

COUNTY AUDITOR'S
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED
DECEMBER 31, 2017
PANOLA COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

PANOLA COUNTY, TEXAS

FOR THE YEAR ENDED DECEMBER 31, 2017

Prepared by:

**Office of the County Auditor
Panola County, Texas**

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**PANOLA COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2017**

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INTRODUCTORY SECTION

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SIDNEY BURNS
AUDITOR



JENNIFER STACY
1ST ASSISTANT AUDITOR
DARREN MELTON
2ND ASSISTANT AUDITOR

OFFICE OF
PANOLA COUNTY AUDITOR
COURTHOUSE ANNEX • ROOM 213A
CARTHAGE, TEXAS 75633
903-693-0320

June 25, 2018

Honorable District Judge LeAnn Rafferty
Honorable County Judge Lee Ann Jones,
Honorable County Commissioners,
and Taxpayers and Citizens of Panola County

Conforming to statutory requirements of the duties of the County Auditor, submitted herewith is the Comprehensive Annual Financial Report for Panola County, Texas, for the fiscal year ended December 31, 2017. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board, and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed public accountants.

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

The financial statements of Panola County have been audited by Morgan LaGrone, a licensed certified public accountant. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the year ended December 31, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on Panola County's financial statements for the year ended December 31, 2017, and that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

Located in East Texas, Panola County, Texas, was organized in 1846. Panola County currently occupies a land area of 801 square miles and serves a population of 23,243.

The County operates as specified under a County Judge – Commissioners’ Court type of government, consisting of one County Judge and four Commissioners. The County Judge is the presiding officer of the Commissioners’ Court, the governing body of the County, and is elected for a four-year term by the voters of the County. Each Commissioner represents one of the four Commissioner precincts into which the County is divided and is elected by the voters of his precinct for a four-year term. The Commissioners’ Court has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other duties, it proposes and approves the County budget, determines the County tax rates, approves contracts in the name of the County, determines whether a proposition to issue bonds should be submitted to the voters, appoints certain County officials, and makes other decisions concerning the operation of the County.

Panola County provides a full range of services, including public safety, public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services.

Budgets and Budgetary Controls

The annual budget serves as the foundation for Panola County’s financial planning and control. The County Judge is by statute the County Budget Officer and is responsible for determining the Commissioners’ Court guidelines for the proposed County budget. After being furnished the budget guidelines by the County Judge, the County Auditor prepares an estimate of revenues and a compilation of expenditures as set out in the guidelines. The proposed budget is filed in the office of the County Clerk as public record.

A public hearing is held on the budget by the Commissioners’ Court. Department heads and any other interested citizens may appear. Before determining the final budget, the Commissioners’ Court may increase or decrease the amounts as proposed in the budget. Expenditure amounts finally budgeted may not exceed the estimated revenues and available cash. A tax rate is then set which will generate the estimated ad valorem tax revenues in the budget.

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

Each fund is budgeted on an annual basis, by the primary activities of salaries and benefits, supplies, other services and charges, and capital outlay. Budget to actual comparisons are provided in this report for the General Fund and all major special revenue funds.

Financial Administration

The officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the “Commissioners’ Court”), the Tax Assessor-Collector, the County Treasurer, and the County Auditor.

The Tax Assessor-Collector is elected for a four-year term and is responsible for collecting ad valorem taxes and collecting certain State and County fees and other taxes for the County. Duties of the County Treasurer, who is also elected for a four-year term, include depositing monies received by the County into the depository selected by the Commissioners’ Court, signing and registering all of the County’s checks (except certain agency funds), preparation of payroll, maintenance and

compilation of all personnel records, preparation of quarterly and monthly state, county, and federal reports and other financial functions.

The County Auditor is appointed for a two-year term by the State District Judge having jurisdiction within the County. The County Auditor is responsible for the accounting practices and audit control functions of county finances. His responsibilities include those for accounting, auditing, accounting systems design, assisting with financial planning and operations, financial reporting, insurance, budget preparation as instructed by the Commissioners' Court, preparation of claims for approval by Commissioners' Court and various other financial related activities. The County Auditor also serves as fiscal officer for the Community Supervision Corrections Department and the Juvenile Probation Department.

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy

Panola County continues to rank as one of the leading natural gas producers in East Texas. Natural gas processing and exploration contributes greatly to economic activities. Timber, poultry and cattle production also continue to contribute to the local economy. All of these activities have had a positive impact on employment and the County tax base. A great deal of credit should be given to the industrial, civic, and governmental leaders for these positive conditions.

Over the past few years, Panola County has faced the same problems as other smaller rural counties in Texas. Revenue sources have tended to be limited, while demand for services remained constant. Economic growth during the year changed somewhat due to a slight increase in natural gas prices.

The position of the County has continued to be sound over the past year. Some of the factors which enabled the County to maintain this constant level were:

1. All departments and agencies operated within budget appropriations.
2. Estimated revenue was achieved or exceeded.
3. Ad valorem taxes continued to be collected at a high percent.

Looking ahead, Panola County can expect to have some years of economic growth at the state and local level. Careful financial operation and planning will enable the County to remain financially sound. A spirit of cooperation will help to ensure that the future needs of the citizens of Panola County can be met.

Long-term Financial Planning

The Commissioners' Court continues to be very active in budgeting financial resources to rehabilitate all County maintained infrastructure over a number of years in the most economical way. Various capital outlays for road and bridge equipment have been made and are planned to ensure that the department stays updated to meet future repair needs. In addition, the Commissioners' Court continued to fund the Other Post-Employment Benefits (OPEB) Trust Fund in compliance with Government Accounting Standards Board Statement 45 (GASB 45). Compliance with this accounting standard and funding in 2018 will minimize the cost to future taxpayers.

Various costs associated with fringe benefit expenses for active and retired employees had a significant effect on the financial statements in 2017. The County continues to participate in the health insurance program provided through the Texas Association of Counties. This insurance pool allows the County to limit increases in premiums at an amount less than the national average.

The County continues to maintain adequate financial resources in the Road Bond 1971 capital projects fund to meet the County's share of cost associated with new state highway construction. The County also maintains adequate financial resources in the Airport special revenue fund and in the Permanent Improvement capital projects fund for the County's match of grant programs for airport improvements and maintenance.

Also, Panola County continues the long-term lease of the county-owned hospital to East Texas Medical Center Regional Healthcare System. This financial agreement has provided very reasonable, low-cost indigent care program that provides needed health benefits for qualified citizens. The County maintains the Health Fund at an adequate balance to provide health care to indigent County residents.

Since the adoption of a Comprehensive Fund Balance Policy in 2011, the County has been successful in maintaining or exceeding the goals as defined in the policy. The Commissioners' Court's continuing fiscal restraints has resulted in the maintenance of stable fund balances to be available for future emergencies and revenue shortfalls. As a result of the trend of unfunded mandates by both Federal and State government, it is vitally important that the Commissioners' Court remain focused on maintaining the financial stability that now exists. This continued positive action will reduce the financial burden for future taxpayers.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to Panola County, Texas, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards of preparation of state and local government financial reports.

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

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

Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of all County Departments. We would like to express our appreciation to all members of the County Departments that assisted and contributed to its preparation.

Respectfully submitted,

Sidney Burns

**Sidney Burns
County Auditor**

Jennifer Stacy

**Jennifer Stacy
1st Assistant Auditor**

Darren Melton

**Darren Melton
2nd Assistant Auditor**



Government Finance Officers Association

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

Presented to

**Panola County
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Merrill

Executive Director/CEO

**PANOLA COUNTY, TEXAS
DIRECTORY OF OFFICIALS
DECEMBER 31, 2017**

DISTRICT COURT: 123rd Judicial District

**The Honorable LeAnn Rafferty, District Judge
The Honorable Danny Buck Davidson, Criminal District Attorney
Terri Hudson, Court Reporter
Debra Johnson, District Clerk
Kerian Henderson, CSCD Director
Tracy Anderson, Chief Juvenile Probation Officer**

COMMISSIONERS COURT:

**The Honorable Lee Ann Jones, County Judge
The Honorable Ronnie LaGrone, Commissioner Precinct #1
The Honorable John Gradberg, Commissioner Precinct #2
The Honorable Craig Lawless., Commissioner Precinct #3
The Honorable Dale LaGrone, Commissioner Precinct #4
Vicki Heinkel, Administrative Assistant**

COUNTY COURT AT LAW:

**The Honorable Terry Bailey, Judge
Rebecca Kise, Court Reporter**

COUNTY AUDITOR:

Sidney Burns

ASSISTANT COUNTY AUDITORS:

**Jennifer Stacy
Darren Melton**

COUNTY CLERK:

Bobbie Davis

COUNTY SHERIFF:

Kevin Lake

COUNTY SURVEYOR:

Don Austin

COUNTY TAX ASSESSOR-COLLECTOR:

Debbie Crawford

COUNTY TREASURER:

Joni Reed

**PANOLA COUNTY, TEXAS
DIRECTORY OF OFFICIALS
DECEMBER 31, 2017**

COUNTY VETERAN SERVICE OFFICER:

Jim Young

JUSTICES OF THE PEACE:

**Toni Hughes, Precincts #2 and #3
David Gray, Precincts #1 and #4**

CONSTABLES:

**Bryan Murff, Precincts #1 and #4
Mitch Norton, Precincts #2 and #3**

ELECTIONS ADMINISTRATOR:

Cheyenne Lampley

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FINANCIAL SECTION

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Morgan LaGrone, CPA, PLLC

Certified Public Accountant

Telephone: 903.657.0240
Fax: 903.655.1324

116 S Marshall
Henderson TX 75654

INDEPENDENT AUDITOR'S REPORT

Panola County Commissioners' Court
Panola County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Panola County, Texas, ("County") as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

MEMBER

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

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 Panola County, Texas, as of December 31, 2017, and the respective changes in financial position, for the year then ended in conformity 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 on pages 19-28; the Schedule of Funding Progress – Other Post-Employment (OPEB) Plan on page 60; the Schedule of Employer Contributions – Other Post-Employment (OPEB) Plan on page 61; the Schedule of Changes in Net Pension Liability and Related Ratios on page 62; the Schedule of Contributions on page 63; and budgetary comparison information on pages 65-69, 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 comprise Panola County, Texas', basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section and schedules listed in the accompanying table of contents under supplementary financial information 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 supplementary financial information 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 financial statements or to the 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 supplementary financial information are fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2018, on our consideration of Panola County, Texas, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Morgan LaGrone
Certified Public Accountant

Henderson, Texas
June 25, 2018

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PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

As management of Panola County, Texas (the County), we offer readers of the Panola County, Texas financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2017. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers of this discussion and analysis should consider the information presented here in conjunction with additional information that we have furnished in our accompanying letter of transmittal, and in the basic financial statements and notes to the financial statements (which immediately follow this discussion).

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Panola County, Texas exceeded its liabilities and deferred inflows of resources at December 31, 2017 by \$66,994,124 (net position). Of this amount, \$45,184,264 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$863,381.
- At December 31, 2017, the County's governmental funds reported combined ending fund balances of \$26,156,937, a decrease of \$322,354 over the prior year. Of this amount, \$25,968 is nonspendable, \$14,801,460 is restricted, \$724,419 is committed, and \$10,605,092 is unassigned. Unassigned fund balance is available for spending at the County's discretion.
- At December 31, 2017, unassigned fund balance for the general fund was \$10,605,092, or 61.26% of total general fund expenditures.
- The County issued no new debt during the year ended December 31, 2017.

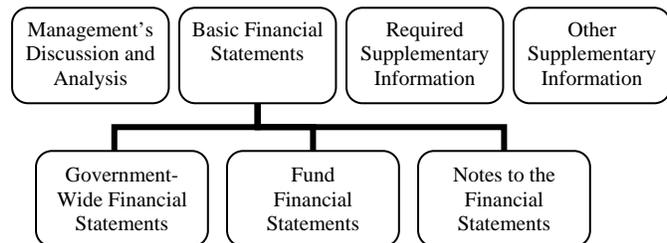
OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Panola County, Texas', basic financial statements. The County's Comprehensive Annual Financial Report has been prepared in compliance with the financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments, as well as GASB Statement No. 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus, and GASB Statement No. 38, Certain Financial Statement Note Disclosures.

The financial section of the annual report presented herein includes four sections, consisting of the following:

- 1) Management's Discussion and Analysis
- 2) Basic Financial Statements
- 3) Required Supplementary Information
- 4) Other Supplementary Information

Components of the Financial Section



The basic financial statements are presented in two different formats. The government-wide statements are required under GASB Statement No. 34 reporting requirements. The government-wide statements report information about the County as a whole using the accrual basis of accounting and the economic resources measurement focus. The fund financial statements provide more detailed information about the County's most significant funds. Fund financial statements use the modified accrual basis of accounting and the current financial resources measurement focus.

PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private-sector business.

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

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. Because the statement of activities separates program revenue (revenue generated by specific programs through charges for services, fees, licenses, grants received, and other contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program relies on general revenues for funding.

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 compensated absences).

Panola County has no separately identified discretely-presented component units included in the government-wide financial statements.

The government-wide financial statements can be found on pages 31 - 32 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 financial 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 38 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 and the Road and Bridge special revenue fund, which are considered to be major funds. Data from the other 36 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

The County adopts an annual appropriated budget for 38 of its governmental funds. The Required Supplementary Information contains budget comparisons for the General Fund and the Road and Bridge special revenue fund. A budgetary comparison statement has been provided to demonstrate compliance with the budget, as both originally adopted and as finally amended.

The basic governmental fund financial statements can be found on pages 33 - 36 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The County's fiduciary funds consist of agency funds and the Retiree Health Benefits Trust Fund (RHBT). Agency funds are used as clearing accounts for assets held by the County in its role as custodian until the funds are allocated to the parties, organizations, or other government agencies to which they belong. The RHBT Fund was created in November 2007 for the purpose of funding for the County's obligation under GASB 45 regarding other post-employment benefits (OPEB) for eligible retired employees. Contributions by the County during 2017 totaled \$4,417,782. The RHBT will be used to provide for the future payment of health care insurance premiums for eligible retired employees.

The basic fiduciary fund financial statement can be found on pages 37 - 38 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39 – 56 of this report.

Other Information

In addition to the Basic Financial Statements and accompanying Notes, this report also presents Combining and Individual Fund Financial Statements and Schedules. These statements and schedules provide greater detail in connection with Governmental Funds, Fiduciary Funds, and Capital Assets Used in the Operation of Governmental Funds. The Combining and Individual Fund Financial Statements and Schedules may be found on pages 91-170 of this report.

Single Audit

The County did not expend in excess of \$750,000 in state financial assistance during the year ended December 31, 2017. As a result, a single audit in accordance with the State of Texas *Single Audit Circular* was not required. The Overall Compliance and Internal Controls section of this report begins on page 208.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Net position of the County as of December 31, 2017 and December 31, 2016 are summarized and analyzed on the following page.

Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$66,994,124 as of December 31, 2017, and by \$66,130,740 as of December 31, 2016, an increase of \$863,381. As of December 31, 2017, the County's total assets were \$90,278,875. Capital assets, which include land, buildings and improvements, machinery, equipment, furniture, and infrastructure less any related debt used to acquire those assets that is still outstanding, represent 32.55% of total net position.

An amount of \$45,184,264 of the County's net position is unrestricted net position. This amount may be used to meet the County's ongoing obligations.

PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

Panola County, Texas
Net Position of Governmental Activities
(Table 1)

	<u>2017</u>	<u>2016</u>
Current and Other Assets	\$ 68,469,016	\$ 69,029,020
Capital Assets	<u>21,809,859</u>	<u>22,458,566</u>
Total Assets	<u>90,278,875</u>	<u>91,487,586</u>
Total Deferred Outflows of Resources	<u>6,594,866</u>	<u>7,734,666</u>
Net Pension Liability	10,927,959	11,701,897
Long-Term Liabilities Outstanding	254,863	255,825
Other Liabilities	<u>999,002</u>	<u>631,466</u>
Total Liabilities	<u>12,181,824</u>	<u>12,589,188</u>
Total Deferred Inflows of Resources	<u>17,697,793</u>	<u>20,502,324</u>
Net Position:		
Net Position, Investment in Capital Assets	21,809,860	22,458,568
Unrestricted	<u>45,184,264</u>	<u>43,672,173</u>
Total Net Position	<u>\$ 66,994,124</u>	<u>\$ 66,130,740</u>

The change in net position for the County's activities for the year was an increase of \$863,381. Total revenues for Panola County were \$26,270,125 and \$25,641,568 in 2017 and 2016, respectively. Total expenses were \$25,406,744 and \$23,704,257 in 2017 and 2016, respectively. Key elements of these changes are summarized below:

- Program revenues include charges for services, fines and forfeitures, as well as both operating and capital grants and contributions. Program revenues from governmental activities increased 9.06% or \$391,636. Charges for services increased by \$157,319. Operating grants and contributions decreased by \$323,450. Capital grants and contributions increased \$557,767.
- General revenues consist of taxes and interest not allocable to specific programs, as well as miscellaneous transactions that are not attributable to a specific program. The largest of these, taxes, increased by \$114,035. Other revenues increased by \$122,885, principally due to an increase in interest income and miscellaneous revenue.
- Public safety, public transportation, and general administration are the three largest programs, in terms of expenses. These three activities accounted for 74.15% of total expenses.
- General administration expenses increased \$1,369,530, due to the County's change in OPEB liability and other miscellaneous expenses.

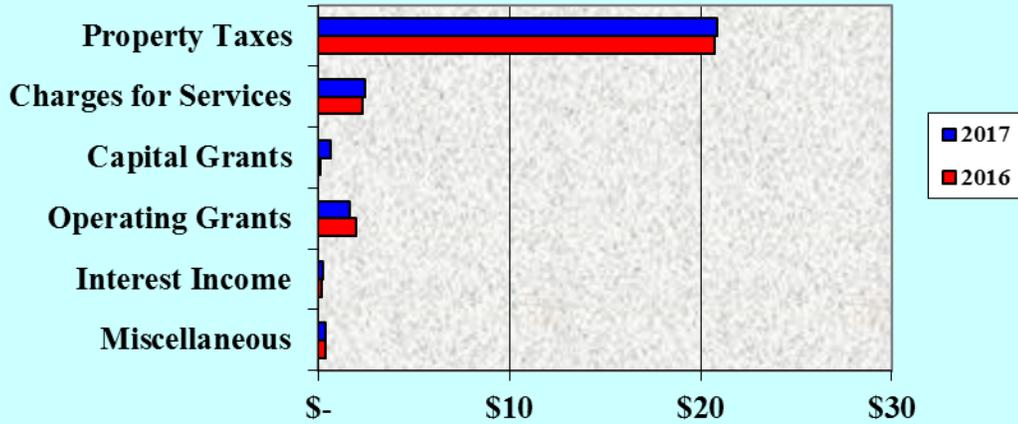
PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

Panola County, Texas
Changes in Net Position of Governmental Activities
(Table 2)

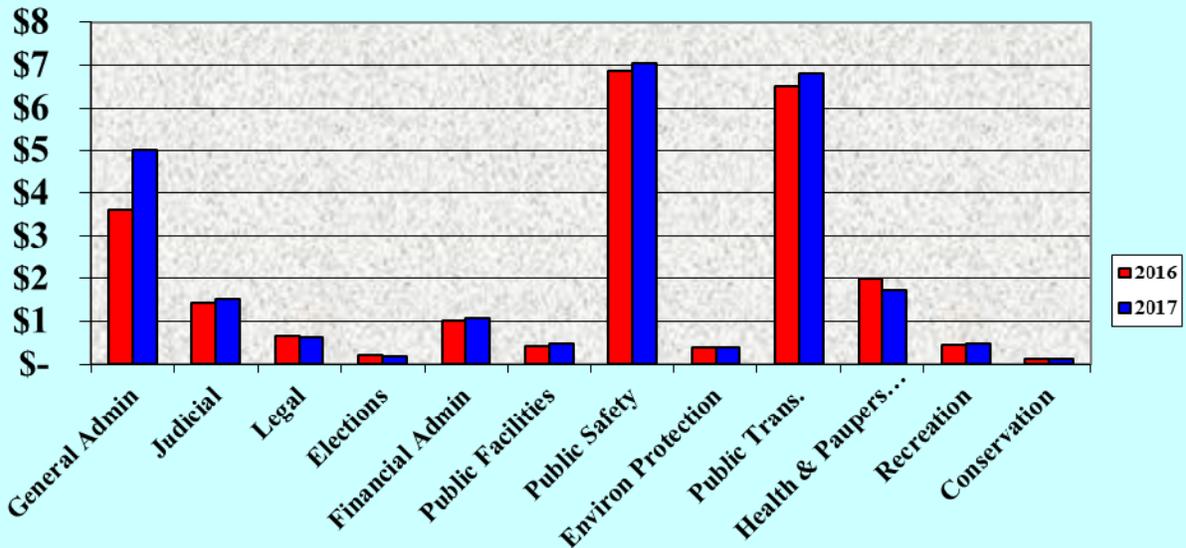
	<u>2017</u>	<u>2016</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,450,687	\$ 2,293,368
Operating Grants and Contributions	1,629,087	1,952,537
Capital Grants and Contributions	633,579	75,812
General Revenues:		
Property Taxes	20,874,829	20,760,794
Other	681,942	559,057
Total Revenues	<u>26,270,125</u>	<u>25,641,568</u>
Expenses:		
General administration	\$ 4,998,429	\$ 3,628,899
Judicial	1,504,247	1,440,455
Legal	614,417	646,121
Elections	189,184	216,421
Financial administration	1,071,598	1,003,659
Public facilities	469,972	420,136
Public safety	7,040,400	6,866,996
Environmental protection	405,004	405,004
Public transportation	6,800,101	6,523,876
Health & paupers care	1,729,386	1,995,250
Recreation	464,777	445,229
Conservation	119,229	112,210
	<u>25,406,744</u>	<u>23,704,257</u>
Increase in Net Position	863,381	1,937,311
Net Position - Beginning	<u>66,130,741</u>	<u>64,193,430</u>
Net Position - Ending	<u>\$ 66,994,124</u>	<u>\$ 66,130,741</u>

PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

Governmental Activities - Revenues by Source
For the Years Ended December 31
(in millions)



Governmental Activities - Expenses by Function
For the Years Ended December 31
(in millions)



PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Panola County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Following is an analysis of the County's governmental 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

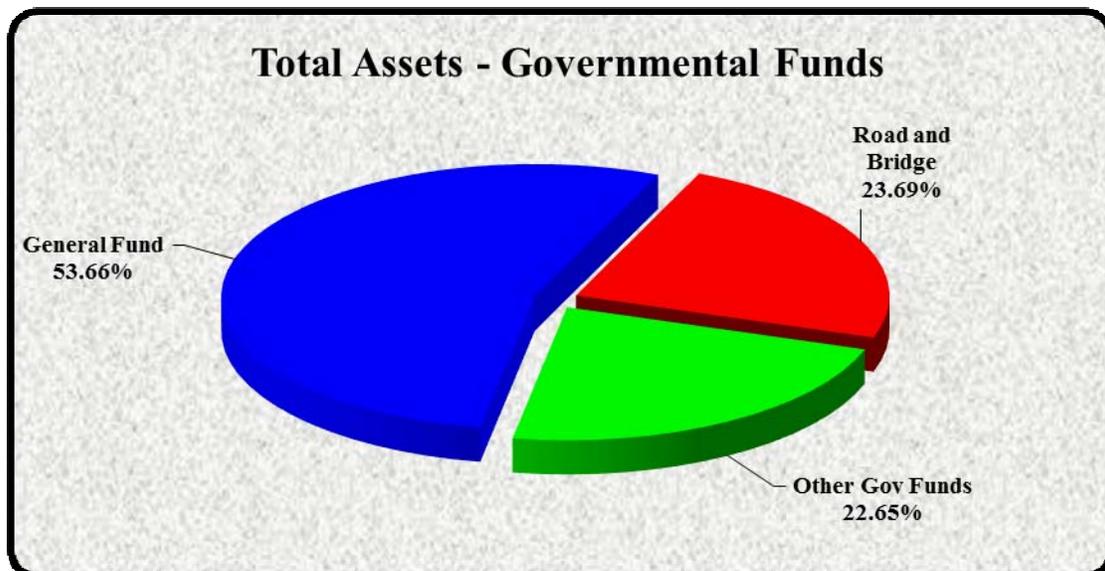
As of December 31, 2017, the County's governmental funds reported combined ending fund balances of \$26,156,938, a decrease of \$322,354 over the prior year. Approximately 41% of this amount, \$10,605,091 constitutes unassigned fund balance, which is available for spending at the County's discretion.

The General Fund is the chief operating fund of the County. At December 31, 2017, 100% of the General Fund's total fund balance, or \$10,605,091 is unassigned. Total fund balance for the General Fund decreased by \$826,593, or 7.23% from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance, which equals total fund balance, represents 61.26% of total General Fund expenditures.

General Fund revenues exceeded budgeted amounts by approximately \$886,000, and actual expenditures were \$1,082,972 below budgeted expenditures.

Fund balance in the Road and Bridge Fund increased by \$451,458, due to higher than anticipated revenues and a general savings in all categories.

As shown below, as of December 31, 2017 total assets in the General Fund amounted to \$23,964,663, accounting for 53.66% of total governmental fund assets. The Road and Bridge special revenue fund, the County's other major fund's total asset amount is \$10,582,846. Together, these major funds account for 77.35%, of total governmental fund assets.



PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget amounted to a net increase in appropriations of \$59,433. Significant among the amendments were:

- General Administration – Budgetary transfers from the \$400,000 contingency line item to various other line items eliminated the need to increase overall appropriations and resulted in an overall decrease of \$150,002.
- Health and Paupers Care – Increased appropriations of \$159,927 as a result primarily of an increase in attorney fees, child advocacy fees, and child safety fees distributions.
- Public Safety– Increased appropriations for additional capital outlay of \$85,493.

General Fund revenues exceeded the final budget by \$886,465. The majority of this increase was attributable to property taxes exceeding the final budget by \$562,620. Also, 89,219, principally due to additional fees collected by the Justices of the Peace, County Clerk, and County Treasurer.

General Fund expenditures were \$1,082,972 less than final budgeted expenditures. Major contributors to lower than budgeted expenditures are as follows:

- Expenditures for general administration activities were \$248,110 less than final budgeted expenditures. In addition to general savings in most budgeted categories, there were significant savings in the insurance, contingency, and computer services expenditures.
- Expenditures for public safety activities were \$302,331 less than final budgeted expenditures due to less than expected expenditures in the Sheriff's Office and Corrections.
- Expenditures for Health and Paupers Care were \$128,051 below budgeted amounts as a result of less expenditures needed for indigent health care.
- Expenditures for public facility expenditures were \$71,126 less than final budgeted expenditures due to less than expected expenditures for professional services.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2017, amounts to \$21,809,860 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, furniture, and infrastructure. The net decrease in the County's investment in capital assets, after depreciation expense of \$1,678,492, for the current year was \$648,706.

This year's additions totaled \$1,132,235. Included in the additions were runway improvements and various purchases of machinery and equipment.

Capital assets as of December 31, 2017 and 2016 are summarized on the following page.

Additional information on the County's capital assets can be found in Note 3, D on page 47 of this report.

PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

Capital Assets
As of December 31

	<u>2017</u>	<u>2016</u>
Land	\$ 1,722,016	\$ 1,722,016
Construction in Progress	-	5,561
Buildings	20,906,963	20,906,963
Improvements other than buildings	275,603	275,603
Machinery and equipment	11,963,066	11,995,216
Infrastructure	<u>10,826,285</u>	<u>10,371,442</u>
Total Capital Assets	45,693,933	45,276,801
Less: Accumulated Depreciation	<u>(23,884,073)</u>	<u>(22,818,235)</u>
Total Capital Assets	<u>\$ 21,809,860</u>	<u>\$ 22,458,566</u>

Long-Term Debt

As of December 31, 2017, the County has no outstanding bonded debt. The only debt outstanding is in the form of accrued compensated absences and the net pension liability.

Additional information on the County's long-term debt can be found in Note 3, I on page 54 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The following factors were considered in preparing the County's budget for 2018.

- FY2017 total property assessed value decreased 5.8% from the prior year. FY2016 had a significant decrease in assessed value of 20.9%.
- Property tax receipts for FY2017 also increased to \$20.87 million compared to \$20.76 million for FY2016.
- The County has consistently maintained an ad valorem tax collection rate over 97% for the last few years. However, in the current year the collection rate was 96.7%.
- The percentage increase in medical insurance premiums for employees was 7.49% for FY 2017 (FY 2016 increase was 5.70%).
- Fluctuating energy costs have affected the price of fuel and road surfacing materials.
- Property and liability insurance costs increased only 1.79% for FY 2017 compared to an increase of 3.69% for FY 2016.

PANOLA COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2017

Original budgeted revenues for FY 2018 are \$22.4 million, a decrease of 4% over original budgeted revenues of \$23.5 million for FY 2017. Property taxes account for the bulk of the revenues, as approximately 83% of the total budgeted revenues for the General Fund are related to property taxes.

The tax rate for the new fiscal year was set at \$0.5983/\$100. The continued natural gas production value allows the County to maintain a relatively low tax rate for the maintenance and operations budget.

Several other factors are expected to have an impact on the budgetary process in the next few years:

- Decreased taxable value due to the lower price of natural gas will have an impact on the budget for the next year.
- Continued pressure from rising health insurance costs, demand for services, increased fuel costs and road maintenance costs will cause the County to adjust the tax rate in years to come.
- In spite of the demand for County services, the County enjoys a healthy tax base relying primarily on the natural gas field for a substantial amount of tax revenues. The County conservatively manages its resources and is in a sound financial position to meet the needs of citizens for years to come.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Panola 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 information should be addressed to the Panola County Auditor's Office, Courthouse Annex Room 213A, Carthage, Texas 75633.

