

**SPECIAL, 3/26/2018 1:30:00 PM**

BE IT REMEMBERED that on March 26, 2018, there was begun and holden a SPECIAL session of the Commissioners Court of Jefferson County, Texas, with the following members and officers present and participating except those absent as indicated:

Honorable Jeff Branick, County Judge

Commissioner Eddie Arnold, Commissioner Pct. No. 1

Commissioner Brent Weaver, Commissioner Pct. No. 2

Commissioner Michael Sinegal, Commissioner Pct. No. 3

Commissioner Everette D. Alfred, Commissioner Pct. No. 4

Honorable Zena Stephens, Sheriff (ABSENT)

CHIEF DEPUTY COOPER

Honorable Carolyn L. Guidry , County Clerk

When the following proceedings were had and orders made, to-wit:

*Notice of Meeting and Agenda and Minutes*  
*March 26, 2018*

Jeff R. Branick, County Judge  
 Eddie Arnold, Commissioner, Precinct One  
 Brent A. Weaver, Commissioner, Precinct Two  
 Michael S. Sinegal, Commissioner, Precinct Three  
 Everette "Bo" Alfred, Commissioner, Precinct Four



**NOTICE OF MEETING AND AGENDA  
 OF COMMISSIONERS' COURT  
 OF JEFFERSON COUNTY, TEXAS  
 March 26, 2018**

Notice is hereby given that the Commissioners' Court of Jefferson County, Texas, will meet at **1:30 PM**, on the **26th** day of **March 2018** at its regular meeting place in the Commissioners' Courtroom, 4th Floor, Jefferson County Courthouse, 1149 Pearl Street, Beaumont, Texas.

Said meeting will be a **Special** for the purpose of transacting the routine business of the County. Persons with disabilities requiring auxiliary aids for services who wish to attend this meeting should contact the County Judge's Office to arrange for assistance.

In addition to the routine business of the County, the subject of said meeting will be the following:

11:00 a.m.-Announcement of an executive (closed) session pursuant to Texas Government Code Section § 551.071 for the purpose of receiving information from its counsel regarding pending or possible litigation with the County.

11:30 a.m.- JCIDC Meeting- To consider payment of expenses of the Jefferson County Industrial Development Corporation from funds deposited for same.

Immediately following Commissioners Court-To receive an update from Craig S. Kovacevich, MA, Associate Vice President, Waiver Operations & Community Health Plans at UTMB Health on the coordination of the 1115 Waiver and DSRIP.

Following Commissioners Court-Workshop: Discuss 404 Hazard Mitigation Grant Program and consider projects to be submitted to State of Texas for consideration.

**INVOCATION: Everette "Bo" Alfred, Commissioner, Precinct Four**

*Notice of Meeting and Agenda and Minutes*  
*March 26, 2018*

**PLEDGE OF ALLEGIANCE: Eddie Arnold, Commissioner, Precinct One**

## **PURCHASING:**

1. Consider and approve award of (IFB 17-047/JW), Heavy Equipment for Jefferson County Precinct No. 3 (To Replace Unrepairable Equipment Damaged by Hurricane Harvey) for Bid Item No. 1: BOMAG Model RS-360 Reclaimer/Stabilizer to R.B. Everett & Company in the amount of \$351,569.00; Bid Item No. 5: DOOSAN Model DL220-5 Wheel Loader to R.B. Everett & Company in the amount of \$124,865.00; Bid Item No. 8.(A): Gradall Model XL3100 Hydraulic Excavator to Associated Supply Company, Inc. (ASCO) in the amount of \$326,666.98; Bid Item No. 8.(B): Gradall Model XL3100 Hydraulic Excavator to Associated Supply Company, Inc. (ASCO) in the amount of \$318,666.98; Bid Item No. 10: Kubota Model M5-091 HDC12 Utility Tractor with Terrain King Ditch Mower to Beaumont Tractor Co. in the amount of \$72,500.00; Bid Item No. 11: DOOSAN Model G-25 Pneumatic Tire Forklift to Associated Supply Company, Inc. (ASCO) in the amount of \$25,586.00.

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

2. Consider and approve, execute, receive and file a renewal for (IFB 14-010/JW), Term Contract for Armored Car Services for Jefferson County for a fourth and final one (1) year renewal with Rochester Armored Car Co., Inc. from April 17, 2018 through April 16, 2019.

**SEE ATTACHMENTS ON PAGES 12 - 12**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

*Notice of Meeting and Agenda and Minutes*  
*March 26, 2018*

3. Consider and approve, execute, receive and file a renewal for (IFB 17-006/YS), Term Contract for Insecticides, Herbicides, Spray Adjuvants, and Adulticides for Jefferson County Mosquito Control District for a first additional one (1) year renewal with ADAPCO, LLC, Clarke Mosquito Control Products, Inc., Crop Production Services, Inc., Pro Pest and Lawn Store, Target Specialty Products, and Univar USA from April 2, 2018 through April 1, 2019 with a proposed price increase on item #1 from \$24.48 per gallon to \$26.48 per gallon and item #3 from \$10.24 per gallon to \$11.24 per gallon, shown on Attachment A. This price increase is due to increase in cost from the manufacturer.

**SEE ATTACHMENTS ON PAGES 13 - 19**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

4. Consider and approve, and execute Change Order No. 5 for (IFB 17-008/JW), Cheek Phase V – Cheek Community Sewer Improvements (Grinder Pump and Force Main Installation) (TxCDBG No. 7216231) with BDS Constructors, LLC dba MK Constructors for the correction of (4) four of the (7) seven “Bid Alternate” service location addresses. This project is funded by a Texas Community Development Block Grant from The Texas Department of Agriculture.

**SEE ATTACHMENTS ON PAGES 20 - 22**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

5. Consider and approve, execute, receive and file a Professional Services Agreement (PROF 18-007/JW) with Total Safety for Environmental Consulting Services to the Jack Brooks Regional Airport for an Asbestos/Lead-Based Paint Survey of the Hangar No. 3 building; for a lump sum amount of \$1,390.00.

**SEE ATTACHMENTS ON PAGES 23 - 26**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

*Notice of Meeting and Agenda and Minutes*  
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6. Consider and approve disposition of salvage property as authorized by Local Government Code §263.152 (3), for broken or obsolete items.

**SEE ATTACHMENTS ON PAGES 27 - 28**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

**ADDENDUMS**

7. Consider and approve award for (RFQ 17-051/YS), Professional Services for Hazard Mitigation Assistance, Grant Application, Development, Administration, and Project Management for Jefferson County in Response to Hurricane Harvey with Griffith, Moseley, Johnson and Associates.

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

8. Consider and approve, execute, receive and file (JOC 18-008/DC) with SETEX Construction Corp. for Ford Park Artist Pavilion repairs (due to Hurricane Harvey) for repairs that would bring the facility back to the original design, in the amount of \$148,472.72; This is in accordance with Choice Partners JOC Texas Contract 15/041JN-11-2015.

**SEE ATTACHMENTS ON PAGES 29 - 34**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

9. Execute, receive and file contract for (RFP 17-037/YS), Inmate Health Care Services for Jefferson County Correctional Facility with CorrHealth, LLC.

**SEE ATTACHMENTS ON PAGES 35 - 48**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

## **COUNTY AUDITOR:**

10. Receive and file the Jefferson County Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2017

**SEE ATTACHMENTS ON PAGES 49 - 246**

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

11. Receive and file the SAS 114 Letter from Pattillo, Brown, & Hill LLP for the fiscal year ended September 30, 2017.

**SEE ATTACHMENTS ON PAGES 247 - 250**

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

12. Receive and file Financial & Operating Statements – County Funds Only for the Three Months Ending December 31, 2017.

**SEE ATTACHMENTS ON PAGES 251 - 267**

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

13. Receive and file Financial & Operating Statements – County Funds Only for the Month Ending January 31, 2018.

**SEE ATTACHMENTS ON PAGES 268 - 282**

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

*Notice of Meeting and Agenda and Minutes*  
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14. Consider and approve public defender contract agreements for the Criminal District Court, 252nd District Court, and the Drug Impact District Court.

**SEE ATTACHMENTS ON PAGES 283 - 322**

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

15. Consider and approve electronic disbursements for \$301,597.27 to LaSalle for revenue received from entities for inmate housing.

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

16. Regular County Bills - check #444468 through checks #444703.

**SEE ATTACHMENTS ON PAGES 323 - 330**

**Motion by: Commissioner Arnold**

**Second by: Commissioner Alfred**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

**COUNTY COMMISSIONERS:**

17. Consider and possibly consider and approve a Resolution to Establish a Juvenile Mental Health Court pursuant to Chapter 121, Texas Government Code.

**SEE ATTACHMENTS ON PAGES 331 - 332**

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

*Notice of Meeting and Agenda and Minutes*  
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18. Consider, possibly approve and authorize the County Judge to execute the Southeast Texas Ford Dealers' -Ford Park Naming Rights for the term beginning April 1, 2018 and expiring on March 31, 2022.

**SEE ATTACHMENTS ON PAGES 333 - 336**

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

19. Receive and file Certificate of Completion for Commissioner Eddie Arnold. Commissioner Arnold has successfully completed the continuing education provisions of Article 81.0025 of the Texas Local Government Code for 2017.

**SEE ATTACHMENTS ON PAGES 337 - 337**

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

20. Consider and possibly approve the reappointment of LeRoy McCall and Frank R. Rose to the Board of Commissioners for Jefferson County Drainage District 3. (Appointments by Commissioner Michael Sinegal).

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

21. Consider and possibly approve a Resolution recognizing Donna Guillory for her 22 years of service to Jefferson County.

**SEE ATTACHMENTS ON PAGES 338 - 338**

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

*Notice of Meeting and Agenda and Minutes*  
*March 26, 2018*

22. Consider, possibly approve and authorize the County Judge to execute Amended STEP Comprehensive Grant for FYI 2018 to provide expenses for travel to conference.

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

23. Consider and possibly approve the reappointment of Directors to the Jefferson County Housing Finance Corporation: Ronnie Anderson-appointed by Judge Branick; Larry Beaulieu-appointed by Commissioner Arnold ;Judge Jeff R. Branick-appointed by Commissioner Weaver; James Wimberley-appointed by Commissioner Sinegal;  
 \_\_\_\_\_-appointed by Commissioner Alfred

**FINAL APPOINTMENT NEXT WEEK BY COMM. ALFRED, PCT 4**

**Motion by: Commissioner Sinegal**

**Second by: Commissioner Arnold**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

**RISK MANAGEMENT:**

24. Consider and possibly approve Mosquito Control Aircraft Liability renewal with Westchester Fire Insurance Company, effective April 24, 2018, for a flat annual renewal premium of \$12,000.00.

**SEE ATTACHMENTS ON PAGES 339 - 344**

**Motion by: Commissioner Alfred**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

25. Consider and possibly approve Fuel Storage Tank Liability policy renewal with Ace American Insurance Company, effective April 6, 2018, for an annual premium of \$5,710.00 (a 5% increase from 2017).

**SEE ATTACHMENTS ON PAGES 345 - 360**

**Motion by: Commissioner Alfred**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

## **SHERIFF'S DEPARTMENT:**

26. Consider and possible adopt a Resolution recognizing Michael S. Shaw for 25 years and 4 months of dedicated service as a Peace Officer in the Law Enforcement Division for the Jefferson County Sheriff's Office and to the citizens of Jefferson County and wishing him well in his future endeavors.

**SEE ATTACHMENTS ON PAGES 361 - 361**

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

27. Receive and file executed FY2018 ABTPA State of Grant Award for Southeast Texas Auto Theft Task Force. See pages 362-408

**Motion by: Commissioner Weaver**

**Second by: Commissioner Sinegal**

**In favor: County Judge Branick, Commissioner Arnold, Commissioner Weaver, Commissioner Sinegal, Commissioner Alfred**

**Action: APPROVED**

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**Jeff R. Branick**  
**County Judge**

# CONTRACT RENEWAL FOR IFB 14-010/JW TERM CONTRACT FOR ARMORED CAR SERVICES FOR JEFFERSON COUNTY

The County entered into a contract with Rochester Armored Car Co., Inc. for one (1) year, from April 21, 2014 to April 20, 2015, with an option to renew the contract for up to a five (5) year period.

Pursuant to the contract, Jefferson County hereby exercises its fourth one-year option to renew the contract for one (1) additional year from April 17, 2018 to April 16, 2019.

ATTEST:

JEFFERSON COUNTY, TEXAS

  
\_\_\_\_\_  
Carolyn L. Guidry, County Clerk

  
\_\_\_\_\_  
Jeff Branick, County Judge



CONTRACTOR:  
Rochester Armored Car Co., Inc.

  
\_\_\_\_\_  
(Name)

## ATTACHMENT A

### IFB 17-006/YS

### Term Contract for Insecticides, Herbicides, Spray Adjuvants, and Adulticides for Jefferson County Mosquito Control District

Item	Description	Brand	Vendor	Price per Gallon	Proposed Price per Gallon
1	MSMA Herbicide - 2.5 gal	Target 6	Target Specialty Products	24.48	26.48
2	Tordon 101 Herbicide or equivalent - 2.5 gal container	Picloram-D	Pro Pest and Lawn Store	29.70	
3	Roundup Herbicide or equivalent - 2.5 gal container	Ranger Pro	Target Specialty Products	10.24	11.24
4	Rodeo Herbicide or equivalent - 2.5 gal container	Aqua Neat	Crop Production Services, Inc.	14.95	
5	Nalco Trol II or equivalent - 2.5 gal (or smaller) container	Poly Control	Crop Production Services, Inc	8.00/qt (32.00/gal)	
6	Aqua-King Surfactant or equivalent - 2.5 gal (or smaller ) container	Spreader 9	Crop Production Services, Inc.	12.99	
7	Malathion Insecticide - <b>bulk shipment only</b>		Univar USA	48.70	
8	Scourge Insecticide - 5 gal containers	Scourge 18-54	ADAPCO, LLC	495.47	
9	Envion 30/30 Insecticide - 2.5 gal containers	Kontrol 30/30	Univar USA	55.49	
10	Duet Adulticide - 275 gal steel containers	Clarke	<del>Original Food Co., LLC</del> Clarke Mosquito Control Products, Inc.	<del>34.99</del> 138.60	

March 20, 2018

Deborah L. Clark  
Purchasing Agent  
Jefferson County  
1149 Pearl Street, 1<sup>st</sup> Floor  
Beaumont, Texas 77701

RE: Renewal of IFB 17-006/YS, Term Contract for Insecticides, Herbicides, Spray Adjuvants, and Adulticides for Jefferson County Mosquito Control District

Ms. Clark,

Regarding IFB 17-006/YS, Term Contract for Insecticides, Herbicides, Spray Adjuvants, and Adulticides for Jefferson County Mosquito Control District, Target Specialty Products is willing to renew the bid for one additional year. However, Target did experience a small price increase on two of the awarded items, and per the General Conditions of bidding, clause 4.4 "Price Re-determination", I am hereby requesting an equivalent increase in the awarded amount to Target for the renewed term of the contract on these two items. Below are the details:

Target experienced NO price increase on the following item, and therefore the price will remain unchanged from the original contract term pricing:

**Item 9** (Envion 30-30 Insecticide – 2.5 gallon containers) – NO INCREASE

The following items had a price increase:

**Item 1** (MSMA Herbicide – 2.5 gallon containers), Over the last 12 months, Target experienced a \$2.00 per gallon increase (8.17%). Target hereby requests that the contract amount be increased equivocally to reflect this direct increase in cost of goods. This would increase the contract from its current amount of \$24.48 per gallon to the new amount of \$26.48 per gallon. Documentation from the product manufacturer regarding this increase can be provided upon request.

**Item 3** (Roundup Herbicide or Equivalent – 2.5 gallon containers), Over the last 12 months, Target experienced a \$1.00 per gallon increase (9.77%). Target hereby requests that the contract amount be increased equivocally to reflect this direct increase in cost of goods. This would increase the contract from its current amount of \$10.24 per gallon to the new amount of \$11.24 per gallon. Documentation from the product manufacturer regarding this increase can be provided upon request.

If you have any questions regarding this matter, you can reach me through Target's Houston office at (713) 682-4411, or on my mobile phone at (713) 249-2075.

Best Regards,



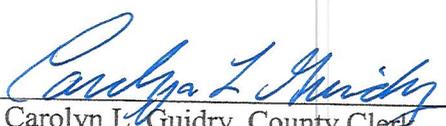
Mike Nichols  
Vector Business Manager

**CONTRACT RENEWAL FOR IFB 17-006/YS  
TERM CONTRACT FOR INSECTICIDES, HERBICIDES, SPRAY  
ADJUVANTS, AND ADULTICIDES FOR JEFFERSON COUNTY  
MOSQUITO CONTROL DISTRICT**

The County entered into a contract with ADAPCO, LLC for one (1) year, from April 3, 2017 to April 2, 2017, with an option to renew the contract for up to a five (5) year period.

Pursuant to the contract, Jefferson County hereby exercises its first one-year option to renew the contract for one (1) additional year from April 2, 2018 to April 1, 2019.

ATTEST:

  
\_\_\_\_\_  
Carolyn L. Guidry, County Clerk

JEFFERSON COUNTY, TEXAS  
  
\_\_\_\_\_  
Jeff Branick, County Judge

CONTRACTOR:  
ADAPCO, LLC

  
\_\_\_\_\_  
(Name) JASON TRUMBETTA, DULY AUTHORIZED

**CONTRACT RENEWAL FOR IFB 17-006/YS  
TERM CONTRACT FOR INSECTICIDES, HERBICIDES, SPRAY  
ADJUVANTS, AND ADULTICIDES FOR JEFFERSON COUNTY  
MOSQUITO CONTROL DISTRICT**

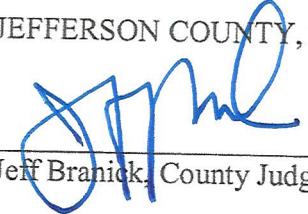
The County entered into a contract with Crop Production Services, Inc. for one (1) year, from April 3, 2017 to April 2, 2017, with an option to renew the contract for up to a five (5) year period.

Pursuant to the contract, Jefferson County hereby exercises its first one-year option to renew the contract for one (1) additional year from April 2, 2018 to April 1, 2019.

ATTEST:

JEFFERSON COUNTY, TEXAS

  
\_\_\_\_\_  
Carolyn L. Gundry, County Clerk

  
\_\_\_\_\_  
Jeff Branick, County Judge



CONTRACTOR:  
Crop Production Services, Inc.

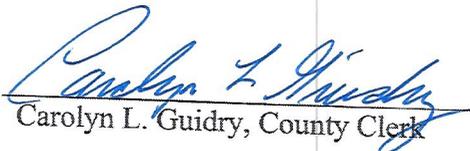
  
\_\_\_\_\_  
(Name) Tim Smith Region Manager

**CONTRACT RENEWAL FOR IFB 17-006/YS  
TERM CONTRACT FOR INSECTICIDES, HERBICIDES, SPRAY  
ADJUVANTS, AND ADULTICIDES FOR JEFFERSON COUNTY  
MOSQUITO CONTROL DISTRICT**

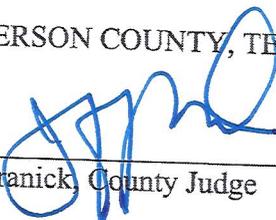
The County entered into a contract with Pro Pest and Lawn Store for one (1) year, from April 3, 2017 to April 2, 2017, with an option to renew the contract for up to a five (5) year period.

Pursuant to the contract, Jefferson County hereby exercises its first one-year option to renew the contract for one (1) additional year from April 2, 2018 to April 1, 2019.

ATTEST:

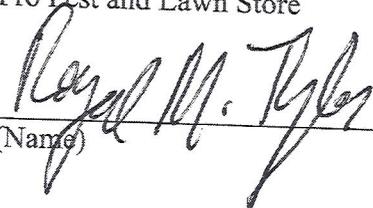
  
\_\_\_\_\_  
Carolyn L. Guidry, County Clerk

JEFFERSON COUNTY, TEXAS

  
\_\_\_\_\_  
Jeff Branick, County Judge



CONTRACTOR:  
Pro Pest and Lawn Store

  
\_\_\_\_\_  
(Name)

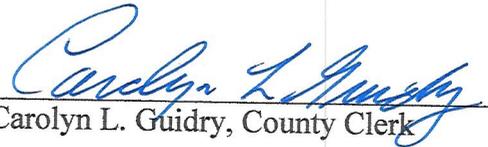
**CONTRACT RENEWAL FOR IFB 17-006/YS  
TERM CONTRACT FOR INSECTICIDES, HERBICIDES, SPRAY  
ADJUVANTS, AND ADULTICIDES FOR JEFFERSON COUNTY  
MOSQUITO CONTROL DISTRICT**

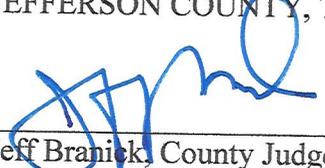
The County entered into a contract with Target Specialty Products for one (1) year, from April 3, 2017 to April 2, 2018, with an option to renew the contract for up to a five (5) year period.

Pursuant to the contract, Jefferson County hereby exercises its first one-year option to renew the contract for one (1) additional year from April 2, 2018 to April 1, 2019.

ATTEST:

JEFFERSON COUNTY, TEXAS

  
\_\_\_\_\_  
Carolyn L. Guidry, County Clerk

  
\_\_\_\_\_  
Jeff Branick, County Judge



CONTRACTOR:  
Target Specialty Products

  
\_\_\_\_\_  
(Name)  
Mike Nichols

**CONTRACT RENEWAL FOR IFB 17-006/YS  
TERM CONTRACT FOR INSECTICIDES, HERBICIDES, SPRAY  
ADJUVANTS, AND ADULTICIDES FOR JEFFERSON COUNTY  
MOSQUITO CONTROL DISTRICT**

The County entered into a contract with Univar USA for one (1) year, from April 3, 2017 to April 2, 2017, with an option to renew the contract for up to a five (5) year period.

Pursuant to the contract, Jefferson County hereby exercises its first one-year option to renew the contract for one (1) additional year from April 2, 2018 to April 1, 2019.

ATTEST:

  
\_\_\_\_\_  
Carolyn L. Guidry, County Clerk

JEFFERSON COUNTY, TEXAS

  
\_\_\_\_\_  
Jeff Branick, County Judge



CONTRACTOR:  
Univar USA

  
\_\_\_\_\_  
(Name)



### Construction Contract Change Order

**A505**

Grant Recipient: JEFFERSON COUNTY, TEXAS      Select:  City       County  
 Contract No.: 7216231      Change Order No.: 5      Region: SETRPC

Contractor: MK Constructors  
2485 North St.  
Vidor, Texas 77662      Engineer: Action Civil Engineers, PLLC.  
8460 Central Mall Drive  
Suite J  
Port Arthur, Texas 77642

Select Change Order Type(s):  Change to Existing Line Items       New Items Requested       Change in Contract Duration

Grant recipient is requesting Texas Department of Agriculture review to determine eligibility of change order expenses.

**Changes to Existing Line Items (Items from original bid or added in previous change order ONLY)**

Bid Item #	Item Description	Original Qty.	Proposed Qty.	UOM	Unit Price	Δ Qty.	Change in Contract Price	+
2	Change Addresses	4	4	EA	\$5,560.00	0	\$0.00	-
Contract Change Sub-Total:							\$0.00	

**Change in Contract Duration**

Provide explanation below (attach separate documentation as necessary).

Change of (4) Addresses for Alternate Addition Bid Proposal (Locations Provided in Bid Addendum No. 2)

Original Contract End Date: 3/4/2018  
 Net change of previous Change Orders (days): 64  
 Increase/Decrease of this Change Order (days): 0  
 Change Order Contract End Date: 5/7/2018

**Justification for Change**

	Increase	Decrease	No Change
1. Effect of this change on scope of work:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Effect on operation and maintenance costs:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Yes	No	Not Applicable
3. Will this Change Order change the number of beneficiaries or TxCDBG contract Performance Statement Exhibit A?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Is the TCEQ clearance still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are other TxCDBG contractual special condition clearances still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. If new items are included that were not included in the competitive bid, have the prices been determined to be reasonable?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Additional Change Order No. 5 Information:**

The purpose of this change order is to make corrections to the addresses of (4) four of the (7) seven locations to receive sewer improvements, as part of the "Bid Addendum No. 2 Alternate Additional Bid Proposal" properties for this project, as indicated below:

10307 Brooks Road: **Change to 8496 Landry Lane**      9508 Lawhon (**No Change**)      8787 MLK (**No Change**)  
 8811 MLK: **Change to 6312 Boyt Road**      8567 Landry (**No Change**)  
 7145 Faith: **Change to 5835 Martel Road**      6602 Boyt Road: **Change to 9553 Lawhon Road**

### Change Order Summary

Original Contract Price:	\$205,864.00	Original Contract End Date:	3/4/2018
Net Previous Change Order(s):	\$0.00	Net change of previous Change Orders (days):	64
This Net Change Order:	\$0.00	Increase/Decrease of this Change Order (days):	0
New Contract Price:	\$205,864.00	Change Order Contract End Date:	5/7/2018
Cumulative % Change:	0.0%		

**NOTE:** Change orders for an increase of more than 25% will be rejected. The State of Texas considers a change in the construction contract price of greater than 25% to be non-competitive, as other potential bidders did not have the opportunity to bid on the true scope of the project during the procurement process. Grant Recipient must rebid project in the event of an increase of 25% or more.

**Grant Recipient Approval (REQUIRED)**

	MARCH 26, 2018
Authorized Signature	Date
Jeff R. Branick, Jefferson County Judge Authorized Signatory's Name and Title	

**Engineer's Recommendation**

	MARCH 21, 2018
Engineer's Signature	Date
William V. Larrain, P.E. Engineer's Name	

**Contractor's Authorization**

Contractor's Signature	Date
Contractor's Name and Title	

To receive an email copy of the TDA response, provide contact information below

Name	Email	
		+
		-

**For TDA office use only**

This Net Change Order:	\$0.00	Increase/decrease of this Change Order (days):	0
Net Change Order Approved:		Increase/decrease of this Change Order Approved:	
Approved Contract Amount:		Approved Contract Time:	

Notes:

Contract Specialist Signature	Date

Director Signature (optional)	Date



PROF 18-007/JW

Building HEROES. Protecting HEROES.

March 13, 2018

Jefferson County – Jack Brooks Regional Airport  
4875 Parker Drive  
Beaumont, Texas 77705  
ATTN: Alex Rupp  
(409) 722-2830  
arupp@co.jefferson.tx.us

**Subject:**           **Proposal for Services:** Asbestos/Lead-Based Paint Survey Proposal  
                          **Project Site:** Hangar 3 located Jack Brooks Regional Airport  
                          **Proposal No.:** P6777-18

Total Safety U.S., Inc. (Total Safety) is pleased to present the following proposal to provide environmental consulting services to Jack Brooks Regional Airport for the asbestos/lead-based paint survey of the Hangar 3 building located at 4875 Parker Drive in Beaumont Texas. This proposal is being submitted per your request.

#### **Scope of Work**

**Survey and Report** - This survey meets the requirements of federal guidelines. We will provide an accredited/qualified individual to collect suspect materials from the subject buildings and make appropriate recommendations in the event sample analysis reveals asbestos/lead content.

The scope of work includes the following tasks:

- Conduct EPA-Approved Asbestos/Lead Surveys
- Provide Labor & Equipment, Travel Time, and Mileage
- Collect Suspect Material Samples
- Provide EPA-Approved Laboratory Analysis
- Prepare Field Notes and Documents
- Provide Recommendations
- Prepare Survey Reports and Summary of Findings

#### **Proposed Fees**

Total Safety will provide the services described in this proposal for a lump sum amount of **\$1,390.00**.

Our terms for payment are net 30 days. Payment in excess of 30 days will be subject to interest in accordance with the Total Safety Standard Terms and Conditions. Our Terms and Conditions are attached and incorporated herein by reference, which, together with this letter, will constitute the entire agreement between us.

**Total Safety U.S., Inc.****Qualifications*****Client Responsibilities***

Client to provide access to the work area and will notify proper authorities of our presence.

If this proposal is deemed satisfactory, please sign below and return a copy to my email at [dward@totalsafety.com](mailto:dward@totalsafety.com) and copy [shebert@totalsafety.com](mailto:shebert@totalsafety.com) referencing proposal. Should you have any questions, please contact me at (409) 727-8227.

Sincerely,

**Daniel R. Ward**

Regional Manager EHS Services

DSHS Consultant License No: 10-5479

ATTACHMENTS:            Total Safety Terms and Conditions

## **Total Safety U.S., Inc.**

### **TERMS AND CONDITIONS**

#### **WARRANTY AND LIMITATION OF LIABILITY**

Total Safety U.S., Inc., (Total Safety) warrants that work will be performed in accordance with sound practice and professional standards ordinarily exercised by members of the profession practicing at the same time in the same location, but makes no other warranty, whether statutory, expressed or implied. **All other warranties are disclaimed, including, without limitation, the warranty of merchantability or fitness for a particular purpose.** In the event of an error, omission or other professional negligence or any breach of the above warranty occurring within one (1) year from the substantial completion of the project, the sole and exclusive responsibility of Total Safety shall be to re-perform the deficient work at its own expense. The remedy set forth herein is the client's sole and exclusive remedy for any breach of warranty or failure by Total Safety to comply with the terms of this Agreement.

#### **REPORTS**

Reports and recommendations made by Total Safety are only advisory in nature and are intended to assist the Customer in evaluating Customer's facility or operations. They are not intended to imply that no other defects or hazards exist or that all aspects and areas of the facility or operations are clear of hazards at the time of inspection. Final responsibility for the condition and operation of the facility lies with the Customer.

