598</u>

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WALLER COUNTY, TEXAS
SINGLE AUDIT REPORTS AND SCHEDULES
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2016

WALLER COUNTY, TEXAS
Single Audit Reports and Schedules
Year Ended December 31, 2016
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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	1
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the <i>Uniform Guidance</i>	2
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Corrective Action Plan	6
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RUTLEDGE CRAIN & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS

2401 Garden Park Court, Suite B
Arlington, Texas 76013

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

To the Honorable Judge and County Commissioners Comprising the
Commissioner's Court of Waller County
Hempstead, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Waller County, Texas (the "County"), as of and for the year ended December 31, 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 November 17, 2017.

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.

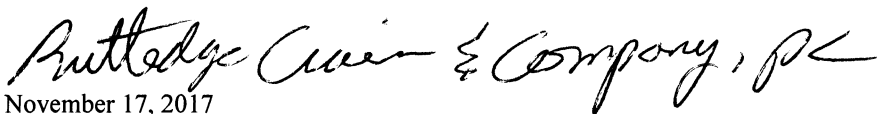
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not 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 the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no 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.


November 17, 2017

RUTLEDGE CRAIN & COMPANY,PC
CERTIFIED PUBLIC ACCOUNTANTS
2401 Garden Park Court, Suite B
Arlington, Texas 76013

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE*

To the Honorable Judge and County Commissioners Comprising the
Commissioner's Court of Waller County
Hempstead, Texas

Report on Compliance for Each Major Federal Program

We have audited Waller County, Texas' (the "County") compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2016. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered [the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of

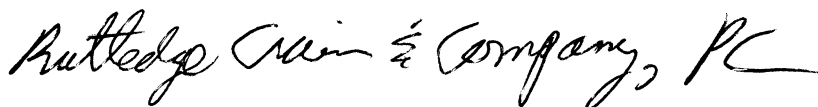
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated November 17, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the *Uniform Guidance* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



November 17, 2017

WALLER COUNTY, TEXAS
Schedule of Prior Audit Findings
December 31, 2016

Not applicable

WALLER COUNTY, Texas
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2016

I. Summary of Auditors' Results

The auditors' report expresses an unmodified opinion on the financial statements.

No reportable conditions were disclosed during the audit of the financial statements.

No instances of noncompliance material to the financial statements of Waller County, Texas were disclosed during the audit.

No reportable conditions in the internal control over major federal award programs were disclosed during the audit.

The auditors' report on compliance for the major federal award programs for Waller County, Texas expresses an unmodified opinion on all major programs.

Audit findings are reported in accordance with the General Guidance.

The programs tested as major programs included:

Disaster Grants - Public Assistance (Presidentially Declared Disasters), CFDA 97.036

The threshold used to distinguish between Type A and Type B federal programs was \$750,000.

The County was not qualified as a low-risk auditee.

II. Findings Related to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Government Auditing Standards.

No findings to be reported.

III. Findings and Questioned Costs for Federal Awards

No findings to be reported.

Prior Year Financial Statement, Federal Award Findings and Questioned Costs

N/A

Corrective Action Plan

N/A

WALLER COUNTY, TEXAS
Corrective Action Plan
December 31, 2016

Not applicable

WALLER COUNTY, TEXAS
Schedule of Expenditures of Federal Awards
December 31, 2016

Federal Grant /Pass Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Current Period Expenditures
Direct Grants			
U. S. Department of Justice State Criminal Alien Assistance Program	16.606	2012, 2013	<u>\$ 19,714</u>
Indirect Grants			
U. S. Department of Justice Passed Through Office of the Governor, Criminal Justice Division Crime Victim Assistance	16.575	VA-15-V30-18886-09	<u>48,358</u>
U. S. Department of Health and Human Services Passed Through Office of Texas Attorney General Child Support Enforcement	93.563	13-C0093	<u>21,284</u>
U. S. Department of Homeland Security Passes Through Texas Department of Public Safety Public Assistance (4223 Grants)	97.036	PA-06-TX-4223	290,856 #
Public Assistance (4269 Grants)	97.036	PA-06-TX-4269	246,236 #
Public Assistance (4272 Grants)	97.036	PA-06-TX-4272	154,670 #
Homeland Security Grant Program	97.067	EM W-2016-SS-00056	<u>141,144</u>
Total U. S. Department of Homeland Security			<u>832,906</u>
Total Indirect Federal Grants			<u>902,548</u>
 Total Federal Expenditures			 <u><u>\$ 922,262</u></u>

Major programs

WALLER COUNTY, TEXAS
Notes to Expenditures of Federal Awards
December 31, 2016

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Waller County, Texas (the "County"). The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly by the primary government from federal agencies, as well as federal awards passed through other government agencies, are included in the scope of the *Uniform Guidance* and are included on the Expenditures of Federal Awards.

Basis of Accounting

The accompanying Schedules of Expenditures of Federal Awards are presented using the modified accrual basis of accounting for governmental funds, which is described in Note 1 of the County's Comprehensive Annual Financial Report. For grants that permitted inclusion indirect costs, the County did not make an election to use the 10% de minimis indirect cost rate.

B - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying Schedules of Expenditures of Federal Awards may not agree with the amounts reported in the related federal financial reports filed with grantor agencies because those reports are filed on the cash basis.

D – CONTINGENCIES

The County participates in several federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at December 31, 2016 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.