BASIC FINANCIAL STATEMENTS

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**PANOLA COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2017**

	<u>Governmental Activities</u>
ASSETS:	
Cash and Cash Equivalents	\$ 5,968,024
Investments	33,887,350
Receivables (net of allowance for uncollectible taxes):	
Property Taxes	3,549,261
Due from Other Governments	770,013
Miscellaneous	454,349
Prepays	-
Inventory	25,968
Capital Assets (not being depreciated):	
Land	1,722,016
Capital Assets (net of accumulated depreciation):	
Buildings	14,598,199
Improvements other than buildings	204,998
Machinery and equipment	4,167,736
Infrastructure	1,116,910
Negative net OPEB obligation asset	23,806,451
Other Assets	7,600
Total Assets	<u>90,278,875</u>
 DEFERRED OUTFLOWS OF RESOURCES:	
Deferred Outflows of Resources - Pensions	<u>6,594,866</u>
	<u>6,594,866</u>
 LIABILITIES:	
Accounts Payable-Trade	999,002
Noncurrent liabilities:	
Due Within One Year	28,035
Due In More Than One Year	226,828
Net Pension Liability	10,927,959
Total Liabilities	<u>12,181,824</u>
 DEFERRED INFLOWS OF RESOURCES:	
Deferred Revenue - Advance Tax	16,638,244
Deferred Inflows - Pensions	1,059,549
Total Deferred Inflows of Resources	<u>17,697,793</u>
 NET POSITION:	
Net Position, Investment in Capital Assets	21,809,860
Unrestricted	45,184,264
Total Net Position	<u>\$ 66,994,124</u>

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

**PANOLA COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government:					
Government Activities:					
General administration	\$ 4,998,429	\$ 332,744	\$ -	\$ 404,353	\$ (4,261,332)
Judicial	1,504,247	607,479	88,806	-	(807,962)
Legal	614,417	19,039	29,954	37,957	(527,467)
Elections	189,184	-	-	-	(189,184)
Financial administration	1,071,598	823,788	-	-	(247,810)
Public facilities	469,972	-	-	161,269	(308,703)
Public safety	7,040,400	253,340	474,948	30,000	(6,282,112)
Environmental protection	405,004	-	-	-	(405,004)
Public transportation	6,800,101	226,139	29,575	-	(6,544,387)
Health & paupers care	1,729,386	815	1,005,804	-	(722,767)
Recreation	464,777	186,593	-	-	(278,184)
Conservation	119,229	750	-	-	(118,479)
Total primary government	\$ 25,406,744	\$ 2,450,687	\$ 1,629,087	\$ 633,579	\$ (20,693,391)

General Revenues:

Property Taxes	\$ 20,874,829
Interest Income	275,252
Miscellaneous	406,690
Total general revenues and transfers	21,556,772

Change in net position 863,381

Net position, Beginning of Year 66,130,741

Net position, End of Year \$ 66,994,124

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

**PANOLA COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 1,957,656	\$ 1,265,384	\$ 2,744,984	\$ 5,968,024
Investments	18,708,165	8,346,983	6,832,202	33,887,350
Receivables (net of allowance for uncollectibles)				
Current Taxes	1,946,950	587,176	146,755	2,680,881
Delinquent Taxes	647,866	195,388	25,126	868,380
Due from Other Governments	577,013	172,442	20,558	770,013
Miscellaneous	119,413	15,473	319,463	454,349
Prepays	-	-	-	-
Inventory	-	-	25,968	25,968
Other Assets	7,600	-	-	7,600
Total Assets	23,964,663	10,582,846	10,115,056	44,662,563
LIABILITIES				
Accounts Payable-Trade	310,578	1,563	686,862	999,002
Total Liabilities	310,578	1,563	686,862	999,002
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue	10,454,177	3,129,425	373,760	13,957,362
Unearned Deferred Revenue	2,594,816	782,564	171,881	3,549,261
Total Deferred Inflows of Resources	13,048,993	3,911,989	545,641	17,506,623
FUND BALANCES				
Nonspendable	-	-	25,968	25,968
Restricted	-	6,669,294	8,132,166	14,801,460
Committed	-	-	724,419	724,419
Unassigned	10,605,092	-	-	10,605,092
Total Fund Balances	10,605,092	6,669,294	8,882,553	26,156,937
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,964,663	\$ 10,582,846	\$ 10,115,056	\$ 44,662,563

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

**PANOLA COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017**

Total Fund Balances - Governmental Funds	\$ 26,156,937
 Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	21,809,860
Negative net OPEB obligation assets created by contributions made by the County to its OPEB plan to retire part of its unfunded obligations are not recognized in the funds.	23,806,451
Net Delinquent Property Taxes Receivable is a "long-term asset" and not available to pay for current period expenditures and therefore is deferred in the funds.	868,379
The Net Pension Liability and related deferred outflows and deferred inflows of resources are not reported in the funds.	(5,392,640)
Long-term liabilities (Compensated Absences) are not due and payable in the current period and therefore are not reported in the funds.	<u>(254,863)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 66,994,124</u></u>

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

PANOLA COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	\$ 15,072,116	\$ 5,021,359	\$ 555,918	\$ 20,649,393
Licenses	-	347,114	-	347,114
Intergovernmental Receipts	450,563	83,118	682,359	1,216,040
Fees of Office	755,819	-	390,926	1,146,745
Fines	-	417,917	-	417,917
Miscellaneous	446,316	173,868	1,242,943	1,863,127
TOTAL REVENUES	16,724,814	6,043,376	2,872,146	25,640,336
EXPENDITURES				
Current				
General Administration	6,605,477	-	447,845	7,053,322
Judicial	1,384,658	-	-	1,384,658
Legal	577,599	-	14,368	591,967
Elections	168,418	-	-	168,418
Financial Administration	1,027,105	-	-	1,027,105
Public Facilities	303,553	-	161,269	464,822
Public Safety	5,446,289	-	768,763	6,215,052
Environmental Protection	398,730	-	-	398,730
Public Transportation	-	3,810,724	557,514	4,368,238
Health and Paupers Care	608,776	-	1,052,513	1,661,289
Recreation	411,315	-	-	411,315
Conservation	114,292	-	-	114,292
Capital Outlay	264,087	1,781,194	6,686	2,051,967
TOTAL EXPENDITURES	17,310,299	5,591,918	3,008,958	25,911,175
Excess (Deficiency) of Revenues Over (Under) Expenditures	(585,485)	451,458	(136,812)	(270,839)
OTHER FINANCING SOURCES (USES):				
Relocation of Fund Equity to				
Shelby County	-	-	(51,515)	(51,515)
Transfers In	-	-	241,108	241,108
Transfers Out	(241,108)	-	-	(241,108)
Total Other Financing Sources (Uses)	(241,108)	-	189,593	(51,515)
Net Change in Fund Balances	(826,593)	451,458	52,781	(322,354)
FUND BALANCE-BEGINNING	11,431,684	6,217,836	8,829,772	26,479,292
FUND BALANCE-ENDING	\$ 10,605,091	\$ 6,669,294	\$ 8,882,553	\$ 26,156,938

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

**PANOLA COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Net Change in Fund Balances - Governmental Funds	\$ (322,354)
 Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. (See Note 2)	(648,707)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (Increase in Net OPEB Asset)	2,143,164
Delinquent property tax collections provide current financial resources to the funds but has no effect on net position.	(574,274)
Delinquent property taxes receivable, which do not provide current financial resources, are not reported as revenue in the funds.	799,710
Negative pension expense relating to GASB 68 is recorded in the statement of activities but not in the funds.	(535,120)
The increase in accrued compensated absences did not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	<u>962</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 863,381</u></u>

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

PANOLA COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2017

	Panola County Retiree Health Benefits Trust Fund	Agency Funds
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 431,894	\$ 4,661,629
Certificates of Deposit	30,500,000	323,060
Interest receivable	81,310	-
Total Assets	31,013,204	4,984,689
 LIABILITIES		
Current Liabilities:		
Accounts Payable-Trade	5,797	-
Due to Other Governments	-	3,267,929
Court Ordered Deposits	-	541,732
Court Ordered Trust Funds	-	1,170,135
Other Payables	-	4,894
Total Liabilities	5,797	\$ 4,984,690
 NET POSITION		
Held in trust for OPEB benefits	31,007,407	
Total Net Position	\$ 31,007,407	

**PANOLA COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Panola County Retiree Health Benefits Trust Fund</u>
ADDITIONS	
Contributions:	
Reimbursements- Medicare and insurance	\$ 61,021
Employer Contributions	<u>4,417,782</u>
Total Employer Contributions	<u>4,478,803</u>
Total Contributions	<u>4,478,803</u>
Investment Income:	
Interest earnings	<u>253,277</u>
Total Investment Income	<u>253,277</u>
TOTAL ADDITIONS	<u>4,732,080</u>
DEDUCTIONS	
Benefit Payments	<u>1,149,106</u>
TOTAL DEDUCTIONS	<u>1,149,106</u>
CHANGE IN NET POSITION	3,582,974
NET POSITION - BEGINNING OF YEAR	<u>27,424,433</u>
NET POSITION - END OF YEAR	<u><u>\$ 31,007,407</u></u>

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

PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Panola County, Texas have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

Panola County, Texas (the County) was organized in 1846. The County operates under a County Judge – Commissioners' Court type of government and provides the following services: public safety, public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administration. The accompanying basic financial statements present the County's primary government and component units over which the County exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the County. There are no component units included within the reporting entity.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report consolidated information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of the government-wide consolidation. Governmental activities are primarily supported by taxes, intergovernmental, and fees of office revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function 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. The General Fund and Road and Bridge special revenue fund meet the criteria and are reported as major governmental funds. Non-major funds include other special revenue, capital projects, and the debt service funds. The combined amounts for these funds are reflected in a single column in the fund financial statements. Detailed statements for non-major funds are presented within the combining and individual fund statements and schedules.

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 fiduciary fund financial statements. However, the Agency funds are custodial in nature and thus have no measurement focus. 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.

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

PANOLA COUNTY, TEXAS
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government 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 services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payments are due.

Property taxes, licenses, intergovernmental revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

Road and Bridge Special Revenue Fund – The Road and Bridge special revenue fund is used to account for monies designated for use in road and bridge work of the County. Primary sources of revenues include ad valorem taxes, automobile registration fees, County and District fees, and State allotments of road funds. Revenues are used for public transportation maintenance and construction purposes.

Additionally, the government reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital projects funds – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Retiree Health Benefit Trust Fund – The Panola County, Texas Retiree Health Benefit Trust fund is used to account for the single employer defined benefit healthcare plan administered by the County which provides medical insurance benefits to eligible retirees and their beneficiaries.

Agency funds – Agency funds are used to account for situations in which the County acts in a custodial capacity for individuals, firms, and State and local governments. Funds on hand in the County's agency funds may be funds held for legal reason, tax collections for other governmental entities, or fees collected on behalf of the State or other governmental entities. As a result, all assets reported in an agency fund are offset by a liability to the party on whose behalf the assets are held.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with an original maturity of less than 90 days.

Panola County is legally authorized to invest in certificates of deposit, obligations of the United States or its agencies, direct obligations of the State of Texas or its agencies, and other obligations, the principal and interest of which are guaranteed by the State of Texas or the United States. The County may also invest in

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the obligations of states and the political subdivisions of any state having received a rating of not less than "A" by a nationally recognized investment rating firm, fully collateralized direct repurchase agreements secured by obligations of the United States or its agencies, and highly rated domestic "commercial paper" with a maturity of 90 days or less (as authorized by Public Funds Investment Act of 1987). The County reporting entity considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments for the County are reported at fair value. All investment income is recognized as revenue in the appropriate fund's statement of activity and/or statement of revenues, expenditures and changes in fund balance.

2. Receivables and Payables

Property Taxes Receivable are shown net of an allowance for uncollectible taxes. The allowance is equal to seven (7) percent of current property taxes receivable plus twenty (20) percent of delinquent taxes receivable at December 31, 2017.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements have been met and reimbursable costs are incurred.

Revenue for services performed are recorded as receivables and revenues when they become eligible for accrual in the government-wide statements. Included are fines and costs assessed by court action and billable services. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements.

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 "transfers to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Inter-fund activity reflected in "due to/from other funds" is eliminated on the government-wide financial statements.

3. Inventories

Inventories of supplies on hand have not been recorded; such supplies are of an expendable nature and are expensed when purchased. As these amounts do not seem to fluctuate a great deal from year to year, the exclusion of inventories does not materially affect either the financial position or results of operations of these funds.

The inventory amount of \$25,968 in the Airport Special Revenue Fund consists of jet fuel held for consumption stated at cost on a first-in, first-out basis. Reported inventories are offset by nonspendable fund balance, which indicates that they are "not in spendable form" even though they are a component of net current assets.

4. Capital Assets

Capital assets, which include land, buildings and improvements, machinery and equipment, and infrastructure are reported 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 and an estimated useful life of greater than 1 year. Infrastructure assets include County-owned roads and bridges. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

**PANOLA COUNTY, TEXAS
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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Buildings and improvements	50
Computers and peripheral equipment	5
Machinery and equipment	10 to 50
Vehicles	5 to 10
Facilities and improvements	40
Furniture	10
Infrastructure – Roads	20
Infrastructure – Bridges	25 to 35

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has deferred outflows of resources related to pensions that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. Deferred inflows of resources are reported for advance tax collections and pensions.

Any current taxes levied and collected between October 1 and December 31 are not available for use until January 1, the beginning of the next fiscal year. Availability only affects the recognition of revenue in governmental funds. Therefore, all collections of current taxes during this period and all current taxes receivable as of December 31 are recorded as Unavailable Revenue and Deferred Revenue in the fund statements and the government-wide statements, respectively. Each of these reported amounts are listed in the Deferred Inflows section of their respective financial statements.

6. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

7. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year incurred.

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In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance 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 issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

As of December 31, 2017, long-term debt outstanding consists of compensatory time payable and net pension liability.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Pension of the Texas County and District Retirement System (the "TCDRS") and additions to/deductions from TCDRS' Fiduciary Net Position have been determined on the same basis as they are reported to TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

8. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

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

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a majority vote (adoption of an order) by the Commissioners' Court. Committed amounts cannot be used for any other purpose unless the Commissioners' Court removes those constraints by a majority vote. The Commissioners' Court is the highest level of decision-making authority for the County that can, by adoption of an order prior to the end of the fiscal year, commit fund balance.

Assigned Fund Balance - represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Commissioners' Court or by an official or body to which the Commissioners' Court delegates the authority. The Court, by order, has authorized the County Judge to assign fund balance. Specific amounts that are not restricted or committed in a special revenue, capital projects, or debt service fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the fund itself.

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

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

**PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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E. Revenues and Expenditures/Expenses

1. Program Revenues

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.

2. Property Taxes

Property taxes are recognized as revenues in the period for which the taxes are levied, regardless of the lien date. Property taxes for the County are levied based on taxable value on the lien date of January 1 prior to December 31 of the same year. They become due January 1 of the following year and delinquent after June 30 of the following year. Accordingly, receivables and revenues for prior-year levies delinquent at year-end are reflected on the government-wide statement based on the full accrual method of accounting and under the modified accrual method in the fund statements.

3. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation benefits. Vacation benefits are accrued by County employees in accordance with guidelines suggested in the County's personnel policy. Since various departments are supervised by elected and appointed officials, departmental policies established within the guidelines vary by department.

Employees may accumulate a maximum of fifteen days of vacation leave and are not paid for any unused leave upon termination of employment. Consequently, no provision is made for accrued vacation in the financial statements.

Sick pay policies are uniform throughout the departments. Unused sick leave is non-vesting and terminates upon cessation of employment. Accordingly, no provision is made for accrued sick leave at year end.

Compensatory time is accrued by employees in lieu of paid overtime. Any compensatory time is accumulated and carried forward from year to year. Employees are paid for any accrued compensatory time upon termination. Consequently, a liability has been recorded in the government wide financial statements.

F. New Accounting Standards Adopted

As of December 31, 2017, no new accounting standards were adopted.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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 position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$648,707 difference are as follows:

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Capital Outlay	\$ 1,132,235
Depreciation Expense	(1,678,493)
Capital Asset Retirements	<u>(102,449)</u>
Net Adjustment to Decrease Net Changes in Fund Balance-	
Total Governmental Funds to Arrive at Changes in Net Position-	
Governmental Activities	<u>\$ (648,707)</u>

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. Authorized Investments

Panola County is authorized to invest in obligations and instruments as defined in the Public Funds Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute. The investments of the County are in compliance with these investment policies.

B. Deposits and Investments

During the 2016 fiscal year, all deposits and investments were comprised of bank demand deposits and bank time deposits. The County’s demand deposits and time deposits are fully covered by federal depository insurance and collateral held by the County’s agent, First State Bank & Trust Co., in the name of the County.

Policies Governing Deposits and Investments

In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy. Specific policies applicable to deposits and investments of the County and the risks of such are described below.

Interest rate risk. This is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a specific policy regarding interest rate risk, as it does not contemplate the investment of funds in such instruments. During the year, the County was not exposed to interest rate risk.

Credit risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At December 31, 2017, and throughout the year, the County’s only investments were certificates of deposit and was not exposed to credit risk.

Concentration of credit risk. This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As discussed above, the County’s only investments were certificates of deposit and consequently was not exposed to concentration of credit risk.

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

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the County’s name, and are held by either the counterparty or the counterparty's trust department or agent

PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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but not in the County's name.

The County was not exposed to custodial credit risk.

Foreign currency risk. This is the risk that exchange rates will adversely affect the fair value of an investment. The County does not engage in foreign currency transactions. The County was not exposed to foreign currency risk.

C. Receivables

Receivables at December 31, 2017 for the County's individual major funds and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectibles, are as follows:

	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Current Property Taxes	\$ 2,093,495	\$ 631,372	\$ 157,801	\$ 2,882,668
Delinquent Property Taxes	809,832	244,235	31,407	1,085,474
Due from Other Governments	577,013	172,442	20,558	770,013
Miscellaneous	119,413	15,473	319,463	454,350
	<hr/>	<hr/>	<hr/>	<hr/>
Total Gross Receivables	\$ 3,599,753	\$ 1,063,522	\$ 529,229	\$ 5,192,505
Less: Allowance for Uncollectible Taxes	(308,511)	(93,043)	(17,328)	(418,882)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Total Receivables	<u>\$ 3,291,242</u>	<u>\$ 970,479</u>	<u>\$ 511,901</u>	<u>\$ 4,773,623</u>

Governmental funds report unearned 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 year, the various components of unearned revenue reported in the government-wide statements was as follows:

	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Net Current Property Taxes Receivable	\$ 1,946,951	\$ 587,176	\$ 146,755	\$ 2,680,881
Advanced Tax Collections	10,454,177	3,129,425	373,760	13,957,362
	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Revenue	<u>\$ 12,401,128</u>	<u>\$ 3,716,601</u>	<u>\$ 520,515</u>	<u>\$ 16,638,244</u>

PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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D. Capital Assets

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance January 1, <u>2017</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2017</u>
Capital Assets Not Being Depreciated:				
Land	\$ 1,722,016	\$ -	\$ -	\$ 1,722,016
Construction in Progress	5,561	-	5,561	-
Total Capital Assets Not Being Depreciated	<u>\$ 1,727,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,722,016</u>
Capital Assets Being Depreciated:				
Buildings	\$ 20,906,963	\$ -	\$ -	\$ 20,906,963
Improvements other than Buildings	275,603	-	-	275,603
Machinery & Equipment	11,995,216	682,953	715,103	11,963,066
Infrastructure	<u>10,371,442</u>	<u>454,843</u>	<u>-</u>	<u>10,826,285</u>
Total Capital Assets Being Depreciated	<u>\$ 43,549,224</u>	<u>\$ 1,137,796</u>	<u>\$ 715,103</u>	<u>\$ 43,971,917</u>
Less Accumulated Depreciation for:				
Buildings	\$ 5,901,842	\$ 406,920	\$ -	\$ 6,308,762
Improvements other than Buildings	65,966	4,639	-	70,605
Machinery & Equipment	7,395,739	1,012,246	612,654	7,795,331
Infrastructure	<u>9,454,688</u>	<u>254,687</u>	<u>-</u>	<u>9,709,375</u>
Total Accumulated Depreciation	<u>\$ 22,818,235</u>	<u>\$ 1,678,492</u>	<u>\$ 612,654</u>	<u>\$ 23,884,073</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 20,730,989</u>	<u>\$ (540,696)</u>	<u>\$ 102,449</u>	<u>\$ 20,087,844</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,458,566</u>	<u>\$ (540,696)</u>	<u>\$ 102,449</u>	<u>\$ 21,809,860</u>

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

General Administration	\$ 38,882
Judicial	63,232
Elections	14,838
Public Facilities	2,070
Public Safety	459,008
Environmental Protection	6,274
Public Transportation	989,154
Health & Paupers Care	67,636
Recreation	<u>37,399</u>
Total Depreciation Expense	<u>\$ 1,678,493</u>

PANOLA COUNTY, TEXAS
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E. Pension Plan

Plan Description

Panola County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide, agent multiple-employer, Texas County and District Retirement System (TCDRS). Each employer has its own defined benefit plan that functions similarly to a cash balance plan. The assets of the plans are pooled for investment purposes, but each employer's plan assets may be used only for the payment of benefits to the members of that employer's plan. In accordance with Texas law, it is intended that the pension plan be construed and administered in a manner that the retirement system will be considered qualified under Section 401(a) of the Internal Revenue Code. All employees (except temporary staff) of a participating employer must be enrolled in the plan. The TCDRS 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 78768-2034. The CAFR is also available at www.tcdrs.org.

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

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

As of January 1, 2017, there were 154 inactive employees receiving benefits, 80 inactive employees entitled to but not yet receiving benefits, and 178 active employees.

Funding Policy

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. It was 23.50% for calendar year 2016 and 2017. The contribution rate payable by the employee members is the rate of 7.00% as adopted by the Commissioners' Court of the County. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Discount Rate

The discount rate used to measure the total pension liability was 8.1%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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The long-term rate of return on pension plan investments is 8.1%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown below are based on January 2017 information for a 7-10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in 2013.

Asset Class	Benchmark	Target Allocation (1)	Geometric Real Rate of Return (Expected minus Inflation) (2)
US Equities	Dow Jones U.S. Total Stock Market Index	13.50%	4.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (3)	16.00%	7.70%
Global Equities	MSCI World (net) Index	1.50%	5.00%
International Equities-Developed	MSCI World Ex USA (net)	10.00%	4.70%
International Equities-Emerging	50% MSCI World Ex USA (net)	7.00%	5.70%
Investment-Grade Bonds	Bloomberg Barclays US Aggregate Bond Index	3.00%	0.60%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.70%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	2.00%	3.83%
Direct Lending	S&P/LSTA Leveraged Loan Index	10.00%	8.15%
Distressed Debt	Cambridge Assoc. Distressed Securities Ind. (4)	3.00%	6.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FTSE EPRA/NAREIT Global Real Estate Index	2.00%	3.85%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.60%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (5)	6.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	20.00%	3.85%

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

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

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

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

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

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Changes in the Net Pension Liability

At December 31, 2016, the County reported a net pension liability of \$10,927,959. The changes in net pension liability were as follows:

	<u>Increase (Decrease)</u>		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/15	\$ 58,887,212	\$ 47,185,315	\$ 11,701,897
Changes for the year:			
Service cost	1,627,854		1,627,854
Interest	4,744,127		4,744,127
Change in benefit terms	-		-
Diff between expected/actual experience	(562,543)		(562,543)
Changes of assumptions	-		-
Contributions - employer		2,531,576	(2,531,576)
Contributions - employee		544,034	(544,034)
Net investment income		3,493,015	(3,493,015)
Benefit payments, including refunds of employee contributions	(2,275,968)	(2,275,968)	-
Administrative expenses		(38,018)	38,018
Other charges		52,769	(52,769)
Net changes	3,533,470	4,307,408	(773,938)
Balance at 12/31/16	\$ 62,420,683	\$ 51,492,723	\$ 10,927,959

The net pension liability was measured as of December 31, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

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

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

Discount Rate Sensitivity Analysis

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

	1% Decrease in Discount Rate (7.1%)	Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
County's net pension liability	\$ 19,804,824	\$ 10,927,959	\$ 3,656,049

PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

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

For the year ended December 31, 2017, the County recognized pension expense of \$2,974,069.

At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (net of current year amortization)	\$ -	\$ 1,059,549
Changes in actuarial assumptions	617,404	-
Differences between projected and actual earnings (net of current year amortization)	3,538,513	-
Contributions made subsequent to the measurement date	2,438,949	-
Total	\$ 6,594,866	\$ 1,059,549

\$2,438,949 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2018. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows.

Year ended December 31,	
2018	\$ 1,015,224
2019	1,015,223
2020	993,653
2021	72,268
2022	-
Thereafter	-

F. Other Post Employment Benefits Plan

Plan Description

By order 2007-23, dated November 26, 2007, enacted by the Commissioners' Court of Panola County, the County has established the Panola County, Texas Retiree Health Benefit Trust (RHBT) providing for the payment of the health care insurance premiums for eligible retired employees. The plan is a continuation of a policy in effect for approximately twenty five years whereby the County provided certain group medical insurance continuation benefits to retirees of the County on a "pay-as-you-go" basis.

The County established the RHBT in order to restructure the manner in which it funds post-employment benefits so as to more accurately reflect the accounting of such benefits in accordance with Governmental Accounting Standards Board Statement 45 (GASB45).

The RHBT is a single employer defined benefit healthcare plan administered by the County which provides medical insurance benefits to eligible retirees and their beneficiaries.

PANOLA COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2017

The County does not issue a separate financial report that includes financial statements and required supplementary information for the RHBT. However the financial statements and the required supplementary information is included in the County's comprehensive annual financial report at pages 37 - 38 (financial statements) and page 60 (required supplementary information).

At December 31, 2017 the RHBT had 88 retirees receiving benefits and has a total of 173 active participants who are not yet eligible to receive benefits. Order 2007-23 of Panola County assigned the authority to establish and amend benefit provisions to the Commissioners' Court.

The RHBT was initially funded in December 2007 by transferring from the governmental funds and proprietary funds of the County a total of \$9,992,132 into the RHBT. The \$9,992,132 was an initial funding toward an estimated \$12,429,768 in past-service actuarially determined liabilities for active and retired employees. Based on a new actuarial valuation as of December 31, 2017, the estimated past-service actuarially determined liabilities for active and retired employees amounted to \$29,633,058.

Annual OPEB Cost and Net OPEB Obligations

For 2017, the County's annual OPEB cost for the RHBT was \$2,274,619. Contributions of \$4,417,782 were made by the County. The activity for the year is shown in tabular form below.

Annual Required Contribution	\$ 1,554,263
Interest on OPEB Obligation	(745,217)
Amortization of Prior Year OPEB Obligation	1,465,573
Annual OPEB Cost	2,274,619
 Contributions made	 (4,417,782)
 Change in OPEB Obligation	 (2,143,163)
Net OPEB Obligation (asset), beginning of year	(21,663,288)
Net OPEB Obligation (asset), end of year	\$ (23,806,451)

Trend Information

Year Ended	Annual OPEB Cost	Actual Employer Contribution	Percentage Contributed	Net Ending (OPEB) Obligation Asset
12/31/15	\$ 956,572	\$ 4,702,047	491.55%	\$ 18,625,912
12/31/16	\$ 1,224,390	\$ 4,335,469	333.99%	\$ 21,663,288
12/31/17	\$ 2,274,619	\$ 4,417,782	194.22%	\$ 23,806,451

Funding Policy

The County funds the entire cost of retiree health insurance premiums. Retiree dependents or surviving spouses are able to remain in the plan, but at no cost to the County. Dependent and surviving spouses are eligible for coverage, but the retiree is responsible for the entire cost. There is no direct RHBT subsidy. Dependent premiums are collected from the participants and remitted to the insurance provider on a monthly basis.

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the

PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

time of each valuation and the historical pattern of plan costs. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

The actuarial valuation for December 31, 2017, the unprojected unit credit cost method was used. The actuarial assumptions used included a 3.44% investment rate of return, compounded annually, net of investment expenses. The annual healthcare cost trend of 8.5%, grading down to an ultimate 5% rate. Both the rate of return and the healthcare cost rate include and assumed inflation rate of 2.5%. The actuarial valuation of RHBT assets was set at fair market value of the cash and certificates of deposit comprising the investment account at the measurement date.

The RHBT's initial unfunded accrued liability (UAAL) is being amortized at a level (decreasing yearly) over a 30-year closed period. At December 31, 2017, the remaining amortization period is 20 years.

Funded Status						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/17	\$ 31,013,204	\$ 29,633,058	\$ (1,380,146)	104.66%	\$ 7,234,364	(19.08%)

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limits.

G. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. At no time during the last three fiscal years have claims exceeded commercial coverage.

H. Operating Leases

The County is obligated under certain leases for equipment accounted for as operating leases. General revenues of the General Fund will be used to pay these leases. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one (1) year as of December 31, 2017.

PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2018	\$ 23,005
2019	16,209
2020	11,825
2021	3,792
2022	3,772
Total minimum lease payments	<u><u>\$ 58,603</u></u>

Total cost for these leases for the year ended December 31, 2017 was \$27,780.

I. Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2017 was as follows:

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2017</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 255,825	\$ 66,369	\$ 67,331	\$ 254,863	\$ 28,035
Net Pension Liability	<u>11,701,896</u>	<u>-</u>	<u>773,937</u>	<u>10,927,959</u>	<u>-</u>
Total Governmental Activity Long-Term Liabilities	<u><u>\$ 11,957,721</u></u>	<u><u>\$ 66,369</u></u>	<u><u>\$ 841,268</u></u>	<u><u>\$ 11,182,822</u></u>	<u><u>\$ 28,035</u></u>

Compensated absences and pension liabilities are liquidated by the General Fund or the Road & Bridge Fund, depending upon which fund records the employee's salary.