#### **INDEMNITY**

Total Safety shall, to the extent permitted by law, indemnify, defend, and hold harmless the Customer from and against any and all claims, demands, complaints or actions of third parties (including employees of the parties or government agencies) arising from or relating to the Services (including personal injury, death, property damage or damage to the environment), to the extent caused or arising out of the negligence, willful misconduct, breach of these terms and conditions, or violation of law of or by Total Safety. The claims, demands, complaints, and actions covered hereunder include all settlements, losses, liabilities, judgments, court costs, reasonable attorney's fees, fines, penalties and other litigation costs and expenses arising from or related to such claims, demands, complaints or actions.

In no event shall either Party have any liability to the other Party for any lost profits, loss of use, costs of procurement of substitute goods or services, or for any indirect, special, incidental, punitive, or consequential damages, however caused, and whether in contract, tort, or under any other theory of liability.

#### **PRICES AND PAYMENT TERMS**

Unless otherwise agreed by Total Safety, terms are FOB shipping point, net 30 days from date of Total Safety's invoice in U.S. currency. The purchase price and rental price for Equipment and/or Services are as set forth on the Proposal, which does not include sales tax or shipping, and is subject to adjustment annually. Customer shall pay all shipping and handling charges, as quoted or invoiced, regardless of the actual amount of shipping and handling charges applicable at time of shipment.

**INSURANCE**

Customer shall be named as an additional insured on Total Safety's policies of insurance to the extent of Total Safety's indemnity obligations under this Agreement.

**APPLICABILITY**

These terms and conditions shall be binding on and inure to the benefit of the personal representatives, the successors, or the assigns of the parties. No waiver or statements by any representative of the service provider will be valid unless contained in this agreement. These terms and conditions constitute the entire agreement between Total Safety and Customer and shall not be amended except in a writing signed by both Parties.

**FORCE MAJEURE**

Total Safety shall not be responsible for failure to render work due to causes beyond its control, including but not limited to work stoppages, fires, civil disobedience, riots, rebellions, acts of God.

**SEVERABILITY**

If any provision of this Agreement is held by any court or other competent authority to be void or enforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

**GOVERNING LAW, VENUE AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas applicable to contracts made and to be performed therein, exclusive of the choice of law or conflict of laws provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties in the courts of the State of Texas, County of Jefferson, or, if it has or can acquire jurisdiction, in the United States District Court for the Eastern District of Texas, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein.

*Total Safety Terms & Conditions Accepted for Client*

BY: \_\_\_\_\_

DATE: March 26, 2018

TITLE: Jeff R. Branick, Jefferson County Judge

ATTEST [Signature]  
DATE 3/26/18





**JEFFERSON COUNTY PURCHASING DEPARTMENT**  
*Deborah Clark, Purchasing Agent*

---

1149 Pearl Street, Beaumont, TX 77701 Phone: 409-835-8593 Fax: 409-835-8456

**MEMORANDUM**

To: Commissioners' Court  
From: Deborah Clark   
Purchasing Agent  
Date: March 22, 2018  
Re: Disposal of Salvage Property

Consider and possibly approve disposition of salvage property as authorized by Local Government Code §263.152 (3), for broken or obsolete items.

Thank you.

JEFFERSON COUNTY, TEXAS  
 1149 PEARL STREET  
 BEAUMONT, TX 77701

DISPOSAL OF SALVAGE PROPERTY  
 March 26, 2018

DEPARTMENT	DESCRIPTION OF PROPERTY	SERIAL NO.	ASSET NO.
AUDITING	HP LASERJET 1100 PRINTER		23554
AUDITING	HP 6840 DESKJET PRINTER		29403
AUDITING	BROTHER INTELLIFAX 4750E		32678
<i>contact person: Fran Lee</i>			
HEALTH & WELFARE I	5-CHAIRS		
<i>contact person: Rachael Dragulski</i>			
MAINTENANCE (Lasalle Jail)	SCOTSMAN ICE MACHINE	1107132001175	
MAINTENANCE (Café)	48' SANDWICH PREP COOLER	5116988	33246
<i>contact person: Greg Keller</i>			

Approved by Commissioners' Court: \_\_\_\_\_



"Strength in Construction"

LA License # 54937

March 22, 2018

Mailing Address:  
P.O. Box 20678  
Beaumont, Texas 77720-0678

Ms. Deb Clark  
Jefferson County  
1149 Pearl Street  
Beaumont, TX 77701

(409) 842-8181  
(409) 842-2274  
setex@setexconstruction.com  
setexconstruction.com

**Project:** "Ford Park Artist Compound"

**Subject:** "Proposal Original Kitchen"

General Contracting

Construction Management

Design-Build

Job Order Contracting

Facilities Maintenance

Commercial

Industrial

Government

Healthcare

Infrastructure

Corporate

Education

Performing Arts

Historical

Dear Ms. Clark:

We are pleased to submit our proposal utilizing our 15/041JN-11-2015 Choice Partners JOC Texas Contract based on local CCI and our coefficient of .89.

**Proposal Recap:**

**Demolition**

- Remove all moisture damaged doors
- Cut all sheetrock square
- Remove damaged metal corners
- Remove damaged ceiling tiles

**Construction**

- Install 4' R13 insulation in all walls
- Install 4' 5/8" fire code rock, tape, float, and texture walls to blend
- Apply one coat primer to new sheetrock
- Apply two coats finish to all walls and jambs
- Re-install hardware for doors
- Re-install all existing plumbing fixtures
- Install all new VCT flooring per plans
- Install carpet in headliner rooms
- Install new electrical covers
- Re-install bathroom accessories
- Repair ceiling tile

**Proposed Exclusions:**

- Kitchen Appliances
- Unforeseen items beyond scope



Mailing Address:  
P.O. Box 20678  
Beaumont, Texas 77720-0678

Subtotal	\$ 144,851.44
P&P Bond	\$ 3,621.28
<b>Total Proposed Cost</b>	<b>\$ 148,472.72</b>

☎ (409) 842-8181  
 📠 (409) 842-2274  
 ✉ [setex@setexconstruction.com](mailto:setex@setexconstruction.com)  
 🌐 [setexconstruction.com](http://setexconstruction.com)

We estimate approximately sixty (60) working days total duration, upon material delivery.

General Contracting

This pricing is based on normal hours Monday thru Friday 7:00am to 4:00pm. Please contact us at 409-842-8181 at your convenience to go over this estimate.

Construction Management

We trust the proposal meets with your approval and please advise us accordingly.

Design-Build

Respectfully Submitted,  
**SETEX Construction Corp.**

Job Order Contracting

Facilities Maintenance

Michael Waidley  
Project Manager

Commercial

Industrial

JOC/Ford Park/18-0002

Government

Healthcare

Infrastructure

Corporate

ATTEST:

JEFFERSON COUNTY, TEXAS

Education

Carolyn L. Guidry, County Clerk

Jeff R. Branick, County Judge

Performing Arts

Date: 3/26/18

Historical





**Preliminary Estimate, by line item**  
 Brain Shipp  
 SETEX Construction  
 - 8/18/2015 to 8/17/2016  
 Ford Park Production Building - 18-0002

**Summary of tagged estimates...**

**Estimator: Brain Shipp**

Division Summary (MF04)	
01 - General Requirements	\$30,204.10
02 - Existing Conditions	\$1,700.00
03 - Concrete	
04 - Masonry	
05 - Metals	
06 - Wood, Plastics, and Composites	\$4,446.56
07 - Thermal and Moisture Protection	
08 - Openings	\$14,985.00
09 - Finishes	\$89,911.37
10 - Specialties	\$1,143.00
11 - Equipment	
12 - Furnishings	\$34,451.00
13 - Special Construction	
14 - Conveying Equipment	
21 - Fire Suppression	
22 - Plumbing	\$2,107.70
23 - Heating, Ventilating, and Air-Conditioning (HVAC)	\$850.00
25 - Integrated Automation	
<b>Totalling Components</b>	
Priced Line Items	\$193,295.04
RSMean BEAUMONT, TX CCI 2017, 84.20%	\$(30,540.59)
<b>Material, Labor, and Equipment Totals (No Totalling Components)</b>	
Material:	\$78,606.47
Labor:	\$114,649.66
Equipment:	\$39.02
Other:	\$(0.11)
Laborhours:	1,138.89
Green Line Items:42	\$7,091.56
<b>MF04 Total (Without totalling components)</b>	
	<b>\$193,295.04</b>
<b>Totalling Components</b>	
Priced Line Items	\$193,295.04
RSMean BEAUMONT, TX CCI 2017, 84.20%	\$(30,540.59)
<b>Material, Labor, and Equipment Totals (No Totalling Components)</b>	
Material:	\$78,606.47
Labor:	\$114,649.66
Equipment:	\$39.02
Other:	\$(0.11)
Laborhours:	1,138.89
Green Line Items:42	\$7,091.56
<b>Grand Total</b>	
	<b>\$144,851.44</b>

2015 Choice Partners JOC SETEX Texas Normal (-11.0000%) \$(17,903.01)



Mailing Address:  
P.O. Box 20678  
Beaumont, Texas 77720-0678

(409) 842-8181  
(409) 842-2274  
setex@setexconstruction.com  
setexconstruction.com

March 22, 2018

Ms. Deb Clark  
Jefferson County  
1149 Pearl Street  
Beaumont, TX 77701

**Project:** "Ford Park Artist Compound"

**Subject:** "Proposal"

General Contracting

Construction Management

Design-Build

Job Order Contracting

Facilities Maintenance

Commercial

Industrial

Government

Healthcare

Infrastructure

Corporate

Education

Performing Arts

Historical

Dear Ms. Clark:

We are pleased to submit our proposal utilizing our 15/041JN-11-2015 Choice Partners JOC Texas Contract based on local CCI and our coefficient of .89.

**Proposal Recap:**

**Demolition**

- Remove all moisture damaged doors
- Cut all sheetrock square
- Remove damaged metal corners
- Remove damaged ceiling tiles

**Construction**

- Install 4' R13 insulation in all walls
- Install 4' 5/8" fire code rock, tape, float, and texture walls to blend
- Apply one coat primer to new sheetrock
- Apply two coats finish to all walls and jambs
- Relocate and add electrical and plumbing as needed for new commercial kitchen
- Install new stainless equipment
- Re-install hardware for doors
- Re-install all existing plumbing fixtures
- Install all new VCT flooring per plans
- Install carpet in headliner rooms
- Install grease trap in kitchen area
- Cut and repair roof for new vent hood
- Install Ansul system as per code
- Install new electrical covers
- Re-install bathroom accessories
- Repair ceiling tile

(continued on next page)



Mailing Address:  
 P.O. Box 20678  
 Beaumont, Texas 77720-0678

**Proposed Exclusions:**

---

- Unforeseen items beyond scope

(409) 842-8181  
 (409) 842-2274  
 setex@setexconstruction.com  
 setexconstruction.com

Subtotal	\$ 160,568.71
P&P Bond	\$ 4,014.22
<b>Total Proposed Cost</b>	<b>\$ 164,582.93</b>

General Contracting

Construction Management

Design-Build

Job Order Contracting

Facilities Maintenance

Commercial

Industrial

Government

Healthcare

Infrastructure

Corporate

Education

Performing Arts

Historical

We estimate approximately sixty (60) working days total duration, upon material delivery.

This pricing is based on normal hours Monday thru Friday 7:00am to 4:00pm. Please contact us at 409-842-8181 at your convenience to go over this estimate.

We trust the proposal meets with your approval and please advise us accordingly.

Respectfully Submitted,  
**SETEX Construction Corp.**

Michael Waidley  
 Project Manager

JOC/Ford Park/18-0002



**Preliminary Estimate, by line item**  
 Brain Shipp  
 SETEX Construction  
 - 8/18/2015 to 8/17/2016  
 Ford Park Production Building - 18-0002

15/041JN-11 - 2015 Choice Partners JOC Texas SETEX - Basic Contract Year  
 - 8/18/2015 to 8/17/2016  
 Ford Park Production Building - 18-0002

**Estimator: Brain Shipp** **Summary of tagged estimates...**

Division Summary (MF04)	
01 - General Requirements	\$30,204.10
02 - Existing Conditions	\$1,700.00
03 - Concrete	
04 - Masonry	
05 - Metals	
06 - Wood, Plastics, and Composites	
07 - Thermal and Moisture Protection	\$5,057.76
08 - Openings	\$14,985.00
09 - Finishes	\$89,911.37
10 - Specialties	\$1,143.00
11 - Equipment	\$28,557.50
12 - Furnishings	\$9,972.00
13 - Special Construction	
14 - Conveying Equipment	
21 - Fire Suppression	
22 - Plumbing	\$10,951.70
23 - Heating, Ventilating, and Air-Conditioning (HVAC)	\$8,290.00
25 - Integrated Automation	
<b>Totalling Components</b>	
Priced Line Items	\$214,268.74
RSMean BEAUMONT, TX CCI 2017, 84.20%	\$(33,854.44)
<b>Material, Labor, and Equipment Totals (No Totalling Components)</b>	
Material:	\$103,374.17
Labor:	\$110,855.66
Equipment:	\$39.02
Other:	\$(0.11)
Laborhours:	1,089.18
Green Line Items:43	\$10,566.56
<b>MF04 Total (Without totalling components)</b>	
	<b>\$214,268.74</b>

26 - Electrical	\$1,610.25
27 - Communications	\$1,080.00
28 - Electronic Safety and Security	
31 - Earthwork	
32 - Exterior Improvements	
33 - Utilities	
34 - Transportation	
35 - Waterway and Marine Transportation	
41 - Material Processing and Handling Equipment	
44 - Pollution Control Equipment	
46 - Water and Wastewater Equipment	
48 - Electric Power Generation	\$10,806.06
Priced O&P	
Trades	
Assemblies	
FMR	
<b>MF04 Total (Without totalling components)</b>	
	<b>\$214,268.74</b>

2015 Choice Partners JOC SETEX Texas Normal (-11.0000%)	\$(19,845.59)
<b>Grand Total</b>	
	<b>\$160,568.71</b>

THIS AGREEMENT between Jefferson County, Texas (hereinafter referred to as the “County”), and CorrHealth, a Corporation (hereinafter referred to as Contractor), is dated for reference purposes as of the 10th day of April, 2018 (hereinafter referred to as the “Agreement”). Services under this Agreement shall commence on April 10, 2018 and shall continue in accordance with Sections 8.1.

**WITNESSETH:**

WHEREAS, the County is charged by law with the responsibility for obtaining and providing reasonably necessary health care for inmates at the Jefferson County Correctional Facility located at 5030 Highway 69 South, Beaumont, Texas 77705. (hereinafter referred to collectively as the “Facility”).

WHEREAS, the County desires to provide for health care to the inmates in the Facility in accordance with applicable law; and

WHEREAS, the County desires to enter into this Agreement with the Contractor to promote this objective; and

WHEREAS, the Contractor is in the business of providing correctional health care services and desires to provide such services for the County under the terms and conditions hereof,

NOW, THEREFORE, in consideration of the covenants and promises hereinafter made, the parties hereto agree as follows:

**ARTICLE 1: HEALTH CARE SERVICES**

1.1 General Engagement. The County hereby contracts with the Contractor to provide for the delivery of medical, dental, and mental health care to individuals committed to the custody of any of the Facilities. The terms and conditions of the accepted Request for Proposal for “RFP# 17-037/YS” specific to “Inmate Healthcare Services for the Jefferson County Correctional Facility” is incorporated herein verbatim as if fully set forth. Individuals, who are unconscious, injured or seriously ill at the time of booking shall not be committed to the custody of the Facility. These individuals shall be immediately referred to a third party provider for medical attention and their admission and booking (or their return to the Facility) will be predicated on written medical clearance from the third-party provider. The Contractor will not be responsible for any cost associated with medical care that is delivered prior to an individual’s being booked into the facility.

ORDER OF PRECEDENCE. The parties further agree that in the event of any conflict among the documents reference in this AGREEMENT, the order of precedence shall be as follows: 1) this AGREEMENT; 2) Exhibit A: Best and Final Offer; 3) Exhibit B: Contractor Response to Jefferson County’s Formal Request for Proposal for “RFP# 17-037/YS” specific to “Inmate Healthcare Services for the Jefferson County Correctional Facility”; and 4) Exhibit C: Jefferson County’s Formal Request for Proposal, RFP# 17-037/YS, including any, and all Addendums.

1.2 Scope of General Services. For the purposes of this Agreement, Contractor’s responsibility for medical care commences when an individual is booked into the Facility. The Contractor shall provide health care services for all persons committed to the physical custody of the Facility and to individuals who are engaged in work release activities but who spend each night at one of the Facilities. The Contractor shall provide on a regular basis, all professional medical, dental, mental health, related health care and administrative services for the inmates. These services include intake health screenings, regularly scheduled sick call, nursing coverage, regular physicians visits on site, infirmary care, hospitalization, medical specialty services, emergency medical care, medical records management, pharmacy and pharmaceutical services, laboratory

services, radiology services, auditory services, ophthalmology services, health education and training services,<sup>36</sup> utilization review, a quality assurance program, administrative support services, dental services, and on-site emergency medical treatment for visitors or County personnel, all as more specifically described 1) Exhibit C) Jefferson County's Formal Request for Proposal, RFP# 17-037/YS, including addendums 1, 2) Exhibit A: Best and Final Offer; 3) Exhibit B: Contractor Response to Jefferson County's Formal Request for Proposal (RFP)# 17-037/YS. Inmates to be housed in any Jefferson County Correctional Facility shall receive an intake health screening before completion of booking process.

1.3 Exceptions to the Provision of Medical Care. The Contractor will not be responsible for providing elective medical care to inmates. For purposes of this Agreement, "elective medical care" means medical care which, if not provided, would not, in the opinion of Contractor Medical Director, cause the inmate's health to deteriorate or cause definite harm to the inmate's well-being. Such decisions concerning medical care shall be consistent with applicable laws and general medical standards. The Contractor will not be responsible for providing newborn care or for abortions that are not medically indicated.

1.4 Transporting Services. Non-emergency and emergency transportation services including reasonable security will be provided and paid for by the County. The Contractor is responsible for requesting transportation in accordance with the policies and procedures regarding the transportation of inmates/ for medical reasons mutually developed by the Contractor and the County.

## **ARTICLE II: PERSONNEL**

2.1 Staffing. Contractor shall provide medical, mental health, dental, technical and support personnel necessary for the rendering of professional health care services to inmates at the Facility as described in Option 2 of the Best and Final Offer (BAFO). The staffing matrix set forth in Exhibit E are based on an average inmate population of 750 adult inmates housed in the Jefferson County Correctional Facility. Should the total inmate population increase to an average level of 825 or more for a period of sixty (60) days or longer, additional health care staffing beyond the positions detailed in Option 2 of the Best and Final Offer (BAFO), may be necessitated, and, Contractor reserves the right to review the staffing and contract price, and, with the County's participation and approval, which shall not be unreasonably withheld, make necessary adjustments in staffing and contract price in order to accommodate any additional staff positions which may be needed to serve the increased inmate population.

2.2 Licensure, Certification and Registration of Personnel. Contractor shall ensure that all personnel provided or made available by Contractor to render services hereunder shall be licensed, certified or registered, as appropriate, in their respective areas of expertise as required by applicable law. Each license or certification shall be on file at a central location as mutually agreed upon. All Contractor personnel, prior to entering the Facilities, shall be required to undergo a criminal background check conducted by the County at no cost to Contractor. Contractor agrees that all of its personnel employed in the Facility will sign a Nondisclosure Agreement provided by the Contractor. This Nondisclosure Agreement will be kept in each employee's personnel file. Contractor shall monitor the license and/or certification and/or registration of each employee on a monthly basis to confirm its status and good standing. Contractor shall also require each of its employees to advise Contractor if their [employee's] license and/or certification and/or registration has been revoked, suspended, restricted, limited, or in any way impaired. Contractor shall notify Jefferson County in writing of any personnel whose license and/or certification and/or registration has been revoked, suspended, restricted, limited, or in any way impaired. Such notice shall be provided within three (3) business days of Contractor's knowledge of the change in status, but in no event no later than thirty (30) days after the status has changed.

2.3 Sheriff's Satisfaction with Health Care Personnel. If the County becomes dissatisfied with any health care personnel provided by Contractor hereunder, in recognition of the sensitive nature of correctional services, shall, following receipt of written notice from the County of the grounds for such dissatisfaction and in consideration of the reasons therefore, shall exercise its best efforts to resolve the problem. If the County is not

satisfied that the problem has been solved, the County may revoke the employee's right to enter the Correctional center. If the County revokes a Contractor employee's right to enter the Correctional center, the County will provide Contractor written notice to that effect. The decision to revoke a Contractor employee's right to enter the Facility shall be at the sole discretion of the County.

2.4 Use of Inmates in the Provision of Health Care Services. Inmates shall not be employed or otherwise engaged by either Contractor or the County in the direct or indirect rendering of any health care services. Inmate workers may be used in positions not involving the rendering of health care services directly or indirectly to other individuals in the Facilities if Contractor and the County mutually agree.

2.5 Subcontracting and Delegation. In order to discharge its obligations hereunder, Contractor will engage certain health care professionals as independent contractors rather than as employees. The County may request to approve such professionals, but approval will not be unreasonably withheld. Subject to the approval described above, the County consents to such subcontracting or delegation. As the relationship between Contractor and these health care professionals will be that of independent contractor, Contractor will not be considered or deemed to be engaged in the practice of medicine or other professions practiced by these professionals. Contractor will not exercise control over the manner or means by which these independent contractors perform their professional medical duties. However, the Contractor shall exercise administrative supervision over such professionals necessary to ensure the strict fulfillment of the obligations contained in this Agreement. For each agent and subcontractor, including all Medical Professionals, Physicians, Dentists, Psychiatrist and Nurses performing duties as agents or independent contractors of Contractor under this Agreement, Contractor shall provide the County proof, prior to the effective date of this agreement, that there in effect a professional liability or medical malpractice insurance policy, as applicable coverage for each health care professional identified herein, in an amount of at least Two Million Dollars (\$2,000,000) coverage per occurrence and Four Million Dollars (\$4,000,000) aggregate. In addition, for each agent or subcontractor hired by the Contractor, the agent or subcontractor shall include Jefferson County, its officials, officers and employees as additional insureds on the certificate of insurance and shall provide the County with a copy of the certificate of Insurance within thirty (30) days of the engagement of the agent or subcontractor. If requested by the County, Contractor will provide to the County copies of subcontractor agreement providing service warranted under the Agreement.

2.6 Discrimination. During the performance of this Agreement, Contractor, their employees, agents, subcontractors, and assignees agree as follows:

1. They will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, age, Vietnam Veteran status, disability as defined in the Americans with Disabilities Act or national origin, except where age, religion, sex, disability or lack thereof or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. They will agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
2. In all solicitations or advertisements for employees, they will state that it is an equal opportunity employer.
3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2.7 Staffing Penalties. In the event that Contractor fails to fill any shift vacant position(s) through employment, appointment or contracting with a qualified person on a permanent or temporary basis (including the utilization of existing staff on an overtime basis at Contractor's expense) from the first day, the Contractor shall issue a credit consisting of 100% of the hourly salary for each position not covered or vacant from the first

day. Both parties agree that a paid position is deemed to be a filled position. Each quarter any credited amount will be reported and payable to the County from the Contractor as a credit to the County's next monthly billing<sup>38</sup> by the Contractor.

### **ARTICLE III: ACCREDITATION**

3.1 Obligation of Contractor. The Contractor's services shall be designed to meet the standards promulgated/developed by the National Commission on Correctional Health Care for Jails (NCCHC).

### **ARTICLE IV: EDUCATION**

4.1 Inmate and Staff Education. The Contractor shall conduct an ongoing health education program for inmates at the Correctional Facility with the objective of raising the level of inmate health and health care. The Contractor staff will provide relevant training to County's staff on at least a quarterly basis on topics agreed upon by both parties.

4.2 Medical Services Staff Education. The Contractor will require that its medical, professional and para-professional staff receive all necessary and requisite legal and statutorily mandated in-service, annual or proficiency training and other such professional or para-professional education and training programs needed to provide current proficiency in the professional's or para-professional's particular medical discipline or specialty.

### **ARTICLE V: REPORTS AND RECORDS**

5.1 Medical Records. The Contractor shall cause, require and maintain a complete and accurate medical and mental health record for each inmate who has received health care services *from* the Contractor. Inmate's medical records will be kept separate from the detention record and each medical record will be maintained in accordance with applicable laws, Texas Commission on Jail Standards, NCCHC standards and the County's policies and procedures. The medical records belong to the County, and Contractor shall be custodian of these records during the term of this Agreement, keeping the medical records separate from the inmate's confinement record. A complete legible copy of the applicable medical record shall be available, at all times, to the County and may be available to accompany each inmate who is transferred from the Facility to another location for off-site services or transferred to another institution. Medical records shall be kept confidential, subject to applicable law (including HIPAA and the State of Texas Public Information Act). The Contractor shall provide all medical records, forms, jackets, and other materials necessary to maintain the medical records. Upon the expiration or termination of this Agreement, all medical records shall be delivered to and remain with the County. However, the County shall, within the limits of applicable law, provide Contractor with reasonable ongoing access to all medical records even after the termination/expiration of this Agreement to enable Contractor to properly prepare for litigation or anticipated litigation or any other legal or regulatory action brought or threatened by third persons in connection with services rendered during the term hereof. The County, at its sole discretion, will determine how to appropriately respond to a request for medical records made as part of any "claim" as defined in paragraph 10.2 of this Agreement.

5.2 HIPAA Compliance. The Contractor shall comply with all Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements and the requirements of the State of Texas Open Records Act relating to Contractor's responsibilities under this Agreement.

5.3 Regular Reports by Contractor to the County. Upon the County's request, the Contractor shall provide to the County, on a date and in a form mutually acceptable to the Contractor and the County, monthly and annual reports relating to services rendered under this Agreement. If requested, Contractor shall submit monthly and other periodic reports to the Jefferson County's Sheriff, Detention Administration, and/or their designee concerning and reflecting on the overall health of the inmates committed to the custody of the County.

Such reports shall be submitted on a regular, periodic, or as requested basis to be determined by mutual written agreement of the Contractor and the County. The Contractor will fully cooperate with the County to respond to reporting requests to support any provision or section of this Agreement, without any additional charge, fee or assessment to the County.

Reports shall also be provided daily to the Jefferson County's Sheriff, Detention Administration, and/or their designee regarding inmates in offsite, hospital care. Report shall include inmate/detainee condition and estimated duration of hospital stay and approximate date of return to Jefferson County Correctional Facility. It is requested that Contractor Staff confirm the need for continued offsite care through this daily report.

5.4 Third Party Reimbursement. The Contractor will seek information concerning health insurance which would cover services provided by Contractor from each inmate treated, as allowed by law. Payment for services will only be made by the Contractor after all third party efforts have been exhausted. A report detailing all third party reimbursement will be provided to the County on a quarterly basis.

5.5 Inmate Information. Subject to the applicable law, in order to assist Contractor in providing the best possible health care services to inmates, the County will provide the Contractor with inmate's information that the Contractor and the County mutually identify as reasonable and necessary for the Contractor to adequately perform its obligation hereunder.

5.6 Contractor Records Available to the County with Limitations on Disclosure. The Contractor shall make available to the County, at the County's request, all records, documents, and other papers relating to the direct delivery of health care services to inmates hereunder. The County understands that many of the systems, methods, procedures, written materials and other controls employed by Contractor in the performance of its obligations hereunder are proprietary in nature and will remain the property of Contractor. Information concerning such may not, at any time, be used, distributed, copied or otherwise utilized by the County, except in connection with the delivery of health care services hereunder, and as permitted or required by law, unless such disclosure is approved in advance in writing by the Contractor.

The Contractor agrees that at any time during normal business hours, and as often as County may deem necessary, Contractor shall make available to representatives of the County for examination all of its records with respect to all matters covered by the resulting contract, and will permit such representatives of the County to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by the resulting contract, all for a period of three (3) years from the date of final settlement of contract or of such other or longer period, if any, as may be required by applicable statute or other lawful requirements.

5.7 County's Records Available to Contractor with Limitations on Disclosure. During the term of this Agreement and for a reasonable time thereafter, the County will provide the Contractor, at the Contractor's request, the County's records relating to the provision of health care services to inmates as may be reasonably requested by the Contractor or as are pertinent to the investigation or defense of any claim related to Contractor's conduct. Consistent with applicable law, the County will make available to the Contractor such records as are maintained by the County, hospitals and other outside health care the Contractors involved in the care or treatment of inmates (to the extent the County has any control over those records) as Contractor may reasonably request. Any such information provided by the County to the Contractor that the County considers confidential and clearly labeled confidential and clearly labeled confidential shall be kept confidential by the Contractor and shall not, except as may be required by law, be distributed to any third party without the prior written approval of the County.

## **ARTICLE VI: SECURITY**

6.1 General. The Contractor and the County understand that adequate security services are necessary for the safety of the agents, employees and subcontractors of the Contractor as well as for the security of inmates and the County's staff, consistent with the correctional setting. The County will use reasonable efforts to provide sufficient security to enable the Contractor, and its personnel, to safely and adequately provide the health care services described in this Agreement. Contractor, its staff and personnel, understand that working in the Jefferson County Correctional Facility involves inherent dangers. Contractor, its staff and personnel further understand that the County cannot guarantee anyone's safety in such a facility and nothing herein shall be construed to make the County or its employees a guarantor of the safety of the Contractor employees, agents or subcontractors, including their employees.

In the event that any recommendation by the Contractor for particular health services for any inmate or transfers to a medical facility should not be implemented and carried out for security reasons, the Contractor will be released from professional liability for any damages resulting from any such decision on the part of the County not to respond or to institute a requested transfer of any inmate.

6.2 Loss of Equipment and Supplies. The County shall not be liable for the loss of, or damage to, equipment and supplies of Contractor, its agents, employees or subcontractors unless such loss or damage was caused by the negligence of the County or its employees.