J. Governmental Fund Balances

Components of nonspendable fund balance and specific purposes for restricted and committed fund balances as of December 31, 2017 are as follows:

**PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

	<u>General Fund</u>	<u>Major Special Revenue Fund Road & Bridge Fund</u>	<u>Other Funds</u>	<u>Total</u>
Nonspendable:				
Inventory	\$ -	\$ -	\$ 25,968	\$ 25,968
Restricted:				
Road & Bridge maintenance	-	6,669,294	2,095,033	8,764,327
Law Library	-	-	59,757	59,757
Juvenile Delinquency Prevention	-	-	158	158
Courthouse Security	-	-	225,093	225,093
Records Management & Preservation	-	-	701,553	701,553
Court Technology	-	-	105,720	105,720
VIT Interest	-	-	3,059	3,059
Elections	-	-	5,973	5,973
Adult Probation	-	-	212,109	212,109
Juvenile Probation	-	-	396,638	396,638
Law Enforcement	-	-	99,244	99,244
District Attorney	-	-	116,503	116,503
Child Protective Services	-	-	118,483	118,483
Health	-	-	3,563,022	3,563,022
Airport	-	-	429,821	429,821
Committed:				
Right-of-Way Purchases	-	-	284,484	284,484
Airport Improvements	-	-	223,500	223,500
Jail Improvement	-	-	216,435	216,435
Unassigned	10,605,092	-	-	10,605,092
Total Fund Balances	\$ 10,605,092	\$ 6,669,294	\$ 8,882,552	\$ 26,156,937

K. Interfund Transfers

Interfund transfers for the year ended December 31, 2017 were as follows:

	<u>Transfers In</u>		<u>Totals</u>
	<u>Nonmajor Governmental Funds</u>		
<u>Transfers Out</u>	<u>Juvenile Services Fund</u>	<u>Child Protective Services Fund</u>	
General Fund	\$ 183,108	\$ 58,000	\$ 241,108
Total	<u>\$ 183,108</u>	<u>\$ 58,000</u>	<u>\$ 241,108</u>

The purpose of these transfers was to supplement revenue.

L. Contingent Liabilities

The County is contingently liable in respect of law suits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized. The County's liability in specific cases is limited because of the Tort Claims Act to \$100,000. The County's legal counsel is of the opinion that, should the plaintiff prevail in any cases, the County's liability would be limited by the Tort Claims Act and would be covered by insurance.

**PANOLA COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

The former Panola General Hospital adopted a program of self-insurance for professional liability pursuant to a resolution adopted by the Panola County Commissioners' Court. The former Hospital had no history of professional liability claims upon which to base an accrual; therefore, a provision for accrued liability claims is not provided for in the financial statements. Any claims successfully asserted against the former Hospital are planned to be paid from the County Health Care Special Revenue Fund.

The County is not a member of a public entity risk pool as defined by GASB Statement No. 10. The County manages and finances risk by purchasing commercial insurance and by retaining the risk of loss. All known claims related to the year ending December 31, 2017 have been accrued and expensed in the current financial statements. Disclosure of loss contingencies will be made when there is a reasonable possibility that a loss has been incurred. There have been no significant reductions in insurance coverage in the current year.

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

M. Commitments

During the course of routine business of the County, contract and agreements are entered into for various products and services. Although appropriations lapse at the end of the budget year, the County intends to honor any existing commitments and provide for future expenditures by inclusion in the next budget period.

N. Tax Abatements

As of December 31, 2017, the County did not provide any tax abatements.

REQUIRED SUPPLEMENTARY INFORMATION

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**PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017**

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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, the County Judge sets forth budget guidelines and recommendations to the Commissioners' Court. The County's budget is prepared annually on a modified accrual basis.

A public hearing is held on the budget by the Commissioners' Court. Department heads and any other interested citizens may appear. Before adopting the final budget, the Commissioners' Court may increase or decrease the amounts requested by the Judge. Amounts finally budgeted may not exceed the estimate of revenues and available cash. All appropriations lapse at fiscal year-end.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is on a line-item basis by department.

Budgeting is done in accordance with GAAP. The County does not utilize a formal encumbrance accounting system.

Amendments may not be made during the year without approval by the Commissioners' Court. The final amended budget is used in this report. Supplemental budgetary appropriations were approved during the year. During the year ended December 31, 2017, the following funds had legally adopted budgets:

General Fund	Hot Check Fee Fund
Road and Bridge Fund	Sheriff's State Forfeiture Fund
Law Library Fund	Jail Commissary Fund
County Juvenile Delinquency Prevention Fund	District Attorney Longevity Pay Supplement Fund
Courthouse Security Fund	District Attorney Forfeiture Fund
Records Management Fund	State Apportionment - District Attorney Fund
County & District Court Tech Fund	Constable Pct. #1 & 4 State Forfeiture Fund
Court Record Preservation Fund	Constable Pct. #2 & 3 State Forfeiture Fund
District Court Records Technology Fund	Sheriff's Federal Forfeiture Fund
District Clerk Records Management & Preservation Fund	CDA Federal Forfeiture Fund
Records Preservation Fund	Constable Pct. #2 & 3 Federal Forfeiture Fund
Records Archive Fees Fund	Deadwood WSC Fund
Justice Court Technology Fund	Fairplay WSC Fund
VIT Interest Fund	Child Protective Services Fund
Election Services Contract Fund	Health Fund
Farm to Market and Lateral Road Fund	Airport Fund
Community Supervision and Corrections Fund	Road Bond 1971 Fund
Drug Court Grant Fund	Permanent Improvement Fund
Juvenile Probation Fund	Jail Improvement Fund

REQUIRED SUPPLEMENTARY INFORMATION

**PANOLA COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN
FOR THE YEAR ENDED DECEMBER 31, 2017**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Cost (b)	Unfunded (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of covered Payroll (b-a)/c
12/31/2015	\$ 23,952,417	\$ 21,676,987	\$ (2,275,430)	110.50%	\$ 6,797,320	(33.48%)
12/31/2016	\$ 27,430,348	\$ 27,262,761	\$ (167,587)	100.61%	\$ 7,044,990	(2.38%)
12/31/2017	\$ 31,013,204	\$ 29,633,058	\$ (1,380,146)	104.66%	\$ 7,234,364	(19.08%)

NOTES TO SCHEDULE OF FUNDING PROGRESS

Valuation Date	12/31/2015	12/31/2016	12/31/2017
Actuarial Cost Method	Unprojected Unit Credit	Unprojected Unit Credit	Unprojected Unit Credit
Amortization Method	Decreasing Yearly	Decreasing Yearly	Decreasing Yearly
Asset Valuation Method	Market Value	Market Value	Market Value
Actuarial Assumptions:			
Investment Rate of Return*	3.5% per annum	3.5% per annum	3.44% per annum
Health Care Cost Trend	8.5% Pre-Medicare, grading to 5% ultimate	8.5% Pre-Medicare, grading to 5% ultimate	8.5% Pre-Medicare, grading to 5% ultimate
*Includes inflation of 2.5%			

REQUIRED SUPPLEMENTARY INFORMATION

**PANOLA COUNTY, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN
FOR THE YEAR ENDED DECEMBER 31, 2017**

Year Ended December 31	Actuarial Annual Required Contribution	Employer Contributions	Percentage Contributed
2015	\$ 561,685	\$ 4,702,047	837.13%
2016	\$ 725,611	\$ 4,335,469	597.49%
2017	\$ 1,554,263	\$ 4,417,782	284.24%

**PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2016	2015	2014
Total Pension Liability			
Service cost	\$ 1,627,854	\$ 1,457,414	\$ 1,429,368
Interest (on the total pension liability)	4,744,127	4,457,975	4,184,774
Changes of benefit terms	-	(206,371)	-
Difference between expected and actual experience	(562,543)	(661,728)	(601,515)
Change of assumptions	-	1,029,006	-
Benefit payments, including refunds of employee contributions	(2,275,968)	(2,173,650)	(1,944,467)
Net Change in Total Pension Liability	3,533,470	3,902,646	3,068,160
Total Pension Liability - Beginning	58,887,212	54,984,566	51,916,406
Total Pension Liability - Ending (a)	\$ 62,420,682	\$ 58,887,212	\$ 54,984,566
Plan Fiduciary Net Position			
Contributions - employer	\$ 2,531,576	\$ 2,489,599	\$ 3,353,570
Contributions - employee	544,034	531,525	505,905
Net investment income	3,493,015	(1,037,364)	2,863,212
Benefit payments, including refunds of employee contributions	(2,275,968)	(2,173,649)	(1,944,467)
Administrative expense	(38,018)	(34,088)	(34,814)
Other	52,769	26,592	(226,419)
Net Change in Plan Fiduciary Net Position	4,307,408	(197,385)	4,516,987
Plan Fiduciary Net Position - Beginning	47,185,317	47,382,702	42,865,715
Plan Fiduciary Net Position - Ending (b)	\$ 51,492,725	\$ 47,185,317	\$ 47,382,702
Net Pension Liability - Ending (a) - (b)	\$ 10,927,957	\$ 11,701,895	\$ 7,601,864
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.49%	80.13%	86.17%
Covered Employee Payroll	\$ 7,771,911	\$ 7,593,216	\$ 7,227,213
Net Pension Liability as a Percentage of Covered Employee Payroll	140.61%	154.11%	105.18%

**PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017**

**SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 2,438,949	\$ 2,531,576	\$ 2,489,599
Contributions in relation to actuarially determined contribution	<u>(2,438,949)</u>	<u>(2,531,576)</u>	<u>(2,489,599)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 7,377,699	\$ 7,771,911	\$ 7,593,216
Contributions as a percentage of covered employee payroll	33.06%	32.57%	32.79%

**PANOLA COUNTY, TEXAS
NOTES TO SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.0 years (based on contribution rate calculated in 12/31/2016 valuation)
Asset Valuation Method	5-yr smoothed market
Inflation	3.0%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net 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.
Other Information:	2015: Employer contributions reflect that a 100% CPI COLA was adopted. 2016: Employer contributions reflect that a 100% CPI COLA was adopted.

PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Property Taxes	\$ 14,509,496	\$ 14,509,496	\$ 15,072,116	\$ 562,620
Intergovernmental Receipts	390,435	411,646	450,563	38,917
Fees of Office	694,000	666,600	755,819	89,219
Total Miscellaneous	163,669	250,607	446,316	195,709
Total Revenues	15,757,600	15,838,349	16,724,814	886,465
EXPENDITURES				
Current				
General Administration	7,003,609	6,853,587	6,605,477	248,110
Judicial	1,458,181	1,465,862	1,384,658	81,204
Legal	682,597	682,097	577,599	104,498
Elections	194,200	194,400	168,418	25,982
Financial Administration	1,062,638	1,057,964	1,027,105	30,859
Public Facilities	370,467	374,679	303,553	71,126
Public Safety	5,813,966	5,748,620	5,446,289	302,331
Environmental Protection	425,000	425,000	398,730	26,270
Health and Paupers Care	576,900	736,827	608,776	128,051
Recreation	430,042	431,343	411,315	20,028
Conservation	117,437	116,787	114,292	2,495
Capital Outlay	198,801	306,105	264,087	42,018
Total Expenditures	18,333,838	18,393,271	17,310,299	1,082,972
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,576,238)	(2,554,922)	(585,485)	1,969,437
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	(211,108)	(241,108)	(241,108)	-
Total Other Financing Sources (Uses)	(211,108)	(241,108)	(241,108)	-
Net Change in Fund Balance	(2,787,346)	(2,796,030)	(826,593)	1,969,437
FUND BALANCE, BEGINNING OF YEAR	11,431,684	11,431,684	11,431,684	-
FUND BALANCE, END OF YEAR	\$ 8,644,338	\$ 8,635,654	\$ 10,605,091	\$ 1,969,437

Note: See accompanying independent auditor's report.

PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Property Taxes:				
Current	\$ 4,749,559	\$ 4,749,559	\$ 4,881,864	\$ 132,305
Delinquent	84,725	84,725	139,495	54,770
Total Property Taxes	<u>4,834,284</u>	<u>4,834,284</u>	<u>5,021,359</u>	<u>187,075</u>
Licenses:				
Motor Vehicle Registration	<u>368,000</u>	<u>347,000</u>	<u>347,114</u>	<u>114</u>
Intergovernmental Receipts:				
State Lateral Road Fund	29,000	29,000	29,575	575
Weight and Axle Fees	40,828	40,828	53,543	12,715
Total Intergovernmental Receipts	<u>69,828</u>	<u>69,828</u>	<u>83,118</u>	<u>13,290</u>
Fines:				
County and District Court Fines	<u>275,000</u>	<u>275,000</u>	<u>417,917</u>	<u>142,917</u>
Miscellaneous:				
Interest Earned	22,593	43,593	64,417	20,824
Miscellaneous	-	105,205	109,451	4,246
Total Miscellaneous	<u>22,593</u>	<u>148,798</u>	<u>173,868</u>	<u>25,070</u>
Total Revenues	<u>5,569,705</u>	<u>5,674,910</u>	<u>6,043,376</u>	<u>368,466</u>
EXPENDITURES				
PUBLIC TRANSPORTATION				
MAINTENANCE-ROADS AND BRIDGES				
PRECINCT 1				
Salaries - Road and Bridge Department	429,575	429,575	416,472	13,103
Benefits Termination Pay	4,026	4,026	1,292	2,735
Social Security Taxes	33,171	33,171	30,176	2,995
Group Insurance	143,000	143,000	138,602	4,398
Retirement and Death Benefits	103,848	103,848	100,054	3,794
Workers Compensation	19,715	19,715	11,283	8,432
Unemployment Insurance	2,065	2,065	1,588	477
Other Post Employment	49,388	49,388	47,583	1,805
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	31,305	31,305	-
Miscellaneous Supplies	500	500	-	500
Repairs and Maintenance	108,826	96,826	74,647	22,179
Parts and Repairs	31,250	31,250	26,226	5,024
Rentals and Leases	1,020	1,020	712	308
Contingency	155,993	-	-	-
TOTAL PRECINCT 1	<u>1,177,531</u>	<u>1,009,538</u>	<u>943,789</u>	<u>65,749</u>

Note: See accompanying independent auditor's report.

(Continued)

PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND, continued
FOR THE YEAR ENDED December 31, 2017

	BUDGET			VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
PRECINCT 2				
Salaries - Road and Bridge Department	\$ 369,251	\$ 369,251	\$ 344,945	\$ 24,306
Benefits Termination Pay	4,026	7,026	3,879	3,147
Social Security Taxes	28,556	28,556	25,292	3,264
Group Insurance	117,000	117,000	110,646	6,354
Retirement and Death Benefits	89,400	89,400	83,543	5,857
Workers Compensation	19,325	19,325	9,789	9,536
Unemployment Insurance	1,768	1,768	1,326	442
Other Post Employment	42,517	42,517	38,466	4,051
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	31,305	31,305	-
Repairs and Maintenance	95,756	95,756	81,481	14,275
Parts and Repairs	31,250	31,250	29,534	1,716
Miscellaneous Supplies	500	500	-	500
Contingency	78,474	-	-	-
TOTAL PRECINCT 2	972,977	897,503	824,054	73,449
PRECINCT 3				
Salaries - Road and Bridge Department	428,135	428,135	394,055	34,080
Benefits Termination Pay	4,026	4,026	-	4,026
Social Security Taxes	33,061	33,061	28,623	4,438
Group Insurance	143,000	143,000	134,326	8,674
Retirement and Death Benefits	103,503	103,503	94,375	9,128
Workers Compensation	19,717	19,717	11,460	8,257
Unemployment Insurance	2,145	2,145	1,498	647
Other Post Employment	49,224	49,224	44,883	4,341
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	31,305	31,305	-
Repairs and Maintenance	100,000	125,000	102,938	22,062
Parts and Repairs	31,250	66,250	56,208	10,042
Miscellaneous Supplies	50	50	-	50
Contingency	148,022	-	-	-
Contractor Services	100	2,000	2,000	-
Rentals and Leases	100	100	-	100
TOTAL PRECINCT 3	1,157,487	1,071,365	965,520	105,845

Note: See accompanying independent auditor's report.

(Continued)

PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND, continued
FOR THE YEAR ENDED December 31, 2017

	BUDGET			VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
PRECINCT 4				
Salaries - Road and Bridge Department	\$ 465,868	\$ 465,868	\$ 458,916	\$ 6,952
Benefits Termination Pay	9,558	9,558	250	9,308
Social Security Taxes	36,371	36,371	31,379	4,992
Group Insurance	156,000	156,000	150,501	5,499
Retirement and Death Benefits	113,865	113,865	109,970	3,895
Workers Compensation	19,901	19,901	12,531	7,370
Unemployment Insurance	2,324	2,324	1,745	579
Other Post Employment	54,152	54,152	52,299	1,853
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	31,305	31,305	-
Repairs and Maintenance	119,086	144,086	125,678	18,408
Parts and Repairs	31,250	62,250	38,938	23,312
Miscellaneous Supplies	500	500	-	500
Contingency	196,100	-	-	-
TOTAL PRECINCT 4	1,300,129	1,160,029	1,077,361	82,668
Total Maintenance-Roads and Bridges	4,608,124	4,138,435	3,810,724	327,711
CAPITAL OUTLAY-ROAD AND BRIDGES				
PRECINCT 1				
Furniture & Equipment	139,515	162,673	159,642	3,031
Road Oil, Premix, and Gravel	233,977	383,251	305,580	77,671
Lumber, Piling, and Culverts	13,500	13,500	6,945	6,555
TOTAL PRECINCT 1	386,992	559,424	472,167	87,257
PRECINCT 2				
Furniture & Equipment	50,000	69,622	69,000	622
Road Oil, Premix, and Gravel	239,982	323,420	195,835	127,585
Lumber, Piling, and Culverts	8,500	8,500	-	8,500
TOTAL PRECINCT 2	298,482	401,542	264,835	136,707
PRECINCT 3				
Building	-	-	-	-
Furniture & Equipment	280,000	261,107	229,825	31,282
Road Oil, Premix, and Gravel	212,424	385,852	292,911	92,941
Lumber, Piling, and Culverts	30,000	28,100	12,285	15,815
TOTAL PRECINCT 3	522,424	675,059	535,021	140,038

Note: See accompanying independent auditor's report.

(Continued)

PANOLA COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
ROAD AND BRIDGE SPECIAL REVENUE FUND, continued
FOR THE YEAR ENDED December 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
PRECINCT 4				
Furniture & Equipment	\$ 144,515	\$ 89,105	\$ 52,600	\$ 36,505
Road Oil, Premix, and Gravel	283,233	485,410	445,244	40,166
Lumber, Piling, and Culverts	16,000	16,000	11,327	4,673
TOTAL PRECINCT 4	<u>443,748</u>	<u>590,515</u>	<u>509,171</u>	<u>81,344</u>
Total Construction and Capital Outlay	<u>1,651,646</u>	<u>2,226,540</u>	<u>1,781,194</u>	<u>445,346</u>
Total Expenditures	<u>6,259,770</u>	<u>6,364,975</u>	<u>5,591,918</u>	<u>773,057</u>
Net Change in Fund Balances	(690,065)	(690,065)	451,458	1,141,523
FUND BALANCE, BEGINNING OF YEAR	<u>6,217,836</u>	<u>6,217,836</u>	<u>6,217,836</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,527,771</u>	<u>\$ 5,527,771</u>	<u>\$ 6,669,294</u>	<u>\$ 1,141,523</u>

Note: See accompanying independent auditor's report.

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SUPPLEMENTAL FINANCIAL INFORMATION

PANOLA COUNTY, TEXAS
SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
PROPERTY TAXES				
Current	\$ 14,255,206	\$ 14,255,206	\$ 14,653,405	\$ 398,199
Delinquent	254,290	254,290	418,711	164,421
Total Property Taxes	<u>14,509,496</u>	<u>14,509,496</u>	<u>15,072,116</u>	<u>562,620</u>
INTERGOVERNMENTAL RECEIPTS				
State Judicial	86,594	86,594	88,806	2,212
State Voter Registration	-	-	-	-
City - Public Library	185,291	185,291	185,291	-
Law Enforcement Officer Standard	-	-	6,028	6,028
Housing Prisoners	-	-	17,440	17,440
Exposition Building	-	1,301	1,302	1
Indigent Defense Services Grant	17,000	36,910	37,957	1,047
School Tax Collection Contracts	63,250	63,250	75,439	12,189
City of Carthage Tax				
Collection Contract	8,300	8,300	8,300	-
State 911 Rural Addressing	30,000	30,000	30,000	-
Total Intergovernmental Receipts	<u>390,435</u>	<u>411,646</u>	<u>450,563</u>	<u>38,917</u>
FEEES OF OFFICE				
County Judge	3,000	3,000	7,210	4,210
Sheriff	20,000	20,000	27,912	7,912
District Attorney	3,000	1,000	1,160	160
County Clerk	165,000	165,000	174,219	9,219
Tax Assessor-Collector	394,000	368,600	373,157	4,557
District Clerk	40,000	40,000	49,372	9,372
County Treasurer	14,000	14,000	19,778	5,778
Justices of the Peace	55,000	55,000	103,011	48,011
Total Fees of Office	<u>694,000</u>	<u>666,600</u>	<u>755,819</u>	<u>89,219</u>

PANOLA COUNTY, TEXAS
SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, continued
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
MISCELLANEOUS				
Interest Earned	\$ 94,669	\$ 94,669	\$ 140,943	\$ 46,274
Hospital Collections	-	-	815	815
Time Payment EFTIC	-	-	1,344	1,344
Exposition Building	-	-	750	750
Vital Archive - County Clerk	-	-	602	602
Judiciary Support Fee	-	-	1,826	1,826
Miscellaneous	67,000	120,367	260,959	140,592
County Clerk Civil	-	-	1,680	1,680
Family Protection Fee	2,000	1,400	1,410	10
Child Safety Fee	-	34,171	34,171	-
Child Abuse Prevention	-	-	7	7
Miscellaneous Unclaimed Funds	-	-	1,809	1,809
Total Miscellaneous	163,669	250,607	446,316	195,709
Total Revenues	15,757,600	15,838,349	16,724,814	886,465
EXPENDITURES				
CURRENT				
GENERAL ADMINISTRATION				
COUNTY JUDGE				
Salary - County Judge	66,814	66,814	66,814	-
Salary - Co. Judge Admin. Assist	40,613	40,613	40,613	-
Social Security	8,219	8,219	7,840	379
Group Medical Insurance	26,000	26,000	25,796	204
Retirement and Death Benefits	25,729	25,729	25,729	-
Worker's Compensation	645	645	317	328
Unemployment Insurance	538	538	154	384
Other Post Employment Benefits	12,236	12,236	12,236	-
Office Supplies, Postage & Repairs	1,200	600	373	227
Law Books	-	-	-	-
Communication Telephone	400	200	11	189
Conferences and Dues	2,000	5,550	4,230	1,320
Miscellaneous	150	150	57	93
Total County Judge	184,544	187,294	184,170	3,124

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (cont'd.)				
GENERAL ADMINISTRATION (con'td.)				
COMMISSIONERS				
Salaries - Commissioners	\$ 215,984	\$ 215,984	\$ 215,984	\$ -
Social Security Taxes	16,523	16,523	14,416	2,107
Group Insurance	52,000	52,000	50,523	1,477
Retirement and Death Benefits	51,729	51,729	51,728	1
Worker's Compensation	1,296	1,296	974	322
Unemployment Insurance	-	-	-	-
Other Post Employment Benefits	24,601	24,601	24,600	1
Communication Telephone	100	100	1	99
Miscellaneous	100	100	79	21
Conferences and Dues	5,000	5,000	3,611	1,389
Total Commissioners	367,333	367,333	361,916	5,417
COUNTY CLERK				
Salary - County Clerk	53,996	53,996	53,996	-
Salary - Deputies	129,814	129,814	129,793	21
Social Security	14,062	14,062	12,778	1,284
Group Medical Insurance	65,000	65,000	64,490	510
Retirement and Death Benefits	44,023	44,023	44,018	5
Worker's Compensation	1,291	1,291	543	748
Unemployment Insurance	1,076	1,076	493	583
Other Post Employment Benefits	20,936	20,936	20,934	2
Office Supplies, Postage & Repairs	10,000	8,383	8,125	258
Communication Telephone	500	500	383	117
Rentals, Microfilming & Indexing	76,000	76,000	67,755	8,245
Copy Machine Rental	5,000	5,000	4,240	760
Conferences & Dues	3,000	3,400	3,146	254
Miscellaneous	250	1,867	1,820	47
Total County Clerk	424,948	425,348	412,514	12,834

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (cont'd.)				
GENERAL ADMINISTRATION (con'td.)				
VETERANS SERVICE OFFICER				
Salary - Service Officer	\$ 39,102	\$ 39,102	\$ 39,102	\$ -
Salary - Secretary	31,346	31,346	31,346	-
Social Security	5,390	5,390	5,389	1
Group Medical Insurance	26,000	26,000	25,692	308
Retirement and Death Benefits	16,873	16,873	16,872	1
Worker's Compensation	423	423	208	215
Unemployment Insurance	353	353	268	85
Other Post Employment Benefits	8,025	8,025	8,024	1
Office Supplies, Postage & Repairs	600	600	283	317
Communication Telephone	500	500	20	480
Conferences and Dues	1,300	1,300	323	977
Programming & Computer	800	800	750	50
Miscellaneous	250	250	-	250
Total Vet. Service Officer	<u>130,962</u>	<u>130,962</u>	<u>128,277</u>	<u>2,685</u>
AIRPORT				
Airport Manager	39,916	39,916	39,915	1
Travel Allowance	1,200	1,200	1,200	-
Social Security	3,146	3,146	3,033	113
Group Insurance	13,000	13,000	12,898	102
Retirement	9,848	9,848	9,847	1
Worker's Compensation	1,133	1,133	1,081	52
Unemployment Insurance	206	206	156	50
Other Post Employment Benefits	4,684	4,684	4,683	1
Office Supplies	1,500	1,000	491	509
Repair and Maintenance Supplies	1,400	1,900	1,655	245
Professional Services	4,000	15,375	4,763	10,612
Communication Telephone	1,700	1,700	1,666	34
Contractor Services	3,000	2,200	-	2,200
Utilities	12,945	12,945	9,102	3,843
Rentals and Leases	1,800	2,800	2,367	433
Total Airport	<u>99,478</u>	<u>111,053</u>	<u>92,857</u>	<u>18,196</u>

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (cont'd.)				
GENERAL ADMINISTRATION (con'td.)				
MISC AND NON-DEPT				
Floating Secretary	\$ 31,346	\$ 31,346	\$ 31,346	\$ -
Emergency Management Coordinator	6,000	6,000	6,000	-
Benefits Termination Pay	12,000	34,000	24,444	9,556
Social Security	3,775	4,775	4,588	187
Group Insurance	13,000	13,000	13,000	-
Retirement	11,819	14,819	14,799	20
Worker's Compensation	6,500	6,500	211	6,289
Unemployment Insurance	19,000	15,000	235	14,765
Other Post Employment	5,621	7,330	7,038	292
Retiree Medical Insurance Trust	3,297,819	3,297,819	3,297,819	-
Optional Retirement	550,000	550,000	550,000	-
Advertising and Publications	10,000	10,000	9,305	695
Appraisal District	250,000	284,127	284,126	1
Outside Audit	39,000	39,000	30,751	8,249
Economic Development	17,700	37,189	37,188	1
Contingency	400,000	37,848	-	37,848
Computer Services	520,000	545,000	482,880	62,120
Professional Services	24,000	117,580	104,193	13,387
Postage	60,000	60,000	56,897	3,103
Emergency Management	5,000	5,000	2,751	2,249
Physicals & Drug Screening	2,000	2,000	1,709	291
Dues, Memberships & Fees	7,700	7,700	7,270	430
Insurance	360,000	360,000	337,656	22,344
Historical Markers	1,000	1,000	-	1,000
Historical Commission	6,564	6,564	2,018	4,546
Miscellaneous	4,500	6,000	4,294	1,706
Copy Machine Rental & Supplies	24,000	24,000	22,764	1,236
Soil and Conservation Contract	2,000	2,000	2,000	-
Communication Telephone	55,000	55,000	44,825	10,175
Animal Control	50,000	50,000	45,636	4,364
Loss Control	1,000	1,000	-	1,000
Total Miscellaneous and Non-Depart.	<u>5,796,344</u>	<u>5,631,597</u>	<u>5,425,743</u>	<u>205,854</u>
Total General Administration	<u>7,003,609</u>	<u>6,853,587</u>	<u>6,605,477</u>	<u>248,110</u>

(Continued)

PANOLA COUNTY, TEXAS
SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, continued
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
EXPENDITURES (cont'd.)				
JUDICIAL				
DISTRICT COURT				
Salary - Court Reporter	\$ 35,126	\$ 35,126	\$ 35,126	\$ -
Salary - Secretary	39,898	39,898	39,898	-
Social Security	5,740	5,740	4,914	826
Group Medical Insurance	26,000	26,000	25,592	408
Retirement and Death Benefits	17,969	17,969	17,968	1
Worker's Compensation	450	450	222	228
Unemployment Insurance	376	376	294	82
Other Post Employment	8,546	8,546	8,545	1
Office Supplies, Postage & Repairs	3,000	3,000	1,890	1,110
Professional Services	2,000	2,000	-	2,000
Insurance	1,500	1,500	-	1,500
Conference and Dues	2,500	2,500	902	1,598
Visiting Court Reporter	1,000	1,000	-	1,000
Communication Telephone	400	400	367	33
Law Books for Law Library	3,500	3,500	1,998	1,502
Miscellaneous	600	600	315	285
Total District Court	148,605	148,605	138,031	10,574
COUNTY COURT AT LAW				
Salary - County Court at Law Judge	140,000	140,000	140,000	-
Salary - Court Reporter	61,249	61,249	60,700	549
Court Coordinator	6,000	6,000	6,000	-
Visiting Judges	1,000	-	-	-
Social Security	15,855	15,855	14,825	1,030
Group Medical Insurance	26,000	26,000	26,000	-
Retirement and Death Benefits	49,637	49,637	49,505	132
Worker's Compensation	1,243	1,243	612	631
Unemployment Insurance	245	245	245	-
Other Post Employment	23,606	23,606	23,543	63
Office Supplies, Postage & Repairs	1,400	1,400	1,368	32
Law Books	2,000	10,936	9,736	1,200
Telephone	200	200	3	197
Conferences and Dues	1,100	1,100	932	168
Miscellaneous	-	-	-	-
Total County Court at Law	329,535	337,471	333,469	4,002

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (cont'd.)				
JUDICIAL (con'td.)				
DISTRICT CLERK				
Salary - District Clerk	\$ 53,996	\$ 53,996	\$ 53,996	\$ -
Salaries - Deputies	161,160	161,160	160,073	1,087
Social Security	16,460	16,460	14,458	2,002
Group Medical Insurance	78,000	78,000	77,389	611
Retirement and Death Benefits	51,530	51,530	51,270	260
Worker's Compensation	1,291	1,291	636	655
Unemployment Insurance	1,075	1,075	608	467
Other Post Employment	24,507	24,507	24,383	124
Office Supplies, Postage & Repairs	13,000	13,000	7,771	5,229
Telephone	400	400	376	24
Conferences and Dues	2,000	4,000	3,103	897
Preservation & Restoration	35,800	35,800	35,800	-
Miscellaneous	300	300	-	300
Total District Clerk	439,519	441,519	429,863	11,656
JUSTICE OF THE PEACE PCT. 1 & 4				
Salaries - Justice of the Peace	53,996	53,996	53,996	-
Salaries - Secretaries	62,692	60,442	52,613	7,829
Social Security	8,927	8,927	7,843	1,084
Group Medical Insurance	39,000	39,000	34,418	4,582
Retirement and Death Benefits	27,947	27,947	25,533	2,414
Worker's Compensation	701	701	345	356
Unemployment Insurance	584	584	200	384
Other Post Employment	13,291	13,291	12,143	1,148
Office Supplies and Repairs	3,750	4,250	3,805	445
Professional Services - Computer	6,575	6,575	5,379	1,196
Professional Services	1,000	1,000	720	280
Telephone	500	500	361	139
Travel	800	1,050	753	297
Conferences and Dues	3,500	4,500	4,352	148
Miscellaneous	200	200	-	200
Total Justices of the Peace Pct. 1 and 4	223,463	222,963	202,461	20,502

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (cont'd.)				
JUDICIAL (con'td.)				
JUSTICE OF THE PEACE PCT. 2 & 3				
Salaries - Justice of the Peace	\$ 53,996	\$ 53,996	\$ 53,996	\$ -
Salaries - Secretaries	62,692	59,592	51,238	8,354
Social Security	8,927	8,927	7,745	1,182
Group Medical Insurance	39,000	39,000	33,280	5,720
Retirement	27,947	27,947	25,204	2,743
Worker's Compensation	700	700	345	355
Unemployment Insurance	584	584	201	383
Other Post Employment	13,291	13,291	11,986	1,305
Office Supplies and Repairs	6,000	7,500	7,390	110
Computer Replacement	1,000	1,000	307	693
Professional Services	6,575	6,575	6,117	458
Telephone	1,200	700	337	363
Travel	2,500	2,500	838	1,662
Conferences and Dues	3,800	3,800	3,372	428
Miscellaneous	200	200	9	191
Total Justices of the Peace Pct. 2 and 3	228,412	226,312	202,365	23,947
BAILIFFS AND JURORS				
Bailiffs	31,117	31,357	31,357	-
Social Security Taxes	2,381	2,400	2,342	58
Group Medical Insurance	13,000	13,000	12,898	102
Retirement	7,453	7,511	7,510	1
Worker's Compensation	826	826	652	174
Unemployment Insurance	125	125	119	6
Other Post Employment	3,545	3,573	3,572	1
Telephone	100	100	-	100
Conferences and Dues	1,000	1,000	-	1,000
Jurors, District & County	30,000	30,000	20,019	9,981
Miscellaneous	100	100	-	100
Total - Bailiffs, Jurors and Law Books	89,647	89,992	78,469	11,523
Total Judicial	1,459,181	1,466,862	1,384,658	82,204

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
LEGAL				
DISTRICT ATTORNEY				
Appointed Officials	\$ 166,385	\$ 143,390	\$ 105,202	\$ 38,188
Elected Official	3,640	3,640	3,640	-
Administrative Assistant	40,602	40,602	40,602	-
Salary - Secretaries	94,038	98,883	98,172	711
Court Coordinator	44,375	44,375	44,375	-
Social Security	28,742	28,742	23,846	4,896
Group Medical Insurance	91,000	91,000	83,242	7,758
Retirement and Death Benefits	89,983	89,983	75,938	14,045
Worker's Compensation	2,767	2,767	1,953	814
Unemployment Insurance	1,486	1,636	1,233	403
Other Post Employment	42,379	42,379	36,412	5,967
Office Supplies and Repairs	10,000	10,000	8,861	1,139
Insurance	4,000	4,000	3,631	369
Professional Services	11,450	14,615	14,614	1
Witness Expense	2,500	2,500	1,290	1,210
Telephone	2,000	2,000	1,254	746
Conference & Dues	5,000	5,000	4,382	618
Law Enforcement Officer Standard Traini	1,000	1,000	-	1,000
Law Books	17,000	32,000	28,355	3,645
Transportaion	1,250	585	225	360
Miscellaneous	500	500	193	307
Total District Attorney	660,097	659,597	577,420	82,177
LAWSUITS AGAINST PANOLA COUNTY				
Attorney Fees	12,500	12,500	179	12,321
Settlements and Other	10,000	10,000	-	10,000
Total Lawsuits	22,500	22,500	179	22,321
Total Legal	682,597	682,097	577,599	104,498
ELECTIONS				
ELECTION JUDGES, CLERKS AND SUPPLIES				
Election Judges and Clerks	16,000	16,000	6,795	9,205
Social Security	1,224	1,224	-	1,224
Worker's Compensation	182	182	57	125
Professional Services	18,000	18,000	8,669	9,331
Polling Place Rent	900	900	900	-
Training	-	-	-	-
Hardware Maintenance	21,000	21,000	16,667	4,333
Supplies and Miscellaneous	3,034	3,034	2,616	418
Total Election Judges, Clerks, and Supplies	60,340	60,340	35,704	24,636

(Continued)

PANOLA COUNTY, TEXAS
SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, continued
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
ELECTIONS (Cont'd.)				
ELECTIONS ADMINISTRATION				
Salary - Voter Registrar	\$ 38,959	\$ 38,959	\$ 38,958	\$ 1
Deputies	31,346	31,346	31,346	-
Social Security	5,379	5,379	5,067	312
Group Medical Insurance	26,000	26,000	25,796	204
Retirement and Death Benefits	16,839	16,839	16,838	1
Worker's Compensation	422	422	208	214
Unemployment Insurance	352	352	267	85
Other Post Employment	8,008	8,008	8,008	-
Office Supplies and Repairs	2,500	4,043	3,973	70
Telephone	1,900	2,100	1,986	114
Conferences and Dues	1,800	257	257	-
Miscellaneous	355	355	10	345
Total Voter Registration	133,860	134,060	132,714	1,346
Total Elections	194,200	194,400	168,418	25,982
 FINANCIAL ADMINISTRATION				
AUDITOR				
Salary - Auditor	66,814	66,814	66,814	-
Salaries - Assistant Auditors	100,859	100,859	97,219	3,640
Social Security	12,829	12,829	11,332	1,497
Group Medical Insurance	39,000	39,000	38,694	306
Retirement and Death Benefits	40,158	40,158	39,286	872
Worker's Compensation	1,006	606	495	111
Unemployment Insurance	801	801	623	178
Other Post Employment	19,098	19,098	18,683	415
Office Supplies and Repairs	2,600	1,693	1,682	11
Professional Computer Services	700	110	107	3
Telephone	700	428	407	21
Conferences and Dues	6,000	3,845	3,844	1
Re-creation, printing	1,700	1,700	1,697	3
Miscellaneous	376	26	-	26
Total Auditor	292,641	287,967	280,883	7,084

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES (Cont'd.)				
FINANCIAL ADMINISTRATION (Cont'd.)				
TREASURER				
Salary - Treasurer	\$ 53,996	\$ 53,996	\$ 53,996	\$ -
Salary - Deputies	67,122	67,122	67,122	-
Social Security	9,266	9,266	8,585	681
Group Medical Insurance	39,000	39,000	38,694	306
Retirement and Death Benefits	29,008	29,008	29,008	-
Worker's Compensation	727	727	358	369
Unemployment Insurance	606	606	255	351
Other Post Employment	13,796	13,796	13,795	1
Office Supplies and Repairs	2,800	2,800	2,078	722
Telephone	450	450	356	94
Miscellaneous	200	200	-	200
Conferences and Dues	3,200	3,200	2,288	912
Total Treasurer	<u>220,171</u>	<u>220,171</u>	<u>216,535</u>	<u>3,636</u>
TAX ASSESSOR-COLLECTOR				
Salaries - Tax Assessor-Collector	53,996	53,996	53,996	-
Salaries - Deputies	228,282	228,282	228,280	2
Salaries - Extra Help	18,928	18,928	11,258	7,670
Social Security	23,043	23,043	21,445	1,598
Group Medical Insurance	104,000	104,000	103,185	815
Retirement and Death Benefits	72,139	72,139	70,302	1,837
Worker's Compensation	1,808	1,808	890	918
Unemployment Insurance	1,507	1,507	910	597
Other Post Employment	34,308	34,308	32,151	2,157
Office Supplies and Repairs	3,925	3,925	2,789	1,136
Telephone	1,390	690	490	200
Conference and Dues	4,000	4,700	2,131	2,569
Professional Services	2,000	2,000	1,860	140
Miscellaneous	500	500	-	500
Total Tax Assessor-Collector	<u>549,826</u>	<u>549,826</u>	<u>529,687</u>	<u>20,139</u>
Total Financial Administration	<u>1,062,638</u>	<u>1,057,964</u>	<u>1,027,105</u>	<u>30,859</u>

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
PUBLIC FACILITIES				
BUILDING MAINTENANCE				
Salary - Building Superintendent	\$ 40,062	\$ 40,062	\$ 40,062	\$ -
Travel Allowance	1,200	1,200	1,200	-
Social Security	3,157	3,157	3,156	1
Group Medical Insurance	13,000	13,000	12,884	116
Retirement	9,883	9,883	9,882	1
Worker's Compensation	2,582	2,582	1,203	1,379
Unemployment Insurance	207	207	157	50
Other Post Employment	4,700	4,700	4,700	-
S.W.E.A.T. Supplies	5,000	5,000	2,493	2,507
Operating Supplies	30,000	33,000	30,759	2,241
Repair and Maintenance Supplies	19,720	8,720	234	8,486
Professional Services	120,000	120,000	80,727	39,273
Telephone	800	1,162	582	580
Utilities	80,000	79,638	69,656	9,982
Repairs and Renovations	40,000	52,212	45,858	6,354
Miscellaneous	156	156	-	156
Total Building Maintenance	370,467	374,679	303,553	71,126
Total Public Facilities	370,467	374,679	303,553	71,126
PUBLIC SAFETY				
SHERIFF				
Salary - Sheriff	54,236	54,236	54,236	-
Salary - Chief Deputy	52,341	52,341	52,341	-
Salary - Administrative Deputy	39,423	39,423	39,280	143
Salaries - Secretaries	65,921	65,921	65,917	4
Salaries - Administrative Support				-
Salaries - Communication Officers	284,540	284,540	277,158	7,382
Salaries - Patrol and Investigative Deputies	787,520	788,401	787,519	882
Criminal Investigators	187,986	187,105	186,425	680
Social Security	112,606	112,606	107,253	5,353
Group Medical Insurance	442,000	442,000	430,920	11,080
Retirement and Death Benefits	352,537	352,537	350,358	2,179
Worker's Compensation	47,206	47,206	27,601	19,605
Unemployment Insurance	5,887	5,887	5,354	533
Other Post Employment	167,658	167,658	166,622	1,036
Office Supplies	24,500	24,500	22,072	2,428
911 Supplies & Repairs	2,000	2,000	-	2,000
K/9 Expense	3,000	3,000	1,164	1,836

(Continued)

PANOLA COUNTY, TEXAS
SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, continued
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
PUBLIC SAFETY (Cont'd.)				
SHERIFF (Cont'd)				
Uniforms	\$ 7,000	\$ 18,000	\$ 16,746	\$ 1,254
Repair and Maintenance	3,000	3,000	1,757	1,243
Telephone and Radio Communications	11,000	18,320	17,420	900
Criminal Investigation	8,000	10,973	9,781	1,192
Animal Control	15,000	4,000	3,292	708
Utilities	26,000	26,000	23,170	2,830
Gasoline, Auto Parts and Repairs	245,000	192,144	158,409	33,735
Conference and Dues	15,000	15,000	11,444	3,556
Law Enforcement Officer Standard Traini	4,000	4,000	2,685	1,315
Miscellaneous	5,800	8,200	8,156	44
Total Sheriff	<u>2,969,161</u>	<u>2,928,998</u>	<u>2,827,080</u>	<u>101,918</u>
CONSTABLE PCT. 1 AND 4				
Salary - Constable Precinct #1	51,751	51,751	51,751	-
Part-Time Deputy	26,441	26,441	24,688	1,753
Social Security	5,982	5,982	5,791	191
Group Medical Insurance	13,000	13,000	12,898	102
Retirement and Death Benefits	18,727	18,727	18,307	420
Worker's Compensation	3,847	3,847	1,368	2,479
Unemployment	206	206	94	112
Other Post Employment	8,907	8,907	5,894	3,013
Law Enforcement Officer Standard Traini	1,000	1,000	672	328
Parts & Repairs	20,000	20,000	13,498	6,502
Telephone	800	800	519	281
Ammunition	1,000	1,300	1,147	153
Uniforms	880	880	186	694
Conferences & Dues	1,000	1,000	940	60
Miscellaneous	500	500	285	215
Total Constable Pct. 1 & 4	<u>154,041</u>	<u>154,341</u>	<u>138,038</u>	<u>16,303</u>
CONSTABLE PCT. 2 AND 3				
Salary - Constable Precinct #2	51,751	51,751	51,751	-
Deputy	46,133	46,133	44,672	1,461
Social Security	7,489	7,489	7,080	409
Group Medical Insurance	26,000	26,000	25,796	204
Retirement and Death Benefits	23,444	23,444	23,093	351
Worker's Compensation	3,847	3,847	1,712	2,135
Unemployment	206	206	170	36
Other Post Employment	11,149	11,149	10,983	166
Law Enforcement Officer Standard Traini	1,000	1,000	706	294
Parts & Repairs	20,000	19,000	14,789	4,211
Telephone	1,600	2,250	2,226	24
Office Supplies	500	500	279	221
Ammunition	1,000	1,000	155	845
Uniforms	880	880	781	99
K-9 Expense	1,250	1,250	358	892
Miscellaneous	500	500	138	362
Conferences & Dues	1,000	2,000	1,218	782
Total Constable Pct. 2 & 3	<u>197,749</u>	<u>198,399</u>	<u>185,907</u>	<u>12,492</u>

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
PUBLIC SAFETY (Cont'd.)				
CORRECTIONS				
Salary - Sergeant and Jailors	\$ 975,005	\$ 975,005	\$ 949,101	\$ 25,904
Social Security	74,588	74,588	70,917	3,671
Group Medical Insurance	351,000	351,000	335,412	15,588
Retirement	233,514	233,514	227,310	6,204
Worker's Compensation	26,042	26,042	17,056	8,986
Unemployment Insurance	4,876	4,876	3,610	1,266
Other Post Employment	111,053	111,053	108,175	2,878
Clothing and Bedding	4,000	6,500	4,733	1,767
Jail Laundry	3,000	3,000	1,245	1,755
Office Supplies	3,000	3,000	2,870	130
Jail Board - Prisoners	155,000	137,500	109,344	28,156
Telephone	2,000	2,000	794	1,206
Medical - Prisoners	159,500	159,500	131,514	27,986
Utilities	95,000	86,000	65,044	20,956
Jail Repairs and Maintenance	20,000	8,000	2,132	5,868
Jail Repairs and Renovations	20,000	18,000	15,522	2,478
Rentals	2,000	2,000	-	2,000
Miscellaneous Supplies	33,000	44,500	42,853	1,647
Miscellaneous	3,500	3,500	2,797	703
Total Corrections	<u>2,276,078</u>	<u>2,249,578</u>	<u>2,090,429</u>	<u>159,149</u>
RURAL ADDRESSING				
Salaries - Coordinators	74,506	74,506	74,506	-
Social Security	5,700	5,700	5,700	-
Group Medical Insurance	26,000	26,000	25,796	204
Retirement	17,845	17,845	17,844	1
Worker's Compensation	448	448	429	19
Unemployment Insurance	372	372	283	89
Other Post Employment	8,487	8,487	8,486	1
Office Supplies	1,200	1,200	931	269
Computer Replacement Parts	1,000	1,000	-	1,000
Signs & Posts	10,000	10,000	3,847	6,153
Software & Supplies	800	800	266	534
Telephone	1,000	1,000	999	1
Professional Services	1,200	1,200	-	1,200
Parts	1,600	1,600	946	654
Conferences & Dues	400	400	-	400
Miscellaneous	500	500	263	237
Total Rural Addressing	<u>151,058</u>	<u>151,058</u>	<u>140,296</u>	<u>10,762</u>

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
PUBLIC SAFETY (Cont'd.)				
HIGHWAY PATROL				
Salary - Secretary	\$ 31,346	\$ 31,346	\$ 31,346	\$ -
Social Security	2,398	2,398	2,133	265
Group Medical Insurance	13,000	13,000	12,898	102
Retirement and Death Benefits	7,508	7,508	7,507	1
Worker's Compensation	206	206	93	113
Unemployment Insurance	150	150	119	31
Other Post Employment	3,571	3,571	3,570	1
Telephone	1,000	1,000	11	989
Game Warden's Supplies	500	500	500	-
Highway Patrol's Cellular Phone	2,200	2,200	2,032	168
Office Supplies and Repairs	2,000	2,500	2,500	-
Miscellaneous	500	367	330	37
Total Highway Patrol	64,379	64,746	63,039	1,707
FIRE SAFETY				
Fire Services	1,500	1,500	1,500	-
Total Fire Safety	1,500	1,500	1,500	-
Total Public Safety	5,813,966	5,748,620	5,446,289	302,331
ENVIRONMENTAL PROTECTION				
Trash Disposal	425,000	425,000	398,730	26,270
Total Trash Disposal	425,000	425,000	398,730	26,270
Total Environmental Protection	425,000	425,000	398,730	26,270
HEALTH AND PAUPERS CARE				
Medical Indigent	7,000	7,000	597	6,403
Aging Match	200	200	-	200
Indigent Health Care	200,000	200,000	84,832	115,168
Mental Health/Mental Retardation	28,000	28,000	28,000	-
Statements of Facts	10,000	10,000	5,460	4,540
Autopsies & Inquests	80,000	80,446	80,445	1
Mental Evaluation of Prisoners	5,000	5,000	3,937	1,063
Retarded Citizens Association	6,500	6,500	6,500	-
Alcohol Abuse Program	4,000	4,000	4,000	-
Cities Child Safety Fee Distribution	-	11,782	11,781	1
Child Advocacy	5,000	22,389	22,389	-
Attorney Fees -Juveniles	20,000	47,000	46,745	255
Attorney Fees	200,000	300,910	300,690	220
Open Door/Juvenile Care	5,000	5,000	5,000	-
Miscellaneous	200	2,600	2,400	200
Health Officer	6,000	6,000	6,000	-
Total Health and Paupers Care	576,900	736,827	608,776	128,051

(Continued)

PANOLA COUNTY, TEXAS
 SUPPLEMENTARY FINANCIAL INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND, continued
 FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET			VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
RECREATION				
LIBRARY				
Salaries - Librarians	\$ 201,718	\$ 201,718	\$ 196,825	\$ 4,893
Temporary Librarian	13,590	13,590	12,091	1,499
Social Security	16,472	16,472	15,492	980
Group Medical Insurance	78,000	78,000	75,251	2,749
Retirement & Death Benefits	51,567	51,567	50,036	1,531
Worker's Compensation	1,292	1,292	703	589
Unemployment Insurance	1,077	1,077	794	283
Other Post Employment Benefits	22,976	22,976	22,419	557
Supplies & Books	10,000	10,000	10,000	-
Software & Supplies	2,850	2,850	2,850	-
Insurance	8,500	8,500	8,314	186
Total Library	408,042	408,042	394,775	13,267
YOUTH PROGRAMS				
Capital Outlay - Furniture & Equipment	-	-	-	-
Carthage	10,000	10,000	10,000	-
Beckville	3,000	3,000	611	2,389
Gary	2,000	2,000	2,000	-
After School	2,000	2,000	2,000	-
Exposition Bldg.-Maintenance	5,000	6,301	1,929	4,372
Total Youth Programs	22,000	23,301	16,540	6,761
Total Recreation	430,042	431,343	411,315	20,028
CONSERVATION				
AGRICULTURAL EXTENSION SERVICE				
Salary - County Extension Agent	16,433	16,433	16,433	-
Salary - Home Extension Agent	16,433	16,433	16,433	-
Expense Allowances - Agents	12,100	12,100	12,100	-
Salaries - Secretaries	31,346	31,346	31,346	-
Social Security	5,838	5,838	5,668	170
Group Medical Insurance	13,000	13,000	12,898	102
Retirement and Death Benefit	7,508	7,508	7,507	1
Worker's Compensation	1,000	1,000	93	907
Unemployment Insurance	358	358	290	68
Other Post Employment	3,571	3,571	3,569	2
Office Supplies, Postage & Repairs	1,500	4,458	3,832	626
Telephone	2,850	2,850	2,753	97
Travel	4,000	720	719	1
Conferences and Dues	1,500	1,172	651	521
Total Extension Service	117,437	116,787	114,292	2,495
Total Conservation	117,437	116,787	114,292	2,495

(Continued)

PANOLA COUNTY, TEXAS
SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND, continued
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
CAPITAL OUTLAY				
GENERAL ADMINISTRATION				
County Judge	\$ 450	\$ 450	\$ -	\$ 450
Commissioners	150	150	-	150
County Clerk	8,128	7,728	7,354	374
Veterans Service Officer	300	300	-	300
Airport	50	850	-	850
Miscellaneous and Non-Departmental	10,000	25,687	15,992	9,695
JUDICIAL				
District Court	4,500	4,500	2,594	1,906
County Court at Law	3,000	1,800	1,754	46
District Clerk	7,628	5,628	-	5,628
Justice of the Peace Pct. 1 & 4	500	1,000	905	95
Justice of the Peace Pct. 2 & 3	495	2,595	2,427	168
LEGAL				
District Attorney	2,500	3,000	2,967	33
ELECTIONS				
Elections Administration	50	50	-	50
	50	550	540	10
FINANCIAL ADMINISTRATION				
Auditor	3,300	7,974	7,862	112
Treasurer	2,000	2,000	938	1,062
Tax Assessor-Collector	50	50	-	50
PUBLIC FACILITIES				
Building Maintenance	50	50	-	50
PUBLIC SAFETY				
Sheriff	125,000	166,196	160,355	5,841
Constable Pct. 1 and 4	10,000	9,700	3,028	6,672
Constable Pct. 2 and 3	10,000	9,350	3,727	5,623
Corrections	6,000	51,614	49,044	2,570
Rural Addressing	50	50	-	50
Highway Patrol	3,500	3,133	3,133	-
RECREATION				
Library	50	50	-	50
CONSERVATION				
Agriculture Extension Service	1,000	1,650	1,467	183
Total Capital Outlay	198,801	306,105	264,087	42,018
Total Expenditures	18,334,838	18,394,271	17,310,299	1,083,972
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,577,238)	(2,555,922)	(585,485)	1,970,437
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	(211,108)	(241,108)	(241,108)	-
Total Other Financing Sources (Uses)	(211,108)	(241,108)	(241,108)	-
Net Change in Fund Balance	(2,788,346)	(2,797,030)	(826,593)	1,970,437
FUND BALANCE, BEGINNING	11,431,684	11,431,684	11,431,684	-
FUND BALANCE, ENDING	\$ 8,643,338	\$ 8,634,654	\$ 10,605,091	\$ 1,970,437

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

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**PANOLA COUNTY, TEXAS
COMBINED BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	Special Revenue	Capital Projects	Total Other Governmental Funds
ASSETS:			
Cash and Cash Equivalents	\$ 2,576,395	\$ 168,589	\$ 2,744,984
Investments	6,277,202	555,000	6,832,202
Receivables (net of allowance for uncollectible taxes)			
Current Taxes	146,755	-	146,755
Delinquent Taxes	25,126	-	25,126
Due from Other Governments	20,558	-	20,558
Miscellaneous	318,633	830	319,463
Prepays	-	-	-
Inventory	25,968	-	25,968
Total Assets	9,390,637	724,419	10,115,056
 LIABILITIES:			
Accounts Payable-Trade	686,862	-	686,862
Total Liabilities	686,862	-	686,862
 DEFERRED INFLOWS OF RESOURCES:			
Unearned Revenue	373,760	-	373,760
Unearned Deferred Revenue	171,881	-	171,881
Total Deferred Inflows of Resources	545,641	-	545,641
 FUND BALANCES:			
Nonspendable	25,968	-	25,968
Restricted	8,132,166	-	8,132,166
Committed	-	724,419	724,419
Total Fund Balances	8,158,134	724,419	8,882,553
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 9,390,637	\$ 724,419	\$ 10,115,056

PANOLA COUNTY, TEXAS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Special Revenue	Capital Projects	Total Other Governmental Funds
REVENUES			
Property Taxes	\$ 555,918	\$ -	\$ 555,918
Intergovernmental Receipts	682,359	-	682,359
Fees of Office	390,926	-	390,926
Miscellaneous	1,237,345	5,598	1,242,943
TOTAL REVENUES	2,866,548	5,598	2,872,146
EXPENDITURES			
Current:			
General Administration	447,845	-	447,845
Legal	14,368	-	14,368
Elections	-	-	-
Public Facilities	161,269	-	161,269
Public Safety	768,763	-	768,763
Public Transportation	557,514	-	557,514
Health & Paupers Care	1,052,513	-	1,052,513
Capital Outlay:			
General Administration	-	-	-
Public Safety	3,528	-	3,528
Public Transportation	3,158	-	3,158
Recreation	-	-	-
TOTAL EXPENDITURES	3,008,958	-	3,008,958
Excess (Deficiency) of Revenues Over Expenditures	(142,410)	5,598	(136,812)
OTHER FINANCING SOURCES (USES)			
Transfers In	241,108	-	241,108
Relocation of Fund Equity to Shelby County	(51,515)	-	(51,515)
TOTAL OTHER FINANCING SOURCES	189,593	-	189,593
NET CHANGE IN FUND BALANCES	47,183	5,598	52,781
FUND BALANCE-BEGINNING OF YEAR	8,110,951	718,821	8,829,772
FUND BALANCE-END OF YEAR	\$ 8,158,134	\$ 724,419	\$ 8,882,553

PANOLA COUNTY, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

LAW LIBRARY FUND – This fund is used to account for the maintenance and operations of a library open to all residents of the County. Financing is provided by fees collected in connection with court costs.

JUVENILE DELINQUENCY PREVENTION FUND – This fund is used to account for fees collected for the prevention of juvenile delinquency and graffiti eradication.

COURTHOUSE SECURITY FUND – This fund was created to finance the cost of providing security services for buildings housing a district or county court. It is funded by fees collected on felony or misdemeanor convictions.

RECORDS MANAGEMENT FUND – This fund is to be used for the management of the County records and is similar to the Records Preservation Fund.

COUNTY & DISTRICT COURT TECHNOLOGY FUND – This fund is used to account for fees paid by defendants in county and district courts to be used to fund costs of education and training regarding technological enhancements and for purchase and maintenance of technological enhancements, including computer systems, networks, hardware, software, imaging systems, electronic kiosks, and docket management systems.

COURT RECORD PRESERVATION FUND – This fund is used to account for fees paid in each civil case filed in a county or district court to be used only to digitize court records to preserve them from natural disasters.

DISTRICT COURT RECORDS TECHNOLOGY FUND – This fund is used to account for fees paid by defendants in district court to be used to fund costs of education and training regarding technological enhancements and for purchase and maintenance of technological enhancements, including computer systems, networks, hardware, software, imaging systems, electronic kiosks, and docket management systems.

DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION FUND – This fund is used to account for the collection of the District Clerk’s statutory document preservation fee and the expenditure of those fees for records management and preservation services.

RECORDS PRESERVATION FUND – This fund is to be used for records preservation services performed by the County Clerk after the filing and recording of a document in the records of the office of the clerk.

RECORD ARCHIVE FEES FUND – This fund is used to account for the preservation and restoration services of any instrument, document, or paper maintained by the County Clerk. According to statutes governing this fee, “record archive” means public documents filed with the county clerk before January 1, 1990.

JUSTICE COURT TECHNOLOGY FUND – This fund was created to finance the purchase of technological enhancements for a justice court. It is funded by fees on misdemeanor convictions.

VIT INTEREST FUND – This fund was created to account for interest earned on the County’s vehicle inventory tax escrow account, which is used for the administration of the prepayment procedure.

ELECTION SERVICES CONTRACT FUND – This fund is used to account for the revenues and expenditures associated with various contracts with other local governments in which County provides election services.

FARM TO MARKET AND LATERAL ROAD FUND – This fund is similar to the Road and Bridge Fund. Primary sources of revenues are ad valorem taxes. These taxes are authorized by the State and allow counties to include in their tax rates ad valorem taxes levied by the State in previous years.