6.3 Security During Transportation Off-site. The County will provide security as necessary and appropriate in connection with the transportation of any inmate between the Facility and any other location for off-site services as contemplated herein.

## **ARTICLE VII: OFFICE SPACE, EQUIPMENT, INVENTORY AND SUPPLIES**

7.1 General. The County agrees to provide Contractor with office space, facilities, equipment (See Exhibit D), and utilities sufficient to enable Contractor to perform its obligations hereunder. The Contractor will supply and be responsible for payment of long distance access for use of its personnel. The Contractor shall provide all necessary office supplies and medical supplies. The County shall be responsible for providing substitute space should the designated medical facility become unsafe for any reason.

7.2 Delivery of Possession. The County will provide to the Contractor, beginning on the date of commencement of this Agreement, possession and control of all medical and office equipment and supplies, which are the County's property, in place at the Correctional centers' health care units. At the termination of this or any subsequent Agreement, Contractor will return to the County possession and control of all supplies, medical and office equipment, in working order, reasonable wear and tear excepted, which were in place at any of the Correctional centers' health care units prior to the commencement of services under this Agreement and/or purchased by the Contractor or the County during the term of this agreement.

7.3 Equipment. The Contractor will provide all medical equipment required for the efficient operation of the health care facilities except for equipment and materials stated as County furnished property.

7.4 General Maintenance Services. The County will provide the same range of services and facilities for those inmates that are confined to reside in a health clinical area for the purpose of receiving medical services, to include, but not be limited to, dietary services, building maintenance services, personal hygiene supplies and services, and linen supplies.

7.5 Supplies. The Contractor warrants and represents that the quality and quantity of supplies on hand during this Agreement will be sufficient to enable Contractor to perform its obligations hereunder.

## **ARTICLE VIII: TERM AND TERMINATION OF AGREEMENT**

8.1 Term. This Agreement will be effective at 12:01 a.m. on April 10th, 2018. The term of this Agreement shall be through April 8, 2020 (24-months). Thereafter, based upon fiscal funding appropriation this Agreement may be renewed for three (3) additional one (1) year renewals terms if agreed to in writing by both parties before the expiration of the then current term. At the expiration of the initial term the parties may, at their independent discretion, agree to extend the contract for additional one (1) year terms.

8.2 Termination. This Agreement may be terminated as otherwise provided in this Agreement or as follows:

(a) Termination by Agreement. In the event that the parties mutually agree in writing, this Agreement may be terminated on the terms and date stipulated therein.

(b) Termination by Cancellation. This Agreement may be cancelled without cause by the County or Contractor upon thirty (30) days prior written notice; however, The notice must state the reasons for the termination.

(c) Termination for Default. In the event either party shall give detailed notice to the other that such party has materially defaulted in the performance of any of its material obligations hereunder and such default shall not have been cured within thirty (30) days following the giving of such notice in writing, the party giving the notice shall have the right immediately to terminate this Agreement, provided, however, that the cure period shall be limited to ten (10) days if the default is failure by the County to timely make any payments due to Contractor hereunder.

(d) Annual Funding. This Agreement will terminate at the end of any annual term if the Commissioners' Court fails to authorize or appropriate funds sufficient for the County to meet its obligations hereunder.

(e) Immediate Termination by the County: The County, in its sole discretion, may terminate this Agreement immediately upon the occurrence of any of the following events:

1. The insolvency, bankruptcy, or receivership of Contractor; or
2. Contractor fails to maintain insurance in accordance with the Insurance Section of this Agreement, unless such failure is due to circumstances beyond the control of Contractor.

8.3 Responsibility for Inmate Health Care. Upon the termination or expiration of this Agreement, all of Contractor's responsibility for providing health care services to all inmates, including inmates receiving health care services at sites outside the Jefferson County Correctional Facility, will terminate.

## **ARTICLE IX: COMPENSATION**

9.1 Base Compensation. To compensate the Contractor for the costs of transitioning personnel and services into the Jefferson County Correctional Facility, the County will pay the Contractor a one-time sum of \$53,000 by April 1<sup>st</sup>, 2018. To compensate the Contractor for the services provided to the inmates at the Jefferson County Correctional Facility, the County will pay the Contractor \$4,377,654.97 annually. The County will pay the Contractor the sum of \$84,185.67 each week for the first quarter of services (April 10<sup>th</sup>-June 30<sup>th</sup>). After the first quarter of services (April 10<sup>th</sup>-June 30<sup>th</sup>), the County will pay the Contractor the sum of \$364,804.58 each month for the remainder of the first year of service. The first weekly amount is to be paid to the Contractor on the 20<sup>th</sup> day of April, 2018 for services beginning April 10<sup>th</sup>, 2018. The County will pay the Contractor \$4,324,654.97, which is the sum of \$360,387.91 each month in subsequent years. Each monthly

payment thereafter is to be paid by the County to the Contractor before, or on the last day of every month of the month of service. 42

9.2 Population Reconciliation. If during any average month of the Agreement the average number of adult inmates per day in such month exceeds 825 (10% above the 750 ADP), the County will pay Contractor the additional sum at a rate of \$1.23 per inmate per day as additional compensation. Conversely, if during any average month of the Agreement the average number of adult inmates per day in such month drops below 675 (10% below the 750 ADP), the Contractor will pay, or credit the County at a rate of \$1.23 per inmate per day as additional compensation. Per diem rates are intended to cover additional costs in those instances where minor, short-term increases in the inmate population result in the higher utilization of routine supplies and services. However, the per diem is not intended to provide for any additional fixed costs, such as new staffing positions, which might prove necessary if a population increase is sustained.

Contractor will invoice the County thirty (30) days prior to the month in which services are to be provided. The County agrees to pay Contractor in accordance with V.T.C.A., Government Code, Title 10, Chapter 2251. In the event this Agreement should commence or terminate on a date other than the first or last day of any calendar month, compensation to Contractor will be prorated accordingly for the shortened month. Any per diem charges incurred will be billed to the County the quarter following the month in which the charges were incurred. (For example, if the County incurred per diem charges in January, the first quarter charges will be reflected in the April bill from Contractor.)

Invoices will be e-mailed to:

Chief John Shauburger  
Jefferson County Correctional Facility  
5030 Highway 69 South  
Beaumont, Texas 77705  
Email address: [jshauburger@co.jefferson.tx.us](mailto:jshauburger@co.jefferson.tx.us)

All invoices will contain: 1) Jefferson County Purchase Order Number; 2) Contractor's name, address, and tax identification number; and 3) a detailed breakdown of all charges for the services provided including the applicable time frames.

9.3 Inmates from Other Jurisdictions. Medical care rendered at one of the Facilities to inmates from other jurisdictions housed in one of the Facilities pursuant to a contract between the County and such other jurisdictions will be the responsibility of Contractor and will be included in the average daily inmate population count. Contractor will arrange medical care that cannot be rendered on-site at the Correctional center to these inmates, but Contractor shall have no financial responsibility for such services.

9.4 Annual Compensation Escalator. The annual compensation Contractor is to receive pursuant to this Agreement, which includes the base compensation amount and the per diem rate described in paragraph 9.1, for subsequent years of this Agreement, including any extensions, shall include a reasonable increase at the end of each twelve-month period of the Agreement to insure the delivery of the same quality and quantity of health services.

The provider is to submit a bid that will be fixed for one (1) year. On each anniversary date of the contract, the Provider may be granted an increase or decrease in their bid, dependent upon fluctuations in the Department of Labor Consumer Price Index (CPI) for Medical Care Services, Dallas/Ft. Worth, TX. not seasonally adjusted for the preceding, as published by the U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C. 20212. Visit their website at [www.bls.gov/](http://www.bls.gov/). Information can be found on All Urban Consumers (current series) –multi-screen date search, Not Seasonally Adjusted, A316 Dallas-Fort Worth TX, Current, SAM Medical Care, 12 Month Percent Change.

The Provider has the sole responsibility to request, in letter form, an adjusted rate and shall provide a copy of the index and other supporting documentation necessary to support the increase or decrease with the request.<sup>43</sup> This request and documentation must be received at the office of the Purchasing Agent no later than ninety days (90) prior the anniversary date. To ensure timely delivery, certified mail is recommended. If the request is submitted and received within the required time frame, the adjustment will be submitted for processing. Provider will be notified in writing upon approval. For purposes of this contract, the Medical CPI shall not exceed a total increase of 3.0% each year.

The anniversary date will be April 10<sup>th</sup> of each year. The 'base' month for determining adjustments will be the sixth (6th) month prior to the anniversary date of the contract. The base month is fixed and will not be adjusted year to year. The adjustments will be based on the difference in the base month for each applicable year and will become effective on the first day of the anniversary month.

9.5 Contractor's Financial Responsibility. Contractor is responsible for the costs associated with intake health screenings, regularly scheduled sick call, nursing coverage, regular physician visits on site, infirmary care, chronic care clinics, on-site emergency medical care, medical records management, clinical labs (as that term is defined in Jefferson County's RFP# 17-037/YS), health education services, utilization review, a quality assurance program, other administrative support services, medical and office supplies, pharmacy and pharmaceutical services, EKGs, waste disposal, accreditation fees, all needed equipment to set up a dental suite, and on-site emergency medical treatment for visitors and County personnel. Contractor will also be financially responsible for costs associated with off-site treatments, hospitalization, medical specialty services (whether provided on-site or offsite), radiology services, and transportation services as cited in 9.5. Contractor is to provide services to the adult inmates in the physical custody of the County. Contractor will not be financially responsible for any person remanded to, or in the custody of, any other law enforcement officer or agency or other correctional facility of any city, county, state or federal authority. This contract specifically excludes medical care provided to inmates under the jurisdiction of Jefferson County but incarcerated in a facility owned by, operated by, and/or located in another county or state.

9.6 Financial Limitations Through Aggregate Cap. Contractor's maximum liability for costs associated with the provision of off-site medical or other healthcare services which include, but are not limited to, the services, shall be Five-Hundred Thousand Dollars (\$500,000.00) in the aggregate per Contract Year, to be pro-rated for any partial contract years (the "Financial Limitations Through Aggregate Cap"). Costs for any medical or other health services, as set forth above, which are provided to Inmates/Detainees during the Contract Year that are in excess of the Aggregate Cap Amount shall be the responsibility of the County. When the "Financial Limitations Through Aggregate Cap" Amount for the Contract Year is reached, the Contractor will continue to provide utilization management, extend all provider discounts to the County and pay these expenses on behalf of the County, as long as the County remains current with payments due under this Agreement. Amounts paid by Contractor that are over the "Financial Limitations Through Aggregate Cap" will be reconciled with the County on a quarterly basis.

9.7 County Rebate. Should the costs associated with the provision of healthcare services listed above not exceed the "Financial Limitations Through Aggregate Cap" as specified in 9.5 for the Contract Year, Contractor shall reimburse the County at a rate of One Hundred Percent (100%) of the difference between the actual cost to Contractor for these services and the Financial Limitations Through Aggregate Cap" Amount. The rebate shall be net of any other reconciliation amounts due to Contractor under this Agreement. The rebate will be calculated three months after the end of the Contract Year to allow for processing of claims incited during the Contract Year.

9.8 Responsibility for Inmates in the Sheriff's Work Release Program. Notwithstanding any other provisions of this Agreement to the contrary, the parties agree that inmates assigned to any Work Release

Program are personally responsible for the costs of any medical services rendered outside the facility without Contractor's prior authorization. 44

9.9 Changes. If any statute, rule or regulation is passed or any order issued or any statute, guideline or standard of care adopted or interpretation made, or additional facilities opened that materially changes the scope of services or materially increases the cost to Contractor of providing health care services hereunder, Contractor and the County agree to negotiate additional compensation to be paid by the County to Contractor as a result of such changes.

## **ARTICLE X: LIABILITY AND RISK MANAGEMENT**

10.1 Insurance. At all times during this Agreement, the Contractor shall maintain professional liability insurance covering Contractor, its representatives, employees, officers, agents, and subcontractors with limits of two million dollars (\$2,000,000) per occurrence, four million dollars (\$4,000,000) in the aggregate per Physician/Dentist or other Contractor, and four million dollars (\$4,000,000) annual aggregate for corporate/ancillary personnel. Physicians and Dentists provided by the Contractor will be included in the coverage or provide their own coverage with these limits. Coverage shall be maintained for an appropriate period in accordance with the Texas Statute of Limitations.

At all times during this Agreement, Contractor shall maintain commercial general liability insurance covering Contractor, its representatives, employees, officers, agents, and subcontractors with limits of two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) in the aggregate. Physicians and Dentists provided by Contractor will be included in the coverage, or provide their own coverage with these limits. Coverage shall be maintained for an appropriate period in accordance with the Texas Statute of Limitations. The County, its officials, officers and employees shall be listed as additional insureds on the certificate of insurance. Contractor mutually waives any right of recovery that they may have against either the County, its agents, employees and representatives for any claim that is, or may be covered, in whole or in part, by this general liability insurance policy. Further, Contractor agrees that the insurance policies called for in this paragraph shall contain a waiver of subrogation to fulfil the intent of the foregoing waiver. This coverage shall be primary with respect to any insurance or self-insured retention programs covering the County, its officials, officers and employees.

The Contractor will maintain over the term of this Agreement, Workers' Compensation Insurance for all of its employees connected with the work of this Agreement with limits of not less than those required by statute. Such policies shall contain a waiver of the Workers' Compensation Insurance carrier's right of subrogation against the County, its agents, representatives and employees. Further, such right of subrogation shall be assigned to the County. The Contractor will also maintain employer's liability insurance with limits of not less than \$500,000.00 per occurrence.

The Contractor will maintain Commercial Automobile Liability insurance with no less than \$1,000,000.00 combined single limits per accident for bodily injury and property damage, including owned, non-owned, and hired vehicle coverage.

The Contractor will retain all required certificates of coverage for the duration of the project and for two years thereafter. The Contractor will notify the County in writing by certified mail or personal delivery, within 10 days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project. The Contractor will post on each project site a notice, in the text, form and manner prescribed by Texas Workers Compensation Commission, informing all persons providing services on the Contractor's behalf that they are required to be covered, and stating how a person may verify coverage and report lack of coverage. The Contractor shall provide a copy of the certificate of insurance to the County within ten (10) business days from the execution of this Agreement.

10.2 Indemnity. The Contractor agrees to indemnify, defend and hold harmless the County, its<sup>45</sup> elected officials, officers, agents and employees from all claims, complaints, costs (including attorney fees), actions, lawsuits, damages, judgments and/or liabilities suffered or incurred by the Contractor, its officers, agents and/or employees resulting in any way from the negligence, inadvertence, error, or omission of Contractor, its officers, agents and/or employees or their failure to carry out their responsibilities hereunder including those imposed by state and federal law.

For purposes of the Contractor's obligation to indemnify, defend and hold harmless the County, its elected officials, officers, agents and employees, a "claim" shall be broadly defined and construed to include, but not limited to, civil rights violations, requests submitted for medical records under the Texas Public Information Act; complaints made to the Texas Commission on Jail Standards; written, electronic, or oral allegations of inappropriate or improper medical care or treatment; submission of a formal "notice of claim" made pursuant to the Texas Tort Claims Act, Texas Civil Practice & Remedies Code Section 101.101; receipt of a subpoena and/or notice of deposition for any County employee or official to provide, discuss, or present medical records or information about the medical care or treatment of a person detained in the Jefferson County Facilities covered by this Agreement in a court or any other proceeding; or any other matter alleging or suggesting a failure of the Contractor to comply with the requirements of this Agreement which requires the assistance, guidance, and advice of legal counsel. Nothing in this definition of "claim" modifies or alters the statutory or legal requirement that the County receive a notice of claim in accordance with Texas law or any other applicable law, statute, or ordinance.

The determination of whether the Contractor is obligated to indemnify, defend and hold harmless the County, its elected officials, officers, agents and employees from all claims, complaints, costs (including attorney fees), actions, lawsuits, damages, judgments and/or liabilities suffered or incurred by the County, its officers, agents and/or employees resulting in any way from the negligence, inadvertence, error, or omission of Contractor, its officers, agents and/or employees or their failure to carry out their responsibilities hereunder, shall be made at the sole discretion of Jefferson County. Such determination by Jefferson County and the Contractor will be based, in part, on the totality of the circumstances of the matter as well as the allegations, if any, contained in the claim, complaint, notice, subpoena, request, pleadings and all subsequent amendments thereto. The Contractor shall acknowledge and accept a request for indemnification no later than fifteen (15) days after the receipt of a request for indemnification from the County and the Contractor shall send the County or its retained counsel written acceptance of the request for indemnification along with any claim number and information regarding submission of billing for attorney's fees. The failure of Contractor to acknowledge and accept a request for indemnification within the fifteen (15) day period shall be a material breach of a material obligation of the Contractor subject to the terms of paragraph 8.2(c).

For all such matters described above under which Jefferson County, its elected officials, officers, agents and employees are owed a defense and indemnification by the medical care Contractor, Jefferson County shall have exclusive right to choose defense counsel to represent Jefferson County, the Jefferson County Sheriff's Office, and any and all elected officials, employees, agents and representatives of Jefferson County who may be named as parties to such matter. This choice of counsel is at the sole discretion of Jefferson County and the medical care Contractor cannot substitute nor change Jefferson County's choice of counsel without express written permission from Jefferson County. The County's choice of retained counsel may include outside counsel and/or attorneys from the Jefferson County District Attorney's Office, or both. The medical care Contractor expressly agrees that such counsel selected by Jefferson County will directly bill the medical care Contractor for all such attorney's fees and costs which are associated with the defense of Jefferson County and/or its elected officials, employees, agents and representatives in such matter and such bills will be paid in a timely manner, but in no event later than forty five (45) days after the date such bills are submitted to the Contractor or their designated representative. The failure by Contractor to pay the attorney's fees in the forty five (45) day time period shall be a material breach of a material obligation of the Contractor subject to the terms of paragraph 8.2(c) The County's retained counsel will provide legal services in accordance with

generally acceptable billing practices and will seek to comply with, but is not obligated to follow, billing<sup>46</sup> guidelines requested by the Contractor or its designated agent.

The obligation of the Contractor to indemnify, defend, and hold harmless the County, its elected officials, officers, agents and employees, does not grant nor provide the Contractor with any right or power of any kind to in any way control, direct, influence, or manage the handling of a “claim” by the County’s retained counsel. While input from the Contractor and/or its legal counsel may be considered, all strategic, legal, and any other decisions about the handling of any “claim” covered under this Agreement for which indemnification of the County, its elected officials, officers, agents and employees is required are matters solely to be made by the County in conjunction with its retained counsel. Disagreement by the Contractor with strategic, legal, or other decisions made by the County and/or its retained counsel as part of the handling of any “claim” shall not be grounds to reduce and/or refuse to pay the County’s retained counsel’s submitted attorney’s fees and costs associated with the handling of any “claim.” The failure by Contractor to pay the attorney’s fees in the forty five (45) day time period because Contractor disagrees with the handling of any “claim” by the County’s retained counsel shall be a material breach of a material obligation of the Contractor subject to the terms of paragraph 8.2(c).

The obligation of the Contractor to indemnify, defend, and hold harmless the County, its elected officials, officers, agents and employees as described above shall continue until such time as the matter has been fully and finally resolved to the satisfaction of the County based, in part, on legal guidance and advice from its retained counsel and considering the applicable status of the matter, finality of judgments, applicable deadlines, and statutes of limitation. The determination of whether the matter has been finally resolved to the satisfaction of the County is at the sole discretion of the County.

## **ARTICLE XI: MISCELLANEOUS**

11.1 Disaster Plan: Contractor will provide a Disaster Plan in accordance to NCCHC J-A-07, ACA 4-ALDF-4C-09 Emergency Plan, 4-ALDF-4D-08 Emergency Response and all JCCF policies and procedures. Please refer to “CorrHealth’s Inmate Health Care Services for the Jefferson County Correctional Facility: RFP# 17-037/YS”, Project Requirements, 4. Scope of Services, 4.9.30 Disaster Plan for additional details.

11.2 Independent Contractor Status. The parties acknowledge that the Contractor is an independent contractor. The Contractor has the sole responsibility for all diagnosis, treatment and disbursement of medication for all medical, mental and dental health. Contractor shall have primary, but not exclusive, responsibility for the identification, care, and treatment of inmates requiring medical care and who are security risks or who present a danger to themselves and/or others. On these matters of security, the Jefferson County Sheriff and her designees shall support, assist and cooperate with the Contractor, and Contractor shall support, assist and cooperate with the Jefferson County Sheriff and her designees, whose decisions in any non-medical matter shall be final.

11.3 Assignment and Subcontracting. Contractor shall not assign or subcontract this Agreement in whole or in part, to any other entity or person without the express written consent of the Jefferson County Sheriff or her designees, which consent shall not be unreasonably withheld. Any such assignment or subcontract shall include the obligations contained in this Agreement. Any assignment or subcontract shall not relieve Contractor of its independent obligation to provide the services and be bound by the requirements of this Agreement. The County and Contractor each binds itself, its successors, assigns and legal representatives to the other party hereto and to the successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained herein.

11.4 Notice. Unless otherwise provided herein, all notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if



inmate disturbances, acts of public enemy, fire, flood, earthquakes, hurricanes, failure of transportation, explosion, war, embargo, government regulation, civil or military authority, acts of God, acts or omissions of carriers or other similar causes beyond its control.

11.12 Permits and License. Contractor acknowledges that it will maintain all relevant permits and licenses required to perform the services required by this Agreement. This will include, but not be limited to licenses and permits for radiology and pharmacy. Contractor shall ensure that all individuals or entities performing that health care services required under this Agreement, including its employees, agents, assignees, subcontractors or independent contractors shall be appropriately licensed, registered or certified as required by applicable law. Contractor shall immediately notify the County of any revocation, suspension, termination, expiration restrictions, etc., of any required license, registration or certification of any individual or entity to perform the services herein specified.

11.13 Authority. Each party hereto expressly represents and warrants that the person executing this Agreement is the legal, valid binding representative of each party.

IN WITNESS WHEREOF, the parties have executed this Agreement in their official capacities with legal authority to do so.

JEFFERSON COUNTY, TEXAS

By: [Signature]  
Title: Jeff Branick, Jefferson County Judge  
Date: March 20, 2018

CONTRACTOR

By: [Signature]  
Title: Todd Murphy, Co-Founder and President  
Date: March 23, 2018

ATTEST:

By: [Signature]  
Title: Zena Stephens, Jefferson County Sheriff  
Date: March 20, 2018

ATTEST:

ATTEST:

By: Court Order #  
Date: \_\_\_\_\_

ATTEST:

[Signature]  
Carolyn L. Guidry, County Clerk



# JEFFERSON COUNTY, TEXAS

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended  
September 30, 2017



# JEFFERSON COUNTY, TEXAS



## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

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



JEFFERSON COUNTY, TEXAS  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

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INTRODUCTORY  
SECTION

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



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

March 16, 2018

Citizens of Jefferson County, Texas:

Honorable District Judges:

Donald Floyd, Presiding Judge, 172nd District Court  
 John Stevens, Jr., Judge, Criminal District Court  
 Kent Walston, Judge, 58th District Court  
 Justin Sanderson, 60th District Court  
 Baylor Wortham, Judge, 136th District Court  
 Raquel West, Judge, 252nd District Court  
 Randy Shelton, Judge, 279th District Court  
 Larry Thorne, Judge, 317th District Court

Honorable Commissioners' Court:

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

The County Auditor's Office ("the Auditor's Office") is pleased to present the Comprehensive Annual Financial Report ("CAFR") of Jefferson County, Texas (the "County") for the fiscal year ended September 30, 2017. This report is submitted in accordance with Section 114.025 of the Texas Local Government Code and has been prepared by the County Auditor's staff.

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

Pattillo, Brown, & Hill, LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the County's financial statements for the year ended September 30, 2017. The independent auditors' report is located at the front of the financial section of this report.

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

## PROFILE OF THE GOVERNMENT

Jefferson County was created in 1836 and organized in 1837 as one of the original counties of the Republic of Texas. It is a 954 square mile county that is located on the upper Texas Coast and is a component of the Beaumont-Port Arthur-Orange Metropolitan Statistical Area. According to the U.S. Department of Commerce-Bureau of the Census, the 2017 population of the County was 254,679. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

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

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

The combined financial statements of the County as a financial reporting entity report all activities, organizations, and functions of the County, both as the primary government and its legally separate component units for which (1) the elected officials of the County are financially accountable and/or (2) exclusion of component units activities would cause the County's financial statements to be misleading or incomplete. The County's component units have been reported as blended with the County as the primary government or as discrete (separate) component unit, as appropriate. Criteria used by the County for including activities in preparing these financial statements are in conformity with GASB 14, *The Financial Reporting Entity*, GASB 39, *Determining Whether Certain Organizations are Component Units*, GASB 61, *The Financial Reporting Entity: Omnibus- an amendment of GASB Statements No. 14 and No 34*, and GASB 80, *Blending Requirements for Certain Component Units*. Based on the requirements of these accounting standards, the County reports the Southeast Texas Government Employee Benefits Pool as a blended component unit.

The County is required to adopt a final budget no later than close of the fiscal year. This annual budget serves as the foundation for the County's financial planning and control. The level of budgetary control is the department within the individual funds. The County maintains an encumbrance accounting system as a method to accomplish budgetary control. Department heads

may transfer resources within a department as needed. Transfers between departments, however, require approval by Commissioners' Court.

## FACTORS AFFECTING FINANCIAL CONDITIONS

### *Local economy*

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

The area is served by deep-water ports located at Beaumont, Port Arthur, Orange, and Sabine Pass. The Sabine Neches Waterway provides deep-water access to ocean-going vessels, which are served by public ports within the County. The waterway is the 3<sup>rd</sup> largest port in the US by tonnage, the largest U.S. exporter of crude oil, LNG, and home to over 60% of the U.S. strategic petroleum reserves.

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

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

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

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

Cheniere, one of two companies with Liquefied Natural Gas Terminals on the border of the Texas/Louisiana Coast, is completing construction of a \$10 billion liquefaction facility. Golden Pass LNG opened their terminal in mid-2011. With their opening, our ship channel is now home to over 40% of the nation's LNG capacity. Golden Pass LNG received the permits allowing it to build a \$10 billion gas liquefaction facility in Jefferson County and is expected to begin construction in late 2018. Sempra Energy is still waiting on their permit from federal authorities.

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

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

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

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

Commissioners' Court continues to follow their policy guideline for budgetary and planning purposes of building and maintaining an unassigned fund balance in the general fund of at least 15% of total general fund expenditures and transfers. The County ended the fiscal year with an unassigned fund balance of 27.5% of total general fund expenditures and transfers. This falls within the policy guidelines.

### *Major Initiatives*

The Commissioners' Court set the property tax rate at \$ .365 per \$100 of assessed property valuation to provide funds for services and debt service for fiscal year 2017. Budget initiatives for fiscal year 2017 included:

- Maintained the same property tax rate which was 7.2% below the effective tax rate.
- Identified budget cuts where available to help offset a 5% increase in employee health insurance rates for both active and retirees.
- Commissioners' Court utilized previously transferred funds to complete outstanding capital projects.
- Maintained capital expenditures for durable goods to replace needed equipment to necessary levels.

### **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jefferson County, Texas for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2016. This was the nineteenth consecutive year that the government has achieved this prestigious award.