COMMUNITY SUPERVISION AND CORRECTIONS FUND – This fund is used to account for the revenues and expenditures generated by the Community Supervision and Correction Department in the supervision and administration of probationers reportable to the 123rd jurisdiction. Financing is provided by probation fees collected by the department and funding by the State of Texas based on probationers' supervision caseloads. Payment of operating expenditures is administered by the County.

**PANOLA COUNTY, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

DRUG COURT GRANT FUND – This fund is used to account for the revenues and expenditures associated with the Drug Court Program initiated by Panola and Shelby Counties. Financing is provided by federal grant monies and funding from both Panola and Shelby Counties. This program is operated by the 123rd Judicial District – Community Supervision and Correction Department.

JUVENILE PROBATION FUND – This fund is used to account for the revenues and expenditures associated with the supervision and administration of juvenile probationers reportable in Panola County. Financing is provided by State aid. Fiscal services are provided by the County.

HOT CHECK FEE FUND – The scope of the District Attorney's responsibilities include the collection of "hot checks" issued to merchants and others in the County. A fee is assessed to the maker of the "hot check." These fees are generally available for use at the discretion of the District Attorney without Commissioners' Court approval.

SHERIFF'S STATE FORFEITURE FUND – This fund is used to account for funds allocated by the State from drug money confiscated within County boundaries.

JAIL COMMISARY FUND – This fund is used to account for proceeds received from the sale of goods to inmates and expenditures of same.

DISTRICT ATTORNEY LONGEVITY PAY SUPPLEMENT FUND – This fund is used to account for funds received from the Criminal Justice Division. These funds are used to supplement the salary of the Assistant District Attorney.

DISTRICT ATTORNEY FORFEITURE FUND – This fund is used to account for the funds received after forfeiture proceedings are final involving drug cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for illegal drug investigation matters. The funds do not require approval by the Commissioners' Court. However, the District Attorney is required to submit a budget to the Court before expenditures are made.

STATE APPORTIONMENT D.A. FUND – This fund is used to account for revenues and expenditures used for purposes of the Criminal District Attorney's Office. It is used primarily to defray salary expenses of the District Attorney Office employees. Funding is provided by the State of Texas.

CONSTABLE PCT. 1 & 4 STATE FORFEITURE FUND – This fund is used to account for state funds received after forfeiture proceedings are final involving cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for investigation matters.

CONSTABLE PCT. 2 & 3 STATE FORFEITURE FUND – This fund is used to account for state funds received after forfeiture proceedings are final involving cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for investigation matters.

SHERIFF FEDERAL FORFEITURE FUND - This fund is used to account for funds allocated by the federal government from drug money confiscated within County boundaries.

CDA FEDERAL FORFEITURE FUND – This fund is used to account for funds received from the federal government. These funds represent cash seized and forfeited relative to certain drug cases. Federal statutes governing these funds allow the monies to be used for investigation matters.

CONSTABLE PCT. 2 & 3 FEDERAL FORFEITURE FUND – This fund is used to account for federal funds received after forfeiture proceedings are final involving cases where cash or property has been seized. Federal statutes governing these funds allow the monies to be used for investigation matters.

DEADWOOD WATER SUPPLY CORPORATION FUND – This fund is used to account for funds received from the State to be used for a water improvement system. The grant monies were awarded from the Texas Community Development Block Grant Program (TXCDBG).

**PANOLA COUNTY, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

FAIRPLAY WATER SUPPLY CORPORATION FUND – This fund is used to account for funds received from the State to be used for a water improvement system. The grant monies were awarded from the Texas Community Development Block Grant Program (TXCDBG).

CHILD PROTECTIVE SERVICES FUND – This fund is used to account for services which are provided to meet the needs of dependent and neglected children; children with special needs; and children in danger of being judged delinquent. Child Protective Services are governed by the Children’s Services Board, which is funded in part by the County and is dependent upon the County for accomplishment of its purposes.

HEALTH FUND – This fund is used only to finance items related to providing health care to County residents, including indigent residents.

AIRPORT FUND – This fund is used to account for hangar rentals and miscellaneous upkeep of Sharpe Field, the airport serving Panola County. The Panola County Airport Authority Board serves as an advisory Board and is appointed by the Commissioners’ Court.

**PANOLA COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017**

	<u>LAW LIBRARY</u>	<u>JUVENILE DELINQUENCY PREVENTION</u>	<u>COURT- HOUSE SECURITY</u>	<u>RECORDS MANAGEMENT</u>
ASSETS:				
Cash and Cash Equivalents	\$ 14,217	\$ 158	\$ 57,813	\$ 99,189
Investments	46,000	-	167,000	8,000
Receivables (net of allowance for uncollectible taxes)				
Current Taxes	-	-	-	-
Delinquent Taxes	-	-	-	-
Due from Other Governments	-	-	-	-
Miscellaneous	171	-	280	28
Prepays	-	-	-	-
Inventory	-	-	-	-
Total Assets	<u>60,388</u>	<u>158</u>	<u>225,093</u>	<u>107,217</u>
LIABILITIES:				
Accounts Payable-Trade	<u>631</u>	-	-	<u>93,145</u>
Total Liabilities	<u>631</u>	<u>-</u>	<u>-</u>	<u>93,145</u>
DEFERRED INFLOWS OF RESOURCES:				
Unearned Revenue	-	-	-	-
Unearned Deferred Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:				
Nonspendable	-	-	-	-
Restricted	<u>59,757</u>	<u>158</u>	<u>225,093</u>	<u>14,072</u>
Total Fund Balances	<u>59,757</u>	<u>158</u>	<u>225,093</u>	<u>14,072</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 60,388</u>	<u>\$ 158</u>	<u>\$ 225,093</u>	<u>\$ 107,217</u>

COUNTY & DISTRICT COURT TECH	COURT RECORD PRESERVATION	DISTRICT COURT RECORDS TECHNOLOGY	DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION	RECORDS PRESERVATION
\$ 5,109	\$ 5,494	\$ 10,334	\$ 3,383	\$ 278,730
-	-	-	-	333,000
-	-	-	-	-
-	-	-	-	-
-	10	10	5	648
-	-	-	-	-
-	-	-	-	-
<u>5,109</u>	<u>5,504</u>	<u>10,344</u>	<u>3,388</u>	<u>612,378</u>
-	-	-	-	33,137
-	-	-	-	33,137
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,109</u>	<u>5,504</u>	<u>10,344</u>	<u>3,388</u>	<u>579,241</u>
<u>5,109</u>	<u>5,504</u>	<u>10,344</u>	<u>3,388</u>	<u>579,241</u>
\$ <u>5,109</u>	\$ <u>5,504</u>	\$ <u>10,344</u>	\$ <u>3,388</u>	\$ <u>612,378</u>

**PANOLA COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017**

	RECORDS ARCHIVE FEES	JUSTICE COURT TECHNOLOGY	VIT INTEREST
ASSETS:			
Cash and Cash Equivalents	\$ 228,564	\$ 30,174	\$ 2,840
Investments	60,000	60,000	-
Receivables (net of allowance for uncollectible taxes)			
Current Taxes	-	-	-
Delinquent Taxes	-	-	-
Due from Other Governments	-	-	-
Miscellaneous	223	93	219
Prepays	-	-	-
Inventory	-	-	-
	288,787	90,267	3,059
Total Assets	288,787	90,267	3,059
LIABILITIES:			
Accounts Payable-Trade	189,439	-	-
Total Liabilities	189,439	-	-
DEFERRED INFLOWS OF RESOURCES:			
Unearned Revenue	-	-	-
Unearned Deferred Revenue	-	-	-
Total Deferred Inflows of Resources	-	-	-
FUND BALANCES:			
Nonspendable	-	-	-
Restricted	99,348	90,267	3,059
Total Fund Balances	99,348	90,267	3,059
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 288,787	\$ 90,267	\$ 3,059

ELECTION SERVICES CONTRACT	FM & LATERAL	COMMUNITY SUPERVISION AND CORRECTIONS	DRUG COURT GRANT	JUVENILE PROBATION
\$ 5,973	\$ 439,735	\$ 155,876	\$ 81,910	\$ 215,579
-	2,008,202	-	-	200,000
-	146,755	-	-	-
-	25,126	-	-	-
-	20,558	-	-	-
-	2,714	14,027	59,340	2,462
-	-	-	-	-
-	-	-	-	-
5,973	2,643,090	169,903	141,250	418,041
-	2,416	434	98,610	21,403
-	2,416	434	98,610	21,403
-	373,760	-	-	-
-	171,881	-	-	-
-	545,641	-	-	-
-	-	-	-	-
5,973	2,095,033	169,469	42,640	396,638
5,973	2,095,033	169,469	42,640	396,638
\$ 5,973	\$ 2,643,090	\$ 169,903	\$ 141,250	\$ 418,041

**PANOLA COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017**

	HOT CHECK FEE	SHERIFF'S STATE FORFEITURE	JAIL COMM	DIST ATTY LONGEVITY PAY SUPPLEMENT
ASSETS:				
Cash and Cash Equivalents	\$ 22,428	\$ 69,273	\$ 14,030	\$ -
Investments	13,000	14,000	-	-
Receivables (net of allowance for uncollectible taxes)				
Current Taxes	-	-	-	-
Delinquent Taxes	-	-	-	-
Due from Other Governments	-	-	-	-
Miscellaneous	305	27	139	140
Prepays	-	-	-	-
Inventory	-	-	-	-
Total Assets	35,733	83,300	14,169	140
LIABILITIES:				
Accounts Payable-Trade	-	-	-	23
Total Liabilities	-	-	-	23
DEFERRED INFLOWS OF RESOURCES:				
Unearned Revenue	-	-	-	-
Unearned Deferred Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES:				
Nonspendable	-	-	-	-
Restricted	35,733	83,300	14,169	117
Total Fund Balances	35,733	83,300	14,169	117
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 35,733	\$ 83,300	\$ 14,169	\$ 140

D.A. FORFEITURE	STATE APPORTION- MENT - DA	CONSTABLE PCT. 1&4 STATE FORFEITURES	CONSTABLE PCT. 2 & 3 STATE FORFEITURES	SHERIFF FEDERAL FORFEITURE	CDA FEDERAL FORFEITURE
\$ 12,522	\$ 694	\$ 190	\$ 1,016	\$ 258	\$ 57,423
10,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
22,536	694	190	1,016	258	57,423
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
22,536	694	190	1,016	258	57,423
22,536	694	190	1,016	258	57,423
\$ 22,536	\$ 694	\$ 190	\$ 1,016	\$ 258	\$ 57,423

PANOLA COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

	CONSTABLE PCT. 2 & 3 FEDERAL FORFEITURES	DEADWOOD WATER SUPPLY CORPORATION	FAIRPLAY WATER SUPPLY CORPORATION
ASSETS:			
Cash and Cash Equivalents	\$ 311	\$ -	\$ -
Investments	-	-	-
Receivables (net of allowance for uncollectible taxes)			
Current Taxes	-	-	-
Delinquent Taxes	-	-	-
Due from Other Governments	-	-	-
Miscellaneous	-	8,888	90,511
Prepays	-	-	-
Inventory	-	-	-
Total Assets	311	8,888	90,511
LIABILITIES:			
Accounts Payable-Trade	-	8,888	90,511
Total Liabilities	-	8,888	90,511
DEFERRED INFLOWS OF RESOURCES:			
Unearned Revenue	-	-	-
Unearned Deferred Revenue	-	-	-
Total Deferred Inflows of Resources	-	-	-
FUND BALANCES:			
Nonspendable	-	-	-
Restricted	311	-	-
Total Fund Balances	311	-	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 311	\$ 8,888	\$ 90,511

CHILD PROTECTIVE SERVICES	HEALTH FUND	AIRPORT	NON-MAJOR SPECIAL REVENUE FUNDS TOTAL
\$ 47,441	\$ 295,677	\$ 420,054	\$ 2,576,395
67,000	3,263,000	28,000	6,277,202
-	-	-	146,755
-	-	-	25,126
-	-	-	20,558
4,042	127,655	6,682	318,633
-	-	-	-
-	-	25,968	25,968
118,483	3,686,332	480,704	9,390,637
-	123,310	24,915	686,862
-	123,310	24,915	686,862
-	-	-	373,760
-	-	-	171,881
-	-	-	545,641
-	-	25,968	25,968
118,483	3,563,022	429,821	8,132,166
118,483	3,563,022	455,789	8,158,134
\$ 118,483	\$ 3,686,332	\$ 480,704	\$ 9,390,637

PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>LAW LIBRARY</u>	<u>JUVENILE DELINQUENCY PREVENTION</u>	<u>COURT- HOUSE SECURITY</u>	<u>RECORDS MANAGEMENT</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Receipts	-	-	-	-
Fees of Office	14,018	-	20,591	5,410
Miscellaneous	432	1	1,682	888
TOTAL REVENUES	<u>14,450</u>	<u>1</u>	<u>22,273</u>	<u>6,298</u>
EXPENDITURES				
Current				
General Administration	-	-	17,787	161,185
Legal	7,499	-	-	-
Elections	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	-	-	-
Health & Paupers Care	-	-	-	-
Capital Outlay				
General Administration	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	-	-	-
TOTAL EXPENDITURES	<u>7,499</u>	<u>-</u>	<u>17,787</u>	<u>161,185</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>6,951</u>	<u>1</u>	<u>4,486</u>	<u>(154,887)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Other Financing Uses	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	6,951	1	4,486	(154,887)
FUND BALANCE-BEGINNING OF YEAR	<u>52,806</u>	<u>157</u>	<u>220,607</u>	<u>168,959</u>
FUND BALANCE-END OF YEAR	<u>\$ 59,757</u>	<u>\$ 158</u>	<u>\$ 225,093</u>	<u>\$ 14,072</u>

(Continued)

COUNTY & DISTRICT COURT TECH	COURT RECORD PRESERVATION	DISTRICT COURT RECORDS TECHNOLOGY	DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION	RECORDS PRESERVATION
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
536	2,518	2,864	1,453	74,169
27	88	52	43	4,327
<u>563</u>	<u>2,606</u>	<u>2,916</u>	<u>1,496</u>	<u>78,496</u>
-	16,000	-	7,000	47,437
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	16,000	-	7,000	47,437
<u>563</u>	<u>(13,394)</u>	<u>2,916</u>	<u>(5,504)</u>	<u>31,059</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
563	(13,394)	2,916	(5,504)	31,059
<u>4,546</u>	<u>18,898</u>	<u>7,428</u>	<u>8,892</u>	<u>548,182</u>
<u>\$ 5,109</u>	<u>\$ 5,504</u>	<u>\$ 10,344</u>	<u>\$ 3,388</u>	<u>\$ 579,241</u>

(Continued)

PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>RECORDS ARCHIVE FEES</u>	<u>JUSTICE COURT TECHNOLOGY</u>	<u>VIT INTEREST</u>
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Intergovernmental Receipts	-	-	-
Fees of Office	62,420	11,672	-
Miscellaneous	1,617	665	236
TOTAL REVENUES	<u>64,037</u>	<u>12,337</u>	<u>236</u>
EXPENDITURES			
Current			
General Administration	189,439	8,115	882
Legal	-	-	-
Elections	-	-	-
Public Facilities	-	-	-
Public Safety	-	-	-
Public Transportation	-	-	-
Health & Paupers Care	-	-	-
Capital Outlay			
General Administration	-	-	-
Public Safety	-	-	-
Public Transportation	-	-	-
TOTAL EXPENDITURES	<u>189,439</u>	<u>8,115</u>	<u>882</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(125,402)</u>	<u>4,222</u>	<u>(646)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Other Financing Uses	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(125,402)	4,222	(646)
FUND BALANCE-BEGINNING OF YEAR	<u>224,750</u>	<u>86,045</u>	<u>3,705</u>
FUND BALANCE-END OF YEAR	<u>\$ 99,348</u>	<u>\$ 90,267</u>	<u>\$ 3,059</u>

(Continued)

ELECTION SERVICES CONTRACT	FM & LATERAL	COMMUNITY SUPERVISION AND CORRECTIONS	DRUG COURT GRANT	JUVENILE PROBATION	CDA FEDERAL FORFEITURE
\$ -	\$ 555,918	\$ -	\$ -	\$ -	\$ -
-	-	164,724	86,349	200,400	-
-	-	187,690	3,564	160	-
33	37,935	1,217	434	2,996	301
33	593,853	353,631	90,347	203,556	301
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	270,556	86,350	374,625	-
-	469,507	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,158	-	-	-	-
-	472,665	270,556	86,350	374,625	-
33	121,188	83,075	3,997	(171,069)	301
-	-	-	-	183,108	-
-	-	-	(51,515)	-	-
-	-	-	(51,515)	183,108	-
33	121,188	83,075	(47,518)	12,039	301
5,940	1,973,845	86,394	90,158	384,599	57,122
\$ 5,973	\$ 2,095,033	\$ 169,469	\$ 42,640	\$ 396,638	\$ 57,423

(Continued)

PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>HOT CHECK FEE</u>	<u>SHERIFF'S STATE FORFEITURE</u>	<u>JAIL COMM</u>
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Intergovernmental Receipts	-	-	-
Fees of Office	3,861	-	-
Miscellaneous	-	4,561	3,674
TOTAL REVENUES	<u>3,861</u>	<u>4,561</u>	<u>3,674</u>
EXPENDITURES			
Current			
General Administration	-	-	-
Legal	2,610	-	-
Elections	-	-	-
Public Facilities	-	-	-
Public Safety	-	9,733	-
Public Transportation	-	-	-
Health & Paupers Care	-	-	-
Capital Outlay	-	-	-
General Administration	-	-	-
Public Safety	-	-	3,528
Public Transportation	-	-	-
TOTAL EXPENDITURES	<u>2,610</u>	<u>9,733</u>	<u>3,528</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,251</u>	<u>(5,172)</u>	<u>146</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Other Financing Uses	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,251	(5,172)	146
FUND BALANCE-BEGINNING OF YEAR	<u>34,482</u>	<u>88,472</u>	<u>14,023</u>
FUND BALANCE-END OF YEAR	<u><u>\$ 35,733</u></u>	<u><u>\$ 83,300</u></u>	<u><u>\$ 14,169</u></u>

(Continued)

<u>DIST ATTY LONGEVITY PAY SUPPLEMENT</u>	<u>D.A. FORFEITURE</u>	<u>STATE APPORTION- MENT - DA</u>	<u>CONSTABLE PCT. 1&4 STATE FORFEITURES</u>	<u>CONSTABLE PCT. 2 & 3 STATE FORFEITURES</u>	<u>SHERIFF FEDERAL FORFEITURE</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,456	-	27,498	-	-	-
-	-	-	-	-	-
2	4,155	19	1	6	2
<u>2,458</u>	<u>4,155</u>	<u>27,517</u>	<u>1</u>	<u>6</u>	<u>2</u>
-	-	-	-	-	-
2,456	1,803	-	-	-	-
-	-	-	-	-	-
-	-	27,499	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,456</u>	<u>1,803</u>	<u>27,499</u>	<u>-</u>	<u>-</u>	<u>-</u>
2	2,352	18	1	6	2
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2	2,352	18	1	6	2
115	20,184	676	189	1,010	256
<u>\$ 117</u>	<u>\$ 22,536</u>	<u>\$ 694</u>	<u>\$ 190</u>	<u>\$ 1,016</u>	<u>\$ 258</u>

(Continued)

PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	CONSTABLE PCT. 2 & 3 FEDERAL FORFEITURES	DEADWOOD WATER SUPPLY CORPORATION
REVENUES		
Property Taxes	\$ -	\$ -
Intergovernmental Receipts	-	39,138
Fees of Office	-	-
Miscellaneous	23	-
TOTAL REVENUES	23	39,138
 EXPENDITURES		
Current		
General Administration	-	-
Legal	-	-
Elections	-	-
Public Facilities	-	39,138
Public Safety	-	-
Public Transportation	-	-
Health & Paupers Care	-	-
Capital Outlay	-	-
General Administration	-	-
Public Safety	-	-
Public Transportation	-	-
TOTAL EXPENDITURES	-	39,138
 Excess (Deficiency) of Revenues Over (Under) Expenditures	23	-
 OTHER FINANCING SOURCES (USES)		
Transfers In	-	-
Other Financing Uses	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-
 NET CHANGE IN FUND BALANCES	23	-
 FUND BALANCE-BEGINNING OF YEAR	288	-
 FUND BALANCE-END OF YEAR	\$ 311	\$ -

(Continued)

FAIRPLAY WATER SUPPLY CORPORATION	CHILD PROTECTIVE SERVICES	HEALTH FUND	AIRPORT	NON-MAJOR SPECIAL REVENUE FUNDS TOTAL
\$ -	\$ -	\$ -	\$ -	\$ 555,918
122,131	3,936	35,727	-	682,359
-	-	-	-	390,926
-	2,747	994,389	174,792	1,237,345
<u>122,131</u>	<u>6,683</u>	<u>1,030,116</u>	<u>174,792</u>	<u>2,866,548</u>
-	-	-	-	447,845
-	-	-	-	14,368
-	-	-	-	-
122,131	-	-	-	161,269
-	-	-	-	768,763
-	-	-	88,007	557,514
-	57,764	994,749	-	1,052,513
-	-	-	-	-
-	-	-	-	3,528
-	-	-	-	3,158
<u>122,131</u>	<u>57,764</u>	<u>994,749</u>	<u>88,007</u>	<u>3,008,958</u>
-	(51,081)	35,367	86,785	(142,410)
-	58,000	-	-	241,108
-	-	-	-	(51,515)
-	58,000	-	-	189,593
-	6,919	35,367	86,785	47,183
-	111,564	3,527,655	369,004	8,110,951
<u>\$ -</u>	<u>\$ 118,483</u>	<u>\$ 3,563,022</u>	<u>\$ 455,789</u>	<u>\$ 8,158,134</u>

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PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
LAW LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
Law Library Fees	\$ 12,000	\$ 12,000	\$ 14,018	\$ 2,018
MISCELLANEOUS				
Interest Earnings	125	125	432	307
Total Revenues	<u>12,125</u>	<u>12,125</u>	<u>14,450</u>	<u>2,325</u>
EXPENDITURES				
Current:				
Legal	12,125	12,125	7,499	4,626
Total Expenditures	<u>12,125</u>	<u>12,125</u>	<u>7,499</u>	<u>4,626</u>
Net Change in Fund Balances	-	-	6,951	6,951
FUND BALANCE, BEGINNING OF YEAR	<u>52,806</u>	<u>52,806</u>	<u>52,806</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 52,806</u>	<u>\$ 52,806</u>	<u>\$ 59,757</u>	<u>\$ 6,951</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
COUNTY JUVENILE DELINQUENCY PREVENTION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
Law Library Fees	\$ -	\$ -	\$ -	\$ -
MISCELLANEOUS				
Interest Earnings	1	1	1	-
Total Revenues	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
EXPENDITURES				
Current:				
Legal	1	1	-	1
Total Expenditures	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>
Net Change in Fund Balances	-	-	1	1
FUND BALANCE, BEGINNING OF YEAR	<u>157</u>	<u>157</u>	<u>157</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 157</u>	<u>\$ 157</u>	<u>\$ 158</u>	<u>\$ 1</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
COURTHOUSE SECURITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
District Clerk Fees	\$ 1,100	\$ 1,100	\$ 1,384	\$ 284
County Clerk Fees	7,900	7,520	7,523	3
JP Offices	8,200	8,580	11,684	3,104
Total Fees of Office	17,200	17,200	20,591	3,391
MISCELLANEOUS				
Interest Earnings	746	746	1,682	936
Total Revenues	17,946	17,946	22,273	4,327
EXPENDITURES				
Current:				
General Administration:				
Baliff and Security	12,272	12,272	12,272	-
Social Security Taxes	939	939	916	23
Retirement & Death Benefits	2,940	2,940	2,939	1
Workers Compensation	317	317	215	102
Unemployment Insurance	80	80	47	33
Other Post Employment	1,398	1,398	1,398	-
Total Expenditures	17,946	17,946	17,787	159
Net Change in Fund Balances	-	-	4,486	4,486
FUND BALANCE, BEGINNING OF YEAR	220,607	220,607	220,607	-
FUND BALANCE, END OF YEAR	\$ 220,607	\$ 220,607	\$ 225,093	\$ 4,486

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
RECORDS MANAGEMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
District Clerk Fees	\$ 2,430	\$ 2,310	\$ 2,315	\$ 5
County Clerk Fees	5,000	3,095	3,095	-
Total Fees of Office	<u>7,430</u>	<u>5,405</u>	<u>5,410</u>	<u>5</u>
MISCELLANEOUS				
Interest Earnings	570	690	888	198
Total Revenues	<u>8,000</u>	<u>6,095</u>	<u>6,298</u>	<u>203</u>
EXPENDITURES				
Current:				
Preservation & Restoration	162,000	162,000	161,185	815
Total Expenditures	<u>162,000</u>	<u>162,000</u>	<u>161,185</u>	<u>815</u>
Net Change in Fund Balances	(154,000)	(155,905)	(154,887)	1,018
FUND BALANCE, BEGINNING OF YEAR	<u>168,959</u>	<u>168,959</u>	<u>168,959</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 14,959</u>	<u>\$ 13,054</u>	<u>\$ 14,072</u>	<u>\$ 1,018</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
COUNTY & DISTRICT COURT TECH SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
District Clerk Fees	\$ 50	\$ 50	\$ 120	\$ 70
County Clerk Fees	100	100	416	316
Total Fees of Office	<u>150</u>	<u>150</u>	<u>536</u>	<u>386</u>
MISCELLANEOUS				
Interest Earnings	1	1	27	26
Total Revenues	<u>151</u>	<u>151</u>	<u>563</u>	<u>412</u>
EXPENDITURES				
Capital Outlay:				
General Administration	151	151	-	151
Total Expenditures	<u>151</u>	<u>151</u>	<u>-</u>	<u>151</u>
Net Change in Fund Balances	-	-	563	563
FUND BALANCE, BEGINNING OF YEAR	<u>4,546</u>	<u>4,546</u>	<u>4,546</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 4,546</u>	<u>\$ 4,546</u>	<u>\$ 5,109</u>	<u>\$ 563</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
COURT RECORD PRESERVATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
District Clerk Fees	\$ 1,790	\$ 1,790	\$ 2,518	\$ 728
Total Fees of Office	<u>1,790</u>	<u>1,790</u>	<u>2,518</u>	<u>728</u>
MISCELLANEOUS				
Interest Earnings	<u>10</u>	<u>10</u>	<u>88</u>	<u>78</u>
Total Revenues	<u>1,800</u>	<u>1,800</u>	<u>2,606</u>	<u>806</u>
EXPENDITURES				
Current:				
General Administration	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Total Expenditures	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>
Net Change in Fund Balances	(14,200)	(14,200)	(13,394)	806
FUND BALANCE, BEGINNING OF YEAR	<u>18,898</u>	<u>18,898</u>	<u>18,898</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 4,698</u>	<u>\$ 4,698</u>	<u>\$ 5,504</u>	<u>\$ 806</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
DISTRICT COURT RECORDS TECHNOLOGY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
District Clerk Fees	\$ 600	\$ 600	\$ 2,864	\$ 2,264
Total Fees of Office	<u>600</u>	<u>600</u>	<u>2,864</u>	<u>2,264</u>
MISCELLANEOUS				
Interest Earnings	-	-	52	52
Total Revenues	<u>600</u>	<u>600</u>	<u>2,916</u>	<u>2,316</u>
EXPENDITURES				
Current:				
General Administration	600	600	-	600
Total Expenditures	<u>600</u>	<u>600</u>	<u>-</u>	<u>600</u>
Net Change in Fund Balances	-	-	2,916	2,916
FUND BALANCE, BEGINNING OF YEAR	<u>7,428</u>	<u>7,428</u>	<u>7,428</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 7,428</u>	<u>\$ 7,428</u>	<u>\$ 10,344</u>	<u>\$ 2,916</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
FEES OF OFFICE				
District Clerk Fees	\$ 600	\$ 600	\$ 1,453	\$ 853
Total Fees of Office	<u>600</u>	<u>600</u>	<u>1,453</u>	<u>853</u>
MISCELLANEOUS				
Interest Earnings	-	-	43	43
Total Revenues	<u>600</u>	<u>600</u>	<u>1,496</u>	<u>896</u>
EXPENDITURES				
Current:				
General Administration	7,000	7,000	7,000	-
Total Expenditures	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Net Change in Fund Balances	(6,400)	(6,400)	(5,504)	896
FUND BALANCE, BEGINNING OF YEAR	<u>8,892</u>	<u>8,892</u>	<u>8,892</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,492</u>	<u>\$ 2,492</u>	<u>\$ 3,388</u>	<u>\$ 896</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
RECORDS PRESERVATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
County Clerks Fees	\$ 35,324	\$ 59,324	\$ 74,169	\$ 14,845
Total Fees of Office	35,324	59,324	74,169	14,845
MISCELLANEOUS				
Interest Earnings	1,323	2,323	4,327	2,004
Total Revenues	36,647	61,647	78,496	16,849
EXPENDITURES				
Current:				
General Administration:				
Rentals, Microfilm, & Indexing	24,400	24,400	22,437	1,963
Digitizing Real Property Instruments	12,247	37,247	25,000	12,247
Total Expenditures	36,647	61,647	47,437	14,210
Net Change in Fund Balances	-	-	31,059	31,059
FUND BALANCE, BEGINNING OF YEAR	548,182	548,182	548,182	-
FUND BALANCE, END OF YEAR	\$ 548,182	\$ 548,182	\$ 579,241	\$ 31,059

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
RECORDS ARCHIVE FEES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
FEES OF OFFICE				
County Clerk Fees	\$ 29,800	\$ 50,066	\$ 62,420	\$ 12,354
Total Fees of Office	<u>29,800</u>	<u>50,066</u>	<u>62,420</u>	<u>12,354</u>
MISCELLANEOUS				
Interest Earnings	200	513	1,617	1,104
Total Revenues	<u>30,000</u>	<u>50,579</u>	<u>64,037</u>	<u>13,458</u>
EXPENDITURES				
Current:				
General Administration:				
Digitizing	170,000	190,579	189,439	1,140
Total Expenditures	<u>170,000</u>	<u>190,579</u>	<u>189,439</u>	<u>1,140</u>
Net Change in Fund Balances	(140,000)	(140,000)	(125,402)	14,598
FUND BALANCE, BEGINNING OF YEAR	<u>224,750</u>	<u>224,750</u>	<u>224,750</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 84,750</u>	<u>\$ 84,750</u>	<u>\$ 99,348</u>	<u>\$ 14,598</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
JUSTICE COURT TECHNOLOGY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
JP Offices	\$ 8,708	\$ 8,708	\$ 11,672	\$ 2,964
Total Fees of Office	<u>8,708</u>	<u>8,708</u>	<u>11,672</u>	<u>2,964</u>
MISCELLANEOUS				
Interest Earnings	292	292	665	373
Total Revenues	<u>9,000</u>	<u>9,000</u>	<u>12,337</u>	<u>3,337</u>
EXPENDITURES				
Current:				
General Administration:				
Professional Services	4,000	4,000	4,000	-
Supplies	5,000	5,000	4,115	885
Total Expenditures	<u>9,000</u>	<u>9,000</u>	<u>8,115</u>	<u>885</u>
Net Change in Fund Balances	-	-	4,222	4,222
FUND BALANCE, BEGINNING OF YEAR	<u>86,045</u>	<u>86,045</u>	<u>86,045</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 86,045</u>	<u>\$ 86,045</u>	<u>\$ 90,267</u>	<u>\$ 4,222</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
VIT INTEREST SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Miscellaneous Revenue:				
Interest Earnings	\$ 140	\$ 140	\$ 236	\$ 96
Total Revenues	140	140	236	96
EXPENDITURES				
Current:				
Deputy Supplement	624	624	624	-
Social Security Taxes	48	48	35	13
Retirement	150	150	150	(0)
Workers Compensation	10	10	-	10
Unemployment Insurance	4	4	2	2
Other Post Employment	72	72	71	1
Total Expenditures	908	908	882	26
Net Change in Fund Balances	(768)	(768)	(646)	122
FUND BALANCE, BEGINNING OF YEAR	3,705	3,705	3,705	-
FUND BALANCE, END OF YEAR	\$ 2,937	\$ 2,937	\$ 3,059	\$ 122

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
ELECTION SERVICES CONTRACT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
FEES OF OFFICE				
Election Services	\$ -	\$ -	\$ -	\$ -
Total Fees of Office	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
MISCELLANEOUS				
Interest Earnings	\$ -	\$ -	\$ 33	\$ 33
Total Revenues	<u>-</u>	<u>-</u>	<u>33</u>	<u>33</u>
EXPENDITURES				
Current:				
Elections	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	33	33
FUND BALANCE, BEGINNING OF YEAR	<u>5,940</u>	<u>5,940</u>	<u>5,940</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,940</u>	<u>\$ 5,940</u>	<u>\$ 5,973</u>	<u>\$ 33</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FARM TO MARKET AND LATERAL ROAD SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET			VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	ACTUAL	POSITIVE (NEGATIVE)
REVENUES				
PROPERTY TAXES				
Current	\$ 523,999	\$ 523,999	\$ 539,851	\$ 15,852
Delinquent	9,347	9,347	16,067	6,720
Total Property Taxes	533,346	533,346	555,918	22,572
MISCELLANEOUS				
Interest Earned	5,506	5,506	17,602	12,096
Miscellaneous	-	20,076	20,333	257
Total Miscellaneous	5,506	25,582	37,935	12,353
Total Revenues	538,852	558,928	593,853	34,925
EXPENDITURES				
Current:				
Public Transportation				
Salaries - Road and Bridge Department	83,617	84,337	84,336	1
Benefits Termination	1,568	1,568	-	1,568
Social Security Taxes	6,517	6,573	6,314	259
Group Insurance	26,000	26,000	25,796	204
Retirement and Death Benefits	20,402	20,575	20,198	377
Other Post Employment	9,703	9,786	9,605	181
Retiree Medical Insurance Trust	14,604	14,604	14,604	-
Workers Compensation	6,353	6,353	1,307	5,046
Optional Retirement	29,961	29,961	29,961	-
Unemployment Insurance	3,392	3,392	320	3,072
Repair and Maintenance	31,627	31,627	23,766	7,861
Parts and Repairs	20,000	20,000	2,538	17,462
Contingency	100,112	96,080	-	96,080
Conferences and Dues	-	-	-	-
Utilities	15,000	23,000	20,265	2,735
Contractor Service	8,000	8,000	-	8,000
Physicals and Drug	3,500	3,500	2,315	1,185
Rentals and Leases	5,000	5,000	3,990	1,010
Beaver Control	32,400	32,400	32,400	-
Liability and Other Insurance	204,145	219,221	187,023	32,198
Miscellaneous	1,250	1,250	850	400
Furniture and Equipment	1,000	4,000	3,919	81
Road Oil	2,000	2,000	-	2,000
Capital Outlay:				
Public Transportation	14,000	11,000	3,158	7,842
Total Expenditures	640,151	660,227	472,665	187,562
Net Change in Fund Balances	(101,299)	(101,299)	121,188	222,487
FUND BALANCE, BEGINNING OF YEAR	1,973,845	1,973,845	1,973,845	-
FUND BALANCE, END OF YEAR	\$ 1,872,546	\$ 1,872,546	\$ 2,095,033	\$ 222,487

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
State Aid	\$ 104,148	\$ 104,148	\$ 118,515	\$ (14,367)
Community Corrections	-	47,071	46,209	862
C.S.R. Coordinator	-	-	-	-
CSCD Sex Offender	-	-	-	-
Indirect Services	-	-	-	-
Specialized Caseload-Sex Offender	-	-	-	-
Total Intergovernmental Receipts	104,148	151,219	164,724	13,505
FEES OF OFFICE				
Probation Fees	175,000	175,000	187,690	12,690
Total Fees of Office	175,000	175,000	187,690	12,690
MISCELLANEOUS				
Interest Earned	200	200	950	750
Miscellaneous	-	-	267	267
Total Miscellaneous	200	200	1,217	1,017
Total Revenues	279,348	326,419	353,631	27,212
EXPENDITURES				
Current:				
Public Safety:				
Supervision	276,270	279,535	211,123	68,412
Community Corrections	-	46,936	59,433	(12,497)
Civil Supervision	-	-	-	-
C.S.R. Coordination	-	-	-	-
Indirect Services	-	-	-	-
Specialized Caseload	-	-	-	-
CSCD Sex Offender	-	-	-	-
Total Expenditures	276,270	326,471	270,556	55,915
Net Change in Fund Balances	3,078	(52)	83,075	83,127
FUND BALANCE, BEGINNING OF YEAR	86,394	86,394	86,394	-
FUND BALANCE, END OF YEAR	\$ 89,472	\$ 86,342	\$ 169,469	\$ 83,127

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
DRUG COURT GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
State Aid	\$ 94,905	\$ 94,905	\$ 86,349	\$ (8,556)
Total Intergovernmental Receipts	<u>94,905</u>	<u>94,905</u>	<u>86,349</u>	<u>(8,556)</u>
FEES OF OFFICE				
Drug Court Fees	-	-	3,564	3,564
Total Fees of Office	<u>-</u>	<u>-</u>	<u>3,564</u>	<u>3,564</u>
MISCELLANEOUS				
Interest Earned	-	-	434	434
Total Miscellaneous	<u>-</u>	<u>-</u>	<u>434</u>	<u>434</u>
Total Revenues	<u>94,905</u>	<u>94,905</u>	<u>90,347</u>	<u>(4,558)</u>
EXPENDITURES				
Current:				
Public Safety:				
Salaries - Officers	36,500	36,500	32,625	3,875
Social Security	3,180	3,180	2,872	308
Group Medical Insurance	12,120	12,120	5,574	6,546
Retirement	9,970	9,970	9,011	959
Unemployment Insurance	260	260	143	117
Workers Compensation	1,250	1,250	647	603
DA Investigator	5,000	5,000	5,000	-
Travel Per Diem	2,500	2,500	-	2,500
Drug Analysis	500	500	-	500
Office Supplies	500	500	-	500
Breathalyzer	125	125	-	125
Contractual & Professional Services	17,000	17,000	28,050	(11,050)
U/A Supplies	6,000	6,000	2,428	3,572
Total Expenditures	<u>94,905</u>	<u>94,905</u>	<u>86,350</u>	<u>8,555</u>
Excess of Revenues Over Expenditures	-	-	3,997	3,997
Other Financing Uses				
Relocation of Fund Equity to Shelby County	-	-	(51,515)	51,515
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(51,515)</u>	<u>51,515</u>
FUND BALANCE, BEGINNING OF YEAR	<u>90,158</u>	<u>90,158</u>	<u>90,158</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 90,158</u>	<u>\$ 90,158</u>	<u>\$ 42,640</u>	<u>\$ 3,997</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
JUVENILE PROBATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
INTERGOVERNMENTAL RECEIPTS:				
C.C.A.P. Program Funding	\$ 176,441	\$ 176,965	\$ 183,078	\$ 6,113
Commitment Reduction Program	7,000	7,000	7,959	959
Mental Health Services	9,000	9,000	9,363	363
Federal Title IV-E Funding	-	-	-	-
Total Intergovernmental Receipts	192,441	192,965	200,400	7,435
FEES OF OFFICE				
Probation Fees	-	-	160	160
Total Fees of Office	-	-	160	160
MISCELLANEOUS				
Interest Earned	-	-	2,996	2,996
Total Miscellaneous	-	-	2,996	2,996
Total Revenues	192,441	192,965	203,556	10,591
EXPENDITURES				
Current:				
Public Safety:				
Local Match Expenditures	186,221	201,021	151,274	49,747
TJPC/A	176,441	176,965	199,686	(22,721)
Federal Title IV-E Funding	25,000	25,000	-	25,000
Mental Health Services	9,000	9,000	15,022	(6,022)
Commitment Reduction Program	7,000	7,000	8,643	(1,643)
Capital Outlay:				
Public Safety:	-	-	-	-
Total Expenditures	403,662	418,986	374,625	44,361
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(211,221)	(226,021)	(171,069)	54,952
OTHER FINANCING SOURCES (USES)				
Transfers in	183,108	183,108	183,108	-
Total Other Financing Sources (Uses)	183,108	183,108	183,108	-
Net Change in Fund Balances	(28,113)	(42,913)	12,039	54,952
FUND BALANCE, BEGINNING OF YEAR	384,599	384,599	384,599	-
FUND BALANCE, END OF YEAR	\$ 356,486	\$ 341,686	\$ 396,638	\$ 54,952

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
HOT CHECK FEE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
FEES OF OFFICE				
Hot Check Fees	\$ 4,000	\$ 3,860	\$ 3,861	\$ 1
Total Fees of Office	<u>4,000</u>	<u>3,860</u>	<u>3,861</u>	<u>1</u>
Total Revenues	<u>4,000</u>	<u>3,860</u>	<u>3,861</u>	<u>1</u>
EXPENDITURES				
Current:				
Legal:				
Court Coordinator & Specialist	275	275	89	186
Secretaries	6,054	5,914	1,979	3,935
Social Security Taxes	97	97	97	-
Group Medical & Life Insurance	-	-	-	-
Retirement	302	302	302	-
Workers Compensation	-	-	-	-
Unemployment Insurance	-	-	-	-
Other Post Employment	144	144	144	-
Professional Liability Insurance	-	-	-	-
Cellular Phone	-	-	-	-
Miscellaneous	-	-	-	-
Total Hot Check Fee	<u>6,872</u>	<u>6,732</u>	<u>2,611</u>	<u>4,162</u>
Net Change in Fund Balances	(2,872)	(2,872)	1,250	4,122
FUND BALANCE, BEGINNING OF YEAR	<u>34,483</u>	<u>34,483</u>	<u>34,483</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 31,611</u>	<u>\$ 31,611</u>	<u>\$ 35,733</u>	<u>\$ 4,122</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
SHERIFF'S STATE FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
MISCELLANEOUS				
Forfeitures/Auction & Seizure	\$ -	\$ -	\$ 4,021	\$ 4,021
Interest Earnings	-	-	540	540
Total Revenues	-	-	4,561	4,561
EXPENDITURES				
Current:				
Public Safety:				
Deputies and Patrol	-	-	-	-
Secretaries	-	1,914	1,914	-
Jail Administrator	-	-	-	-
Social Security Taxes	-	147	132	15
Group Medical & Life Benefits	-	-	-	-
Retirement & Death Benefits	-	459	458	1
Workers Compensation	-	25	4	21
Unemployment Insurance	-	10	7	3
Other Post Employment Benefits	-	219	218	1
Ammunition for Department	-	6,000	-	6,000
Conferences and Dues	-	-	-	-
Supplies and Equipment	-	1,000	-	1,000
Uniforms	-	4,000	-	4,000
Criminal Investigation	-	7,000	7,000	-
K/9 Drug Dog	-	-	-	-
Capital Outlay:				
Public Safety	-	25,000	-	25,000
Total Expenditures	-	45,774	9,733	11,041
Net Change in Fund Balances	-	(45,774)	(5,172)	40,602
FUND BALANCE, BEGINNING OF YEAR	88,472	88,472	88,472	-
FUND BALANCE, END OF YEAR	\$ 88,472	\$ 42,698	\$ 83,300	\$ 40,602

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
JAIL COMMISSARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Commissary Profits	\$ -	\$ -	\$ 3,596	\$ 3,596
Interest Earnings	-	-	78	78
Total Revenues	<u>-</u>	<u>-</u>	<u>3,674</u>	<u>3,674</u>
EXPENDITURES				
Capital Outlay:				
Public Safety	-	3,528	3,528	-
Total Expenditures	<u>-</u>	<u>3,528</u>	<u>3,528</u>	<u>-</u>
Net Change in Fund Balances	-	(3,528)	146	3,674
FUND BALANCE, BEGINNING OF YEAR	<u>14,023</u>	<u>14,023</u>	<u>14,023</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 14,023</u>	<u>\$ 10,495</u>	<u>\$ 14,169</u>	<u>\$ 3,674</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
DISTRICT ATTORNEY FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
MISCELLANEOUS				
Forfeitures	\$ -	\$ -	\$ 4,021	\$ 4,021
Interest Earnings	-	-	134	134
Total Revenues	<u>-</u>	<u>-</u>	<u>4,155</u>	<u>4,155</u>
EXPENDITURES				
Current:				
Legal:				
Appointed Official	-	-	-	-
Court Coordinator and Spec.	-	-	-	-
Social Security Taxes	-	-	-	-
Group Insurance	-	-	-	-
Retirement	-	-	-	-
Workers Compensation	-	-	-	-
Unemployment Insurance	-	-	-	-
Other Post Employment	-	-	-	-
Parts, Repairs & Gas	-	-	-	-
Office Supplies	-	-	-	-
Advertising and Publications	500	500	-	500
Cellular Phone	1,200	1,200	948	252
Miscellaneous	2,000	2,000	855	1,145
Total Expenditures	<u>3,700</u>	<u>3,700</u>	<u>1,803</u>	<u>1,897</u>
Net Change in Fund Balances	(3,700)	(3,700)	2,352	6,052
FUND BALANCE, BEGINNING OF YEAR	<u>20,184</u>	<u>20,184</u>	<u>20,184</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 16,484</u>	<u>\$ 16,484</u>	<u>\$ 22,536</u>	<u>\$ 6,052</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
STATE APPORTIONMENT - DISTRICT ATTORNEY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
State Comptroller Payments	\$ 27,499	\$ 27,499	\$ 27,498	\$ (1)
Total Intergovernmental Receipts	27,499	27,499	27,498	(1)
MISCELLANEOUS				
Interest Earnings	-	2	19	17
Total Revenues	27,499	27,501	27,517	16
EXPENDITURES				
Current				
Public Safety:				
Appointed Official	6,600	2,134	2,134	-
Administrative Assistant	4,618	4,618	4,618	-
Secretaries	4,826	8,900	8,899	
Court Coordinator & Specialist	11,454	11,641	11,640	1
Social Security Taxes	1	208	208	
Total Expenditures	27,499	27,293	27,499	1
Net Change in Fund Balances	-	208	18	15
FUND BALANCE, BEGINNING OF YEAR	676	676	676	-
FUND BALANCE, END OF YEAR	\$ 676	\$ 884	\$ 694	\$ (190)

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
DISTRICT ATTORNEY LONGEVITY PAY SUPPLEMENT SPECIAL REVNUVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
State Longevity Funds	\$ 4,080	\$ 4,080	\$ 2,456	\$ (1,624)
MISCELLANEOUS				
Interest Earnings	-	-	2	2
Total Revenues	4,080	4,080	2,458	(1,622)
EXPENDITURES				
Current				
Legal	4,080	4,080	2,456	1,624
Total Expenditures	4,080	4,080	2,456	1,624
Net Change in Fund Balances	-	-	2	2
FUND BALANCE, BEGINNING OF YEAR	115	115	115	-
FUND BALANCE, END OF YEAR	\$ 115	\$ 115	\$ 117	\$ 2

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
CONSTABLE PCT. 1 & 4 STATE FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Interest Earned	\$ -	\$ -	\$ 1	\$ 1
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
EXPENDITURES				
Current				
Public Safety				
Furniture & Equipment	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	1	1
FUND BALANCE, BEGINNING OF YEAR	<u>189</u>	<u>189</u>	<u>189</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 189</u>	<u>\$ 189</u>	<u>\$ 190</u>	<u>\$ 1</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
CONSTABLE PCT. 2 & 3 STATE FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Interest Earned	\$ -	\$ -	\$ 6	\$ 6
Total Miscellaneous Receipts	-	-	6	-
Total Revenues	-	-	6	-
EXPENDITURES				
Current				
Public Safety				
Uniforms	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	6	6
FUND BALANCE, BEGINNING OF YEAR	1,010	1,010	1,010	-
FUND BALANCE, END OF YEAR	\$ 1,010	\$ 1,010	\$ 1,016	\$ 6

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
SHERIFF FEDERAL FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Forfeitures	\$ -	\$ -	\$ -	\$ -
Interest Earned	-	-	2	2
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
EXPENDITURES				
Capital Outlay				
Legal	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	2	2
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>256</u>	<u>256</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258</u>	<u>\$ 258</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
CDA FEDERAL FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Interest Earned	\$ -	\$ -	\$ 301	\$ 301
Total Miscellaneous Receipts	-	-	301	301
Total Revenues	-	-	301	301
EXPENDITURES				
Capital Outlay				
Legal	-	10,000	-	10,000
Total Expenditures	-	10,000	-	10,000
Net Change in Fund Balances	-	(10,000)	301	10,301
FUND BALANCE, BEGINNING OF YEAR	57,122	57,122	57,122	-
FUND BALANCE, END OF YEAR	\$ 57,122	\$ 47,122	\$ 57,423	\$ 10,301

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
CONSTABLE PCT. 2 & 3 FEDERAL FORFEITURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Forfeitures	\$ -	\$ -	\$ -	\$ -
Interest Earned	-	-	23	23
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>23</u>	<u>23</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>23</u>	<u>23</u>
EXPENDITURES				
Current				
Public Safety				
Uniforms	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	23	23
FUND BALANCE, BEGINNING OF YEAR	<u>288</u>	<u>288</u>	<u>288</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 288</u>	<u>\$ 288</u>	<u>\$ 311</u>	<u>\$ 23</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
DEADWOOD WATER SUPPLY CORPORATION GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
Federal Receipts	\$ -	\$ 39,138	\$ 39,138	\$ -
Total Intergovernmental Receipts	<u>-</u>	<u>39,138</u>	<u>39,138</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>39,138</u>	<u>39,138</u>	<u>-</u>
EXPENDITURES				
Current:				
Public Facilities	-	39,138	39,138	-
Total Expenditures	<u>-</u>	<u>39,138</u>	<u>39,138</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
FAIRPLAY WATER SUPPLY CORPORATION GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
Federal Receipts	\$ -	\$ 122,131	\$ 122,131	\$ -
Total Intergovernmental Receipts	<u>-</u>	<u>122,131</u>	<u>122,131</u>	<u>-</u>
MISCELLANEOUS				
Donations	-	-	-	-
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>122,131</u>	<u>122,131</u>	<u>-</u>
EXPENDITURES				
Current:				
Public Facilities	-	122,131	122,131	-
Total Expenditures	<u>-</u>	<u>122,131</u>	<u>122,131</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
CHILD PROTECTIVE SERVICES SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
Federal Receipts	\$ -	\$ -	\$ 3,936	\$ 3,936
Total Intergovernmental Receipts	-	-	3,936	3,936
MISCELLANEOUS				
Interest Earned	-	-	791	791
Donations	-	-	1,955	1,955
Total Miscellaneous Receipts	-	-	2,746	2,746
Total Revenues	-	-	6,682	6,682
EXPENDITURES				
Current				
Health & Paupers Care	28,000	58,000	57,764	236
Total Expenditures	28,000	58,000	57,764	236
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(28,000)	(58,000)	(51,082)	6,918
OTHER FINANCING SOURCES (USES)				
Transfers in	28,000	58,000	58,000	30,000
Total Other Financing Sources (Uses)	28,000	58,000	58,000	30,000
Net Change in Fund Balances	-	-	6,918	6,918
FUND BALANCE, BEGINNING OF YEAR	111,564	111,564	111,564	-
FUND BALANCE, END OF YEAR	\$ 111,564	\$ 111,564	\$ 118,482	\$ 6,918

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
HEALTH CARE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
INTERGOVERNMENTAL RECEIPTS				
Tobacco Settlement	\$ 12,000	\$ 12,000	\$ 35,727	\$ 23,727
Total Intergovernmental Receipts	12,000	12,000	35,727	23,727
MISCELLANEOUS				
Hospital Lease	1,200,000	966,141	966,141	-
Interest Earnings	20,000	20,000	28,248	8,248
Total Miscellaneous Revenue	1,220,000	986,141	994,389	8,248
Total Revenues	1,232,000	998,141	1,030,116	31,975
EXPENDITURES				
Current				
Health & Paupers Care	1,232,000	998,141	994,749	3,392
Total Expenditures	1,232,000	998,141	994,749	3,392
Net Change in Fund Balances	-	-	35,367	35,367
FUND BALANCE, BEGINNING OF YEAR	3,527,655	3,527,655	3,527,655	-
FUND BALANCE, END OF YEAR	\$ 3,527,655	\$ 3,527,655	\$ 3,563,022	\$ 35,367

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP) BASIS AND ACTUAL
AIRPORT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Miscellaneous	\$ 154,100	\$ 154,100	\$ 172,597	\$ 18,497
Interest Earned	900	900	2,195	1,295
Total Revenues	<u>155,000</u>	<u>155,000</u>	<u>174,792</u>	<u>19,792</u>
EXPENDITURES				
Current				
Public Transportation	282,000	282,000	88,007	193,993
Total Expenditures	<u>282,000</u>	<u>282,000</u>	<u>88,007</u>	<u>193,993</u>
Net Change in Fund Balances	(127,000)	(127,000)	86,785	213,785
FUND BALANCE, BEGINNING OF YEAR	<u>369,004</u>	<u>369,004</u>	<u>369,004</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 242,004</u>	<u>\$ 242,004</u>	<u>\$ 455,789</u>	<u>\$ 213,785</u>

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CAPITAL PROJECT FUNDS

1971 ROAD BOND FUND– This fund is used to account for funds remaining from bonds that were issued in 1971 and have been retired. Remaining funds represent the excess of bond proceeds and accumulated earnings on investments over debt retirement and expenditures. The remaining funds are used primarily for right of way purchases and utility adjustments.

PERMANENT IMPROVEMENT FUND - Currently, this fund is used to account for grants from the State and Federal Aviation Administration to be used for capital outlay expenditures of the County's airport.

JAIL IMPROVEMENT FUND - This fund is used to account for funds that are available for future improvements to the County Jail.

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**PANOLA COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 NON-MAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2017**

	ROAD BOND 1971	PERMANENT IMPROVEMENT	JAIL IMPROVEMENT	NON-MAJOR CAPITAL PROJECTS FUNDS TOTAL
ASSETS:				
Cash and Cash Equivalents	\$ 65,156	\$ 52,245	\$ 51,188	\$ 168,589
Investments	219,000	171,000	165,000	555,000
Receivables (net of allowance for uncollectibles)				
Miscellaneous	328	255	247	830
Total Assets	\$ 284,484	\$ 223,500	\$ 216,435	\$ 724,419
LIABILITIES:				
Accounts Payable-Trade	-	-	-	-
Total Liabilities	-	-	-	-
FUND BALANCES:				
Committed	284,484	223,500	216,435	724,419
Total Fund Balances	284,484	223,500	216,435	724,419
Total Liabilities and Fund Balances	\$ 284,484	\$ 223,500	\$ 216,435	\$ 724,419

PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>ROAD BOND</u> <u>1971</u>	<u>PERMANENT</u> <u>IMPROVEMENT</u>	<u>JAIL</u> <u>IMPROVEMENT</u>	<u>NON-MAJOR</u> <u>CAPITAL</u> <u>PROJECTS</u> <u>FUNDS</u> <u>TOTAL</u>
REVENUES				
Miscellaneous	\$ 2,243	\$ 1,699	\$ 1,656	\$ 5,598
TOTAL REVENUES	<u>2,243</u>	<u>1,699</u>	<u>1,656</u>	<u>5,598</u>
EXPENDITURES				
Capital Outlay				
Recreation	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>2,243</u>	<u>1,699</u>	<u>1,656</u>	<u>5,598</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	2,243	1,699	1,656	5,598
FUND BALANCE-BEGINNING OF YEAR	<u>282,241</u>	<u>221,801</u>	<u>214,779</u>	<u>718,821</u>
FUND BALANCE-END OF YEAR	<u>\$ 284,484</u>	<u>\$ 223,500</u>	<u>\$ 216,435</u>	<u>\$ 724,419</u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
1971 ROAD BOND CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
MISCELLANEOUS				
Interest Earned	\$ 1,250	\$ 1,250	\$ 2,243	\$ 993
Total Revenues	<u>1,250</u>	<u>1,250</u>	<u>2,243</u>	<u>993</u>
EXPENDITURES				
Current:				
Public Transportation	1,250	1,250	-	1,250
Total Expenditures	<u>1,250</u>	<u>1,250</u>	<u>-</u>	<u>1,250</u>
Net Change in Fund Balances	-	-	2,243	2,243
FUND BALANCE, BEGINNING OF YEAR	<u>282,241</u>	<u>282,241</u>	<u>282,241</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 282,241</u></u>	<u><u>\$ 282,241</u></u>	<u><u>\$ 284,484</u></u>	<u><u>\$ 2,243</u></u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
PERMANENT IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Interest Earned	\$ 1,000	\$ 1,000	\$ 1,699	\$ 699
Total Miscellaneous Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,699</u>	<u>699</u>
EXPENDITURES				
Capital Outlay:				
General Administration	1,000	1,000	-	1,000
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net Change in Fund Balances	-	-	1,699	1,699
FUND BALANCE, BEGINNING OF YEAR	<u>221,801</u>	<u>221,801</u>	<u>221,801</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 221,801</u></u>	<u><u>\$ 221,801</u></u>	<u><u>\$ 223,500</u></u>	<u><u>\$ 1,699</u></u>

PANOLA COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
JAIL IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
MISCELLANEOUS				
Interest Earned	\$ 900	\$ 900	\$ 1,656	\$ 756
Total Miscellaneous Revenues	<u>900</u>	<u>900</u>	<u>1,656</u>	<u>756</u>
EXPENDITURES				
Capital Outlay:				
Public Safety	900	900	-	900
Total Expenditures	<u>900</u>	<u>900</u>	<u>-</u>	<u>900</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>1,656</u>	<u>1,656</u>
Net Change in Fund Balances	-	-	1,656	1,656
FUND BALANCE, BEGINNING OF YEAR	<u>214,779</u>	<u>214,779</u>	<u>214,779</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 214,779</u>	<u>\$ 214,779</u>	<u>\$ 216,435</u>	<u>\$ 1,656</u>

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**PANOLA COUNTY, TEXAS
AGENCY FUNDS**

AUTOMOBILE REGISTRATION – This fund is used to account for activities related to automobile registration collections. The collections flow through to the general and special revenue funds as the character of the collections dictate. Those collections for which the County acts as an agent are remitted to other local governments and the State.

TAX ASSESSOR - COLLECTOR – This fund is used to account for activities related to ad valorem taxes. The portion of these collections designated for Panola County flow through to the general, special revenue, or debt service funds as the character of the collections dictate. Those collections for which the County acts as an agent are remitted to other local governments and the State.

COUNTY CLERK – This fund is used to account for transactions for two types of funds maintained by the County Clerk: operating and court cost deposits. The operating fund is used to account for the transactions that ultimately flow through to the general or special revenue funds as the character of the transaction dictates. The court cost account represents those monies placed into the court registry pending final disposition of matters in the court docket.

DISTRICT CLERK – This fund is used to account for transactions for three types of funds maintained by the District Clerk: "trust" funds, court cost deposits, and child support funds. The "trust" funds represent monies placed into the registry of the court pending final disposition of matters in litigation involving parties who have petitioned the court. Court cost deposits are maintained until final disposition of cases at which time the funds are recorded as revenues into the general or special revenue funds. The child support funds represent monies collected from those individuals whom the court has ordered child support payments be made through the court. As monies are collected, they are remitted to the intended recipient.

COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT – This fund is used to account for the collection of probationers' fees, fines, restitution and attorney fees. Fees for the ultimate use of the County flow through to the general or special revenue funds. Restitution and attorney fees are remitted to those parties for whom the monies are intended.

JUVENILE PROBATION – This fund is used to account for the collection of restitution by the Juvenile Probation Department from juvenile offenders. These collections are then remitted to the damaged parties.

CRIMINAL DISTRICT ATTORNEY FORFEITURE – This fund, which is maintained by the Criminal District Attorney, is used to account for the processing of forfeited funds, pending court ordered distribution.