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

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

### **ACKNOWLEDGEMENTS**

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

## REQUEST FOR INFORMATION

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

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



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Jefferson County**  
**Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2016**

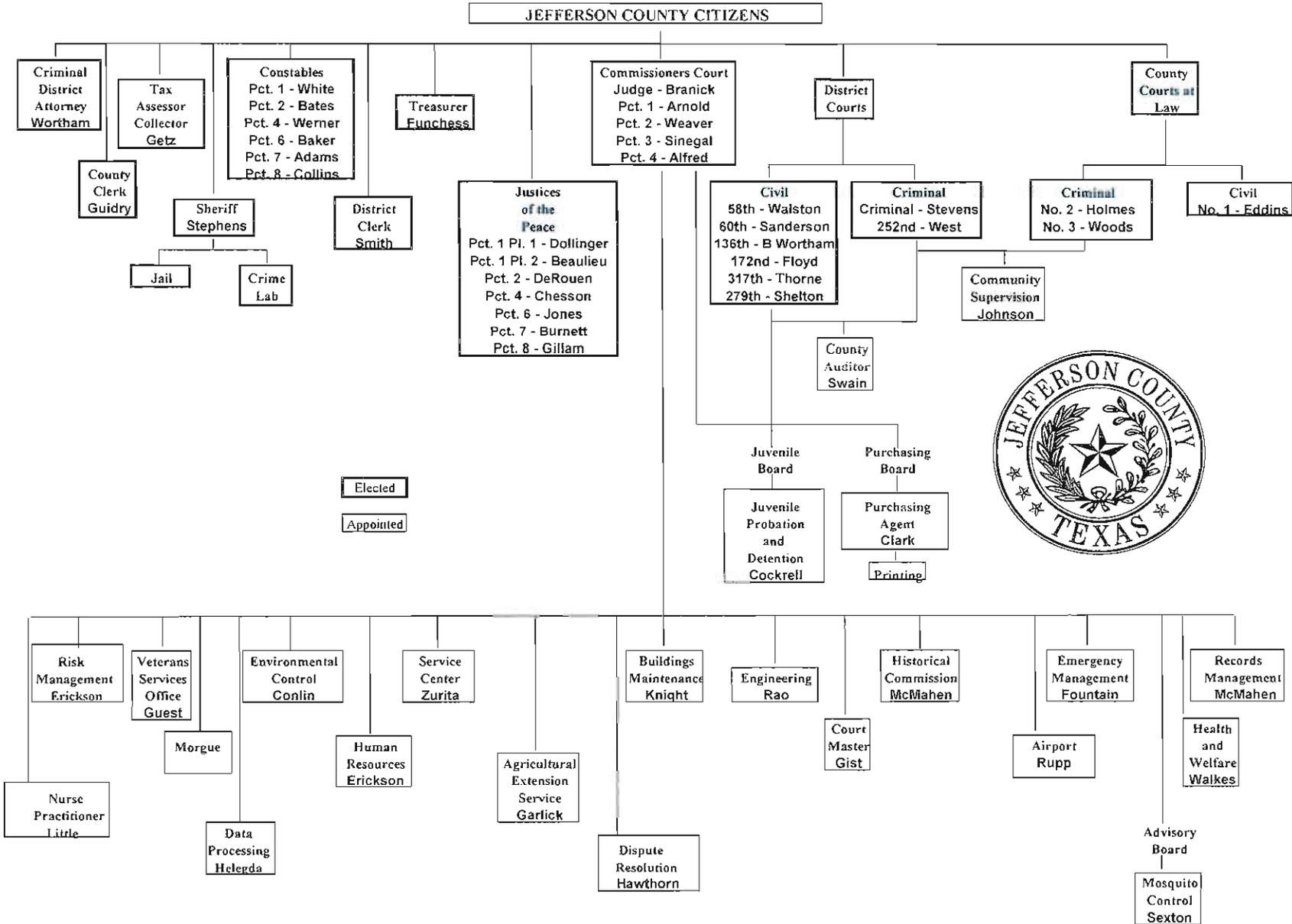
*Christopher P. Morill*

Executive Director/CEO



# ORGANIZATION CHART OF JEFFERSON COUNTY

As of September 30, 2017



XI

**ELECTED OFFICIALS**

As of September 30, 2017

**COMMISSIONERS' COURT**

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

**SHERIFF**

Miteh Woods

**TAX ASSESSOR - COLLECTOR**

Allison Getz

**DISTRICT CLERK**

Jamie Smith

**COUNTY CLERK**

Carolyn Guidry

**COUNTY TREASURER**

Tim Funeless

**JUSTICES OF THE PEACE**

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

**CONSTABLES**

Constable Pct. 1	Earl White
Constable Pct. 2	Christopher Bates
Constable Pct. 4	Bryan Werner
Constable Pct. 6	Dana Baker
Constable Pct. 7	Bobby Adams
Constable Pct. 8	Eddie Collins

**COUNTY COURTS AT LAW**

County Court at Law No. 1	Gerald Eddins
County Court at Law No. 2	Terrence Holmes
County Court at Law No. 3	Clint Woods

**DISTRICT JUDGES**

Criminal Court	John Stevens, Jr.
252nd District Court	Raquel West
58th District Court	Kent Walston
60th District Court	Justin Sanderson
136th District Court	Baylor Wortham
172nd District Court	Donald Floyd
279th District Court	Randy Shelton
317th District Court	Larry Thorne

**DISTRICT ATTORNEY**

Bob Wortham

## APPOINTED OFFICIALS

As of September 30, 2017

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



FINANCIAL  
SECTION



## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Jefferson County, Texas, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise Jefferson County, Texas' basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Jefferson County, Texas, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

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

### *Other Information*

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2018 on our consideration of Jefferson County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Jefferson County, Texas' internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
March 16, 2018



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

As management of Jefferson County, we offer readers of the Jefferson County's financial statements this narrative overview and analysis of the financial activities of the county for the fiscal year ended September 30, 2017. Please read it in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets and deferred outflows of resources of Jefferson County exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2017 by \$51,757,638 (net position), a decrease of \$24,432,827 in net position from the previous year. As a result, the county's overall financial position has deteriorated from the previous year.
- Of the net position, \$139,954,194 is net investment in capital assets, \$24,514,807 is restricted for specific uses, and \$(112,711,363) is unrestricted.
- As of the close of fiscal year 2017, Jefferson County's governmental funds reported combined ending fund balances of \$71,501,474, a decrease of \$2,925,796 in comparison with the prior year. About 44% of the total amount, \$31,632,387 is available for spending at the county's discretion (unassigned fund balance).
- At the end of fiscal year 2017, unassigned fund balance for the General Fund was \$31,652,055, or 27.5% of total General Fund expenditures and transfers. In addition, the General Fund had a nonspendable fund balance of \$903,116 and assigned fund balance of \$12,922,519.
- The FEMA Emergency fund is classified as a major fund. It had a restricted fund balance of \$10,697,623.
- The County's total bonds payable decreased by \$5,100,308 during the current fiscal year.

**Overview of the Financial Statements**

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

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

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

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

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

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

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-

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

wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 70 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the major governmental funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

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

*Required Supplementary Information* is presented concerning the County's General Fund budgetary schedule. The County adopts an annual budget for this fund. A budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Also

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included are schedules for pensions and other post-employment benefits. As part of the section are a schedule showing the changes in net pension liability and related ratios, a schedule of employer contributions to the retirement system with notes about these contributions, and a schedule of the funding progress for other post-employment benefits. Required supplementary information can be found starting on page 67 of this report.

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

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$51,757,638 for fiscal year 2017 and \$81,443,779 for fiscal year 2016.

**Condensed Statement of Net Position**  
**September 30, 2017**  
**Primary Government**

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 90,120,650	\$ 2,933,993	\$ -	\$ 93,054,643
Capital Assets	92,682,655	81,842,002	-	174,524,657
Total Assets	<u>\$ 182,803,305</u>	<u>\$ 84,775,995</u>	<u>\$ -</u>	<u>\$267,579,300</u>
Deferred Outflows of Resources				
Deferred Loss on Refunding	\$ 818,541	\$ -	\$ -	\$ 818,541
Deferred Outflows Related to Pensions	32,146,333	589,240	-	32,735,573
Total Deferred Outflows of Resources	<u>\$ 32,964,874</u>	<u>\$ 589,240</u>	<u>\$ -</u>	<u>\$ 33,554,114</u>
Current and other liabilities	\$ 10,109,314	\$ 1,822,345	\$ -	\$ 11,931,659
Long-term liabilities	232,385,466	1,541,375	-	233,926,841
Total Liabilities	<u>\$ 242,494,780</u>	<u>\$ 3,363,720</u>	<u>\$ -</u>	<u>\$245,858,500</u>
Deferred Inflows of Resources				
Deferred Inflows Related to Pensions	\$ 3,453,965	\$ 63,311	\$ -	\$ 3,517,276
Total Deferred Inflows of Resources	<u>\$ 3,453,965</u>	<u>\$ 63,311</u>	<u>\$ -</u>	<u>\$ 3,517,276</u>
Net Position:				
Net investment in capital assets	\$ 91,366,714	\$ 81,842,002	\$ (33,254,522)	\$139,954,194
Restricted net position	24,514,807	-	-	24,514,807
Unrestricted net position	(146,062,087)	96,202	33,254,522	(112,711,363)
Total Net Position	<u>\$ (30,180,566)</u>	<u>\$ 81,938,204</u>	<u>\$ -</u>	<u>\$ 51,757,638</u>

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Condensed Statement of Net Position  
September 30, 2016  
Primary Government

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 91,657,472	\$ 2,167,141	\$ -	\$ 93,824,613
Capital Assets	98,363,320	82,294,523	-	180,657,843
Total Assets	\$ 190,020,792	\$ 84,461,664	\$ -	\$274,482,456
Deferred Outflows of Resources				
Deferred Loss on Refunding	\$ 981,120	\$ -	\$ -	\$ 981,120
Deferred Outflows Related to Pensions	37,809,906	693,054	-	38,502,960
Total Deferred Outflows of Resources	\$ 38,791,026	\$ 693,054	\$ -	\$ 39,484,080
Current and other liabilities	\$ 8,013,188	\$ 1,243,015	\$ -	\$ 9,256,203
Long-term liabilities	220,269,899	1,535,521	-	221,805,420
Total Liabilities	\$ 228,283,087	\$ 2,778,536	\$ -	\$231,061,623
Deferred Inflows of Resources				
Deferred Inflows Related to Pensions	\$ 1,434,834	\$ 26,300	\$ -	\$ 1,461,134
Total Deferred Inflows of Resources	\$ 1,434,834	\$ 26,300	\$ -	\$ 1,461,134
Net Position:				
Net investment in capital assets	\$ 96,137,672	\$ 82,294,523	\$ (37,614,654)	\$140,817,541
Restricted net position	25,282,712	-	-	25,282,712
Unrestricted net position	(122,326,487)	55,359	37,614,654	(84,656,474)
Total Net Position	\$ (906,103)	\$ 82,349,882	\$ -	\$ 81,443,779

The largest portion of the County's current fiscal year net position (270.4 percent) reflects its investments in capital assets (e.g. land, improvements, buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding plus any unspent bond proceeds. The main use of these capital assets is to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Another portion of the County's current fiscal year net position (47.4 percent) represents resources that are subject to external restrictions on how they may be used. The County's current fiscal year net position is reduced by (217.8 percent) for the negative unrestricted net position. Unrestricted net position may be negative when entities incur long-term liabilities which are not offset by corresponding assets or when it covers post-retirement benefits on a pay-as-you-go basis rather than advance-funding such costs in a trust account.

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At the end of the fiscal year 2017 and the 2016 fiscal year, the County reported positive net position in two of the three categories as a whole. The County reported positive balances in two of the three categories of net position for its governmental activities for fiscal year 2017 and fiscal year 2016. Business-type activities had positive balances in two categories of net position for fiscal year 2017 and fiscal year 2016.

The County had a reclassification of \$33,254,522 in fiscal year 2017 and \$37,614,654 in the prior fiscal year to move the debt associated with the construction of Ford Park from Unrestricted net position to Net investment in capital assets. The capital assets are reported in the business-type activities and the debt is reported in the governmental activities.

The County's net position decreased by \$24,432,827 during the current fiscal year. The following table indicates changes in net position for governmental and business-type activities:

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Statement of Activities  
For the Year Ended September 30, 2017

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 22,513,267	\$ 6,503,011	\$ 29,016,278
Operating grants and contributions	14,563,279	50,000	14,613,279
Capital grants and contributions	5,432,451	2,382,339	7,814,790
General revenues:			
Taxes - levied for general purposes	72,529,539	-	72,529,539
Taxes - levied for debt service	6,198,918	-	6,198,918
Sales Taxes	26,861,335	-	26,861,335
Investment earnings	238,304	1,516	239,820
Miscellaneous	33,113	521	33,634
Total revenues	<u>148,370,206</u>	<u>8,937,387</u>	<u>157,307,593</u>
Expenses:			
General government	44,626,177	-	44,626,177
Judicial and law enforcement	85,700,169	-	85,700,169
Education and recreation	1,275,949	-	1,275,949
Health and welfare	17,478,616	-	17,478,616
Maintenance - equipment and structures	18,698,878	-	18,698,878
Interest and charges on long-term debt	1,181,005	-	1,181,005
Airport	-	5,492,750	5,492,750
Entertainment Complex	-	7,286,876	7,286,876
Total expenses	<u>168,960,794</u>	<u>12,779,626</u>	<u>181,740,420</u>
Excess (deficiency) before transfers	(20,590,588)	(3,842,239)	(24,432,827)
Transfers	<u>(3,430,561)</u>	<u>3,430,561</u>	<u>-</u>
Change in net position	<u>(24,021,149)</u>	<u>(411,678)</u>	<u>(24,432,827)</u>
Net position - beginning	(906,103)	82,349,882	81,443,779
Prior period adjustment	<u>(5,253,314)</u>	<u>-</u>	<u>(5,253,314)</u>
Net position - beginning - restated	<u>(6,159,417)</u>	<u>82,349,882</u>	<u>76,190,465</u>
Net position - ending	<u><u>\$(30,180,566)</u></u>	<u><u>\$ 81,938,204</u></u>	<u><u>\$ 51,757,638</u></u>

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*Management's Discussion and Analysis*

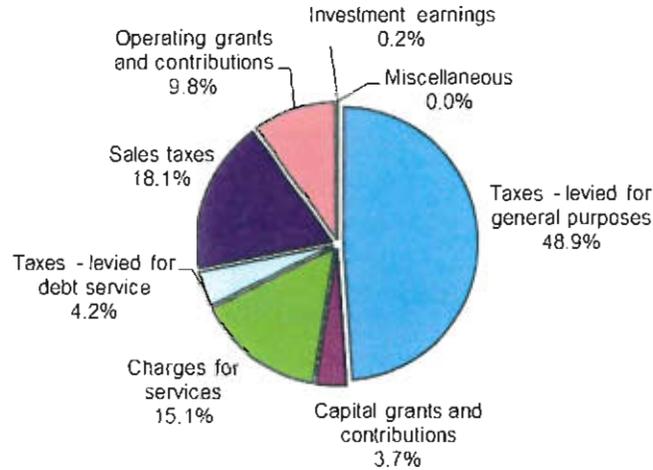
Statement of Activities  
 For the Year Ended September 30, 2016

	Governmental Activities	Business-type Activities	Total
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 21,555,263	\$ 6,068,512	\$ 27,623,775
Operating grants and contributions	11,359,382	50,000	11,409,382
Capital grants and contributions	4,246,945	3,012,750	7,259,695
General revenues:			
Taxes - levied for general purposes	74,486,620	-	74,486,620
Taxes - levied for debt service	5,612,488	-	5,612,488
Sales Taxes	26,479,752	-	26,479,752
Investment earnings	353,495	1,111	354,606
Miscellaneous	27,589	-	27,589
Total revenues	<u>144,121,534</u>	<u>9,132,373</u>	<u>153,253,907</u>
Expenses:			
General government	40,583,261	-	40,583,261
Judicial and law enforcement	84,656,946	-	84,656,946
Education and recreation	1,214,705	-	1,214,705
Health and welfare	10,490,353	-	10,490,353
Maintenance - equipment and structures	14,693,137	-	14,693,137
Interest and charges on long-term debt	1,320,790	-	1,320,790
Airport	-	5,478,254	5,478,254
Entertainment Complex	-	7,510,076	7,510,076
Total expenses	<u>152,959,192</u>	<u>12,988,330</u>	<u>165,947,522</u>
Excess (deficiency) before transfers	(8,837,658)	(3,855,957)	(12,693,615)
Transfers	<u>(3,733,600)</u>	<u>3,733,600</u>	<u>-</u>
Change in net position	<u>(12,571,258)</u>	<u>(122,357)</u>	<u>(12,693,615)</u>
Net position - beginning	11,547,584	82,472,239	94,019,823
Prior period adjustment	117,571	-	117,571
Net position - beginning - restated	<u>11,665,155</u>	<u>82,472,239</u>	<u>94,137,394</u>
Net position - ending	<u>\$ (906,103)</u>	<u>\$ 82,349,882</u>	<u>\$ 81,443,779</u>

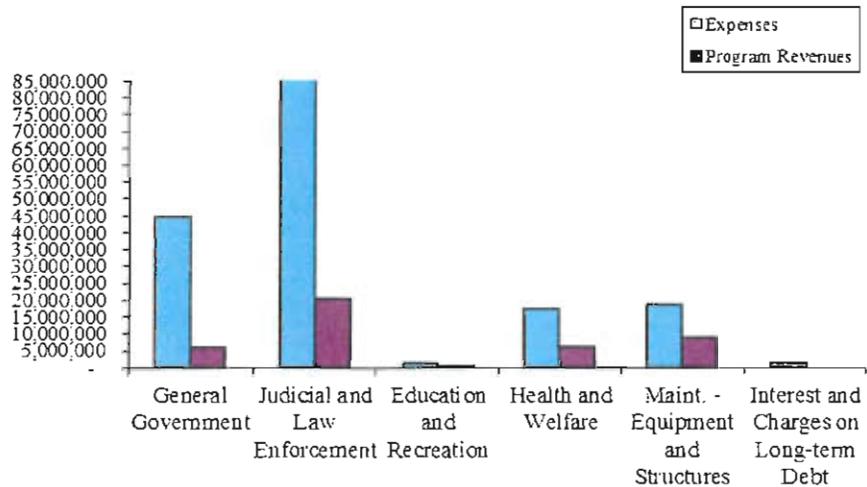
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*Governmental activities*

Revenues by Source - Governmental Activities  
Year Ended September 30, 2017



Expenses and Program Revenues - Governmental Activities  
Year Ended September 30, 2017



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

Governmental activities decreased the County's net position by \$24,021,149.

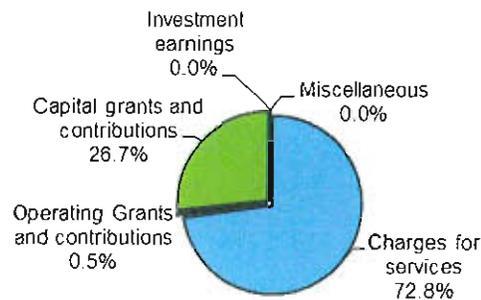
This decrease is due to the increase in the OPEB (Other Post Employment Benefits) Obligation of about \$16 million. Commissioners' Court has decided to continue funding OPEB on the pay-as-you-go basis. More discussion on OPEB can be found in Note 9 starting on page 57. The other significant decrease is due to changes in pension related items. More discussion on Pensions can be found in Note 8 starting on page 51.

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

***Business-type activities***

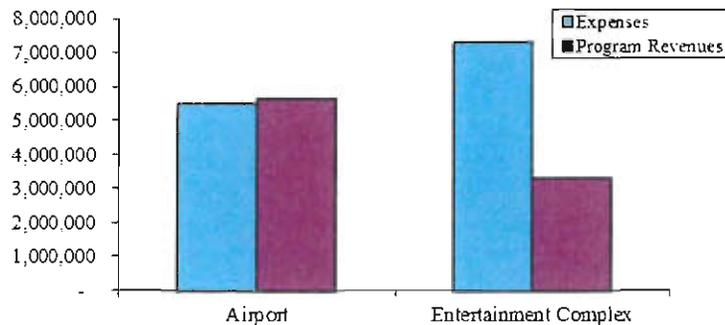
Business-type activities decreased the County's net position by \$411,678. The largest area of decline is reduction in Net Investment in Capital Assets due to depreciation of assets. The County continues to look for additional revenues sources as well as cost saving measures to have these business-type activities self-supporting without having to rely on transfers from the General Fund to subsidize operations.

Revenue by Source - Business-type Activities  
 Year Ended September 30, 2017



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Expenses and Program Revenues - Business-type Activities  
 Year Ended September 30, 2017



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

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

As of the end of the current fiscal year, Jefferson County's governmental funds reported combined ending fund balances of \$71,501,474 a decrease of \$2,925,796 in comparison with the prior year. About 44% of this total amount (\$31,632,387) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance is nonspendable, committed, restricted, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$31,652,055, while total fund balance reached \$45,477,690. 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 and transfers. Unassigned fund balance represents 27.5 percent of total General Fund expenditures and transfers, while total fund balances represents 39.5 percent of that same amount.

The fund balance of the County's General Fund decreased by \$2,032,337 during the current fiscal year. This decrease is in mostly due to lost property tax revenue for reduction in property tax valuation mainly with industrial taxpayers.

The FEMA Emergency Fund has a total fund balance of \$10,697,623, all of which is restricted for health and welfare. The net fund balance increase in the FEMA Emergency

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

fund was \$1,967,031. This increase was in large part due to the final close out of the Hurricane Rita disaster with FEMA and final receipt of outstanding grant funds.

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

The Jack Brooks Regional Airport Fund is used to account for the day-to-day operation of the County airport. As of September 30, 2017, unrestricted net position is \$(509,824), a decrease of \$64,922 from the prior year. This decrease is mostly due to a decrease in deferred outflows of resources related to pensions.

The Ford Park Fund is used to account for the day-to-day operation of Ford Park. As of September 30, 2017, unrestricted net position is \$606,026, an increase of \$105,765 from the prior year. This increase is mostly due to decrease in operating costs.

**General Fund Budgetary Highlights**

The total original budget adopted on September 26, 2016 did not have to be amended during the year. Budget transfers were done during the year to adjust departments as needed.

During the year actual revenues and transfers in were more than budgetary estimates by \$2,216,561. Actual expenditures and transfers out were less than budgetary estimates by \$8,229,124. The budget had a projected reduction of \$12,478,022 to the fund balance. The net effect of over-realization of revenues and under-utilization of appropriations resulted in a positive variance of \$10,448,685 thus only reducing the existing fund balance of \$2,032,337 on a budgetary basis.

The largest positive variance of \$1,723,710 is due to an increase in Sales Tax revenue. The area continues to have growth due to several large industrial expansions.

Revenue from Property Taxes had the largest negative variance of \$398,855 due to adjustments to property valuations after the adoption of the budget.

Many departments achieved savings over the fiscal year mostly due to unfilled staff positions and moving employees through their salary ranges whereby leaving unspent funds. The total amount of savings for salary and fringe benefits was about \$5.1 million. Departments also did well in controlling their spending in other budgetary areas.

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

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**Capital Assets and Debt Administration**

**Capital Assets.** The County's investment in capital assets for its governmental and business-type activities as of September 30, 2017, amounted to \$174,524,657 (net of accumulated depreciation). This investment in capital assets includes land, improvements, structures, park improvements and facilities, infrastructure, equipment, vehicles, machinery, other tangible and intangible assets, and construction in progress.

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

- The County had a variety of building improvements, purchases of equipment, roads and bridges construction, and construction of airport facilities.
- At September 30, 2017, the ending fund balance for all capital projects funds was \$3.84 million.

For further information regarding capital assets, see Note 5.

	<b>Balance</b>	<b>Balance</b>
<u>Governmental Activities:</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>
Land	\$ 3,840,787	\$ 3,840,787
Construction in progress	2,790,211	24,962,508
Infrastructure	62,731,452	59,114,166
Buildings & Improvements	120,384,112	105,090,205
Equipment	44,515,373	42,601,445
	<u>234,261,935</u>	<u>235,609,111</u>
Less: Accumulated depreciation	<u>(141,579,280)</u>	<u>(137,245,791)</u>
Total governmental activities	<u>\$ 92,682,655</u>	<u>\$ 98,363,320</u>
<u>Business-type Activities:</u>		
Land	\$ 5,154,600	\$ 5,154,600
Construction in progress	5,063,774	6,248,896
Buildings & Improvements	134,233,904	129,320,283
Equipment	10,391,809	12,459,366
	<u>154,844,087</u>	<u>153,183,145</u>
Less: Accumulated depreciation	<u>(73,002,085)</u>	<u>(70,888,622)</u>
Total business-type activities	<u>\$ 81,842,002</u>	<u>\$ 82,294,523</u>

**Long-Term Debt.** At September 30, 2017, the County had a total long-term debt outstanding of \$233,945,611. Refer to Note 7 for further information on the County's long-term debt. County officials, citizens, and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position. This information is presented in the statistical section of this report.

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	<u>Outstanding at</u> <u>September 30, 2017</u>	<u>Outstanding at</u> <u>September 30, 2016</u>
<u>Governmental Activities:</u>		
Bonds Payable	\$ 34,337,146	\$ 39,437,454
Capital leases	1,051,858	1,383,968
Claims & Judgments	4,226,140	1,882,301
Compensated Absences	11,275,457	12,293,578
Pension Liability	72,777,544	72,592,973
OPEB Obligations	108,717,321	92,679,625
Total governmental activities	<u>\$ 232,385,466</u>	<u>\$ 220,269,899</u>
 <u>Business-type Activities:</u>		
Compensated Absences	\$ 207,368	\$ 204,897
Pension Liability	1,334,007	1,330,624
Total business-type activities	<u>\$ 1,541,375</u>	<u>\$ 1,535,521</u>

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

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

The Commissioner's Court adopted the County's 2017-2018 budget on September 18, 2017 for the General Fund and Debt Service funds. The budget was adopted based on estimated balances that would be available at the end of fiscal year 2017 and estimated revenues to be received in fiscal year 2018. The total resources for all funds for fiscal year 2018 are estimated to be \$163.1 million. The budget was adopted with estimated expenditures in the amount of \$131.9 million. The 2017-2018 budget forecast utilizing \$12,922,519 of fund balance.

For 2017-2018, the property tax rate will drop to \$.364977 per \$100 of taxable assessed value and taxable assessed property values are anticipated to increase slightly of just .2% for the 2017-2018 budget year.

The average unemployment rate for Jefferson County for September 2017 was 8.5%; this is an increase from the prior year rate of 7.4%. The state's average unemployment rate for September 2017 was 4.0%.

**Request for Information**

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

BASIC  
FINANCIAL STATEMENTS

JEFFERSON COUNTY, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2017

	PRIMARY GOVERNMENT			
	GOVERNMENTAL	BUSINESS-TYPE		
	ACTIVITIES	ACTIVITIES	RECLASSIFICATIONS	TOTAL
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 48,105,644	1,882,174	-	49,987,818
INVESTMENTS	18,871,998	-	-	18,871,998
INTEREST RECEIVABLE	62,301	90	-	62,391
ACCOUNTS RECEIVABLE, Net	2,633,150	408,199	-	3,041,349
DUE FROM OTHER GOVERNMENTAL ENTITIES	10,492,383	464,877	-	10,957,260
INVENTORIES, At Cost	573,856	153,147	-	727,003
PREPAID ITEMS	345,656	25,506	-	371,162
DELINQUENT TAXES RECEIVABLE, Net	4,059,370	-	-	4,059,370
PENALTY AND INTEREST RECEIVABLE, Net	2,116,344	-	-	2,116,344
OTHER RECEIVABLES, Net	2,784,448	-	-	2,784,448
DEPOSITS	75,500	-	-	75,500
<b>CAPITAL ASSETS:</b>				
LAND	3,840,787	5,154,600	-	8,995,387
CONSTRUCTION IN PROGRESS	2,790,211	5,063,774	-	7,853,985
OTHER CAPITAL ASSETS, Net of depreciation	86,051,657	71,623,628	-	157,675,285
<b>TOTAL ASSETS</b>	<b>\$ 182,803,305</b>	<b>\$4,775,995</b>	<b>-</b>	<b>267,579,300</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
DEFERRED LOSS ON BOND REFUNDING	\$ 818,541	-	-	818,541
DEFERRED OUTFLOWS RELATED TO PENSIONS	32,146,333	589,240	-	32,735,573
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 32,964,874</b>	<b>589,240</b>	<b>-</b>	<b>33,554,114</b>
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 8,100,869	1,320,920	-	9,421,789
INTEREST PAYABLE	210,710	-	-	210,710
DUE TO OTHER GOVERNMENTAL ENTITIES	1,126,860	-	-	1,126,860
UNEARNED REVENUE	670,875	456,217	-	1,127,092
CUSTOMER DEPOSITS	-	45,208	-	45,208
<b>LONG-TERM LIABILITIES</b>				
DUE WITHIN ONE YEAR	9,071,846	46,975	-	9,118,821
DUE IN MORE THAN ONE YEAR	223,313,620	1,494,400	-	224,808,020
<b>TOTAL LIABILITIES</b>	<b>\$ 242,494,780</b>	<b>3,363,720</b>	<b>-</b>	<b>245,858,500</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
DEFERRED INFLOWS RELATED TO PENSIONS	\$ 3,453,965	63,311	-	3,517,276
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 3,453,965</b>	<b>63,311</b>	<b>-</b>	<b>3,517,276</b>
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	\$ 91,366,714	81,842,002	(33,254,522)	139,954,194
<b>RESTRICTED FOR:</b>				
DEBT SERVICE	700,149	-	-	700,149
CONSTRUCTION	58,374	-	-	58,374
PUBLIC INTEREST	3,276,229	-	-	3,276,229
JUDICIAL & LAW ENFORCEMENT	5,566,451	-	-	5,566,451
EDUCATION & RECREATION	1,558,319	-	-	1,558,319
HEALTH & WELFARE	10,767,148	-	-	10,767,148
MAINTENANCE OF STRUCTURES & EQUIPMENT	2,588,137	-	-	2,588,137
UNRESTRICTED	(146,062,087)	96,202	33,254,522	(112,711,363)
<b>TOTAL NET POSITION</b>	<b>\$ (30,180,566)</b>	<b>81,938,204</b>	<b>-</b>	<b>51,757,638</b>

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

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

JEFFERSON COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2017

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
GOVERNMENTAL ACTIVITIES:				
GENERAL GOVERNMENT	\$ 44,626,177	\$ 6,211,869		
JUDICIAL AND LAW ENFORCEMENT	85,700,169	9,322,352	9,138,680	2,008,719
EDUCATION AND RECREATION	1,275,949	37,096	275	-
HEALTH AND WELFARE	17,478,616	1,471,797	5,081,380	-
MAINTENANCE - EQUIPMENT AND STRUCTURES	18,698,878	5,470,153	342,944	3,423,732
INTEREST AND CHARGES ON LONG-TERM DEBT	1,181,005	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 168,960,794	\$ 22,513,267	\$ 14,563,279	\$ 5,432,451
BUSINESS-TYPE ACTIVITIES:				
AIRPORT	5,492,750	3,253,212	50,000	2,324,007
ENTERTAINMENT COMPLEX	7,286,876	3,249,799	-	58,332
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 12,779,626	\$ 6,503,011	\$ 50,000	\$ 2,382,339
TOTAL PRIMARY GOVERNMENT	\$ 181,740,420	\$ 29,016,278	\$ 14,613,279	\$ 7,814,790

GENERAL REVENUES

TAXES:

PROPERTY TAXES LEVIED FOR GENERAL PURPOSES

PROPERTY TAXES LEVIED FOR DEBT SERVICE

SALES TAXES

UNRESTRICTED INVESTMENT EARNINGS

MISCELLANEOUS

TRANSFERS

TOTAL GENERAL REVENUE AND TRANSFERS

CHANGE IN NET POSITION

NET POSITION - BEGINNING

PRIOR PERIOD ADJUSTMENT

NET POSITION - BEGINNING, Restated

NET POSITION - ENDING

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

NET (EXPENSES) REVENUES AND CHANGES IN NET  
POSITION

PRIMARY GOVERNMENT		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (38,414,308)	\$ -	\$ (38,414,308)
(65,230,418)	-	(65,230,418)
(1,238,578)	-	(1,238,578)
(10,925,439)	-	(10,925,439)
(9,462,049)	-	(9,462,049)
(1,181,005)	-	(1,181,005)
<u>\$ (126,451,797)</u>	<u>\$ -</u>	<u>\$ (126,451,797)</u>
-	134,469	134,469
-	(3,978,745)	(3,978,745)
<u>\$ -</u>	<u>\$ (3,844,276)</u>	<u>\$ (3,844,276)</u>
<u>\$ (126,451,797)</u>	<u>\$ (3,844,276)</u>	<u>\$ (130,296,073)</u>
\$ 72,529,539	\$ -	\$ 72,529,539
6,198,918	-	6,198,918
26,861,335	-	26,861,335
238,304	1,516	239,820
33,113	521	33,634
(3,430,561)	3,430,561	-
<u>\$ 102,430,648</u>	<u>\$ 3,432,598</u>	<u>\$ 105,863,246</u>
\$ (24,021,149)	\$ (411,678)	\$ (24,432,827)
(906,103)	82,349,882	81,443,779
(5,253,314)	-	(5,253,314)
<u>(6,159,417)</u>	<u>82,349,882</u>	<u>76,190,465</u>
<u>\$ (30,180,566)</u>	<u>\$ 81,938,204</u>	<u>\$ 51,757,638</u>

JEFFERSON COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2017

	FEMA		NONMAJOR	TOTAL
	GENERAL	EMERGENCY	GOVERNMENTAL FUNDS	GOVERNMENTAL FUNDS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 19,133,019	10,119,136	17,450,311	46,702,466
INVESTMENTS	18,871,998	-	-	18,871,998
ACCOUNTS RECEIVABLE, Net	155,788	1,000,000	213,937	1,369,725
INTEREST RECEIVABLE	20,810	4,569	6,861	32,240
DUE FROM OTHER FUNDS	7,395,757	-	2	7,395,759
DUE FROM OTHER GOVERNMENTAL ENTITIES	7,732,801	994,057	1,509,584	10,236,442
DELINQUENT TAXES RECEIVABLE, Net	3,955,024	-	104,346	4,059,370
PENALTY AND INTEREST RECEIVABLE, Net	2,061,943	-	54,401	2,116,344
INVENTORIES, At Cost	557,847	-	16,009	573,856
PREPAID ITEM	345,269	-	387	345,656
<b>TOTAL ASSETS</b>	<b>\$ 60,230,256</b>	<b>12,117,762</b>	<b>19,355,838</b>	<b>91,703,856</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 5,766,331	1,420,139	894,691	8,081,161
COMPENSATED ABSENCES PAYABLE	10,245	-	-	10,245
DUE TO OTHER FUNDS	2	-	1,174,519	1,174,521
DUE TO OTHER GOVERNMENTAL ENTITIES	360	-	1,126,500	1,126,860
UNEARNED REVENUE	-	-	670,875	670,875
<b>TOTAL LIABILITIES</b>	<b>\$ 5,776,938</b>	<b>1,420,139</b>	<b>3,866,585</b>	<b>11,063,662</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE- PROPERTY TAXES	\$ 5,814,719	-	143,424	5,958,143
UNAVAILABLE REVENUE- INMATE HOUSING	3,160,909	-	-	3,160,909
UNAVAILABLE REVENUE- GRANTS	-	-	19,668	19,668
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 8,975,628</b>	<b>-</b>	<b>163,092</b>	<b>9,138,720</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ 557,847	-	16,009	573,856
PREPAID ITEMS	345,269	-	387	345,656
<b>RESTRICTED FOR:</b>				
DEBT SERVICE	-	-	675,704	675,704
CONSTRUCTION	-	-	58,374	58,374
PUBLIC INTEREST	-	-	3,276,229	3,276,229
JUDICIAL & LAW ENFORCEMENT	-	-	5,566,451	5,566,451
EDUCATION & RECREATION	-	-	1,558,319	1,558,319
HEALTH & WELFARE	-	10,697,623	69,525	10,767,148
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	2,588,137	2,588,137
ASSIGNED FOR CAPITAL PROJECTS	-	-	1,536,694	1,536,694
ASSIGNED FOR ADOPTED BUDGET UTILIZATION OF FUND BALANCE	12,922,519	-	-	12,922,519
UNASSIGNED (DEFICIT)	31,652,055	-	(19,668)	31,632,387
<b>TOTAL FUND BALANCES</b>	<b>\$ 45,477,690</b>	<b>10,697,623</b>	<b>15,326,161</b>	<b>71,501,474</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 60,230,256</b>	<b>12,117,762</b>	<b>19,355,838</b>	<b>91,703,856</b>

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

**JEFFERSON COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2017**

Total fund balances for governmental funds \$ 71,501,474

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

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

Land	\$	3,840,787	
Construction in progress		2,790,211	
Infrastructure, net of \$42,532,929 accumulated depreciation		20,198,523	
Buildings, net of \$67,606,472 accumulated depreciation		52,777,640	
Equipment, net of \$1,439,879 accumulated depreciation		<u>13,075,494</u>	
Total capital assets			92,682,655

Long-term assets are not recognized in the current period and accordingly are not reported as fund assets. Balances as of September 30, 2017 were:

Accrued interest receivable	\$	<u>29,878</u>	29,878
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Long-term liabilities applicable to Jefferson County's activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term are reported in the Statement of Net Position. Balances as of September 30, 2017 were:

Accrued interest on bonds and loans	\$	(210,710)	
Bonds payable		(31,380,000)	
OPEB Obligations		(108,717,321)	
Pension Liability		(72,777,544)	
Capital leases		(1,051,858)	
Compensated absences		(11,265,212)	
Pensions - Contributions after 12/31/2016		9,010,336	
Pensions - Economic/demographic (gains)		(3,453,965)	
Pensions - Economic/demographic losses		381,173	
Pensions - Investment (gains) or losses		20,140,125	
Pensions - Changes in Assumption		2,614,699	
Gain/Loss on Refunding Bonds		818,541	
Premium/Discounts on Bonds		<u>(2,957,146)</u>	
			(198,848,882)

Internal service funds are used by the County. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. Internal service fund net position are: (7,468,859)

Some of the County's receivables are classified as long-term and therefore are not reported in the funds. Receivable reported net of \$2,256,061 allowance for uncollectible accounts. 2,784,448

Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as available resources in the funds. 9,138,720

Total net position of governmental activities \$ (30,180,566)

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

JEFFERSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	GENERAL	FEMA EMERGENCY	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 72,669,897	-	6,187,068	78,856,965
SALES TAXES	25,673,710	-	1,187,625	26,861,335
FEES	9,113,267	-	4,448,787	13,562,054
LICENSES	437,175	-	-	437,175
INTERGOVERNMENTAL	1,310,928	4,769,041	11,882,456	17,962,425
SALES, RENTAL & SERVICES	2,084,504	1,000,000	765,967	3,850,471
FINES AND FORFEITURES	1,670,984	-	234,668	1,905,652
INTEREST	103,334	40,367	78,584	222,285
MISCELLANEOUS	33,113	-	-	33,113
CONTRIBUTIONS AND DONATIONS	240	25,250	6,480	31,970
<b>TOTAL REVENUES</b>	<b>\$ 113,097,152</b>	<b>5,834,658</b>	<b>24,791,635</b>	<b>143,723,445</b>
<b>EXPENDITURES:</b>				
<b>CURRENT</b>				
GENERAL GOVERNMENT	\$ 23,652,762	-	633,618	24,286,380
JUDICIAL AND LAW ENFORCEMENT	65,401,137	-	13,914,841	79,315,978
EDUCATION AND RECREATION	356,398	-	1,563,527	1,919,925
HEALTH AND WELFARE	10,242,158	3,867,627	98,933	14,208,718
MAINTENANCE OF STRUCTURES AND EQUIPMENT	11,673,433	-	592	11,674,025
CAPITAL OUTLAY	-	-	6,039,315	6,039,315
DEBT SERVICE				
PRINCIPAL	-	-	5,022,110	5,022,110
INTEREST AND COMMISSION	-	-	1,453,179	1,453,179
<b>TOTAL EXPENDITURES</b>	<b>\$ 111,325,888</b>	<b>3,867,627</b>	<b>28,726,115</b>	<b>143,919,630</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 1,771,264</b>	<b>1,967,031</b>	<b>(3,934,480)</b>	<b>(196,185)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ 26,367	-	1,494,648	1,521,015
TRANSFERS OUT	(3,829,968)	-	(420,658)	(4,250,626)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (3,803,601)</b>	<b>-</b>	<b>1,073,990</b>	<b>(2,729,611)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (2,032,337)</b>	<b>1,967,031</b>	<b>(2,860,490)</b>	<b>(2,925,796)</b>
<b>FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT</b>	<b>\$ 47,510,027</b>	<b>8,730,592</b>	<b>18,145,093</b>	<b>74,385,712</b>
	<b>-</b>	<b>-</b>	<b>41,558</b>	<b>41,558</b>
<b>FUND BALANCE, BEGINNING (Restated)</b>	<b>\$ 47,510,027</b>	<b>8,730,592</b>	<b>18,186,651</b>	<b>74,427,270</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 45,477,690</b>	<b>10,697,623</b>	<b>15,326,161</b>	<b>71,501,474</b>

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

**JEFFERSON COUNTY, TEXAS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**SEPTEMBER 30, 2017**

Net change in fund balances - total governmental funds \$ (2,925,796)

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

Capital Expenditures	\$	6,751,386	
Capital asset donations to Business type activities		(700,950)	
Net adjustment for sale or disposal of capital assets		(162,140)	
Depreciation Expense		(6,274,089)	
Net adjustment		(385,793)	(385,793)

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

Repayments:			
To paying agent for bond principal	\$	4,690,000	
Capital Lease principal		332,110	
Net adjustment		5,022,110	5,022,110

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

Compensated absences	\$	926,260	
OPEB Obligations		(16,037,696)	
Pension Liability		(184,571)	
Pensions - Economic/demographic (gains) losses		(2,209,718)	
Pensions - Change in assumption (gains) losses		(871,567)	
Pensions - Investment (gains) of losses		(4,615,830)	
Pensions - Difference in Contributions		14,411	
Amortization of bond premium		410,308	
Amortization of refunding difference		(162,579)	
Accrued interest on debt		24,445	
Combined adjustment		(22,706,537)	(22,706,537)

Internal service funds are used by the County. The net change in position of the internal service funds are reported with governmental activities. (3,339,366)

Some of the County's receivables are classified as long-term and therefore the net of revenue and bad debt expense associated with these receivables are not reported in the funds. (24,429)

Because some revenues will not be collected for several months after the County's fiscal year end, they do not provide current financial resources and they are not reported as revenues in the funds. 338,662

Total change in net position of governmental activities		\$ (24,021,149)	
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The notes to the financial statements are an integral part of this statement.

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF NET POSITION -**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2017**

	ENTERPRISE FUNDS			
	JACK BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	INTERNAL SERVICE FUNDS
<b>ASSETS:</b>				
<b>CURRENT ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 938,445	943,729	1,882,174	1,403,178
ACCOUNTS RECEIVABLE, Net	60,517	347,682	408,199	1,263,425
INTEREST RECEIVABLE	60	30	90	183
DUE FROM OTHER GOVERNMENTAL ENTITIES	464,877	-	464,877	255,941
PREPAID ITEMS	77	25,429	25,506	-
INVENTORY, At Cost	119,277	33,870	153,147	-
DEPOSITS	-	-	-	75,500
TOTAL CURRENT ASSETS	\$ 1,583,253	1,350,740	2,933,993	2,998,227
<b>NONCURRENT ASSETS:</b>				
<b>CAPITAL ASSETS:</b>				
LAND	3,024,815	2,129,785	5,154,600	-
CONSTRUCTION IN PROGRESS	5,045,444	18,330	5,063,774	-
OTHER CAPITAL ASSETS, NET OF DEPRECIATION	25,303,789	46,319,839	71,623,628	-
TOTAL NONCURRENT ASSETS	\$ 33,374,048	48,467,954	81,842,002	-
TOTAL ASSETS	\$ 34,957,301	49,818,694	84,775,995	2,998,227
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
DEFERRED OUTFLOWS RELATED TO PENSIONS	\$ 589,240	-	589,240	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 589,240	-	589,240	-
<b>LIABILITIES:</b>				
<b>CURRENT LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 1,015,170	305,750	1,320,920	19,708
CLAIMS LIABILITY	-	-	-	4,226,140
DUE TO OTHER FUNDS	-	-	-	6,221,238
CURRENT PORTION - COMPENSATED ABSENCES	21,593	25,382	46,975	-
UNEARNED REVENUE	61,677	394,540	456,217	-
CUSTOMER DEPOSITS	26,166	19,042	45,208	-
TOTAL CURRENT LIABILITIES	\$ 1,124,606	744,714	1,869,320	10,467,086
<b>NONCURRENT LIABILITIES:</b>				
NONCURRENT PORTION - COMPENSATED ABSENCES	160,393	-	160,393	-
PENSION LIABILITY	1,334,007	-	1,334,007	-
TOTAL NONCURRENT LIABILITIES	\$ 1,494,400	-	1,494,400	-
TOTAL LIABILITIES	\$ 2,619,006	744,714	3,363,720	10,467,086
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
DEFERRED INFLOWS RELATED TO PENSIONS	\$ 63,311	-	63,311	-
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 63,311	-	63,311	-
<b>NET POSITION:</b>				
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	\$ 33,374,048 (509,824)	48,467,954 606,026	81,842,002 96,202	- (7,468,859)
TOTAL NET POSITION	\$ 32,864,224	49,073,980	81,938,204	(7,468,859)

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION -**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	ENTERPRISE FUNDS			INTERNAL SERVICE FUNDS
	JACK BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	
<b>OPERATING REVENUES:</b>				
CHARGES FOR SERVICES	\$ 3,253,212	3,249,799	6,503,011	18,269,796
EMPLOYEE CONTRIBUTIONS	-	-	-	2,395,892
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 3,253,212</b>	<b>3,249,799</b>	<b>6,503,011</b>	<b>20,665,688</b>
<b>OPERATING EXPENSES:</b>				
SALARIES & BENEFITS	\$ 1,877,206	1,467,496	3,344,702	-
MATERIALS AND SUPPLIES	88,500	84,080	172,580	-
MAINTENANCE AND REPAIRS	181,867	321,113	502,980	-
UTILITIES	190,716	825,781	1,016,497	-
COST OF GOODS SOLD	1,347,524	1,378,081	2,725,605	-
MISCELLANEOUS	344,474	105,776	450,250	-
ADMINISTRATIVE	-	601,559	601,559	1,612,126
INCURRED & ESTIMATED CLAIMS	-	-	-	24,249,982
DEPRECIATION	1,459,104	2,423,191	3,882,295	-
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,489,391</b>	<b>7,207,077</b>	<b>12,696,468</b>	<b>25,862,108</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (2,236,179)</b>	<b>(3,957,278)</b>	<b>(6,193,457)</b>	<b>(5,196,420)</b>
<b>NONOPERATING REVENUES:</b>				
INTEREST REVENUE	\$ 1,161	355	1,516	2,293
GAIN/(LOSS) ON SALE OF CAPITAL ASSETS	(3,359)	(79,799)	(83,158)	-
REFUNDS AND RECOVERIES	50,521	-	50,521	1,854,761
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 48,323</b>	<b>(79,444)</b>	<b>(31,121)</b>	<b>1,857,054</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>\$ (2,187,856)</b>	<b>(4,036,722)</b>	<b>(6,224,578)</b>	<b>(3,339,366)</b>
CAPITAL CONTRIBUTIONS	2,324,007	759,282	3,083,289	-
TRANSFER IN	1,000,000	1,729,611	2,729,611	-
<b>CHANGE IN NET POSITION</b>	<b>\$ 1,136,151</b>	<b>(1,547,829)</b>	<b>(411,678)</b>	<b>(3,339,366)</b>
<b>NET POSITION, BEGINNING</b>	<b>31,728,073</b>	<b>50,621,809</b>	<b>82,349,882</b>	<b>(4,129,493)</b>
<b>NET POSITION, ENDING</b>	<b>\$ 32,864,224</b>	<b>49,073,980</b>	<b>81,938,204</b>	<b>(7,468,859)</b>

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF CASH FLOWS -**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	ENTERPRISE FUNDS			
	JACK			INTERNAL SERVICE FUNDS
	BROOKS REGIONAL AIRPORT	FORD PARK	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES:				
RECEIPTS FROM CUSTOMERS AND USERS	\$ 3,189,913	3,248,594	6,438,507	2,214,373
RECEIPTS FROM EMPLOYEES	-	-	-	2,391,711
PAYMENTS TO SUPPLIERS	(1,770,016)	(3,296,196)	(5,066,212)	(1,612,183)
PAYMENTS TO EMPLOYEES	(1,719,294)	(1,478,729)	(3,198,023)	-
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	-	-	-	18,483,200
CLAIMS PAID	-	-	-	(21,906,143)
OTHER RECEIPTS	53,621	-	53,621	627,457
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (245,776)</u>	<u>(1,526,331)</u>	<u>(1,772,107)</u>	<u>198,415</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
TRANSFERS (TO) FROM OTHER FUNDS	\$ 1,000,000	1,729,611	2,729,611	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>\$ 1,000,000</u>	<u>1,729,611</u>	<u>2,729,611</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
CAPITAL GRANTS FROM FEDERAL ENTITIES	\$ 2,807,813	-	2,807,813	-
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(2,666,575)	(13,589)	(2,680,164)	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	<u>\$ 141,238</u>	<u>(13,589)</u>	<u>127,649</u>	<u>-</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES:				
RECEIPTS OF INTEREST	1,220	351	1,571	2,450
NET CASH PROVIDED BY INVESTMENT ACTIVITIES	<u>\$ 1,220</u>	<u>351</u>	<u>1,571</u>	<u>2,450</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - BEGINNING	<u>\$ 896,682</u>	<u>190,042</u>	<u>1,086,724</u>	<u>200,865</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>41,763</u>	<u>753,687</u>	<u>795,450</u>	<u>1,202,313</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 938,445</u>	<u>943,729</u>	<u>1,882,174</u>	<u>1,403,178</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
OPERATING INCOME (LOSS)	\$ (2,236,179)	(3,957,278)	(6,193,457)	(5,196,420)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
DEPRECIATION	1,459,104	2,423,191	3,882,295	-
OTHER NON-OPERATING REVENUES (EXPENSES)	50,521	-	50,521	1,854,761
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	(18,638)	(118,083)	(136,721)	(1,231,486)
DUE FROM OTHER GOVERNMENTAL ENTITIES	3,100	-	3,100	19,816
PREPAID ITEMS	-	(25,108)	(25,108)	-
INVENTORY	(6,661)	1,401	(5,260)	-
DEFERRED OUTFLOWS RELATED TO PENSIONS	103,814	-	103,814	-
CUSTOMER DEPOSITS	-	12,591	12,591	-
ACCOUNTS PAYABLE	389,726	18,793	408,519	(57)
CLAIMS LIABILITY	-	-	-	2,343,839
DEFERRED INFLOWS RELATED TO PENSIONS	37,011	-	37,011	-
DUE TO OTHER FUNDS	-	-	-	2,407,962
OTHER LIABILITIES	(27,574)	118,162	90,588	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (245,776)</u>	<u>(1,526,331)</u>	<u>(1,772,107)</u>	<u>198,415</u>
NON-CASH OPERATING, CAPITAL AND RELATED FINANCING, AND INVESTING ACTIVITIES				
CAPITAL CONTRIBUTIONS	\$ -	759,283	759,283	-

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

**JEFFERSON COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2017**

	<u>TOTALS</u>
<b><u>ASSETS</u></b>	
CASH AND CASH EQUIVALENTS	\$ 17,847,105
ACCOUNTS RECEIVABLE, Net	3,541
DUE FROM OTHER GOVERNMENTAL ENTITIES	431,763
 TOTAL ASSETS	 \$ 18,282,409
<b><u>LIABILITIES</u></b>	
ACCOUNTS PAYABLE	\$ 16,150,280
DUE TO OTHER GOVERNMENTAL ENTITIES	704,403
OTHER PAYABLES	1,427,726
 TOTAL LIABILITIES	 \$ 18,282,409

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

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

**A. Reporting Entity**

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

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

As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units in conformity with GASB Statement No. 14, *The Financial Reporting Entity* (“GASB 14”), GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* (“GASB 39”), GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, (“GASB 61”), GASB Statement No. 80, *Blending Requirements for Certain Component Units*, clarifies the financial statement presentation requirements for certain component units which are incorporated as not-for-profit entities.

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

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

**Blended Component Units:**

For financial reporting purposes, the Southeast Texas Government Employee Benefits Pool (The Pool) is included in the operations and activities of the County as a blended component unit. The



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

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

Pool is a public entity risk pool (see Note 13), which the County is the sponsor government. The Pool provides services almost entirely to the County. The Pool is accounted for as an internal service fund.

Excluded from the reporting entity:

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

**B. Implementation of New Standards**

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

GASB Statement 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* ("GASB 74"), replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASB 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. Implementation of GASB 74 is reflected in the County's financial statements.

GASB Statement 77, *Tax Abatement Disclosures* ("GASB 77"), requires governments that enter into tax abatement agreements to make certain disclosures concerning the agreements to be able to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future. Implementation of GASB 77 is reflected in the County's financial statements.

GASB Statement 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* ("GASB 78"), amends the scope and applicability of GASB 68 in association with pensions provided through certain multiple-employer defined benefit pension plans and to state of local governmental employers whose employees are provided with such pensions. Implementation of GASB 78 is reflected in the County's financial statements.

GASB Statement 79, *Certain External Investment Pools and Pool Participants* ("GASB 79"), establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. Implementation of GASB 79 did not have an impact on the County's reporting disclosures.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

GASB Statement 80, *Blending Requirements for Certain Component Units*, clarifies the financial statement presentation requirements for certain component units which are incorporated as not-for-profit entities. Implementation of GASB 80 is reflected in the County's financial statements.

GASB Statement 82, *Pension Issues*, addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding the presentation of payroll-related measures in required supplementary information, deviations from the guidance of the Actuarial Standards Board, and the classification of payments made by employers to satisfy employee (plan member) contribution requirements. Implementation of GASB 82 is reflected in the County's financial statements.

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

Government-wide Statements

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

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

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



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

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

Miscellaneous general revenues consist of non-program specific contributions.

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

Fund-level Statements

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

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

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

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

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

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

**FEMA Emergency Fund** – used to account for the grants from the Federal Emergency Management Agency (FEMA) for disasters.

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

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

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

Additionally, the County reports the following fund types:

**Internal Service Funds** – used to account for the financing of goods and services provided by one department or agency of the County to other County departments or agencies on a cost reimbursement basis. The County reports three internal service fund: 1) Liability Insurance – to account for the County’s contribution and payment for liability claims, 2) Workers’ Compensation – to account for County’s contribution and payment for workers’ compensation claims, and 3) Southeast Texas Government Employee Benefits Pool - to account for the County’s Public Entity Risk Pool, which provides group health insurance programs for member governments including comprehensive major medical and dental care.

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

**Agency Funds** are used to account for assets held by the County as an agent on behalf of a third party. The County reports eleven agency funds held for various third parties outside the primary government: Treasurer Maintained Fund, County Clerk Fund, District Clerk Fund, Sheriff’s Fund, Justice of the Peace Fund, Tax Assessor/Collector Fund, District Attorney’s Seizure Fund, Community Supervision Trust Fund, Juvenile Probation Trust Fund, Flexible Spending, and Women’s Center Trust Fund.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing goods in connection with the proprietary fund’s principal operations. The principal operating revenues of the Jack Brooks Regional Airport and Ford Park are user fees. Operating revenues in the Internal Service Funds consist primarily of charges to the various County departments. Operating expenses in the enterprise and internal service funds include the cost of sales and services, administrative expenses, incurred



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

and estimated claims, salaries & benefits, materials and supplies, maintenance and repairs, utilities, miscellaneous, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

**D. Budgets**

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

- Department annual budget requests are submitted by the Department or Agency Head to the County Auditor's office during the third quarter of the fiscal year for the upcoming fiscal year to begin October 1.
- The County Auditor's office prepares an estimate of available resources for the upcoming fiscal year.
- The County Auditor's office prepares the proposed annual operating budget to be presented to the Commissioners' Court for their consideration. The budget represents the financial plan for the new fiscal year.
- Public hearings are held on the proposed budget.
- The Commissioners' Court must adopt an annual operating budget by a majority vote of the Commissioners' Court before October 1. The adopted budget must be balanced; that is, available resources must be sufficient to support annual appropriations.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- The Commissioners' Court may approve expenditures as an amendment to the budget in an emergency situation that could not have been foreseen at the time the original budget was approved.
- Annual budgets are legally adopted for the General Fund and Debt Service Funds. Budgets for Grant Funds are established pursuant to grant awards and budgets for Capital Projects are established on a project basis.
- Appropriations lapse at year-end for all budgeted funds.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

- Budgets are prepared on a basis consistent with GAAP.

**E. Deposits and Investments**

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

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

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

**F. Encumbrances**

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

**G. Receivables and Payables**

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2016 and past due after January 31, 2017. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

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

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

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

**H. Interfund Transactions**

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

**I. Inventories and Prepaid Items**

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

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

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

**J. Capital Assets and Infrastructure**

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

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

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

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

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

**K. Compensated Absences**

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

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

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



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

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

**L. Long-Term Obligations**

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

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

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

In addition to liabilities in 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. The first arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, that item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, grants, and inmate housing. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

second item is deferred outflows related to pensions and is only recorded in the government-wide financials.

**N. Pensions**

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

**O. Net Position and Fund Balances**

Net Position Classifications

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

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

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

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or not expected to be converted to cash within the next year.



JEFFERSON COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2017

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

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

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

**P. Statement of Cash Flows**

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

**Q. Use of Estimates**

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



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**Note 2 - Deposits and Investments**

The County categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of September 30, 2017, the County held the following fair value measurements:

<u>Investments by fair value level</u>	<u>Balance 9/30/2017</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Weighted Average Maturity (days)</u>
U. S. Agency Securities	\$17,872,260	\$ -	\$ 17,872,260	\$ -	775
Money Market Account	7,738	-	7,738	-	30
Certificates of Deposit	992,000	-	992,000	-	432
	<u>\$18,871,998</u>	<u>\$ -</u>	<u>\$ 18,871,998</u>	<u>\$ -</u>	<u>757</u>

Of the County's investments carried at fair value, \$9,942,836, \$7,937,162, and \$992,000 were priced using documented trade history in exact security, option-adjusted discount cash flow model, and present value of expected cash flow model, respectively.

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

Credit Risk – In compliance with the County's investment policy, as of September 30, 2017, all of the County's purchased investments in U.S. Agency Securities were rated AA+ and Aaa by Standard & Poor's and Moody's respectively.

Concentration Risk – The County's investment policy is to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investment. As of September 30, 2017, the County had three investments that were with Federal National Mortgage Association (FNMA), and five investments that were with Federal Home Loan Mortgage Corporation (FHLMC).

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's investment policy is to have all checking accounts placed at the County Depository Bank under a depository contract. The \$66,846,712 bank balance and the Money Market account were covered by federal depository



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**Note 2 - Deposits and Investments (continued)**

insurance or collateralized with securities held by the Bank of New York Mellon Trust Company. All of the certificates of deposits are covered by federal depository insurance.

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

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

For the year ended September 30, 2017, the combined tax rate to finance general government services and the payment of principal and interest on long-term debt was \$.365.

On February 1 of the following calendar year the tax bill becomes delinquent and penalty and interest is assessed by the County. The County Commissioners issue a tax levy for the County's General and Debt Service Funds. The levy and collections are restricted to the funds they are allocated for. The delinquent tax receivables and penalty and interest receivables represent the past thirty years of uncollected tax levies. The allowance for uncollectible was set at thirty-five percent of the gross tax receivable and sixty percent on penalty and interest as of September 30, 2017. The allowance has been recorded for property taxes and Penalty and Interest, which are estimated to be uncollectible as required by generally accepted accounting.

Property tax receivables of \$4,059,370 as of September 30, 2017 are reported net of an allowance for uncollectible taxes of \$2,185,814.

Penalty and Interest receivables of \$2,116,344 as of September 30, 2017 are reported net of an allowance for uncollectible accounts of \$3,174,516.