CRIMINAL DISTRICT ATTORNEY RESTITUTION – The restitution fund, also maintained by the Criminal District Attorney, is used to collect and remit to merchants proceeds of collection of "hot checks."

SHERIFF – This fund is used to account for the collection of monies by the Sheriff's office, for other county jurisdictions, other local governments, and fees of office. Fees of office flow through to the general or special revenue funds. Those monies collected for other governments are remitted directly to the other government.

JAIL INMATE – This fund is used to account for proceeds received from the sale of goods to inmates and other expenditures of the same.

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**PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2017</u>
AUTOMOBILE REGISTRATION FUND				
ASSETS				
Cash and Cash Equivalents	\$ 369,224	\$ 5,868,610	\$ 5,791,707	\$ 446,126
Total Assets	<u>\$ 369,224</u>	<u>\$ 5,868,610</u>	<u>\$ 5,791,707</u>	<u>\$ 446,126</u>
LIABILITIES				
Due to Other Governments	\$ 369,224	\$ 5,868,610	\$ 5,791,707	\$ 446,126
Total Liabilities	<u>\$ 369,224</u>	<u>\$ 5,868,610</u>	<u>\$ 5,791,707</u>	<u>\$ 446,126</u>
TAX ASSESSOR-COLLECTOR ADVALOREM TAX FUND				
ASSETS				
Cash and Cash Equivalents	\$ 2,328,292	\$ 60,424,982	\$ 59,934,566	\$ 2,818,708
Total Assets	<u>\$ 2,328,292</u>	<u>\$ 60,424,982</u>	<u>\$ 59,934,566</u>	<u>\$ 2,818,708</u>
LIABILITIES				
Due to Other Governments	\$ 2,328,292	\$ 60,424,982	\$ 59,934,566	\$ 2,818,708
Total Liabilities	<u>\$ 2,328,292</u>	<u>\$ 60,424,982</u>	<u>\$ 59,934,566</u>	<u>\$ 2,818,708</u>
COUNTY CLERK FUND				
ASSETS				
Cash and Cash Equivalents	\$ 106,157	\$ 5,095	\$ 12,250	\$ 99,003
Total Assets	<u>\$ 106,157</u>	<u>\$ 5,095</u>	<u>\$ 12,250</u>	<u>\$ 99,003</u>
LIABILITIES				
Court Ordered Deposits	\$ 10,579	\$ 4,671	\$ 9,000	\$ 6,250
Court Ordered Trust Funds	\$ 95,578	\$ 424	\$ 3,250	\$ 92,753
Total Liabilities	<u>\$ 106,157</u>	<u>\$ 5,095</u>	<u>\$ 12,250</u>	<u>\$ 99,003</u>

(Continued)

**PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
DISTRICT CLERK FUNDS				
ASSETS				
Cash and Cash Equivalents	\$ 1,279,638	\$ 333,597	\$ 412,726	\$ 1,200,509
Investments	\$ 259,356	\$ 66,438	\$ 2,733	\$ 323,060
Total Assets	\$ 1,538,993	\$ 400,036	\$ 415,459	\$ 1,523,570
LIABILITIES				
Court Ordered Deposits	\$ 520,044	\$ 35,544	\$ 20,106	\$ 535,482
Court Ordered Trust Funds	\$ 1,018,949	\$ 364,492	\$ 395,353	\$ 988,088
Total Liabilities	\$ 1,538,993	\$ 400,036	\$ 415,459	\$ 1,523,570
COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT FUND				
ASSETS				
Cash and Cash Equivalents	\$ 9,046	\$ 336,803	\$ 336,794	\$ 9,055
Total Assets	\$ 9,046	\$ 336,803	\$ 336,794	\$ 9,055
LIABILITIES				
Court Ordered Trust Funds	\$ 9,046	\$ 336,803	\$ 336,794	\$ 9,055
Total Liabilities	\$ 9,046	\$ 336,803	\$ 336,794	\$ 9,055

(Continued)

**PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2017</u>
JUVENILE PROBATION FUND				
ASSETS				
Cash and Cash Equivalents	\$ 40	\$ 385	\$ 410	\$ 15
Total Assets	<u>\$ 40</u>	<u>\$ 385</u>	<u>\$ 410</u>	<u>\$ 15</u>
LIABILITIES				
Court Ordered Trust Funds	\$ 40	\$ 385	\$ 410	\$ 15
Total Liabilities	<u>\$ 40</u>	<u>\$ 385</u>	<u>\$ 410</u>	<u>\$ 15</u>
CRIMINAL DISTRICT ATTORNEY FORFEITURE FUNDS				
ASSETS				
Cash and Cash Equivalents	\$ 77,096	\$ 11,442	\$ 8,314	\$ 80,224
Total Assets	<u>\$ 77,096</u>	<u>\$ 11,442</u>	<u>\$ 8,314</u>	<u>\$ 80,224</u>
LIABILITIES				
Court Ordered Trust Funds	\$ 77,096	\$ 11,442	\$ 8,314	\$ 80,224
Total Liabilities	<u>\$ 77,096</u>	<u>\$ 11,442</u>	<u>\$ 8,314</u>	<u>\$ 80,224</u>
CRIMINAL DISTRICT ATTORNEY RESTITUTION FUND				
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 38,014	\$ 38,014	\$ -
Total Assets	<u>\$ -</u>	<u>\$ 38,014</u>	<u>\$ 38,014</u>	<u>\$ -</u>
LIABILITIES				
Restitution Payable	\$ -	\$ 38,014	\$ 38,014	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ 38,014</u>	<u>\$ 38,014</u>	<u>\$ -</u>

(Continued)

**PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
SHERIFF COLLECTIONS FUND				
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 31,860	\$ 28,766	\$ 3,094
Total Assets	\$ -	\$ 31,860	\$ 28,766	\$ 3,094
LIABILITIES				
Due to Other Governments	\$ -	\$ 31,860	\$ 28,766	\$ 3,094
Total Liabilities	\$ -	\$ 31,860	\$ 28,766	\$ 3,094
JAIL INMATE FUND				
ASSETS				
Cash and Cash Equivalents	\$ 8,948	\$ 78,461	\$ 82,515	\$ 4,893
Total Assets	\$ 8,948	\$ 78,461	\$ 82,515	\$ 4,893
LIABILITIES				
Other Payables	\$ 8,948	\$ 78,461	\$ 82,515	\$ 4,893
Total Liabilities	\$ 8,948	\$ 78,461	\$ 82,515	\$ 4,893

(Continued)

**PANOLA COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
TOTAL ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	\$ 4,178,440	\$ 67,129,249	\$ 66,646,061	\$ 4,661,629
Investments	259,356	66,438	2,733	323,060
Total Assets	\$ 4,437,796	\$ 67,195,688	\$ 66,648,794	\$ 4,984,689
LIABILITIES				
Due to Other Governments	2,697,516	66,325,452	65,755,039	3,267,929
Court Ordered Deposits	530,623	40,215	29,106	541,732
Court Ordered Trust Funds	1,200,709	713,546	744,120	1,170,135
Restitution Payable	-	38,014	38,014	-
Other Payables	8,948	78,461	82,515	4,894
Total Liabilities	\$ 4,437,796	\$ 67,195,688	\$ 66,648,794	\$ 4,984,689

(Continued)

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**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

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PANOLA COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
DECEMBER 31, 2017

CAPITAL ASSETS:

Land	\$ 1,722,016
Construction in Progress	-
Buildings	20,906,963
Improvements Other Than Buildings	275,603
Machinery and Equipment	11,963,066
Infrastructure	<u>10,826,285</u>
Total Capital Assets	<u><u>\$ 45,693,933</u></u>

INVESTMENTS IN CAPITAL ASSETS:

Current Revenues - Current Year	\$ 1,234,357
Current Revenues - Prior Years	34,024,870
Capital Assets of Former Panola General Hospital	3,879,706
General Obligation Debt - Prior Years	5,555,000
Certificates of Obligation - Prior Years	<u>1,000,000</u>
	<u><u>\$ 45,693,933</u></u>

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PANOLA COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2017

	Total	Land	Construction in Progress	Buildings	Improvements Other than Buildings	Machinery and Equipment	Infrastructure
GENERAL ADMINISTRATION							
County Clerk	\$ 43,103	\$ -	\$ -	\$ -	\$ -	\$ 43,103	\$ -
Total General Administration	43,103	-	-	-	-	43,103	-
JUDICIAL							
District Court	929,919	-	-	879,558	-	50,361	-
County Court at Law	929,921	-	-	879,561	-	50,360	-
District Clerk	16,623	-	-	-	-	16,623	-
Peace Justices	18,772	-	-	-	-	18,772	-
Total Judicial	1,895,235	-	-	1,759,119	-	136,116	-
LEGAL							
District Attorney	360,528	-	-	356,995	-	3,533	-
Total Legal	360,528	-	-	356,995	-	3,533	-
ELECTIONS							
Voter Registration	360,084	-	-	-	-	360,084	-
Total Elections	360,084	-	-	-	-	360,084	-
PUBLIC TRANSPORTATION							
Road and Bridge	19,932,110	571,783	-	11,778	-	8,977,107	10,371,442
Airport	1,056,107	188,639	-	315,909	-	96,716	454,843
Total Public Transportation	20,988,217	760,422	-	327,687	-	9,073,823	10,826,285
PUBLIC FACILITIES							
Courthouse	1,644,761	815,452	-	623,114	16,300	189,895	-
Miscellaneous & Non-Departmental	325,408	-	-	-	169,270	156,138	-
Total Public Facilities	1,970,169	815,452	-	623,114	185,570	346,033	-

(Continued)

PANOLA COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY, continued
DECEMBER 31, 2017

	Total	Land	Construction in Progress	Buildings	Improvements Other than Buildings	Machinery and Equipment	Infrastructure
PUBLIC SAFETY							
Sheriff	\$ 1,851,541	\$ -	\$ -	\$ 537,675	\$ -	\$ 1,313,866	\$ -
Constables	141,420	-	-	-	-	141,420	-
Corrections and Jail	11,452,642	60,754	-	11,211,314	-	180,574	-
Emergency Management	144,286	-	-	-	-	144,286	-
911 Rural Addressing	53,977	-	-	-	-	53,977	-
Probation Services - Adult	121,676	-	-	-	-	121,676	-
Probation Services - Juvenile	44,574	-	-	-	-	44,574	-
Total Public Safety	13,810,116	60,754	-	11,748,989	-	2,000,373	-
HEALTH AND WELFARE							
Hospital	3,879,706	32,138	-	3,757,535	90,033	-	-
Incinerator	401,782	53,250	-	348,532	-	-	-
Total Health and Welfare	4,281,488	85,388	-	4,106,067	90,033	-	-
CULTURE AND RECREATION							
Exposition Center	115,025	-	-	115,025	-	-	-
Library	1,869,967	-	-	1,869,967	-	-	-
Total Culture and Recreation	1,984,992	-	-	1,984,992	-	-	-
TOTAL CAPITAL ASSETS	\$ 45,693,933	\$ 1,722,016	\$ -	\$ 20,906,963	\$ 275,603	\$ 11,963,066	\$ 10,826,285

(Continued)

PANOLA COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Capital Assets January 1, 2017	Additions	Deductions	Transfers	General Capital Assets December 31, 2017
GENERAL ADMINISTRATION					
County Clerk	\$ 31,371	\$ 11,732	\$ -	\$ -	\$ 43,103
Total General Administration	<u>31,371</u>	<u>11,732</u>	<u>-</u>	<u>-</u>	<u>43,103</u>
JUDICIAL					
District Court	929,919	-	-	-	929,919
County Court at Law	929,921	-	-	-	929,921
District Clerk	16,623	-	-	-	16,623
Peace Justices	18,772	-	-	-	18,772
Total Judicial	<u>1,895,235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,895,235</u>
LEGAL					
District Attorney	360,528	-	-	-	360,528
Total Legal	<u>360,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,528</u>
ELECTIONS					
Voter Registration	360,084	-	-	-	360,084
Total Elections	<u>360,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,084</u>
PUBLIC TRANSPORTATION					
Road and Bridge-Equipment	9,606,662	538,396	584,390	-	9,560,668
Road and Bridge-Land	-	-	-	-	-
Road and Bridge-Infrastructure	10,371,442	-	-	-	10,371,442
Airport	606,825	449,282	-	-	1,056,107
Total Public Transportation	<u>20,584,929</u>	<u>987,678</u>	<u>584,390</u>	<u>-</u>	<u>20,988,217</u>
PUBLIC FACILITIES					
Courthouse	1,644,761	-	-	-	1,644,761
Miscellaneous and Non- Departmental	325,408	-	-	-	325,408
Total Public Facilities	<u>1,970,169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,970,169</u>

(Continued)

PANOLA COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY, continued
FOR THE YEAR ENDED DECEMBER 31, 2017

	General Capital Assets January 1, 2017	Additions	Deductions	Transfers	General Capital Assets December 31, 2017
PUBLIC SAFETY					
Sheriff	\$ 1,738,281	\$ 113,260	\$ -	\$ -	\$ 1,851,541
Constables	141,420	-	-	-	141,420
Corrections and Jail	11,433,079	19,563	-	-	11,452,642
Emergency Management	144,286	-	-	-	144,286
911 Rural Addressing	53,977	-	-	-	53,977
Probation Services - Adult	252,389	-	130,713	-	121,676
Probation Services - Juvenile	44,574	-	-	-	44,574
Total Public Safety	13,808,006	132,823	130,713	-	13,810,116
HEALTH AND WELFARE					
Hospital	3,879,706	-	-	-	3,879,706
Incinerator	401,782	-	-	-	401,782
Total Health and Welfare	4,281,488	-	-	-	4,281,488
CULTURE AND RECREATION					
Exposition Center	115,025	-	-	-	115,025
Library	1,869,967	-	-	-	1,869,967
Total Culture and Recreation	1,984,992	-	-	-	1,984,992
TOTAL GENERAL CAPITAL ASSETS	\$ 45,276,802	\$ 1,132,235	\$ 715,103	\$ -	\$ 45,693,933

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**STATISTICAL DATA SECTION
(UNAUDITED)**

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Panola County, Texas Statistical Section Overview

The Statistical Section of the comprehensive annual financial report of Panola County, Texas provides additional information and details to assist users in understanding and assessing the overall economic condition of the County. The Statistical Section is organized in five sections, listed below.

Financial Trends:

These schedules compile information reported in the comprehensive annual financial report over the past ten years. These schedules report how the County's financial position and well-being have changed over time.

TABLE 1 – Net Position by Component

TABLE 2 – Changes in Net Position

TABLE 3 – Fund Balances, Governmental Funds

TABLE 4 – Net Changes in Fund Balance, Governmental Funds

Revenue Capacity Information:

These schedules provide information regarding the County's major own-source revenue (property taxes) and the stability and growth of that revenue.

TABLE 5 – Assessed Value and Estimated Actual Value of Taxable Property

TABLE 6 – Direct and Overlapping Property Tax Rates

TABLE 7 – Principal Property Taxpayers

TABLE 8 – Property Tax Levies and Collections

Debt Capacity Information:

These schedules provide information regarding the County's outstanding debt, the ability to repay the debt, and the ability to issue new debt.

TABLE 9 – Ratio of Outstanding Debt by Type

TABLE 10 – Direct and Overlapping Governmental Debt

TABLE 11 – Legal Debt Margin Information

Demographic and Economic Information:

These schedules provide information regarding the County's socioeconomic environment, specifically its taxpayers and employers, and the changes to those groups over the past ten years.

TABLE 12 – Demographic and Economic Statistics

TABLE 13 – Principle Employers by Industry

Operating Information:

These schedules provide information regarding the County's employees, operations, and facilities.

TABLE 14 – Full-Time Equivalent County Government Employees

TABLE 15 – Capital Assets by Function/Program

TABLE 16 – Operating Indicators by Function/Program

TABLE 17 – Schedule of Insurance Policies in Force

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PANOLA COUNTY, TEXAS
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
 (Unaudited)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental activities:										
Net Investment in Capital Assets	\$ 21,809,860	\$ 22,458,568	\$ 23,279,430	\$ 23,542,376	\$ 24,340,108	\$ 24,022,953	\$ 23,802,873	\$ 22,812,862	\$ 21,868,287	\$ 18,861,947
Restricted for Debt Service	-	-	-	-	-	-	-	224,103	161,924	93,036
Restricted for Capital Projects	-	-	-	-	-	-	-	-	491,596	3,212,248
Restricted for Other Purposes	-	-	-	-	-	-	-	-	15,994	-
Unrestricted	45,184,264	43,671,917	40,913,998	42,577,083	39,042,172	37,884,578	35,513,233	33,209,420	29,525,131	26,134,625
Total governmental activities net position	\$ 66,994,124	\$ 66,130,485	\$ 64,193,428	\$ 66,119,459	\$ 63,382,280	\$ 61,907,531	\$ 59,316,106	\$ 56,246,385	\$ 52,062,932	\$ 48,301,856

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PANOLA COUNTY, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental Activities:										
General administration	\$ 4,998,429	\$ 3,628,899	\$ 3,188,949	\$ 4,219,943	\$ 3,654,495	\$ 3,447,218	\$ 3,727,822	\$ 3,267,777	\$ 2,814,331	\$ 3,358,623
Judicial	1,504,247	1,440,455	1,313,677	1,288,251	1,226,565	1,136,940	1,091,066	1,120,449	1,134,624	953,205
Legal	614,417	646,121	618,330	589,841	507,415	467,497	483,307	490,452	350,538	377,261
Elections	189,184	216,421	213,282	206,776	189,931	186,869	153,511	163,105	167,952	137,636
Financial administration	1,071,598	1,003,659	900,619	913,259	852,036	794,223	786,036	766,574	755,563	630,297
Public facilities	469,972	420,136	493,979	695,814	582,996	435,721	417,517	297,677	258,652	238,315
Public safety	7,040,400	6,866,996	6,892,775	6,724,721	6,351,980	5,889,883	5,713,426	5,572,574	5,364,448	4,175,436
Environmental protection	405,004	405,004	417,769	397,717	426,905	392,801	363,458	361,383	363,925	339,837
Public transportation	6,800,101	6,523,876	6,450,555	6,713,665	6,918,240	6,378,730	6,279,662	6,333,001	5,642,668	5,825,027
Health and Paupers care	1,729,386	1,995,250	2,640,645	1,519,237	1,568,289	1,233,431	931,689	2,402,045	734,454	618,051
Recreation	464,777	445,229	428,808	409,735	381,777	363,850	384,378	320,529	305,744	278,591
Conservation	119,229	112,210	108,927	102,973	94,640	87,261	93,050	92,987	90,679	73,981
Debt Service - Interest	-	-	-	-	-	-	17,694	69,800	119,877	167,161
Total Governmental Activities Expenses	\$ 25,406,744	\$ 23,704,256	\$ 23,668,315	\$ 23,781,932	\$ 22,755,269	\$ 20,814,424	\$ 20,442,616	\$ 21,258,353	\$ 18,103,455	\$ 17,173,419
Program Revenues:										
Governmental Activities:										
Charges for Services										
General administration	\$ 332,744	\$ 325,813	\$ 358,984	\$ 378,308	\$ 355,323	\$ 320,353	\$ 339,152	\$ 348,974	\$ 383,448	\$ 421,277
Judicial	607,479	487,141	435,198	396,268	453,591	464,969	460,165	453,019	116,763	136,563
Legal	19,039	19,934	28,229	29,702	32,428	37,505	37,671	45,235	77,514	134,391
Elections	-	5,435	-	7,050	1,150	4,450	-	5,061	2,400	22,203
Financial administration	823,788	832,349	854,162	854,313	822,522	830,492	807,132	758,081	338,835	291,567
Public facilities	-	-	-	-	-	-	-	-	8,658	1,053
Public safety	253,340	298,428	374,660	431,121	463,719	453,190	482,476	520,674	531,439	501,528
Environmental protection	-	-	-	-	-	-	-	-	-	871
Public transportation	226,139	141,950	130,661	139,891	139,815	38,894	182,614	176,809	748,835	795,779
Health and Paupers care	815	-	1,110	965	1,006	1,375	1,525	1,400	5,351	19,966
Recreation	186,593	182,318	187,112	162,407	156,724	152,856	144,471	136,592	136,024	121,372
Conservation	750	-	850	400	400	1,265	1,950	4132	-	-
Total Charges for Services	\$ 2,450,687	\$ 2,293,369	\$ 2,370,966	\$ 2,400,425	\$ 2,426,678	\$ 2,305,349	\$ 2,457,156	\$ 2,449,977	\$ 2,349,267	\$ 2,446,570

TABLE 2 (cont.)

PANOLA COUNTY
CHANGES IN NET POSITION, Continued
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating Grants and Contributions										
Judicial	\$ 88,806	\$ 88,806	\$ 85,500	\$ 84,102	\$ 77,250	\$ 75,000	\$ 80,489	\$ 85,889	\$ 74,192	\$ 67,116
Legal	29,954	30,871	30,343	33,500	33,020	38,199	74,543	63,391	4,320	4,080
Elections	-	2,390	4,656	362	5,829	-	988	47,669	12,337	-
Financial administration	-	-	-	-	-	-	-	-	-	-
Public facilities	-	3,000	-	-	-	-	-	-	-	-
Public safety	474,948	546,400	686,415	684,681	638,384	573,135	652,019	662,193	963,272	904,822
Environmental protection	-	-	-	-	-	-	-	-	-	-
Public transportation	29,575	29,575	29,575	29,676	30,441	29,620	30,041	30,222	30,279	30,284
Health and Paupers care	1,005,804	1,251,495	2,010,776	1,011,544	934,370	590,633	271,457	1,980,960	69,548	101,349
Recreation	-	-	-	-	-	-	-	-	-	-
Total Operating Grants and Contributions	\$ 1,629,087	\$ 1,952,537	\$ 2,847,265	\$ 1,843,865	\$ 1,719,294	\$ 1,306,587	\$ 1,109,537	\$ 2,870,324	\$ 1,153,948	\$ 1,107,651
Program Revenues, Continued:										
Capital Grants and Contributions										
Legal	\$ 37,957	\$ 27,232	\$ 24,735	\$ 37,913	\$ 23,342	\$ 15,657	\$ -	\$ -	\$ -	\$ -
General Administration	404,353	-	-	-	-	-	-	-	-	-
Public Facilities	161,269	18,580	97,636	149,126	144,321	163,133	144,558	31,650	-	-
Public Safety	30,000	30,000	73,023	44,351	30,000	40,092	78,382	200,468	-	-
Total Capital Grants and Contrib	\$ 633,579	\$ 75,812	\$ 195,394	\$ 231,390	\$ 197,663	\$ 218,882	\$ 222,940	\$ 232,118	\$ -	\$ -
Total Governmental Activities										
Program Revenues	\$ 4,713,353	\$ 4,321,718	\$ 5,413,625	\$ 4,475,680	\$ 4,343,635	\$ 3,830,818	\$ 3,789,633	\$ 5,552,419	\$ 3,503,215	\$ 3,554,221
Net (Expense) Revenue										
Governmental Activities:	\$ (20,693,391)	\$ (19,382,538)	\$ (18,254,690)	\$ (19,306,252)	\$ (18,411,634)	\$ (16,983,606)	\$ (16,652,983)	\$ (15,705,934)	\$ (14,600,240)	\$ (13,619,198)

TABLE 2 (cont.)

PANOLA COUNTY
 CHANGES IN NET POSITION, Continued
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 20,874,829	\$ 20,760,794	\$ 21,094,822	\$ 21,072,209	\$ 18,908,177	\$ 18,374,211	\$ 18,742,731	\$ 18,542,362	\$ 16,744,039	\$ 15,328,340
Interest Income	275,252	196,890	199,770	232,059	409,659	454,697	483,015	470,991	826,889	962,442
Gain on Sale of Capital Assets	-	-	-	-	(73,459)	236,219	-	-	90,507	-
Miscellaneous	406,690	362,167	731,188	739,163	642,006	509,904	496,958	729,736	699,881	1,232,637
Total Governmental Activities	\$ 21,556,771	\$ 21,319,851	\$ 22,025,780	\$ 22,043,431	\$ 19,886,383	\$ 19,575,031	\$ 19,722,704	\$ 19,743,089	\$ 18,361,316	\$ 17,523,419
Increase in Net Position Before Transfers	863,381	1,937,313	3,771,090	2,737,179	1,474,749	2,591,425	3,069,721	4,037,155	3,761,076	3,904,221
Transfers	-	-	-	-	-	-	-	-	-	-
Change in Net Position	\$ 863,381	\$ 1,937,313	\$ 3,771,090	\$ 2,737,179	\$ 1,474,749	\$ 2,591,425	\$ 3,069,721	\$ 4,037,155	\$ 3,761,076	\$ 3,904,221
Governmental Activities										
Total Primary Government	\$ 863,381	\$ 1,937,313	\$ 3,771,090	\$ 2,737,179	\$ 1,474,749	\$ 2,591,425	\$ 3,069,721	\$ 4,037,155	\$ 3,761,076	\$ 3,904,221
% Change from Prior Year	(55.43%)	(48.63%)	37.77%	85.60%	(43.09%)	(15.58%)	(23.96%)	7.34%	3.67%	N/A

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TABLE 3

PANOLA COUNTY, TEXAS
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund:										
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
Unassigned	10,605,091	11,431,684	12,628,900	13,701,192	14,386,419	12,914,895	11,152,902	11,572,586	9,427,291	6,918,110
Total General Fund	10,605,091	11,431,684	12,628,900	13,701,192	14,386,419	12,914,895	13,152,902	11,572,586	9,427,291	6,918,110
All Other Governmental Funds:										
Nonspendable, Reported in:										
Special Revenue Funds	25,968	68,066	6,740	20,014	17,036	29,129	16,053	24,346	15,994	47,998
Restricted, Reported in:										
Special Revenue Funds	14,801,460	14,260,464	13,524,120	12,896,767	11,505,906	10,942,194	10,575,529	10,582,426	9,980,628	9,315,359
Debt Service Fund	-	-	-	-	-	-	207,556	201,590	161,924	93,036
Capital Projects Funds	-	-	-	-	-	-	-	-	-	2,734,465
Committed, Reported in:										
Capital Projects Funds	724,419	718,821	715,382	711,931	702,640	2,032,738	520,303	647,974	491,596	477,783
Total All Other Governmental Funds	15,551,847	15,047,351	14,246,242	13,628,712	12,225,582	13,004,061	11,319,441	11,456,336	10,650,142	12,668,641
Total Governmental Funds	\$ 26,156,938	\$ 26,479,035	\$ 26,875,142	\$ 27,329,904	\$ 26,612,001	\$ 25,918,956	\$ 24,472,343	\$ 23,028,922	\$ 20,077,433	\$ 19,586,751
% Change from Prior Year	(1.22%)	(1.47%)	(1.66%)	2.70%	2.67%	5.91%	6.27%	14.70%	2.51%	N/A

TABLE 4

PANOLA COUNTY, TEXAS
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
REVENUES										
Property Taxes	\$ 20,649,393	\$ 20,757,166	\$ 21,028,302	\$ 21,053,992	\$ 18,828,094	\$ 18,364,115	\$ 18,708,889	\$ 18,316,629	\$ 16,745,188	\$ 15,320,932
Licenses	347,114	352,249	335,099	377,382	401,952	367,773	416,086	413,439	449,020	448,736
Intergovernmental	1,216,040	1,116,535	1,365,622	1,384,707	1,289,263	1,236,451	1,362,230	1,367,929	1,297,019	1,317,459
Fees of Office	1,146,745	1,196,135	1,346,858	1,366,538	1,347,853	1,354,699	1,325,782	1,333,598	1,316,252	1,351,374
Fines	417,917	348,600	295,881	275,040	300,696	311,936	309,141	295,442	267,732	316,701
Miscellaneous	1,863,127	1,867,254	3,001,123	2,043,236	2,056,617	1,964,666	1,399,682	3,423,614	1,783,828	2,373,096
Total Revenues	25,640,336	25,637,939	27,372,885	26,500,895	24,224,475	23,599,640	23,521,810	25,150,651	21,859,039	21,128,288
EXPENDITURES										
General Administration	7,053,322	6,582,858	6,952,902	6,970,773	3,992,090	3,582,755	3,798,181	3,231,245	2,831,669	3,581,289
Judicial	1,384,658	1,395,577	1,342,386	1,244,293	1,183,353	1,169,242	1,098,165	1,072,245	1,111,988	940,346
Legal	591,967	654,074	649,523	589,841	507,415	497,360	503,153	488,344	358,200	392,174
Elections	168,418	186,710	160,810	158,049	141,204	160,792	135,413	139,068	146,889	118,052
Financial Administration	1,027,105	1,017,607	955,794	913,259	852,036	851,633	824,190	762,011	763,587	661,127
Public Facilities	464,822	419,018	476,331	693,744	582,006	438,005	418,341	295,300	257,823	231,189
Public Safety	6,215,052	6,466,865	6,626,369	6,242,852	5,866,187	5,733,918	5,473,887	5,138,215	7,262,290	3,019,226
Environmental Protection	398,730	398,730	411,495	391,443	420,631	386,527	357,184	355,109	357,651	333,563
Conservation	114,292	113,739	112,089	102,973	94,640	91,770	96,046	92,668	91,964	76,540
Public Transportation	4,368,238	4,311,552	4,160,966	4,298,754	4,382,791	4,249,786	4,268,009	3,784,509	4,603,800	4,374,680
Health & Paupers Care	1,661,289	1,927,757	2,573,604	1,451,601	1,500,653	1,165,795	864,053	2,334,409	666,818	291,280
Culture & Recreation	411,315	412,922	411,917	372,336	359,961	385,146	398,531	318,498	308,098	76,540
Debt Service - Principal	-	-	-	-	-	-	1,340,000	1,285,000	1,240,000	1,190,000
Debt Service - Interest	-	-	-	-	-	-	26,465	78,308	128,041	174,995
Capital Outlay	2,051,967	2,146,382	2,993,461	2,353,074	3,648,463	3,440,298	2,476,771	2,824,234	1,239,539	810,738
Total Expenditures	25,911,175	26,033,791	27,827,647	25,782,992	23,531,430	22,153,027	22,078,389	22,199,163	21,368,357	16,271,739
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(270,839)	(395,852)	(454,762)	717,903	693,045	1,446,613	1,443,421	2,951,488	490,682	4,856,549
OTHER FINANCING SOURCES (USES)										
Relocation of Fund Equity to Shelby County	(51,515)	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-	-	-	-	-	-	-
Transfers In	241,108	241,108	203,100	198,000	254,757	2,423,518	266,000	567,482	523,977	-
Transfers Out	(241,108)	(241,108)	(203,100)	(198,000)	(254,757)	(2,423,518)	(266,000)	(567,482)	(523,977)	-
Total Other Financing Sources (Uses)	(51,515)	-	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (322,354)	\$ (395,852)	\$ (454,762)	\$ 717,903	\$ 693,045	\$ 1,446,613	\$ 1,443,421	\$ 2,951,488	\$ 490,682	\$ 4,856,549
Debt Service as a percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.61%	6.55%	6.80%	8.83%