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

Receivables as of September 30, 2017 consist of the following:

	General	FEMA Emergency	Non Major Funds	Jack Brooks Regional Airport	Ford Park	Internal Service Funds	Agency Funds	Total
Receivables:								
Accounts	\$ 138,525	\$ 1,000,000	\$ 211,297	\$ 60,124	\$ 390,783	\$ 1,263,425	\$ 3,541	\$ 3,067,695
Employee	17,263	-	2,640	528	-	-	-	20,431
Taxes	6,084,652	-	160,532	-	-	-	-	6,245,184
Penalty & Interest	5,154,858	-	136,002	-	-	-	-	5,290,860
Inter- governmental	7,732,801	994,057	1,509,584	464,877	-	255,941	431,763	11,389,023
Gross Receivables	\$ 19,128,099	\$ 1,994,057	\$ 2,020,055	\$ 525,529	\$ 390,783	\$ 1,519,366	\$ 435,304	\$ 26,013,193
Less: Allowance for Uncollectibles	5,222,543	-	137,787	135	43,101	-	-	5,403,566
Net total receivables	\$ 13,905,556	\$ 1,994,057	\$ 1,882,268	\$ 525,394	\$ 347,682	\$ 1,519,366	\$ 435,304	\$ 20,609,627

As of September, 30, 2017, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Unearned</u>
Advanced Funding (Non-major Special Revenue Funds)	<u>\$ 670,875</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 670,875</u>

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

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

The composition of interfund balances as of September 30, 2017, is as follows:



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

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 1,174,519
	Internal Service funds	6,221,238
Nonmajor governmental funds	General Fund	<u>2</u>
	Total	<u><u>\$ 7,395,759</u></u>

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

The following is a summary of the County's transfers for the year ended September 30, 2017:

	<u>Transfers Out:</u>		
	<u>General Fund</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
<b>Transfers In:</b>			
General	\$ -	\$ 26,367	\$ 26,367
Nonmajor Funds	1,100,357	394,291	1,494,648
Jack Brooks Regional Airport	1,000,000	-	1,000,000
Ford Park	<u>1,729,611</u>	<u>-</u>	<u>1,729,611</u>
	<u>\$ 3,829,968</u>	<u>\$ 420,658</u>	<u>\$ 4,250,626</u>

Transfers in the amount of \$1,000,000 from the General Fund to the Jack Brooks Regional Airport were to subsidize operations at the airport. Transfers in the amount of \$1,729,611 to Ford Park were to subsidize operations of the complex. All other transfers are routine in nature such as grant matches, ongoing capital projects, and residual fund balance transfers for close out of funds.

Transfers in the amount of \$700,950 for Ford Park were made between governmental activities and business-type activities for capital assets purchases which were donated to business-type activities in the government wide statements.

**Note 5 – Capital Assets**

Capital asset activity for the year ended September 30, 2017 was as follows:



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

	Restated - Balance October 1, 2016	Additions	Deletions	Transfer	Balance September 30, 2017
<b>Governmental Activities:</b>					
Land	\$ 3,840,787	\$ -	\$ -	\$ -	\$ 3,840,787
Construction work in progress	19,667,636	2,196,105	-	(19,073,530)	2,790,211
Total capital assets not depreciated	\$ 23,508,423	\$ 2,196,105	\$ -	\$ (19,073,530)	\$ 6,630,998
Infrastructure	59,114,166	14,425	-	3,602,861	62,731,452
Buildings & Improvements	105,090,205	125,808	(127,650)	15,295,749	120,384,112
Equipment	42,601,445	3,714,098	(1,975,090)	174,920	44,515,373
Total capital assets depreciated	\$ 206,805,816	\$ 3,854,331	\$ (2,102,740)	\$ 19,073,530	\$ 227,630,937
Less accumulated depreciation for:					
Infrastructure	(41,086,140)	(1,446,789)	-	-	(42,532,929)
Buildings & Improvements	(65,661,294)	(2,052,796)	107,618	-	(67,606,472)
Equipment	(30,498,357)	(2,774,504)	1,832,982	-	(31,439,879)
Total accumulated depreciation	\$ (137,245,791)	\$ (6,274,089)	\$ 1,940,600	\$ -	\$ (141,579,280)
Total capital assets depreciated, net	\$ 69,560,025	\$ (2,419,758)	\$ (162,140)	\$ 19,073,530	\$ 86,051,657
Governmental activities capital assets, net	\$ 93,068,448	\$ (223,653)	\$ (162,140)	\$ -	\$ 92,682,655
<b>Business-type Activities:</b>					
Land	\$ 5,154,600	\$ -	\$ -	\$ -	\$ 5,154,600
Construction work in progress	6,248,896	2,582,248	-	(3,767,370)	5,063,774
Total capital assets not depreciated	\$ 11,403,496	\$ 2,582,248	\$ -	\$ (3,767,370)	\$ 10,218,374
Buildings & Improvements	129,320,283	700,950	-	4,212,671	134,233,904
Equipment	12,459,366	229,736	(1,851,992)	(445,301)	10,391,809
Total capital assets depreciated	\$ 141,779,649	\$ 930,686	\$ (1,851,992)	\$ 3,767,370	\$ 144,625,713
Less accumulated depreciation for:					
Buildings & Improvements	(61,550,309)	(3,243,642)	-	(221,951)	(65,015,902)
Equipment	(9,338,313)	(638,653)	1,768,832	221,951	(7,986,183)
Total accumulated depreciation	\$ (70,888,622)	\$ (3,882,295)	\$ 1,768,832	\$ -	\$ (73,002,085)
Total capital assets depreciated, net	\$ 70,891,027	\$ (2,951,609)	\$ (83,160)	\$ 3,767,370	\$ 71,623,628
Business-type activities capital assets, net	\$ 82,294,523	\$ (369,361)	\$ (83,160)	\$ -	\$ 81,842,002



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

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

**Governmental activities:**

General Government	\$ 606,164
Judicial & Law Enforcement	2,585,208
Health & Welfare	162,833
Maintenance - Equipment & Structures	<u>2,919,884</u>
Total depreciation expense - governmental activities	<u>\$6,274,089</u>

**Business-type activities:**

Jack Brooks Regional Airport	\$1,459,104
Ford Park	<u>2,423,191</u>
Total depreciation expense - business-type activities	<u>\$3,882,295</u>

**Note 6 - Operating Leases**

County as Lessor

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

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

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



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

The following schedule provides an analysis of the County's investment in property on operating leases and property held for lease by major classes as of September 30, 2017:

Airport Terminal & Buildings	\$ 12,236,087
Airport Private Hangar Park and Land	3,249,396
	\$ 15,485,483
Less: accumulated depreciation	(4,929,813)
	\$ 10,555,670

The following is a schedule by years of minimum future rentals on noncancellable operating leases as of September 30, 2017:

<u>Fiscal Year Ending September 30</u>	
2018	\$ 328,797
2019	248,299
2020	243,129
2021	230,731
2022	226,731
2023-2027	564,197
2028-2032	342,720
2033-2037	323,296
2038-2042	333,834
2043-2044	106,771
	Total
	\$ 2,948,505

Minimum future rentals do not include contingent rentals, which may be received as stipulated in the lease contracts. These contingent rental payments occur only if the use exceeds a certain level of activity each year. Contingent rentals on Airport cancellable operating leases for the year ended September 30, 2017 are \$1,237.

**Note 7 - Long-Term Debt**

**General Obligation Bonds**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. All of the 2012 Refunding Bonds funded and benefited business-type activities, though resources of the governmental activities are being used to liquidate the debt. All other general obligation bonds have been issued for governmental-type activities. The original amount of general obligation bonds issued in prior years was \$48,645,000.



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

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

\$1,340,000 2013 Refunding Bonds due in annual installments from \$265,000 to \$275,000 through August 1, 2018; interest rates ranging from .62% to 1.93%.	\$275,000
\$47,305,000 2012 Refunding Bonds due in annual installments from \$780,000 to \$4,465,000 through August 1, 2025; interest rates ranging from 2.0% to 5.0%.	31,105,000
Total General Obligation Bonds	\$31,380,000

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

Fiscal Year Ended September 30	<u>Governmental Activities</u>		
	Principal	Interest	Total
2018	\$ 3,640,000	\$ 1,264,257	\$ 4,904,257
2019	3,450,000	1,158,000	4,608,000
2020	3,620,000	1,020,000	4,640,000
2021	3,745,000	857,700	4,602,700
2022	3,965,000	670,450	4,635,450
2023-2025	12,960,000	869,850	13,829,850
Total	\$ 31,380,000	\$ 5,840,257	\$ 37,220,257

There is currently \$675,704 available in the Debt Service Funds to service the general obligation bonds. The County has no authorized but unissued bonds at September 30, 2017.

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

**Capital Lease Obligations:**

The County has entered into lease agreement for financing the acquisition of electronic election system hardware and software. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date. The asset acquired through capital leases is recorded at \$1,707,363 for governmental funds. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2017, were as follows:



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

<u>Year Ending September 30</u>	<u>Governmental Activities</u>
2018	\$ 369,835
2019	369,835
2020	369,836
Total minimum lease payments	\$ 1,109,506
Less: amount representing interest	(57,648)
Present value of minimum lease payments	<u>\$ 1,051,858</u>

**Conduit Debt Obligations**

The County has issued Housing Finance Corporation Bonds and Industrial Development Corporation Bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity serviced by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2017, there were two series of Jefferson County Housing Finance Corporation Bonds with an aggregate principal amount payable of \$12,387,544, and one series of Jefferson Industrial Development Bonds with an aggregate principal amount payable of \$42,765,000.

**Arbitrage Rebate Liability**

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due and remit the amount due at least every five years. As of September 30, 2017, there are no estimated liabilities for arbitrage rebate on governmental debt. The Debt Service Fund and the residual balance in the Capital Project Fund have typically been used to liquidate the arbitrage liability in previous years.

**Changes in long-term liabilities**

Long-term liability activity for the year ended September 30, 2017 was as follows:



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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
<b>Governmental Activities:</b>					
<b>Bonds Payable</b>					
General obligation bonds	\$ 36,070,000	\$ -	\$ (4,690,000)	\$ 31,380,000	\$ 3,640,000
Less deferred amounts:					
Premiums	3,367,454	-	(410,308)	2,957,146	-
Total bonds payable	\$ 39,437,454	\$ -	\$ (5,100,308)	\$ 34,337,146	\$ 3,640,000
Capital Leases	1,383,968	-	(332,110)	1,051,858	369,835
Claims and Judgments	1,882,301	25,862,107	(23,518,268)	4,226,140	4,226,140
Compensated Absences	12,293,578	742,097	(1,760,218)	11,275,457	835,871
Pension Liability	72,592,973	11,635,269	(11,450,698)	72,777,544	-
OPEB Obligations	92,679,625	20,945,831	(4,908,135)	108,717,321	-
<b>Governmental Activities</b>					
Long-term liabilities	\$ 220,269,899	\$ 59,185,304	\$(47,069,737)	\$ 232,385,466	\$ 9,071,846
<b>Business-type Activities:</b>					
Compensated Absences	\$ 204,897	\$ 39,086	\$ (36,615)	\$ 207,368	\$ 46,975
Pension Liability	1,330,624	203,908	(200,525)	1,334,007	-
<b>Business-type Activities</b>					
Long-term liabilities	\$ 1,535,521	\$ 242,994	\$ (237,140)	\$ 1,541,375	\$ 46,975

Compensated absences liabilities are normally liquidated by the general fund for governmental activities and by the corresponding enterprise fund for business type activities. Claims and judgments of governmental funds are normally paid from the corresponding internal service fund. Claims and judgments of the public entity risk pool are normally paid from the corresponding internal service fund. Pension liabilities are normally liquidated by the General Fund with a small portion in non-major special revenue funds that have employees and the Jack Brooks Airport fund for business type activities. OPEB Obligations are normally liquidated by the General Fund.

**Note 8 – Defined Benefit Pension Plan**

**Plan Description.** The County participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (“TCDRS”). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tcdrs.org](http://www.tcdrs.org).

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.



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**Note 8 – Defined Benefit Pension Plan (continued)**

**Benefits Provided.** TCDRS provides retirement, disability and death benefits for all eligible employees. Benefit terms are established by the TCDRS act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 20 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 eight 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 Commissioners' Court, 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. By law, employee accounts earn 7% interest. 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. The County's current match is 200%.

***Employees covered by benefit terms***

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	838
Inactive employees entitled to but not yet receiving benefits	649
Active employees	1,195
	2,682

**Contributions.** The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the County were 17.61% and 17.20% in calendar years 2016



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**Note 8 – Defined Benefit Pension Plan (continued)**

and 2017, respectively. The County's contributions to TCDRS for the year ended September 30, 2017, were \$11,699,132, and were equal to the required contributions.

**Net Pension Liability.** The County's Net Pension Liability (NPL) was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The Total Pension Liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.5% per year
Investment rate of return	8.1%, net of pension plan investment expense, including inflation

The plan does not have an automatic cost-of-living adjustment ("COLA") and one is not considered to be substantively automatic under GASB No. 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculation or in the funding valuation. Each year, the plans may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	The RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both with the projection scale AA and then projected with 110% of the MP-2014 Ultimate scale after that.
Service retirees, beneficiaries and non-depositing members	The RP-2000 Combined Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with a one-year set-forward for males and no age adjustment for females.
Disabled retirees	RP-2000 Disabled Mortality Table projected to 2014 with scale AA and then projected with 110% of the MP-2014 Ultimate scale after that, with no age adjustment for males and a two-year set-forward for females.

The actuarial cost method was Entry Age Normal, as required by GASB No. 68. Straight-line amortization over Expected Working Life with a 5 year smoothing period, and a non-asymptotic recognition method with no corridor were utilized in the actuarial calculation.



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**Note 8 – Defined Benefit Pension Plan (continued)**

The actuarial assumptions that determined the total pension liability as of December 31, 2016, were based on the results of an actuarial experience study for the period January 1, 2009 through December 31, 2012, except for mortality assumptions. Updated mortality assumptions were adopted in 2015.

The long-term expected rate of return on pension plan investments is 8.10%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2017 information for a 7 to 10 year time horizon. 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. The target allocation and best estimates of geometric real rates return for each major assets class are summarized in the following table:

Asset Class	Benchmark	Target Allocation <sup>(1)</sup>	Geometric Real Rate of Return (Expected minus Inflation) <sup>(2)</sup>
US Equities	Dow Jones U.S. Total Stock Market Index	13.50%	4.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index <sup>(3)</sup>	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	MSCI Standard (net) Index	7.00%	5.70%
Investment-Grade Bonds	Bloomberg Barclays Capital Aggregate Bond Index	3.00%	.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 Associates Distressed Securities Index <sup>(4)</sup>	3.00%	6.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% FRSE 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 <sup>(5)</sup>	6.00%	7.20%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	20.00%	3.85%

<sup>(1)</sup> Target asset allocation adopted at the April 2017 TCDRS Board meeting.

<sup>(2)</sup> Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.0% per Cliffwater's 2016 capital market assumptions.

<sup>(3)</sup> Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

<sup>(4)</sup> Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

<sup>(5)</sup> Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.



JEFFERSON COUNTY, TEXAS  
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**Note 8 – Defined Benefit Pension Plan (continued)**

*Discount Rate*

The discount rate used to measure the Total Pension Liability was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

*Changes in the Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2015	\$ 432,756,520	\$ 358,832,923	\$ 73,923,597
Changes for the year:			
Service cost	10,064,449	-	10,064,449
Interest on total pension liability <sup>(1)</sup>	34,577,662	-	34,577,662
Effect on plan changes <sup>(2)</sup>	-	-	-
Effect of economic/demographic gains or losses	(3,026,782)	-	(3,026,782)
Refund of contributions	(751,328)	(751,328)	-
Benefit payments	(21,289,899)	(21,289,899)	-
Administrative expenses	-	(288,421)	288,421
Member contributions	-	4,632,780	(4,632,780)
Net investment income	-	26,503,470	(26,503,470)
Employer contributions	-	11,654,736	(11,654,736)
Other <sup>(3)</sup>	-	(1,075,190)	1,075,190
Balance at 12/31/2016	<u>\$ 452,330,622</u>	<u>\$ 378,219,071</u>	<u>\$ 74,111,551</u>

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

<sup>(2)</sup> No plan changes valued.

<sup>(3)</sup> Relates to allocation of system-wide items.

*Sensitivity Analysis*

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



JEFFERSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**Note 8 – Defined Benefit Pension Plan (continued)**

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total pension liability	\$ 508,143,156	\$ 452,330,622	\$ 405,613,368
Fiduciary net position	<u>378,219,071</u>	<u>378,219,071</u>	<u>378,219,071</u>
Net pension liability/(asset)	<u>\$ 129,924,085</u>	<u>\$ 74,111,551</u>	<u>\$ 27,394,297</u>

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at [www.tcdrs.org](http://www.tcdrs.org).

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

For the year ended September 30, 2017, the County recognized pension expense of \$19,680,892.

At September 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 3,517,276	\$ 388,160
Changes in actuarial assumptions	-	2,662,626
Difference between projected and actual investment earnings	-	20,509,292
Contributions subsequent to the measurement date	-	9,175,495
Total	<u>\$ 3,517,276</u>	<u>\$ 32,735,573</u>

\$9,175,495 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 ending September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year Ended December 31,	
2017	\$ 7,090,777
2018	7,090,777
2019	6,010,733
2020	(149,485)



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

**Plan Description -**

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

**ACTUARIAL VALUATION INFORMATION**

Actuarial Valuation Date	October 1, 2016
Actuarial Cost Method	Normal cost
Amortization Method	Unit Credit
Remaining Amortization Period	Closed 30 years with 22 years remaining
Asset Valuation Method	Market Value
Discount Rate	4.00%
General Inflation Rate	2.30%

**Retiree Benefits**

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

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

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

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

Effective January 1, 2016, all new employees will not be eligible for County paid post-retirement health care benefits.



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

Retiree Spouse Benefits

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

- A) employee met the above requirements A and B; hired prior to January 1, 2016 and,
- B) employee's spouse was enrolled in the health plan either as a dependent or an active County employee.

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

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

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

As of September 30, 2017, there were 630 participants receiving benefits.

**Funding Policy and Annual OPEB Cost –**

In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45 (GASB 45), creating accounting standards for Other Post Employment Benefits (OPEB) provided by governmental entities separately from a pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable required supplementary information (RSI) in the financial reports of state and local governments.

The Plan contribution rates are set annually by Commissioners' Court based on the combination of premiums and prior year costs of the self-funded portion of the plan. The Plan is funded on a pay-as-you-go basis. In 2017 the total contribution was \$4,908,135.

The calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuation for OPEB plans involve estimates of the value of



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

reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County had its most recent OPEB actuarial valuation performed for the fiscal year beginning October 1, 2016 as required by GASB. The County's annual OPEB cost for the current year is as follows:

Annual Required Contribution	\$ 23,651,966
Interest on prior year Net OPEB Obligation	3,707,185
Adjustment to ARC	<u>(6,413,320)</u>
Annual OPEB Cost	\$ 20,945,831
County's Contribution made	<u>(4,908,135)</u>
Increase in Net OPEB Obligation	\$ 16,037,696
Net OPEB Obligation - beginning of year	<u>\$ 92,679,625</u>
Net OPEB Obligation - end of year	<u>\$108,717,321</u>

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB Contributed	Net OPEB Obligation
<u>09/30/2015</u>	<u>\$17,193,339</u>	<u>23.86%</u>	<u>\$ 78,822,590</u>
<u>09/30/2016</u>	<u>\$18,166,988</u>	<u>23.72%</u>	<u>\$ 92,679,625</u>
<u>09/30/2017</u>	<u>\$20,945,831</u>	<u>23.43%</u>	<u>\$108,717,321</u>

**Funded Status and Funding Progress -**

As of October 1, 2016, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$181,924,768, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$211,892,636. The covered payroll (annual payroll of active employees covered by the plan) was \$61,601,520, and the ratio of the UAAL to the covered payroll was 344%.



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

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

**Actuarial Methods and Assumptions –**

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

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

In the October 1, 2016, actuarial valuation, a 4% discount rate and a general inflation rate of 2.3% per year was used. The trend rates for medical of 6.8% and for pre-65, 5.1% for post-65 and dental rates of 7.0% for 2016. These rates slowly grade downward yearly to ultimately reaching medical trend rates of 4.0% for pre-65, 4.2% for post-65, and dental rates of 3.9% for years 2099 and beyond.

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

**Note 10 - Deferred Compensation Plan**

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

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



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**Note 10 - Deferred Compensation Plan (continued)**

will be held for the further exclusive benefit of the plan for the exclusive benefit of participants and beneficiaries.

Accordingly, the County performs minimal administrative functions and does not perform any investment functions for the plan. Consequently, the assets held by the custodian are not included in the financial statements as of September 30, 2017.

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

The following funds had deficit equity balances as of September 30, 2017:

<u>Governmental Funds</u>	
JAG Grant	\$ 17,229
Auto Theft Grant	1,839
Drug Intervention Grant	600
Total for Governmental Funds	<u>\$ 19,668</u>
<u>Proprietary Funds</u>	
Southeast Texas Government Employee Benefits Pool Fund	\$8,283,510
Total for Proprietary Funds	<u>\$8,283,510</u>

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

**Note 12 - Risk Management**

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

	2017	2016
Liability for claims, beginning of fiscal year	\$365,586	\$1,308,975
Incurred claims and changes in estimates	289,181	553,355
Claim payments	<u>(287,036)</u>	<u>(1,496,744)</u>
Liability for claims, end of fiscal year	<u>\$367,731</u>	<u>\$365,586</u>



JEFFERSON COUNTY, TEXAS  
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**Note 12 - Risk Management (continued)**

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

	<u>2017</u>	<u>2016</u>
Liability for claims, beginning of fiscal year	\$244,893	\$536,223
Incurred claims and changes in estimates	668,089	404,399
Claim payments	<u>(614,549)</u>	<u>(695,729)</u>
Liability for claims, end of fiscal year	<u>\$298,433</u>	<u>\$224,893</u>

**Note 13 – Public Entity Risk Pool**

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

The Pool is responsible for adopting underwriting standards, qualifications for membership in the pool, and establishing the types of benefits to be provided and associated fees for these benefits. The members of the Pool are responsible for their members' eligibility in the pool and payment of monthly contributions for participation in the Pool. The Pool members are not subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would not be responsible for the Pool's liabilities. Pool members currently include Jefferson County, Texas (reporting entity), Jefferson County Drainage District #3, and Jefferson County Drainage District #6. The total number of members in the Pool is 1,702. Operations of the Pool are accounted for as an internal service fund.



JEFFERSON COUNTY, TEXAS  
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**Note 13 – Public Entity Risk Pool (continued)**

The Pool uses reinsurance agreements to reduce its exposure to large losses on medical and prescription claims. For the fiscal year ended September 30, 2017, the Pool had stop loss insurance contracts to limit the medical and prescription claims per individual member to \$125,000 in a calendar year with a \$300,000 aggregating group deductible. The Pool exceeded these limits by \$1,212,349 during fiscal year 2017 but did not exceed these limits during fiscal year 2016 or 2015.

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

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

	<u>2017</u>	<u>2016</u>
Liability for claims, beginning of fiscal year	\$1,271,822	\$840,425
Incurred claims and changes in estimates	24,904,837	20,438,427
Claim payments	<u>(22,616,683)</u>	<u>(20,007,030)</u>
Liability for claims, end of fiscal year	<u>\$3,559,976</u>	<u>\$1,271,822</u>

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

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

As of September 30, 2017, the County had the following commitments with respect to unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Ford Park Chiller Replacement	\$ 286,572	12/31/2017
Jail Chiller Replacement	239,534	12/31/2017
LaBelle Road	112,197	09/30/2018
Taxiway D Rehabilitation	186,986	09/30/2018
	<u>\$ 825,289</u>	

**Note 15 - Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Texas. Any disallowed expenditures or claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of



JEFFERSON COUNTY, TEXAS  
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**Note 15 - Contingent Liabilities (continued)**

expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

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

**Note 16 – Tax Abatements**

The County enters into property tax abatement agreements with local businesses under the state Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code, as well as its own guidelines and criteria, which is required under the Act. Under the Act, including its guidelines and criteria, the County may grant property tax abatements for creation of additional value to eligible facilities. The creation must be made subsequent to and specified in an abatement agreement between the County and the property owner or lessee. In addition, the County requires the following economic qualifications in order to grant the tax abatement:

- (1) Must create an increased appraised ad valorem tax value based upon the Jefferson County Appraisal District's assessment of the eligible property; and
- (2) Must prevent the loss of payroll or retain, increase or create payroll (full-time employment) on a permanent basis in the County.
- (3) Must not have the effect of displacing workers or transferring employment from one part of the County to another.
- (4) Must demonstrate by an independent economic impact analysis that the local economic benefit will be substantially in excess of the amount of anticipated foregone tax revenues resulting from the abatement.

The County's guidelines and criteria focus on creating new wealth to the community rather than recirculating dollars within the community, and attracting industries that have demonstrated a commitment to protecting our environment—all without creating a substantial adverse effect on the competitive position of existing companies operating in the County. The agreement used for this purpose provides for termination of the agreement in the event its counterparty discontinues producing product as well as recapturing property taxes abated in that calendar year. These abatements may be granted for up to ten years.

The County has also entered into two agreements under the state County Development and Growth, Chapter 381 of the Texas Local Government code that will rebate a percentage of property taxes for up to twenty years. One agreement was granted for ten years while the second was granted for twenty years.



JEFFERSON COUNTY, TEXAS  
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**Note 16 – Tax Abatements (continued)**

For the fiscal year ended September 30, 2017, the County abated property tax revenue totaling \$3,803,790 based on property tax values of \$1,042,134,180 for 11 entities. In addition, the County made chapter 381 property tax revenue rebates of \$8,937,739 based on property tax values of \$2,448,695,667 for two entities.

**Note 17 – Prior Period Adjustments**

In the fund level financial statements for the year ended September 30, 2017, a decrease to beginning fund balance in the amount of \$2,738 was made to Non Major Special Revenue funds for Juvenile Grant R for correction to prior year adjustment to revenues and increase to beginning fund balance in the amount of \$44,296 was made to Non Major Special Revenue funds for Juvenile Probation and Detention – State Aid.

The County has decreased beginning net position as of October 1, 2016 by \$5,294,872 for governmental activities for a correction to CIP for items that will not become County assets.

The total effect of these adjustments decreased beginning net position of the governmental activities by \$5,253,314.

**Note 18 - Restatements and Reclassifications**

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

**Note 19 – Recent Accounting Pronouncements**

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* (“GASB 75”), replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASB 75 require governments to report a liability on the face of the financial statements for the OPEB that they provide. GASB 81 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

GASB Statement 81, *Irrevocable Split-Interest Agreements* (“GASB 81”), establishes recognition and measurement requirements for irrevocable split-interest agreements. GASB 81 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

GASB Statement 83, *Certain Assets Retirement Obligations* (“GASB 83”), addresses accounting and financial reporting for certain asset retirement obligations (AROs). This statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. GASB 83 will be implemented by the County in fiscal year 2019 and the impact has not yet been determined.



JEFFERSON COUNTY, TEXAS  
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**Note 19 – Recent Accounting Pronouncements (continued)**

GASB Statement 84, *Fiduciary Activities* (“GASB 84”), establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (2) private-purpose trust funds, and (4) custodial funds. GASB 84 will be implemented by the County in fiscal year 2020 and the impact has not yet been determined.

GASB Statement 85, *Omnibus 2017* (“GASB 85”), addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending components units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). GASB 85 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

GASB Statement 86, *Certain Debt Extinguishment Issues* (“GASB 86”), improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. GASB 86 will be implemented by the County in fiscal year 2018 and the impact has not yet been determined.

GASB Statement 87, *Leases* (“GASB 87”), require recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. GASB 87 will be implemented by the County in fiscal year 2021 and the impact has not yet been determined.

**Note 20 – Subsequent Events**

On August 25, 2017, Hurricane Harvey made landfall and hit the Texas coast with a second landfall as a Tropical Storm on August 27, 2017 that affected the Gulf Coast area. The costs incurred by the County as of September 30, 2017 are approximately \$3.9 million. As of February 2018, the County has incurred additional expenditures of about \$2.6 million. The County is working with the Federal Emergency Management Agency (FEMA), State of Texas, and the County insurance carrier to recover these costs. The qualified expenditures that were incurred for debris collection and emergency protective measures before, during, and up to 30 days after the storm should be reimbursed at 100% by either FEMA or State of Texas. All additional costs should be reimbursed at 90% by FEMA less any amounts received from insurance carriers. No other receivable besides the funding received within 60 days of the end of the fiscal year has been established in the FEMA emergency fund due to contingent eligibility requirements not being fulfilled at the time of this report.

REQUIRED SUPPLEMENTARY  
INFORMATION

JEFFERSON COUNTY, TEXAS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
<b>TAXES:</b>				
PROPERTY	\$ 73,068,752	73,068,752	72,669,897	(398,855)
SALES TAX	23,950,000	23,950,000	25,673,710	1,723,710
FEES	8,855,200	8,855,200	9,113,267	258,067
LICENSES	420,620	420,620	437,175	16,555
SALES, RENTALS, AND SERVICES	1,412,400	1,412,400	2,084,504	672,104
INTERGOVERNMENTAL	1,360,786	1,360,786	1,310,928	(49,858)
FINES AND FORFEITURES	1,600,000	1,600,000	1,670,984	70,984
INTEREST	215,000	215,000	103,334	(111,666)
MISCELLANEOUS	24,000	24,000	33,113	9,113
CONTRIBUTIONS AND DONATIONS	200	200	240	40
<b>TOTAL REVENUES</b>	<b>\$ 110,906,958</b>	<b>110,906,958</b>	<b>113,097,152</b>	<b>2,190,194</b>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ 23,692,216	24,767,216	23,652,762	1,114,454
JUDICIAL AND LAW ENFORCEMENT	70,251,792	69,721,792	65,401,137	4,320,655
EDUCATION AND RECREATION	409,333	409,333	356,398	52,935
HEALTH AND WELFARE	10,768,625	10,768,625	10,242,158	526,467
MAINTENANCE - EQUIPMENT AND STRUCTURES	13,511,320	13,479,257	11,673,433	1,805,824
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 118,633,286</b>	<b>119,146,223</b>	<b>111,325,888</b>	<b>7,820,335</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (7,726,328)</b>	<b>(8,239,265)</b>	<b>1,771,264</b>	<b>10,010,529</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	26,367	26,367
TRANSFERS OUT	(4,751,694)	(4,238,757)	(3,829,968)	408,789
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (4,751,694)</b>	<b>(4,238,757)</b>	<b>(3,803,601)</b>	<b>435,156</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (12,478,022)</b>	<b>(12,478,022)</b>	<b>(2,032,337)</b>	<b>10,445,685</b>
<b>FUND BALANCES, BEGINNING</b>	<b>\$ 47,510,027</b>	<b>47,510,027</b>	<b>47,510,027</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 35,032,005</b>	<b>35,032,005</b>	<b>45,477,690</b>	<b>10,445,685</b>



JEFFERSON COUNTY, TEXAS  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
SEPTEMBER 30, 2017

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### 1. Budgetary Basis

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

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

Commissioners' Court approved approximately \$1,075,000 in budget transfers over the original budget for General Services for additional cost for funding current year termination allowance payments and increase cost for retirees' health insurance.