TABLE 5

**PANOLA COUNTY, TEXAS
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Estimated Market Value			Total Taxable Assesed Value	Total Direct Tax Rate
	Real Property	Personal Property	Less: Tax-Exempt Property		
2017	2,135,791,140	1,277,158,670	188,898,640	3,224,051,170	0.5983
2016	2,296,344,230	1,314,906,237	187,611,420	3,423,639,047	0.5983
2015	3,088,945,555	1,429,501,180	190,325,020	4,328,121,715	0.4837
2014	3,154,126,118	1,402,523,190	190,458,950	4,366,190,358	0.4694
2013	2,708,044,440	1,425,049,578	188,983,380	3,944,110,638	0.4994
2012	2,879,044,410	1,414,793,228	197,839,570	4,095,998,068	0.4611
2011	3,217,848,326	1,247,184,966	189,749,780	4,275,283,512	0.4274
2010	3,906,344,700	1,022,545,130	162,767,220	4,766,122,610	0.3887
2009	3,989,087,500	1,143,264,835	151,231,090	4,981,121,245	0.3632
2008	4,443,456,210	995,452,149	129,631,210	5,309,277,149	0.3096

Source: Panola County Appraisal District

**PANOLA COUNTY, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Panola County Direct Rates</u>					
GENERAL	0.58220	0.58220	0.46980	0.45580	0.48420
SPECIAL REVENUE	0.01610	0.01610	0.01390	0.01360	0.01520
DEBT SERVICE	-	-	-	-	-
TOTAL DIRECT RATE	<u>0.59830</u>	<u>0.59830</u>	<u>0.48370</u>	<u>0.46940</u>	<u>0.49940</u>
<u>Overlapping Rates</u>					
City and Town Rates:					
CARTHAGE	0.57440	0.57440	0.52000	0.52000	0.50000
BECKVILLE	0.54693	0.53320	0.45603	0.45867	0.42723
School Districts Rates:					
CARTHAGE ISD	1.28000	1.14000	1.14000	1.14000	1.14000
GARY ISD	1.50000	1.37000	1.29000	1.29000	1.29000
BECKVILLE ISD	1.35339	1.34000	1.25655	1.12000	1.10000
ELYSIAN FIELDS ISD	1.35000	1.35000	1.32000	1.28300	1.23700
TATUM ISD	1.20700	1.20000	0.17000	1.17000	1.17000
TENAHA ISD	1.15852	1.16300	1.19249	1.18760	1.18000
JOAQUIN ISD	1.59730	1.59730	1.55970	1.45550	1.60600
Other Special District Rates:					
PANOLA JR. COLLEGE	0.25700	0.24334	0.20787	0.21483	0.21483
PANOLA COUNTY ESD	0.02130	0.02130	0.02130	0.02130	0.02130
PANOLA GWCD	0.01100	0.01100	0.01000	0.00970	0.00970

Source: Various taxing entities

TABLE 6

2012	2011	2010	2009	2008
0.32210	0.29650	0.24926	0.23612	0.19374
0.13900	0.13090	0.11112	0.09938	0.08962
-	-	0.02832	0.02770	0.02624
0.46110	0.42740	0.38870	0.36320	0.30960
0.48000	0.46000	0.46000	0.41000	0.41000
0.38552	0.36430	0.31239	0.26044	0.22289
1.14000	1.14000	1.14000	1.14000	1.14000
1.24000	1.22900	1.18251	1.20459	1.13855
1.10000	1.10000	1.06320	1.04000	1.05586
1.22500	1.21500	1.20000	1.20000	1.22110
1.17000	1.04000	1.04000	1.04000	1.04000
1.18658	1.17937	1.21930	1.20438	1.41210
1.54530	1.54700	1.55800	1.34110	1.12050
0.14519	0.13407	0.11813	0.10579	0.09593
0.02130	0.02130	0.01844	0.01605	0.01393
0.00855	0.00739	0.00612	0.00637	0.00637

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TABLE 7

PANOLA COUNTY, TEXAS
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND TEN YEARS AGO
 (Amounts expressed in thousands)
 (UNAUDITED)

Name of Taxpayer	Fiscal Year 2017		Fiscal Year 2008	
	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value
Anadarko E&P Onshore LLC (MIN)	\$ 351,246	10.26 %	\$ -	-
Devon Energy Production Co LP	169,958	4.96 %	-	-
DCP East Tx Gathering LP-Plant	156,847	4.58 %	-	-
Markwest Energy E TX Gas CO LP	115,201	3.36 %	-	-
Anadarko E&P Onshore LLC (MI)	78,383	2.29 %	-	-
Enbridge P/L ETX G&P-Beckville	74,236	2.17 %	-	-
Markwest-Carthage Plant & East	65,497	1.91 %	-	-
Samson Lone Star Inc.	55,059	1.61 %	-	-
ETC Tiger Pipeline	49,236	1.44 %	-	-
XTO Energy Inc (MIN)	45,254	1.32 %	-	-
Devon Energy Production Co LP	-	-	798,440	15.17 %
Anadarko E&P Company LP	-	-	450,657	9.43 %
Chevron USD Inc	-	-	310,145	6.82 %
Exxon Mobile Corp.	-	-	161,489	3.08 %
XTO Energy Inc (MIN)	-	-	159,544	3.05 %
EOG Resources Inc.	-	-	154,170	3.09 %
Markwest Energy E TX Gas CO LP	-	-	140,599	2.75 %
ConocoPhillips Company	-	-	83,134	2.15 %
Union Pacific Resources	-	-	81,182	1.84 %
Total	\$ 1,160,917		\$ 2,339,360	
Total Assessed Value and Percentage of Total	\$ 3,423,639	33.91 %	\$ 4,371,813	53.51 %

Source: Panola County Appraisal District

**PANOLA COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Tax Levy	Current Tax Collection	Percent Of Levy Collected	Collections in Subsequent Years (2)	Total Collections
2017	21,149,892	20,456,482	96.72%	412,865	20,869,347
2016	21,338,275	20,783,808	97.40%	300,574	21,084,382
2015	21,460,930	20,940,280	97.57%	264,740	21,205,020
2014	21,378,495	20,839,267	97.48%	306,048	21,145,315
2013	19,264,186	18,740,914	97.28%	255,731	18,996,645
2012	18,757,346	18,339,364	97.77%	305,231	18,644,595
2011	19,145,073	18,724,040	97.80%	361,453	19,085,493
2010	18,747,490	18,284,461	97.53%	401,196	18,685,657
2009	17,125,293	16,760,071	97.87%	332,846	17,092,917
2008	15,591,091	15,348,762	98.45%	218,939	15,567,701

Source: Tax Rolls

Notes:

(1) Delinquent taxes are reported by levy year.

(2) Property taxes become due January 1 and become delinquent on July 1. The amount collected from January 1 - June 30 is the "Current Tax Collection." For fiscal year 2017, the amount that was collected from July 1 - December 31 is represented in the "Collections in Subsequent Years" column.

TABLE 8

Percent Of Total Collections To Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
98.67%	280,545	1.33%
98.81%	253,894	1.19%
98.81%	255,910	1.19%
98.91%	232,880	1.09%
98.61%	267,541	1.39%
99.40%	112,751	0.60%
99.69%	59,580	0.31%
99.67%	61,833	0.33%
99.81%	32,376	0.19%
99.85%	23,390	0.15%

TABLE 9

**PANOLA COUNTY, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Estimated Actual Taxable Value of Property (1)	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Less: Amounts Available in Debt Service Fund				
2017	-	-	-	-	-	-
2016	-	-	-	-	-	-
2015	-	-	-	-	-	-
2014	-	-	-	-	-	-
2013	-	-	-	-	-	-
2012	-	-	-	-	-	-
2011	-	-	-	-	-	-
2010	\$ 1,340,000	\$ 201,590	\$ 1,138,410	0.02%	1.28%	47.78
2009	2,625,000	161,924	2,463,076	0.05%	3.07%	104.02
2008	3,865,000	93,036	3,771,964	0.07%	4.33%	160.26

Notes:

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

(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 183.

(2) See the schedule of Demographic Statistics found on page 193 for personal income and population data.

TABLE 10

**PANOLA COUNTY, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL DEBT
AS OF DECEMBER 31, 2017
(UNAUDITED)**

<u>Jurisdiction</u>	<u>Net Debt Outstanding Amount (1)</u>	<u>Applicable to Panola County Percent</u>	<u>Amount Applicable to Panola County</u>
Cities:			
Carthage	\$ 13,415,522	100.00%	\$ 13,415,522
Total Cities	<u>13,415,522</u>		<u>13,415,522</u>
School Districts:			
Carthage ISD	28,027,000	100.00%	28,027,000
Gary ISD	8,595,000	100.00%	8,595,000
Beckville ISD	1,126,650	100.00%	1,126,650
Elysian Fields ISD	7,870,000	52.55%	4,135,685
Tatum ISD	22,333,300	2.27%	506,966
Tenaha ISD	3,475,522	4.75%	165,087
Joaquin ISD	11,960,000	5.05%	603,980
Total School Districts	<u>83,387,472</u>		<u>43,160,368</u>
Panola Junior College	<u>31,195,587</u>	100.00%	<u>31,195,587</u>
Subtotal, Overlapping Debt	127,998,581		87,771,477
Panola County (Direct Debt)	<u>-</u>		<u>-</u>
Total Direct and Overlapping Debt	<u>\$ 127,998,581</u>		<u>\$ 87,771,477</u>

Note: Percentage of overlap is based on each entity's respective land area located within Panola County.

Sources:

(1) Respective entities and auditors of respective entities.

PANOLA COUNTY, TEXAS
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (UNAUDITED)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	853,237,453	902,812,617	1,129,611,684	1,163,580,582	724,256,955	769,022,995	851,899,527	\$ 1,017,277,980	\$ 1,035,079,648	\$ 1,143,271,855
Total net debt applicable to limit					-	-	-	1,340,000	2,625,000	3,865,000
Legal debt margin	853,237,453	902,812,617	1,129,611,684	1,163,580,582	724,256,955	769,220,995	851,899,527	\$ 1,015,937,980	\$ 1,032,454,648	\$ 1,139,406,855

Total net debt applicable to the limit as a percentage of debt limit

0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	0.25%	0.34%	0.51%
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Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value	\$ 3,224,051,170
Add back: exempt real property	188,898,640
Total assessed value	<u>\$ 3,412,949,810</u>
Debt limit 25% of assessed value of real property (Article 3, Section 52, Constitution of the State of Texas)	\$ 853,237,453
Amount of Debt applicable to debt limit	-
Legal Debt Margin	<u><u>\$ 853,237,453</u></u>

Note: This constitutional limit applies only to the General Bonded Debt of the County.

TABLE 12

**PANOLA COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>College & School Enrollment</u>
2017	23,243	\$ 891,054	\$ 37,930	4.40%	6,805
2016	23,492	\$ 952,436	\$ 40,543	7.10%	6,533
2015	23,766	\$ 1,049,942	\$ 44,173	5.20%	6,516
2014	23,769	\$ 1,091,774	\$ 45,738	4.90%	6,574
2013	23,870	\$ 1,070,065	\$ 44,549	5.10%	6,932
2012	24,020	\$ 1,000,264	\$ 40,962	5.60%	6,502
2011	24,058	\$ 953,996	\$ 39,654	6.70%	6,265
2010	23,826	\$ 883,688	\$ 37,089	7.30%	6,181
2009	23,678	\$ 799,987	\$ 33,786	7.30%	5,806
2008	23,537	\$ 871,091	\$ 37,009	4.00%	5,732

Sources: United States Census Bureau, Various Education Entities, Bureau of Economic Analysis, and Texas Association of Counties

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TABLE 13

**PANOLA COUNTY, TEXAS
PRINCIPAL EMPLOYERS BY INDUSTRY
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)**

TYPE OF EMPLOYER	Fiscal Year 2017		Fiscal Year 2008	
	Number of Employees	Percentage of Total Employment	Number of Employees	Percentage of Total Employment
Natural Resource and Mining	875	10.42 %	1,578	15.41 %
Construction	1,652	19.68 %	2,230	21.78 %
Manufacturing	896	10.67 %	938	9.16 %
Trade, Transportation, Utilities	1,365	16.26 %	1,775	17.34 %
Information	43	0.51 %	59	0.58 %
Financial Activities	238	2.84 %	397	3.88 %
Professional Business Services	534	6.36 %	421	4.11 %
Education Health Services	855	10.18 %	853	8.33 %
Leisure Hospitality	404	4.81 %	590	5.76 %
Other Services	122	1.45 %	130	1.27 %
Federal Government	72	0.86 %	55	0.54 %
State Government	56	0.67 %	61	0.60 %
Local Government	1,283	15.28 %	1,152	11.25 %
Total	8,395	100.00 %	10,239	100.00 %

Source: Texas Workforce Commission 2017

Source: Bureau of Economic Analysis 2008

**PANOLA COUNTY, TEXAS
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
LAST TEN FISCAL YEARS
(UNAUDITED)**

Function/Program	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Administration	15	16	16	17	17	17	17	17	17	17
Judicial	17	17	17	17	16	16	16	16	16	16
Elections	2	2	2	2	2	2	2	2	2	2
Financial Administration	14	14	13	13	13	13	13	13	13	13
Legal	7	7	6	6	6	6	6	6	6	6
Public Facilities	1	1	1	1	1	1	1	1	1	1
Public Safety	74	75	85	84	83	79	79	79	79	66
Public Transportation	45	46	47	47	47	47	47	47	47	47
Culture and Recreation	6	6	6	6	6	6	6	6	6	6
Conservation-Agriculture	3	3	3	3	3	3	3	3	3	3
Totals	184	187	196	196	194	190	190	190	190	177

Source: Panola County Payroll History Report

TABLE 15

PANOLA COUNTY, TEXAS
CAPITAL ASSETS BY FUNCTION/PROGRAM
DECEMBER 31, 2017
(UNAUDITED)

Function/Program	Fiscal Year										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	
General Administration											
Furniture & Equipment	8	8	8	8	8	8	8	8	8	8	
Facilities	5	5	5	5	5	5	5	5	5	5	
Tracts of Land	10	10	10	10	10	10	10	10	10	10	
Judicial											
Furniture & Equipment	3	3	3	3	3	3	3	3	3	3	
Facilities	1	1	1	1	1	1	1	1	1	1	
Elections											
Equipment	2	2	2	2	2	2	2	2	2	2	
Public Facilities											
Facilities	1	1	1	1	1	1	1	1	1	1	
Public Safety											
Vehicles	45	45	45	45	45	45	45	45	45	45	
Equipment	14	14	14	14	13	13	13	13	13	13	
Facilities	2	2	2	2	2	2	2	2	2	1	
Environmental Protection											
Facilities	2	2	2	2	2	2	2	2	2	2	
Landfill	1	1	1	1	1	1	1	1	1	1	
Public Transportation											
Miles of County Roads	610	610	610	610	610	610	610	609	614	614	
Number of Bridges	15	15	15	12	12	12	12	12	12	12	
Facilities	5	5	5	5	5	5	5	5	5	5	
Equipment & Vehicles	137	137	137	137	138	138	138	138	141	141	
Tracts of Land	6	6	6	5	5	5	5	5	5	5	
Health/Paupers Care											
Facilities	2	2	2	2	2	2	2	2	2	2	
Tracts of Land	1	1	1	1	1	1	1	1	1	1	

Source: Panola County Capital Asset Inventory Listing

TABLE 16

PANOLA COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
DECEMBER 31, 2017
(UNAUDITED)

Function/Program	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Administration										
Official Public Records Filed	6,277	5,701	7,058	7,639	8,699	7,386	8,080	9,245	9,564	10,804
Vital Statistics Filed	81	71	72	68	281	251	464	382	247	233
Judicial										
Number of Civil Cases	413	501	703	525	685	437	793	719	679	742
Number of Criminal Cases	646	754	813	849	880	828	842	854	1,669	1,031
Legal										
Number of Convictions - Misdemeanors	550	248	270	181	270	240	204	379	432	N/A
Number of Convictions - Felony	109	171	245	120	212	131	174	276	381	95
Elections										
Number of Registered Voters	16,248	10,475	15,647	15,775	15,708	15,894	15,667	15,779	15,648	15,658
Number of Elections	1	3	1	4	1	4	1	3	3	3
Financial Administration										
Number of mineral tax items	2,397,995	2,479,260	2,713,861	2,634,028	2,667,048	2,686,143	2,701,012	2,566,302	2,546,560	2,443,147
Number of real estate tax items	177,162	177,353	177,271	176,480	175,413	173,608	174,490	171,175	170,678	168,619
Number of registered vehicles	27,882	28,593	29,519	30,460	31,046	32,122	32,547	31,404	30,880	28,813
Public Facilities										
Number of repair jobs	64	85	80	71	88	52	95	51	54	30
Public Safety										
Number of emergency responses	4,580	4,223	4,418	4,013	4,719	4,567	4,917	4,924	4,852	3,526
Number of book-ins	1,128	1,106	1,233	1,410	1,285	1,242	932	1,328	1,522	1,706
Environmental Protection										
Number of solid waste transfers(tons)	11,914	12,465	12,235	13,026	13,034	12,170	12,176	12,457	12,588	12,557
Number of Diversions (tons)	554	428	387	308	389	340	621	650	510	512
Public Transportation										
Miles of road resurfaced	15	19	9	7	21	11	12	13	14	11
Number of repairs	129	340	390	350	380	107	416	401	387	361
Health and Paupers Care										
Number of autopsies performed	32	34	31	40	29	21	32	27	28	23
Number of indigent admissions	549	575	688	322	479	738	686	671	771	503
Recreation										
Number of patrons to Library	12,835	11,979	11,113	8,921	13,779	12,591	11,669	10,617	9,329	8,294
Number of books in library	43,983	48,819	45,270	50,727	57,548	52,323	58,434	53,485	53,201	49,907
Number of programs	78	116	69	83	83	52	49	51	60	77
Conservation										
Number of programs	253	78	275	149	70	285	189	171	30	42
Number of radio programs	12	31	75	100	52	64	55	135	130	67
County Extension mailouts & emails	45,550	10,850	23,500	18,906	8,534	10,584	10,400	10,234	5,102	4,152

Source: Individual County Departments

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**PANOLA COUNTY, TEXAS
SCHEDULE OF INSURANCE IN FORCE
DECEMBER 31, 2017
(Unaudited)**

Insurer or Name of Company	Number	Policy Period	
		From	To
The St. Paul Ins. Co.	810-1171X911	1/1/2017	12/31/2017
The St. Paul Ins. Co.	ZAS-14T88141	1/1/2017	12/31/2017
The St. Paul Ins. Co.	H6301171X911	1/1/2017	12/31/2017
The St. Paul Ins. Co.	ZAS-14P02174	1/1/2017	12/31/2017
The St. Paul Ins. Co.	ZAS-14T88141	1/1/2017	12/31/2017
The St. Paul Ins. Co.	ZAS-14T88141	1/1/2017	12/31/2017
The St. Paul Ins. Co.	H6301171X911	1/1/2017	12/31/2017
The St. Paul Ins. Co.	ZAS-14P02174	1/1/2017	12/31/2017
EBCO	UA00134783-13	1/1/2017	12/31/2017
Texas Association of Counties	#1830	1/1/2017	12/31/2017
Texas Association of Counties	#1830	1/1/2017	12/31/2017
Texas Association of Counties - BCBS	62946	12/1/2017	11/30/2018
The CIMA Companies, Inc.	SPS900305	7/1/2017	7/31/2018

- (1) 2017 Funding
- (2) As prescribed by law Art. #8309H
- (3) As prescribed by law - Texas Unemployment Compensation Act
- (4) For covered expenses - Lifetime maximum \$2,000,000

TABLE 17

<u>Building and/or Department & Description</u>	<u>Amount of Coverage</u>	<u>Premiums & Funding</u>
Physical Damage-Comp. Limit PD; 500 Deduct; Bodily Injury - Limit; Comp. Auto liab. Ins. 1,000	\$ 2,000,000	\$ 114,090
General Liability; 2,000,000	2,000,000	56,897
Commercial Property and Equipment	2,817,502	72,533
Commercial Umbrella Liability- 1,000,000 each occurrence Aggregate 1,000,000; Retention 10,000	2,000,000	23,319
Law Enforcement Professional Liability; Each Person 1,000,000 Aggregate 3,000,000; Each occurrence 1,000,000	2,000,000	130,531
2,000,000 Limit Each 2,000,000 Aggregate 25,000 retention; Public Officials and Employees Legal Liability	2,000,000	40,641
Crime - Employee Theft, Forgery	2,000,000	INC. IN PKG.
General Liability - Cyberfirst Liab.	2,000,000	3,413
Property Damage 1,000,000; General Liability- Airport 1,000,000 each occurrence, 2,000,000 aggregate	2,000,000	2,850
Workers Compensation Self-Funded Insurance through Texas Association of Counties	(2)	109,360
Unemployment Insurance Self-Funded through Texas Association of Counties	(3)	23,943
Employee Group Ins - TAC Health and Employee Benefit Pool 500 deductible - 2,000 co-ins; Emp Life Ins 10,000 & Acc Death/ Dsmb 10,000	(4)	3,720,403
Volunteers Insurance Service Association (VIS) Work Release Volunteer Accident Insurance	25,000	2,065

**PANOLA COUNTY, TEXAS
SCHEDULE OF INSURANCE IN FORCE
DECEMBER 31, 2017
(Unaudited)**

Insurer or Name of Company	Number	Policy Period	
		From	To
Safeco Ins.	32S45483	1/1/2015	1/1/2019
Safeco Ins.	32S171170	1/1/2017	1/1/2021
	32S161126	1/1/2017	1/1/2019
Safeco Ins.	32S168657	1/1/2015	1/1/2019
	32S168658	1/1/2015	1/1/2019
Safeco Ins.	32S522467	1/1/2017	1/1/2021
	32S522470	1/1/2017	1/1/2021
Safeco Ins.	32S159904	1/1/2015	1/1/2019
	32S161129	12/31/2016	12/31/2019
Safeco Ins.	32S519863	1/14/2017	1/14/2018
Safeco Ins.	32S171102	12/31/2014	12/31/2018
RISC	MG847351	1/14/2016	1/14/2017
Safeco Ins.	32S159840	1/1/2015	1/1/2019
Safeco Ins.	32S160605	1/1/2015	1/1/2019
RISC	MG847352	1/14/2017	1/14/2018
Travelers	6608010A867TCT	8/27/2017	8/27/2018
Safeco Ins.	32S163144	12/31/2016	12/31/2018
Safeco Ins.	32S531960	1/1/2017	5/1/2018
Safeco Ins.	32S171038	1/1/2015	1/1/2019
Safeco Ins.	32S162405	6/1/2017	6/1/2018
Safeco Ins.	32S171003	2/28/2015	2/28/2017
	32S159929	2/28/2015	2/28/2017
	32S539398	7/8/2017	2/28/2019
Safeco Ins.	32S454765	1/1/2015	1/1/2019
Safeco Ins.	32S429390	3/15/2017	3/15/2018
	32S434402	5/5/2017	5/5/2018

TABLE 17 (cont.)

<u>Building and/or Department & Description</u>	<u>Amount of Coverage</u>	<u>Premiums & Funding</u>
County Judge	\$ 1,000	\$ 325
Commissioner Precinct 1	3,000	355
	3,000	185
Commissioner Precinct 2	3,000	355
	3,000	355
Commissioner Precinct 3	3,000	300
	3,000	325
Commissioner Precinct 4	3,000	355
	3,000	270
County Clerk	150,000	970
Deputy County Clerks	160,000	1,988
County Clerk Errors & Omissions	500,000	650
County Court at Law Judge	1,000	355
District Clerk - Bond	100,000	1,244
District Clerk Errors & Omissions	500,000	1,250
Crime - Money & Securities - District Clerk	20,000	264
Justice of the Peace Pct 1&4	5,000	185
Justice of the Peace Pct 2&3	5,000	150
Criminal District Attorney	5,000	355
Elections Administrator	1,000	100
Auditor	5,000	185
1st Assistant Auditor	5,000	185
2nd Assistant Auditor	5,000	148
County Treasurer	1,000	325
Assistant Treasurer/Chief Deputy	25,000	125
Deputy Treasurer	25,000	125

**PANOLA COUNTY, TEXAS
SCHEDULE OF INSURANCE IN FORCE
DECEMBER 31, 2017
(Unaudited)**

Insurer or Name of Company	Number	Policy Period	
		From	To
Safeco Ins.	32S376159	1/1/2017	1/1/2021
Safeco Ins.	32S376165	1/1/2017	1/1/2021
Safeco Ins.	01FL0122506	1/1/2017	1/1/2018
Safeco Ins.	32S401920	12/31/2016	12/31/2017
Safeco Ins.		1/1/2017	1/1/2018
Safeco Ins.	32S171169	1/1/2017	1/1/2021
Safeco Ins.	32S388169	1/1/2017	1/1/2021
The Travelers	660287X6078TIL15	12/30/2015	12/30/2016
The Travelers	660226X9543TIL15	12/30/2015	12/30/2016
Safeco Ins.	32S171012	1/1/2015	1/1/2019
Safeco Ins.	32S159887	09/01/17	09/01/18
Safeco Ins.	32S171050	8/29/2017	8/29/2018
Safeco Ins.	32S423142	1/7/2017	1/7/2018
Safeco Ins.	32S388257	1/1/2017	1/1/2018
	32S388262	1/1/2017	1/1/2018
	32S377966	8/22/2017	8/22/2018
Safeco Ins.	32S419755	11/8/2017	11/8/2018
	32S160070	12/31/2016	12/31/2017
Safeco Ins.	32S171051	12/31/2014	12/31/2018

TABLE 17 (cont.)

<u>Building and/or Department & Description</u>	<u>Amount of Coverage</u>	<u>Premiums & Funding</u>
Tax Assessor/Collector (Ad Valorem Tax Office)	\$ 100,000	\$ 1,332
Tax Assessor for PC Auto Tax	100,000	1,500
Tax Assessor/Collector (Deputies) Crime Bond	35,000	176
Sheriff	30,000	150
Reserve Deputies - Eleven @ 2,000	24,000	100
Constable Precinct 2	1,000	355
Constable Precinct 1	1,000	325
123rd Judicial District Adult Probation	10,000	250
123rd Judicial District Juvenile Probation	10,000	250
County Surveyor	1,000	355
Special Prosecutor	2,500	100
Court Coordinator LE & Forfeiture Spec.	2,000	100
Asst. District Attorney	5,000	100
Reserve Constable Deputy Pct. 1 - Three @ 2,000	6,000	300
Reserve Constable Deputy Pct. 2 - Two @ 2,000	4,000	100
Public Official Schedule	25,000	1,244

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**OVERALL COMPLIANCE AND
INTERNAL CONTROLS SECTION**

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Certified Public Accountant

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116 S Marshall
Henderson TX 75654

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

Panola County Commissioners' Court
Panola County, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Panola County, Texas, ("County") as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 25, 2018.

Internal Control over Financial Reporting

In planning and performing our audit, 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 over financial reporting 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 over financial reporting 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 of 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

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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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Morgan LaGrone
Certified Public Accountant

Henderson, Texas
June 25, 2018

Panola County, Texas
Summary of Auditor's Results and
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2017

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted?

 Yes X No

2. State Awards

Internal control over major programs:

Material weaknesses identified? Yes X No

Significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Not Applicable - Single Audit Not Required

Any audit findings disclosed that are required to be reported in accordance with State of Texas Single Audit Circular?

 Yes X N/A

Identification of major programs:

Name of State Program or Cluster

Not Applicable

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

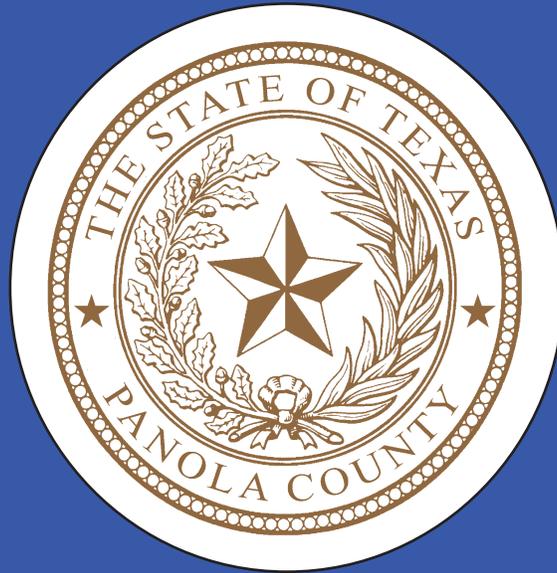
 Yes X N/A

B. Financial Statement Findings

NONE

C. State Award Findings and Questioned Costs

NONE



Panola County
Office of County Auditor
Courthouse Annex Room 213A
Carthage, TX 75633