In addition, the Court approved approximately \$410,000 in budget transfers over the original budget for increased cost for indigent defense and \$204,000 in budget transfers over the original budget for the increased cost for autopsies. These transfers were not part of the original budget.

The above budget transfers were funded with the savings from various departments. Commissioners' Court was able to achieve \$8,229,124 in actual savings from the total budget, with the assistance from all County departments.

JEFFERSON COUNTY, TEXAS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
 LAST TEN FISCAL YEARS

Plan Year Ended December 31	2014	2015	2016
<b>Total Pension Liability</b>			
Service Cost	\$ 8,802,884	\$ 9,087,096	\$ 10,064,449
Interest total pension liability	31,100,211	32,905,759	34,577,662
Effect of plan changes	-	( 1,753,160)	-
Effect of assumption changes or inputs	-	4,437,711	-
Effect of economic/demographic (gains) or losses	970,401	( 1,826,418)	( 3,026,782)
Benefit payments/refunds of contributions	( 19,372,249)	( 20,730,737)	( 22,041,227)
Net change in total pension liability	\$ 21,501,247	\$ 22,120,251	\$ 19,574,102
Total pension liability - beginning	<u>389,135,022</u>	<u>410,636,269</u>	<u>432,756,520</u>
Total pension liability - ending (a)	<u>\$ 410,636,269</u>	<u>\$ 432,756,520</u>	<u>\$ 452,330,622</u>
<b>Plan Fiduciary Net Position</b>			
Employer contributions	\$ 11,131,001	\$ 12,012,562	\$ 11,654,736
Member contributions	4,514,879	4,761,495	4,632,780
Investment income net of investment expenses	23,395,891	1,207,991	26,503,470
Benefit payments refunds of contributions	( 19,372,249)	( 20,730,737)	( 22,041,227)
Administrative expenses	( 270,923)	( 259,107)	( 288,421)
Other	<u>445,436</u>	<u>72,744</u>	<u>( 1,075,190)</u>
Net change in plan fiduciary net position	\$ 19,844,035	\$( 2,935,052)	\$ 19,386,148
Plan fiduciary net position - beginning	<u>341,923,940</u>	<u>361,767,975</u>	<u>358,832,923</u>
Plan fiduciary net position - ending (b)	<u>\$ 361,767,975</u>	<u>\$ 358,832,923</u>	<u>\$ 378,219,071</u>
Net pension liability - ending (a) - (b)	<u>\$ 48,868,294</u>	<u>\$ 73,923,597</u>	<u>\$ 74,111,551</u>
Fiduciary net position as a percentage of total pension liability	88.10%	82.92%	83.62%
Pensionable covered payroll	\$ 63,934,561	\$ 68,021,353	\$ 66,182,567
Net pension liability as a percentage of covered payroll	76.43%	108.68%	111.98%

\* Reporting began in fiscal year 2015.

**JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<b>Fiscal Year Ended</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Employer Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Pensionable Covered Payroll (1)</b>	<b>Actual Contribution as a % of Covered Payroll</b>
2014	\$ 10,889,473	\$ 10,889,473	\$ -	\$ 63,521,999	17.1%
2015	11,476,313	11,476,313	-	65,197,649	17.6%
2016	11,644,582	11,644,582	-	66,074,018	17.6%
2017	11,699,132	11,699,132	-	67,589,717	17.3%

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

\* Reporting began in FY 2014.

**JEFFERSON COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

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

**Methods and assumptions used to determine contribution rates:**

<b>Actuarial Cost Method</b>	Entry Age
<b>Amortization Method</b>	Level percentage of payroll, closed
<b>Remaining Amortization Period</b>	13.0 years (based on contribution rate calculated in 12/31/2016 valuation)
<b>Asset Valuation Method</b>	5-year smoothed market
<b>Inflation</b>	3.0%
<b>Salary Increases</b>	Varies by age and service. 4.9% average over career including inflation.
<b>Investment Rate of Return</b>	8.0%, net of investment expenses, including inflation
<b>Retirement Age</b>	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.
<b>Mortality</b>	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.
<b>Changes in Plan Provisions Reflected in the Schedule*</b>	2015: No changes in plan provisions. 2016: No changes in plan provisions.

\* Only changes effective 2015 and later are shown in the Notes in Schedule.

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

Fiscal Year	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)* (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2015	10/1/2014	\$0	\$170,556,354	\$170,556,354	0%	\$65,067,626	262.12%
2016	10/1/2015	\$0	\$181,924,768	\$181,924,768	0%	\$66,420,345	273.90%
2017	10/1/2016	\$0	\$211,892,636	\$211,892,636	0%	\$61,601,520	343.97%

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

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

COMBINING AND INDIVIDUAL FUND  
INFORMATION AND OTHER  
SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>GENERAL GOVERNMENT:</b>				
TAX ASSESSOR-COLLECTOR	\$ 3,858,457	3,858,457	3,643,893	214,564
HUMAN RESOURCES	429,962	429,962	412,573	17,389
COUNTY AUDITOR	1,449,923	1,449,923	1,328,978	120,945
COUNTY CLERK	2,277,022	2,277,022	2,112,224	164,798
COUNTY JUDGE	889,895	889,895	805,286	84,609
RISK MANAGEMENT	251,816	251,816	242,195	9,621
COUNTY TREASURER	379,487	379,487	370,849	8,638
PRINTING DEPARTMENT	169,168	169,168	150,051	19,117
PURCHASING AGENT	559,482	559,482	527,822	31,660
GENERAL SERVICES	10,066,981	11,141,981	11,010,941	131,040
DATA PROCESSING	2,118,915	2,118,915	2,010,218	108,697
VOTERS REGISTRATION DEPARTMENT	106,214	106,214	93,178	13,036
ELECTIONS DEPARTMENT	840,086	840,086	655,369	184,717
VETERANS SERVICE	294,808	294,808	289,185	5,623
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 23,692,216</b>	<b>24,767,216</b>	<b>23,652,762</b>	<b>1,114,454</b>
<b>JUDICIAL AND LAW ENFORCEMENT:</b>				
DISTRICT ATTORNEY	\$ 6,600,556	6,600,556	6,247,433	353,123
DISTRICT CLERK	1,900,869	1,900,869	1,844,569	56,300
CRIMINAL DISTRICT COURT	1,495,083	1,525,083	1,488,089	36,994
58TH DISTRICT COURT	295,885	295,885	269,648	26,237
60TH DISTRICT COURT	291,462	291,462	285,487	5,975
136TH DISTRICT COURT	302,169	302,169	287,566	14,603
172ND DISTRICT COURT	292,766	292,766	271,708	21,058
252ND DISTRICT COURT	1,151,980	1,531,980	1,479,077	52,903
279TH DISTRICT COURT	398,987	398,987	369,525	29,462
317TH DISTRICT COURT	765,711	765,711	710,004	55,707
JURY	1,017,307	592,307	506,692	85,615
J.P. PRECINCT NO. 1 - PLACE NO. 1	367,606	367,606	354,180	13,426
J.P. PRECINCT NO. 1 - PLACE NO. 2	365,966	365,966	347,463	18,503
J.P. PRECINCT NO. 2	339,964	339,964	286,494	53,470
J.P. PRECINCT NO. 4	362,346	362,346	338,422	23,924
J.P. PRECINCT NO. 6	368,970	368,970	351,173	17,797
J.P. PRECINCT NO. 7	364,635	364,635	327,987	36,648
J.P. PRECINCT NO. 8	359,946	359,946	320,288	39,658
COUNTY COURT AT LAW NO. 1	478,622	478,622	465,144	13,478
COUNTY COURT AT LAW NO. 2	646,168	646,168	583,161	63,007
COUNTY COURT AT LAW NO. 3	720,898	720,898	689,627	31,271
COURT MASTER	484,152	454,152	379,703	74,449
DISPUTE RESOLUTION CENTER	244,039	244,039	207,398	36,641
JUVENILE ALTERNATIVE SCHOOL	394,076	394,076	363,703	30,373
COMMUNITY SUPERVISION	19,082	19,082	17,272	1,810
SHERIFF	13,370,343	13,454,198	12,432,170	1,022,028
CRIME LABORATORY	1,342,160	1,342,460	1,214,322	128,138
JAIL	27,849,155	27,160,000	25,966,270	1,193,730
JUVENILE CORRECTIONAL PROBATION	1,589,282	1,589,282	1,235,181	354,101
JUVENILE DETENTION HOME	2,106,820	2,106,820	1,861,683	245,137
CONSTABLE PRECINCT NO. 1	811,364	811,364	758,693	52,671
CONSTABLE PRECINCT NO. 2	448,812	448,812	422,961	25,851
CONSTABLE PRECINCT NO. 4	461,861	461,861	432,195	29,666
CONSTABLE PRECINCT NO. 6	585,912	585,912	576,006	9,906
CONSTABLE PRECINCT NO. 7	438,613	438,613	396,598	42,015
CONSTABLE PRECINCT NO. 8	433,225	433,225	418,896	14,419
COUNTY MORGUE	785,000	905,000	894,439	10,561
<b>TOTAL JUDICIAL AND LAW ENFORCEMENT</b>	<b>\$ 70,251,792</b>	<b>69,721,792</b>	<b>65,401,137</b>	<b>4,320,655</b>

[CONTINUED]

JEFFERSON COUNTY, TEXAS  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>EDUCATION AND RECREATION:</b>				
AGRICULTURAL EXTENSION SERVICE	\$ 409,333	409,333	356,398	52,935
TOTAL EDUCATION AND RECREATION	\$ 409,333	409,333	356,398	52,935
<b>HEALTH AND WELFARE:</b>				
PUBLIC HEALTH UNIT 1	\$ 1,258,276	1,264,776	1,188,081	76,695
PUBLIC HEALTH UNIT 2	1,241,175	1,234,675	1,123,433	111,242
NURSE PRACTITIONER	305,055	305,055	299,201	5,854
CHILD WELFARE	120,000	120,000	106,506	13,494
ENVIRONMENTAL CONTROL	386,151	386,151	349,179	36,972
INDIGENT MEDICAL SERVICE	4,901,207	4,901,207	4,864,419	36,788
MOSQUITO CONTROL	2,228,867	2,228,867	1,994,007	234,860
EMERGENCY MANAGEMENT	227,894	227,894	217,332	10,562
TOBACCO SETTLEMENT FUND	100,000	100,000	100,000	-
TOTAL HEALTH AND WELFARE	\$ 10,768,625	10,768,625	10,242,158	526,467
<b>MAINTENANCE - EQUIPMENT &amp; STRUCTURES:</b>				
COURTHOUSE & ANNEXES	\$ 2,773,185	2,773,185	2,553,587	219,598
PORT ARTHUR BUILDINGS	764,730	760,856	683,930	76,926
MID-COUNTY BUILDINGS	219,636	219,636	190,163	29,473
ROAD & BRIDGE PCT. 1	1,891,088	1,891,088	1,558,011	333,077
ROAD & BRIDGE PCT. 2	1,721,091	1,721,091	1,516,358	204,733
ROAD & BRIDGE PCT. 3	1,835,539	1,807,350	1,599,737	207,613
ROAD & BRIDGE PCT. 4	2,013,137	2,016,337	1,635,983	380,354
ENGINEERING	996,435	996,435	873,440	122,995
PARKS & RECREATION	181,315	178,115	102,589	75,526
SERVICE CENTER	1,115,164	1,115,164	959,635	155,529
TOTAL MAINTENANCE - EQUIPMENT & STRUCTURES	\$ 13,511,320	13,479,257	11,673,433	1,805,824
<b>CAPITAL OUTLAY:</b>				
	\$ -	-	-	-
TOTAL OPERATING EXPENDITURES	\$ 118,633,286	119,146,223	111,325,888	7,820,335
<b>OTHER FINANCING USES:</b>				
TRANSFERS OUT	\$ 4,751,694	4,238,757	3,829,968	408,789
TOTAL OTHER FINANCING USES	\$ 4,751,694	4,238,757	3,829,968	408,789
TOTAL GENERAL FUND EXPENDITURES	\$ 123,384,980	123,384,980	115,155,856	8,229,124

NONMAJOR GOVERNMENTAL FUNDS

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - SUMMARY  
 SEPTEMBER 30, 2017

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 12,904,794	3,885,432	660,085	17,450,311
ACCOUNTS RECEIVABLE, Net	213,937	-	-	213,937
INTEREST RECEIVABLE	4,836	1,729	296	6,861
DUE FROM OTHER FUNDS	2	-	-	2
DUE FROM OTHER GOVERNMENTAL ENTITIES	1,079,483	430,101	-	1,509,584
DELINQUENT TAXES RECEIVABLE, Net	-	-	104,346	104,346
PENALTY AND INTEREST RECEIVABLE, Net	-	-	54,401	54,401
INVENTORY, At Cost	16,009	-	-	16,009
PREPAID ITEM	387	-	-	387
<b>TOTAL ASSETS</b>	<b>\$ 14,219,448</b>	<b>4,317,262</b>	<b>819,128</b>	<b>19,355,838</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 844,744	49,947	-	894,691
DUE TO OTHER FUNDS	744,418	430,101	-	1,174,519
DUE TO OTHER GOVERNMENTAL ENTITIES	1,126,500	-	-	1,126,500
UNEARNED REVENUE	670,875	-	-	670,875
<b>TOTAL LIABILITIES</b>	<b>\$ 3,386,537</b>	<b>480,048</b>	<b>-</b>	<b>3,866,585</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE- PROPERTY TAXES	\$ -	-	143,424	143,424
UNAVAILABLE REVENUE- GRANTS	19,668	-	-	19,668
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 19,668</b>	<b>-</b>	<b>143,424</b>	<b>163,092</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ 16,009	-	-	16,009
PREPAID ITEMS	387	-	-	387
<b>RESTRICTED FOR:</b>				
DEBT SERVICE	-	-	675,704	675,704
CONSTRUCTION	-	58,374	-	58,374
PUBLIC INTEREST	3,276,229	-	-	3,276,229
JUDICIAL & LAW ENFORCEMENT	5,566,451	-	-	5,566,451
EDUCATION & RECREATION	1,558,319	-	-	1,558,319
HEALTH & WELFARE	69,525	-	-	69,525
MAINTENANCE OF STRUCTURES & EQUIPMENT	345,991	2,242,146	-	2,588,137
ASSIGNED FOR CAPITAL PROJECTS	-	1,536,694	-	1,536,694
UNASSIGNED (DEFICIT)	(19,668)	-	-	(19,668)
<b>TOTAL FUND BALANCES</b>	<b>\$ 10,813,243</b>	<b>3,837,214</b>	<b>675,704</b>	<b>15,326,161</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 14,219,448</b>	<b>4,317,262</b>	<b>819,128</b>	<b>19,355,838</b>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SUMMARY  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
PROPERTY TAXES	\$ -	-	6,187,068	6,187,068
SALES TAXES	1,187,625	-	-	1,187,625
FEES	4,448,787	-	-	4,448,787
INTERGOVERNMENTAL	8,454,539	3,427,917	-	11,882,456
SALES, RENTAL & SERVICES	707,607	58,360	-	765,967
FINES AND FORFEITURES	234,668	-	-	234,668
CONTRIBUTIONS AND DONATIONS	6,480	-	-	6,480
INTEREST	47,078	18,955	12,551	78,584
<b>TOTAL REVENUES</b>	<b>\$ 15,086,784</b>	<b>3,505,232</b>	<b>6,199,619</b>	<b>24,791,635</b>
<b>EXPENDITURES:</b>				
<b>CURRENT</b>				
GENERAL GOVERNMENT	\$ 633,618	-	-	633,618
JUDICIAL AND LAW ENFORCEMENT	13,914,841	-	-	13,914,841
EDUCATION AND RECREATION	1,563,527	-	-	1,563,527
HEALTH AND WELFARE	98,933	-	-	98,933
MAINTENANCE OF STRUCTURES AND EQUIPMENT	592	-	-	592
CAPITAL OUTLAY	-	6,039,315	-	6,039,315
DEBT SERVICE				
PRINCIPAL	-	332,110	4,690,000	5,022,110
INTEREST AND COMMISSION	-	37,725	1,415,454	1,453,179
<b>TOTAL EXPENDITURES</b>	<b>\$ 16,211,511</b>	<b>6,409,150</b>	<b>6,105,454</b>	<b>28,726,115</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (1,124,727)</b>	<b>(2,903,918)</b>	<b>94,165</b>	<b>(3,934,480)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ 1,273,752	196,096	24,800	1,494,648
TRANSFERS OUT	(231,826)	(164,032)	(24,800)	(420,658)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 1,041,926</b>	<b>32,064</b>	<b>-</b>	<b>1,073,990</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (82,801)</b>	<b>(2,871,854)</b>	<b>94,165</b>	<b>(2,860,490)</b>
FUND BALANCES, BEGINNING	\$ 10,854,486	6,709,068	581,539	18,145,093
PRIOR PERIOD ADJUSTMENT	41,558	-	-	41,558
<b>FUND BALANCE, BEGINNING (Restated)</b>	<b>\$ 10,896,044</b>	<b>6,709,068</b>	<b>581,539</b>	<b>18,186,651</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 10,813,243</b>	<b>3,837,214</b>	<b>675,704</b>	<b>15,326,161</b>

## SPECIAL REVENUE FUNDS

## SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

**ASAP Constable Pct 2 Program** - This fund is used to account for fees collected from the Port Arthur Independent School for the administration of the Absent Student Assistance Program (ASAP) by the Constable Pct. 2 and the expenditure of those funds for the program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- Juvenile Probation and Detention - State Aid
- Pretrial Diversion Programs
- IV-E Foster Care Fund
- Juvenile Grant A - State Aid
- Mentally Impaired Offenders
- Community Supervision

Women's Center  
Juvenile Grant R  
Community Corrections  
DWI Pretrial Diversion  
Juvenile Drug Court  
Drug Diversion Program  
Juvenile TJPC A

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

Family Group Conferencing  
Sheriff Training Grant  
JAG Grant  
Sheriff Dept Grants  
SCAAP Grant  
Crime Victims Clearing - 1  
Regional Communication  
Crime Victims Clearing - 2  
EMPG Grant  
DANY Grant  
Port Security Grants  
Auto Theft Grant  
Drug Intervention Grant  
Violence Against Women - 1  
Violence Against Women - 2  
Family Treatment Court  
Body-Worn Camera Grants  
Cheek Water and Sewer Phase 5  
CJD Sheriff Grants



JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
SEPTEMBER 30, 2017

	LATERAL ROAD FUNDS	BREATH ALCOHOL TESTING FUND	LAW LIBRARY FUND	JUVENILE PROBATION & DETENTION FUND
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 345,835	27,383	7,949	613,580
ACCOUNTS RECEIVABLE, Net	-	-	-	-
INTEREST RECEIVABLE	156	12	-	282
DUE FROM OTHER FUNDS	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	10,288
INVENTORY, At Cost	-	-	-	-
PREPAID ITEMS	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 345,991</b>	<b>27,395</b>	<b>7,949</b>	<b>624,150</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	56	7,442	1,954
DUE TO OTHER FUNDS	-	-	-	-
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>56</b>	<b>7,442</b>	<b>1,954</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	\$ -	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ -	-	-	-
PREPAID ITEMS	-	-	-	-
<b>RESTRICTED FOR:</b>				
PUBLIC INTEREST	-	-	-	-
JUDICIAL & LAW ENFORCEMENT	-	27,339	-	622,196
EDUCATION & RECREATION	-	-	507	-
HEALTH & WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	345,991	-	-	-
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 345,991</b>	<b>27,339</b>	<b>507</b>	<b>622,196</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 345,991</b>	<b>27,395</b>	<b>7,949</b>	<b>624,150</b>

COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	ASAP CONSTABLE PCT 2 PROGRAM	COUNTY RECORDS MGMT. AND PRESERVATION FUND
1,123,092	1,059,729	-	731,330
-	-	35,418	-
494	465	-	326
-	-	-	-
-	-	45,716	-
-	-	-	-
-	-	-	-
<u>1,123,586</u>	<u>1,060,194</u>	<u>81,134</u>	<u>731,656</u>
61,820	15,140	33,330	2,313
-	-	47,804	-
-	-	-	-
-	-	-	-
<u>61,820</u>	<u>15,140</u>	<u>81,134</u>	<u>2,313</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,061,766	1,045,054	-	729,343
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>1,061,766</u>	<u>1,045,054</u>	<u>-</u>	<u>729,343</u>
<u>1,123,586</u>	<u>1,060,194</u>	<u>81,134</u>	<u>731,656</u>

[CONTINUED]

JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
SEPTEMBER 30, 2017

	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	COUNTY & DISTRICT COURT TECHNOLOGY FUND
<b>ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$ 115,008	1,435,265	17,456
ACCOUNTS RECEIVABLE, Net	-	147,653	-
INTEREST RECEIVABLE	51	603	8
DUE FROM OTHER FUNDS	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-
INVENTORY, At Cost	-	-	-
PREPAID ITEMS	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 115,059</b>	<b>1,583,521</b>	<b>17,464</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
<b>LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$ -	25,709	266
DUE TO OTHER FUNDS	-	-	-
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>25,709</b>	<b>266</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
UNAVAILABLE REVENUE-GRANTS	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>			
<b>NONSPENDABLE FOR:</b>			
INVENTORY	\$ -	-	-
PREPAID ITEMS	-	-	-
<b>RESTRICTED FOR:</b>			
PUBLIC INTEREST	-	-	-
JUDICIAL & LAW ENFORCEMENT	115,059	-	17,198
EDUCATION & RECREATION	-	1,557,812	-
HEALTH & WELFARE	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	-
UNASSIGNED (DEFICIT)	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 115,059</b>	<b>1,557,812</b>	<b>17,198</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 115,059</b>	<b>1,583,521</b>	<b>17,464</b>

SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY FORFEITURE FUND	HOT CHECK FUND	JP COURTROOM TECHNOLOGY FUND
43,440	173,280	11,305	15,457	491,320	73,475	584,166
-	-	-	-	-	-	-
20	78	-	6	1	-	263
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>43,460</u>	<u>173,358</u>	<u>11,305</u>	<u>15,463</u>	<u>491,321</u>	<u>73,475</u>	<u>584,429</u>
6,257	-	11,267	-	-	1,101	228
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,257</u>	<u>-</u>	<u>11,267</u>	<u>-</u>	<u>-</u>	<u>1,101</u>	<u>228</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	173,358	38	-	-	-	-
37,203	-	-	15,463	491,321	72,374	584,201
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>37,203</u>	<u>173,358</u>	<u>38</u>	<u>15,463</u>	<u>491,321</u>	<u>72,374</u>	<u>584,201</u>
<u>43,460</u>	<u>173,358</u>	<u>11,305</u>	<u>15,463</u>	<u>491,321</u>	<u>73,475</u>	<u>584,429</u>

[CONTINUED]

JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
SEPTEMBER 30, 2017

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	CHILD ABUSE PREVENTION	SHERIFF'S SPECIAL REVENUE FUNDS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 8,508	23,826	10,892	1,686,566
ACCOUNTS RECEIVABLE, Net	-	-	-	21,691
INTEREST RECEIVABLE	3	11	5	231
DUE FROM OTHER FUNDS	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	656,782
INVENTORY, At Cost	-	-	-	11,031
PREPAID ITEMS	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 8,511</b>	<b>23,837</b>	<b>10,897</b>	<b>2,376,301</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 796	-	-	199,654
DUE TO OTHER FUNDS	-	-	-	559,961
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-	-
UNEARNED REVENUE - GRANTS	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 796</b>	<b>-</b>	<b>-</b>	<b>759,615</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ -	-	-	11,031
PREPAID ITEMS	-	-	-	-
<b>RESTRICTED FOR:</b>				
PUBLIC INTEREST	-	23,837	-	-
JUDICIAL & LAW ENFORCEMENT	7,715	-	10,897	1,605,655
EDUCATION & RECREATION	-	-	-	-
HEALTH & WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES & EQUIPMENT	-	-	-	-
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 7,715</b>	<b>23,837</b>	<b>10,897</b>	<b>1,616,686</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 8,511</b>	<b>23,837</b>	<b>10,897</b>	<b>2,376,301</b>

GUARDIANSHIP FEE FUND	JUVENILE DELINQUENCY PREVENTION	DISTRICT COURT RECORDS TECHNOLOGY	PROBATION DEPARTMENT FUNDS	GRANT FUNDS	TOTAL
242,924	20,817	23,613	3,756,954	261,624	12,904,794
-	-	-	8,953	222	213,937
109	9	9	1,577	117	4,836
-	-	-	2	-	2
-	-	-	238,548	128,149	1,079,483
-	-	-	4,978	-	16,009
-	-	-	387	-	387
<u>243,033</u>	<u>20,826</u>	<u>23,622</u>	<u>4,011,399</u>	<u>390,112</u>	<u>14,219,448</u>
200	-	-	432,732	44,479	844,744
-	-	-	53,615	83,038	744,418
-	-	-	1,126,500	-	1,126,500
-	-	-	670,875	-	670,875
<u>200</u>	<u>-</u>	<u>-</u>	<u>2,283,722</u>	<u>127,517</u>	<u>3,386,537</u>
-	-	-	-	19,668	19,668
-	-	-	-	19,668	19,668
-	-	-	4,978	-	16,009
-	-	-	387	-	387
242,833	-	-	-	-	3,276,229
-	20,826	23,622	1,722,312	193,070	5,566,451
-	-	-	-	-	1,558,319
-	-	-	-	69,525	69,525
-	-	-	-	-	345,991
-	-	-	-	(19,668)	(19,668)
<u>242,833</u>	<u>20,826</u>	<u>23,622</u>	<u>1,727,677</u>	<u>242,927</u>	<u>10,813,243</u>
<u>243,033</u>	<u>20,826</u>	<u>23,622</u>	<u>4,011,399</u>	<u>390,112</u>	<u>14,219,448</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	LATERAL ROAD FUND	BREATH ALCOHOL TESTING FUND	LAW LIBRARY FUND	JUVENILE PROBATION & DETENTION FUND
REVENUES:				
TAXES	\$ -	-	-	-
FEES	-	5,717	53,280	23,336
FINES AND FORFEITURES	-	-	-	-
SALES, RENTAL & SERVICES	-	-	150	-
INTERGOVERNMENTAL	29,244	-	-	69,220
INTEREST	1,447	114	1	2,533
CONTRIBUTIONS AND DONATIONS	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 30,691</b>	<b>5,831</b>	<b>53,431</b>	<b>95,089</b>
EXPENDITURES:				
GENERAL GOVERNMENT	\$ -	-	-	-
JUDICIAL AND LAW ENFORCEMENT	-	6,202	-	71,964
EDUCATION AND RECREATION	-	-	53,318	-
HEALTH AND WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	592	-	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 592</b>	<b>6,202</b>	<b>53,318</b>	<b>71,964</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 30,099	(371)	113	23,125
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	\$ -	-	-	72,092
TRANSFERS OUT	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>72,092</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 30,099</b>	<b>(371)</b>	<b>113</b>	<b>95,217</b>
FUND BALANCES, BEGINNING	\$ 315,892	27,710	394	526,979
PRIOR PERIOD ADJUSTMENT	-	-	-	-
<b>FUND BALANCES, BEGINNING (Restated)</b>	<b>\$ 315,892</b>	<b>27,710</b>	<b>394</b>	<b>526,979</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 345,991</b>	<b>27,339</b>	<b>507</b>	<b>622,196</b>

COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	ASAP CONSTABLE PCT 2 PROGRAM	COUNTY RECORDS MGMT. AND PRESERVATION FUND
-	-	-	-
392,234	405,036	-	114,381
-	-	-	-
-	-	4,016	-
-	-	772,632	-
4,512	4,016	-	2,976
-	-	-	-
<u>396,746</u>	<u>409,052</u>	<u>776,648</u>	<u>117,357</u>
354,579	177,643	-	89,943
-	-	776,648	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>354,579</u>	<u>177,643</u>	<u>776,648</u>	<u>89,943</u>
42,167	231,409	-	27,414
-	-	-	-
-	-	-	-
-	-	-	-
<u>42,167</u>	<u>231,409</u>	<u>-</u>	<u>27,414</u>
1,019,599	813,645	-	701,929
-	-	-	-
<u>1,019,599</u>	<u>813,645</u>	<u>-</u>	<u>701,929</u>
<u>1,061,766</u>	<u>1,045,054</u>	<u>-</u>	<u>729,343</u>

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	COUNTY & DISTRICT COURT TECHNOLOGY FUND
<b>REVENUES:</b>			
TAXES	\$ -	1,187,625	-
FEEs	9,918	-	5,321
FINES AND FORFEITURES	-	-	-
SALES, RENTAL & SERVICES	-	37,096	-
INTERGOVERNMENTAL	-	-	-
INTEREST	467	5,600	72
CONTRIBUTIONS AND DONATIONS	-	275	-
<b>TOTAL REVENUES</b>	<b>\$ 10,385</b>	<b>1,230,596</b>	<b>5,393</b>
<b>EXPENDITURES:</b>			
GENERAL GOVERNMENT	\$ -	-	-
JUDICIAL AND LAW ENFORCEMENT	-	-	9,007
EDUCATION AND RECREATION	-	1,510,209	-
HEALTH AND WELFARE	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-
CAPITAL OUTLAY	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>1,510,209</b>	<b>9,007</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 10,385</b>	<b>(279,613)</b>	<b>(3,614)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
TRANSFERS IN	\$ -	-	-
TRANSFERS OUT	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 10,385</b>	<b>(279,613)</b>	<b>(3,614)</b>
FUND BALANCES, BEGINNING	\$ 104,674	1,837,425	20,812
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCES, BEGINNING (Restated)	\$ 104,674	1,837,425	20,812
FUND BALANCES, ENDING	<u>\$ 115,059</u>	<u>1,557,812</u>	<u>17,198</u>

SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY FORFEITURE FUND	HOT CHECK FUND	JP COURTROOM TECHNOLOGY FUND
-	-	-	-	-	-	-
-	5,278	-	13,875	-	11,668	39,713
-	-	-	-	223,108	-	-
100	-	-	-	-	-	-
29,250	-	-	-	-	-	-
191	1,651	-	43	601	-	2,429
-	-	-	-	-	-	-
<u>29,541</u>	<u>6,929</u>	<u>-</u>	<u>13,918</u>	<u>223,709</u>	<u>11,668</u>	<u>42,142</u>
-	-	-	-	-	-	-
21,730	-	-	15,000	77,885	6,090	15,066
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>21,730</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>77,885</u>	<u>6,090</u>	<u>15,066</u>
<u>7,811</u>	<u>6,929</u>	<u>-</u>	<u>(1,082)</u>	<u>145,824</u>	<u>5,578</u>	<u>27,076</u>
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,811</u>	<u>6,929</u>	<u>-</u>	<u>(1,082)</u>	<u>145,824</u>	<u>5,578</u>	<u>27,076</u>
29,392	166,429	38	16,545	345,497	66,796	557,125
-	-	-	-	-	-	-
<u>29,392</u>	<u>166,429</u>	<u>38</u>	<u>16,545</u>	<u>345,497</u>	<u>66,796</u>	<u>557,125</u>
<u>37,203</u>	<u>173,358</u>	<u>38</u>	<u>15,463</u>	<u>491,321</u>	<u>72,374</u>	<u>584,201</u>

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	CHILD ABUSE PREVENTION	SHERIFF'S SPECIAL REVENUE FUNDS
<b>REVENUES:</b>				
TAXES	\$ -	-	-	-
FEES	15,850	24,023	1,744	542,421
FINES AND FORFEITURES	-	-	-	11,560
SALES, RENTAL & SERVICES	-	-	-	666,245
INTERGOVERNMENTAL	-	-	-	2,178,407
INTEREST	24	69	43	3,823
CONTRIBUTIONS AND DONATIONS	-	-	-	5,150
<b>TOTAL REVENUES</b>	<u>\$ 15,874</u>	<u>24,092</u>	<u>1,787</u>	<u>3,407,606</u>
<b>EXPENDITURES:</b>				
GENERAL GOVERNMENT	\$ -	9,453	-	-
JUDICIAL AND LAW ENFORCEMENT	12,420	-	-	3,994,660
EDUCATION AND RECREATION	-	-	-	-
HEALTH AND WELFARE	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>\$ 12,420</u>	<u>9,453</u>	<u>-</u>	<u>3,994,660</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 3,454</u>	<u>14,639</u>	<u>1,787</u>	<u>(587,054)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	620,000
TRANSFERS OUT	-	-	-	(200,679)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>419,321</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 3,454</u>	<u>14,639</u>	<u>1,787</u>	<u>(167,733)</u>
FUND BALANCES, BEGINNING	\$ 4,261	9,198	9,110	1,784,419
PRIOR PERIOD ADJUSTMENT	-	-	-	-
FUND BALANCES, BEGINNING (Restated)	<u>\$ 4,261</u>	<u>9,198</u>	<u>9,110</u>	<u>1,784,419</u>
FUND BALANCES, ENDING	<u>\$ 7,715</u>	<u>23,837</u>	<u>10,897</u>	<u>1,616,686</u>

GUARDIANSHIP FEE FUND	JUVENILE DELINQUENCY PREVENTION	DISTRICT COURT RECORDS TECHNOLOGY	PROBATION DEPARTMENT FUNDS	GRANT FUNDS	TOTAL
-	-	-	-	-	1,187,625
26,800	-	31,360	2,726,832	-	4,448,787
-	-	-	-	-	234,668
-	-	-	-	-	707,607
-	-	-	4,789,926	585,860	8,454,539
979	193	88	14,535	671	47,078
-	-	-	-	1,055	6,480
<u>27,779</u>	<u>193</u>	<u>31,448</u>	<u>7,531,293</u>	<u>587,586</u>	<u>15,086,784</u>
2,000	-	-	-	-	633,618
-	62,373	44,373	7,786,686	1,014,737	13,914,841
-	-	-	-	-	1,563,527
-	-	-	-	98,933	98,933
-	-	-	-	-	592
-	-	-	-	-	-
<u>2,000</u>	<u>62,373</u>	<u>44,373</u>	<u>7,786,686</u>	<u>1,113,670</u>	<u>16,211,511</u>
<u>25,779</u>	<u>(62,180)</u>	<u>(12,925)</u>	<u>(255,393)</u>	<u>(526,084)</u>	<u>(1,124,727)</u>
-	-	-	3,119	578,541	1,273,752
-	-	-	(3,871)	(27,276)	(231,826)
-	-	-	(752)	551,265	1,041,926
<u>25,779</u>	<u>(62,180)</u>	<u>(12,925)</u>	<u>(256,145)</u>	<u>25,181</u>	<u>(82,801)</u>
217,054	83,006	36,547	1,942,264	217,746	10,854,486
-	-	-	41,558	-	41,558
<u>217,054</u>	<u>83,006</u>	<u>36,547</u>	<u>1,983,822</u>	<u>217,746</u>	<u>10,896,044</u>
<u>242,833</u>	<u>20,826</u>	<u>23,622</u>	<u>1,727,677</u>	<u>242,927</u>	<u>10,813,243</u>



**JEFFERSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS**  
**SEPTEMBER 30, 2017**

	JUVENILE PROBATION AND DETENTION-- STATE AID	PRETRIAL DIVERSION PROGRAMS	IV-E FOSTER CARE FUND	JUVENILE GRANT A - STATE AID
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 29,278	14,905	503,424	41,962
ACCOUNTS RECEIVABLE, Net	-	-	-	-
INTEREST RECEIVABLE	-	5	227	-
DUE FROM OTHER FUNDS	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	6,078	-	-	165,478
INVENTORY, At Cost	-	-	-	-
PREPAID ITEMS	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 35,356</b>	<b>14,910</b>	<b>503,651</b>	<b>207,440</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 2,690	2,007	812	70,682
DUE TO OTHER FUNDS	-	-	-	-
DUE TO OTHER GOVERNMENTAL ENTITIES	-	-	-	-
UNEARNED REVENUE	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 2,690</b>	<b>2,007</b>	<b>812</b>	<b>70,682</b>
<b>FUND BALANCES:</b>				
<b>NONSPENDABLE FOR:</b>				
INVENTORY	\$ -	-	-	-
PREPAID ITEMS	-	-	-	-
RESTRICTED FOR: JUDICIAL & LAW ENFORCEMENT	32,666	12,903	502,839	136,758
UNASSIGNED (DEFICIT)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 32,666</b>	<b>12,903</b>	<b>502,839</b>	<b>136,758</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 35,356</b>	<b>14,910</b>	<b>503,651</b>	<b>207,440</b>

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JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 SEPTEMBER 30, 2017

		MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	WOMEN'S CENTER	JUVENILE GRANT R
<b>ASSETS:</b>					
CASH AND CASH EQUIVALENTS	\$	84,888	1,444,370	793,192	-
ACCOUNTS RECEIVABLE, Net		-	2,640	6,313	-
INTEREST RECEIVABLE		-	1,244	-	-
DUE FROM OTHER FUNDS		-	2	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES		-	-	-	-
INVENTORY, At Cost		-	-	4,978	-
PREPAID ITEMS		-	387	-	-
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>84,888</u></b>	<b><u>1,448,643</u></b>	<b><u>804,483</u></b>	<b><u>-</u></b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$	6,642	210,279	75,403	-
DUE TO OTHER FUNDS		-	-	-	-
DUE TO OTHER GOVERNMENTAL ENTITIES		52,457	230,515	463,267	-
UNEARNED REVENUE		23,361	239,792	241,103	-
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b><u>82,460</u></b>	<b><u>680,586</u></b>	<b><u>779,773</u></b>	<b><u>-</u></b>
<b>FUND BALANCES:</b>					
NONSPENDABLE FOR INVENTORY	\$	-	-	4,978	-
PREPAID ITEMS		-	387	-	-
RESTRICTED FOR: JUDICIAL & LAW ENFORCEMENT		2,428	767,670	19,732	-
UNASSIGNED (DEFICIT)		-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b><u>2,428</u></b>	<b><u>768,057</u></b>	<b><u>24,710</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$</b>	<b><u>84,888</u></b>	<b><u>1,448,643</u></b>	<b><u>804,483</u></b>	<b><u>-</u></b>

COMMUNITY CORRECTIONS	DWI PRETRIAL DIVERSION	JUVENILE DRUG COURT	DRUG DIVERSION PROGRAM	JUVENILE TJPC A	TOTAL
509,717	228,340	-	106,878	-	3,756,954
-	-	-	-	-	8,953
-	101	-	-	-	1,577
-	-	-	-	-	2
-	-	66,992	-	-	238,548
-	-	-	-	-	4,978
-	-	-	-	-	387
<u>509,717</u>	<u>228,441</u>	<u>66,992</u>	<u>106,878</u>	<u>-</u>	<u>4,011,399</u>
23,008	2,053	13,377	25,779	-	432,732
-	-	53,615	-	-	53,615
380,261	-	-	-	-	1,126,500
92,243	-	-	74,376	-	670,875
<u>495,512</u>	<u>2,053</u>	<u>66,992</u>	<u>100,155</u>	<u>-</u>	<u>2,283,722</u>
-	-	-	-	-	4,978
-	-	-	-	-	387
14,205	226,388	-	6,723	-	1,722,312
-	-	-	-	-	-
<u>14,205</u>	<u>226,388</u>	<u>-</u>	<u>6,723</u>	<u>-</u>	<u>1,727,677</u>
<u>509,717</u>	<u>228,441</u>	<u>66,992</u>	<u>106,878</u>	<u>-</u>	<u>4,011,399</u>



JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	JUVENILE PROBATION AND DETENTION-- STATE AID	PRETRIAL DIVERSION PROGRAMS	IV-E FOSTER CARE FUND	JUVENILE GRANT A - STATE AID
REVENUES:				
FEES	\$ -	46,578	-	-
INTERGOVERNMENTAL	56,222	-	-	1,533,043
INTEREST	-	28	2,118	-
	<u>56,222</u>	<u>46,606</u>	<u>2,118</u>	<u>1,533,043</u>
TOTAL REVENUES	\$ 56,222	46,606	2,118	1,533,043
EXPENDITURES:				
JUDICIAL AND LAW ENFORCEMENT	\$ 54,458	33,703	10,628	1,432,217
CAPITAL OUTLAY	-	-	-	-
	<u>54,458</u>	<u>33,703</u>	<u>10,628</u>	<u>1,432,217</u>
TOTAL EXPENDITURES	\$ 54,458	33,703	10,628	1,432,217
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 1,764	12,903	(8,510)	100,826
OTHER FINANCIAL SOURCES (USES):				
TRANSFERS IN	\$ -	-	-	-
TRANSFERS OUT	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	-	-	-
NET CHANGE IN FUND BALANCES	\$ 1,764	12,903	(8,510)	100,826
FUND BALANCES, BEGINNING	(13,394)	-	511,349	35,932
PRIOR PERIOD ADJUSTMENT	44,296	-	-	-
	<u>30,902</u>	<u>-</u>	<u>511,349</u>	<u>35,932</u>
FUND BALANCES, OCTOBER 1 (Restated)	\$ 30,902	-	511,349	35,932
FUND BALANCES, ENDING	\$ 32,666	12,903	502,839	136,758

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JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	WOMEN'S CENTER	JUVENILE GRANT R
<b>REVENUES:</b>				
FEEs	\$ -	2,322,764	176,595	-
INTERGOVERNMENTAL	87,615	1,394,569	983,354	-
INTEREST	-	10,897	-	1
<b>TOTAL REVENUES</b>	<b>\$ 87,615</b>	<b>3,728,230</b>	<b>1,159,949</b>	<b>1</b>
<b>EXPENDITURES:</b>				
JUDICIAL AND LAW ENFORCEMENT	\$ 116,017	3,761,262	1,371,474	266
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 116,017</b>	<b>3,761,262</b>	<b>1,371,474</b>	<b>266</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (28,402)</b>	<b>(33,032)</b>	<b>(211,525)</b>	<b>(265)</b>
<b>OTHER FINANCIAL SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	-
TRANSFERS OUT	-	(3,119)	-	(3)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>(3,119)</b>	<b>-</b>	<b>(3)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (28,402)</b>	<b>(36,151)</b>	<b>(211,525)</b>	<b>(268)</b>
FUND BALANCES, BEGINNING	30,830	804,208	236,235	3,006
PRIOR PERIOD ADJUSTMENT	-	-	-	(2,738)
<b>FUND BALANCES, OCTOBER 1 (Restated)</b>	<b>\$ 30,830</b>	<b>804,208</b>	<b>236,235</b>	<b>268</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 2,428</b>	<b>768,057</b>	<b>24,710</b>	<b>-</b>

COMMUNITY CORRECTIONS	DWI PRETRIAL DIVERSION	JUVENILE DRUG COURT	DRUG DIVERSION PROGRAM	JUVENILE TJPC A	TOTAL
-	111,419	-	69,476	-	2,726,832
167,812	-	121,057	446,254	-	4,789,926
-	847	-	-	644	14,535
167,812	112,266	121,057	515,730	644	7,531,293
322,145	52,148	121,057	511,311	-	7,786,686
-	-	-	-	-	-
322,145	52,148	121,057	511,311	-	7,786,686
(154,333)	60,118	-	4,419	644	(255,393)
-	-	-	3,119	-	3,119
-	-	-	-	(749)	(3,871)
-	-	-	3,119	(749)	(752)
(154,333)	60,118	-	7,538	(105)	(256,145)
168,538	166,270	-	(815)	105	1,942,264
-	-	-	-	-	41,558
168,538	166,270	-	(815)	105	1,983,822
14,205	226,388	-	6,723	-	1,727,677

JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 SEPTEMBER 30, 2017

	FAMILY GROUP CONFERENCEING PROJECT	SHERIFF TRAINING GRANT	JAG GRANT	SHERIFF DEPT GRANTS
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 31,520	-	-	-
ACCOUNTS RECEIVABLE , Net	-	222	-	-
INTEREST RECEIVABLE	14	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	1,922	35,781	2,856
<b>TOTAL ASSETS</b>	<b>\$ 31,534</b>	<b>2,144</b>	<b>35,781</b>	<b>2,856</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	-	738	445
DUE TO OTHER FUNDS	-	2,144	35,043	2,411
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>2,144</b>	<b>35,781</b>	<b>2,856</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	\$ -	-	17,229	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ -</b>	<b>-</b>	<b>17,229</b>	<b>-</b>
<b>FUND BALANCES:</b>				
RESTRICTED FOR:				
JUDICIAL & LAW ENFORCEMENT	\$ 31,534	-	-	-
HEALTH & WELFARE	-	-	-	-
UNASSIGNED (DEFICIT)	-	-	(17,229)	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 31,534</b>	<b>-</b>	<b>(17,229)</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 31,534</b>	<b>2,144</b>	<b>35,781</b>	<b>2,856</b>

SCAAP GRANT	CRIME VICTIMS CLEARING - 1	REGIONAL COMMUNICATION	CRIME VICTIMS CLEARING - 2	EMPG GRANT	DANY GRANT
8,339	-	4,337	-	75,651	-
-	-	-	-	-	-
3	-	2	-	34	-
-	-	-	20,735	-	10,800
<u>8,342</u>	<u>-</u>	<u>4,339</u>	<u>20,735</u>	<u>75,685</u>	<u>10,800</u>
-	-	-	14,788	6,160	1,080
-	-	-	5,947	-	9,720
-	-	-	20,735	6,160	10,800
-	-	-	-	-	-
-	-	-	-	-	-
8,342	-	4,339	-	-	-
-	-	-	-	69,525	-
-	-	-	-	-	-
<u>8,342</u>	<u>-</u>	<u>4,339</u>	<u>-</u>	<u>69,525</u>	<u>-</u>
<u>8,342</u>	<u>-</u>	<u>4,339</u>	<u>20,735</u>	<u>75,685</u>	<u>10,800</u>

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**JEFFERSON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -**  
**SPECIAL REVENUE - GRANT FUNDS**  
**SEPTEMBER 30, 2017**

	<u>PORT SECURITY GRANTS</u>	<u>AUTO THEFT GRANT</u>	<u>DRUG INTERVENTION GRANT</u>	<u>VIOLENCE AGAINST WOMEN - 1</u>
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 141,777	-	-	-
ACCOUNTS RECEIVABLE , Net	-	-	-	-
INTEREST RECEIVABLE	64	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	<u>9,040</u>	<u>16,717</u>	<u>600</u>	<u>9,372</u>
<b>TOTAL ASSETS</b>	<u>\$ 150,881</u>	<u>16,717</u>	<u>600</u>	<u>9,372</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 3,450	5,354	600	-
DUE TO OTHER FUNDS	<u>-</u>	<u>11,363</u>	<u>-</u>	<u>9,372</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 3,450</u>	<u>16,717</u>	<u>600</u>	<u>9,372</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
UNAVAILABLE REVENUE-GRANTS	\$ -	1,839	600	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ -</u>	<u>1,839</u>	<u>600</u>	<u>-</u>
<b>FUND BALANCES:</b>				
RESTRICTED FOR:				
JUDICIAL & LAW ENFORCEMENT	\$ 147,431	-	-	-
HEALTH & WELFARE	-	-	-	-
UNASSIGNED (DEFICIT)	<u>-</u>	<u>(1,839)</u>	<u>(600)</u>	<u>-</u>
<b>TOTAL FUND BALANCES</b>	<u>\$ 147,431</u>	<u>(1,839)</u>	<u>(600)</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 150,881</u>	<u>16,717</u>	<u>600</u>	<u>9,372</u>

<u>VIOLENCE AGAINST WOMEN - 2</u>	<u>FAMILY TREATMENT COURT</u>	<u>BODY- WORN CAMERA GRANT</u>	<u>CHEEK WATER AND SEWER PHASE 5</u>	<u>CJD SHERIFF GRANTS</u>	<u>GRANT TOTALS</u>
-	-	-	-	-	261,624
-	-	-	-	-	222
-	-	-	-	-	117
<u>9,312</u>	<u>11,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,149</u>
<u>9,312</u>	<u>11,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,112</u>
8,425	3,439	-	-	-	44,479
<u>887</u>	<u>6,151</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,038</u>
<u>9,312</u>	<u>9,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,517</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,668</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,668</u>
-	1,424	-	-	-	193,070
-	-	-	-	-	69,525
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,668)</u>
<u>-</u>	<u>1,424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>242,927</u>
<u>9,312</u>	<u>11,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,112</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	FAMILY GROUP CONFERENCING PROJECT	SHERIFF TRAINING GRANT	JAG GRANT	SHERIFF DEPT GRANTS
<b>REVENUES:</b>				
INTERGOVERNMENTAL	\$ -	1,922	18,552	35,559
INTEREST	133	-	-	-
CONTRIBUTIONS AND DONATIONS	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 133</b>	<b>1,922</b>	<b>18,552</b>	<b>35,559</b>
<b>EXPENDITURES:</b>				
JUDICIAL AND LAW ENFORCEMENT	\$ 1,073	1,933	19,410	37,067
HEALTH & WELFARE	-	-	-	-
CAPITAL OUTLAY	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,073</b>	<b>1,933</b>	<b>19,410</b>	<b>37,067</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (940)</b>	<b>(11)</b>	<b>(858)</b>	<b>(1,508)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	-	8,110
TRANSFERS OUT	-	-	(7,234)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>(7,234)</b>	<b>8,110</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (940)</b>	<b>(11)</b>	<b>(8,092)</b>	<b>6,602</b>
FUND BALANCES, BEGINNING	32,474	11	(9,137)	(6,602)
<b>FUND BALANCES, ENDING</b>	<b>\$ 31,534</b>	<b>-</b>	<b>(17,229)</b>	<b>-</b>

SCAAP GRANT	CRIME VICTIMS CLEARING - 1	REGIONAL COMMUNICATION	CRIME VICTIMS CLEARING - 2	EMPG GRANT	DANY GRANT
4,368	-	-	93,203	-	74,800
-	-	24	-	361	-
55	-	-	-	-	-
4,423	-	24	93,203	361	74,800
13,328	-	47,905	312,191	-	74,800
-	-	-	-	62,150	-
-	-	-	-	-	-
13,328	-	47,905	312,191	62,150	74,800
(8,905)	-	(47,881)	(218,988)	(61,789)	-
-	-	-	224,366	-	-
-	(909)	-	-	-	(237)
-	(909)	-	224,366	-	(237)
(8,905)	(909)	(47,881)	5,378	(61,789)	(237)
17,247	909	52,220	(5,378)	131,314	237
8,342	-	4,339	-	69,525	-

[CONTINUED]

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -  
 SPECIAL REVENUE - GRANT FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	PORT SECURITY GRANTS	AUTO THEFT GRANT	DRUG INTERVENTION GRANT
<b>REVENUES:</b>			
INTERGOVERNMENTAL	\$ 51,258	78,206	9,898
INTEREST	129	-	-
CONTRIBUTIONS AND DONATIONS	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 51,387</b>	<b>78,206</b>	<b>9,898</b>
<b>EXPENDITURES:</b>			
JUDICIAL AND LAW ENFORCEMENT	\$ 83,785	114,997	600
HEALTH & WELFARE	-	-	-
CAPITAL OUTLAY	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 83,785</b>	<b>114,997</b>	<b>600</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (32,398)</b>	<b>(36,791)</b>	<b>9,298</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
TRANSFERS IN	\$ 179,829	41,269	-
TRANSFERS OUT	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 179,829</b>	<b>41,269</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 147,431</b>	<b>4,478</b>	<b>9,298</b>
<b>FUND BALANCES, BEGINNING</b>	<b>-</b>	<b>(6,317)</b>	<b>(9,898)</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 147,431</b>	<b>(1,839)</b>	<b>(600)</b>

VIOLENCE AGAINST WOMEN - 1	VIOLENCE AGAINST WOMEN - 2	FAMILY TREATMENT COURT	BODY- WORN CAMERA GRANT	CHEEK WATER AND SEWER PHASE 5	CJD SHERIFF GRANTS	GRANT TOTALS
72,896	9,313	39,269	34,300	25,983	36,333	585,860
-	-	-	-	24	-	671
-	-	1,000	-	-	-	1,055
72,896	9,313	40,269	34,300	26,007	36,333	587,586
158,302	12,483	40,380	60,150	-	36,333	1,014,737
-	-	-	-	36,783	-	98,933
-	-	-	-	-	-	-
158,302	12,483	40,380	60,150	36,783	36,333	1,113,670
(85,406)	(3,170)	(111)	(25,850)	(10,776)	-	(526,084)
85,147	3,170	-	25,850	10,800	-	578,541
-	-	-	-	(18,896)	-	(27,276)
85,147	3,170	-	25,850	(8,096)	-	551,265
(259)	-	(111)	-	(18,872)	-	25,181
259	-	1,535	-	18,872	-	217,746
-	-	1,424	-	-	-	242,927



# CAPITAL PROJECTS FUNDS

## CAPITAL PROJECTS FUNDS

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

**BP Settlement Shoreline** - This fund is used to account for the proceeds received related to the BP Deepwater Horizon lawsuit settlement. Planned expenditures for these proceeds will be for the County shoreline and dune restoration project starting in Sabine Pass to High Island.

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

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

**GLO Ike Round 2** - This fund is used to account for the grants from the General Land Office for the McFaddin National Wildlife Refuge Dune Restoration project.

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

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

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

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



JEFFERSON COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS  
SEPTEMBER 30, 2017

	BP SETTLEMENT SHORELINE	CAPITAL PROJECTS FUND	1957 ROAD BOND FUND
<b>ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$ 1,507,618	2,291,058	-
INTEREST RECEIVABLE	681	1,035	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,508,299</b>	<b>2,292,093</b>	<b>-</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>			
<b>LIABILITIES:</b>			
ACCOUNTS PAYABLE	\$ -	49,947	-
DUE TO OTHER FUNDS	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>49,947</b>	<b>-</b>
<b>FUND BALANCES:</b>			
RESTRICTED FOR CONSTRUCTION	\$ -	-	-
RESTRICTED FOR MAINTENANCE OF STRUCTURES & EQUIPMENT	-	2,242,146	-
ASSIGNED FOR CAPITAL PROJECTS	1,508,299	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 1,508,299</b>	<b>2,242,146</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,508,299</b>	<b>2,292,093</b>	<b>-</b>

<u>GLO I KE</u>	<u>TCEQ - FIRST</u>	<u>CETRZ</u>	<u>KEITH LAKE</u>	<u>ORA</u>	
<u>ROUND 2</u>	<u>TIME SEWER</u>	<u>GRANT</u>	<u>FISH PASS</u>	<u>CAPITAL</u>	<u>TOTAL</u>
				<u>GRANTS</u>	
-	58,374	-	-	28,382	3,885,432
-	-	-	-	13	1,729
<u>430,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>430,101</u>
<u>430,101</u>	<u>58,374</u>	<u>-</u>	<u>-</u>	<u>28,395</u>	<u>4,317,262</u>
-	-	-	-	-	49,947
<u>430,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>430,101</u>
<u>430,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,048</u>
-	58,374	-	-	-	58,374
-	-	-	-	-	2,242,146
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,395</u>	<u>1,536,694</u>
<u>-</u>	<u>58,374</u>	<u>-</u>	<u>-</u>	<u>28,395</u>	<u>3,837,214</u>
<u>430,101</u>	<u>58,374</u>	<u>-</u>	<u>-</u>	<u>28,395</u>	<u>4,317,262</u>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	BP SETTLEMENT SHORELINE	CAPITAL PROJECTS FUND	1957 ROAD BOND FUND
<b>REVENUES:</b>			
INTERGOVERNMENTAL	\$ -	2,347,428	-
SALES, RENTAL & SERVICES	-	-	-
INTEREST	6,316	12,153	113
<b>TOTAL REVENUES</b>	<b>\$ 6,316</b>	<b>2,359,581</b>	<b>113</b>
<b>EXPENDITURES:</b>			
CAPITAL OUTLAY	\$ -	4,870,867	44,107
DEBT SERVICE			
PRINCIPAL	-	332,110	-
INTEREST AND COMMISSION	-	37,725	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>5,240,702</b>	<b>44,107</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 6,316</b>	<b>(2,881,121)</b>	<b>(43,994)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
TRANSFERS IN	\$ -	153,023	1,975
TRANSFERS OUT	-	(43,073)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>109,950</b>	<b>1,975</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 6,316</b>	<b>(2,771,171)</b>	<b>(42,019)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>1,501,983</b>	<b>5,013,317</b>	<b>42,019</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,508,299</b>	<b>2,242,146</b>	<b>-</b>

GLO IRE ROUND 2	TCEQ - FIRST TIME SEWER	CETRZ GRANT	KEITH LAKE FISH PASS	ORA CAPITAL GRANTS	TOTAL
962,135	-	118,354	-	-	3,427,917
-	58,360	-	-	-	58,360
84	-	-	170	119	18,955
<u>962,219</u>	<u>58,360</u>	<u>118,354</u>	<u>170</u>	<u>119</u>	<u>3,505,232</u>
962,474	-	159,452	-	2,415	6,039,315
-	-	-	-	-	332,110
-	-	-	-	-	37,725
<u>962,474</u>	<u>-</u>	<u>159,452</u>	<u>-</u>	<u>2,415</u>	<u>6,409,150</u>
<u>(255)</u>	<u>58,360</u>	<u>(41,098)</u>	<u>170</u>	<u>(2,296)</u>	<u>(2,903,918)</u>
-	-	41,098	-	-	196,096
-	-	-	(120,959)	-	(164,032)
-	-	41,098	(120,959)	-	32,064
<u>(255)</u>	<u>58,360</u>	<u>-</u>	<u>(120,789)</u>	<u>(2,296)</u>	<u>(2,871,854)</u>
<u>255</u>	<u>14</u>	<u>-</u>	<u>120,789</u>	<u>30,691</u>	<u>6,709,068</u>
<u>-</u>	<u>58,374</u>	<u>-</u>	<u>-</u>	<u>28,395</u>	<u>3,837,214</u>



DEBT SERVICE FUNDS

## DEBT SERVICE FUNDS

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

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

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

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



JEFFERSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS - DEBT SERVICE  
 SEPTEMBER 30, 2017

		<u>2012 REFUNDING BOND</u>	<u>2013 REFUNDING BOND</u>
<b>ASSETS:</b>			
CASH AND CASH EQUIVALENTS	\$	630,232	29,853
INTEREST RECEIVABLE		283	13
DELINQUENT TAXES RECEIVABLE, Net		99,900	4,446
PENALTY AND INTEREST RECEIVABLE, Net		<u>52,083</u>	<u>2,318</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>782,498</u></b>	<b><u>36,630</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>DEFERRED INFLOWS OF RESOURCES</b>			
UNAVAILABLE REVENUE-PROPERTY TAXES	\$	<u>137,313</u>	<u>6,111</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$</b>	<b><u>137,313</u></b>	<b><u>6,111</u></b>
<b>FUND BALANCES:</b>			
RESTRICTED FOR DEBT SERVICE	\$	<u>645,185</u>	<u>30,519</u>
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b><u>645,185</u></b>	<b><u>30,519</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$</b>	<b><u>782,498</u></b>	<b><u>36,630</u></b>

2011 REFUNDING BOND	TOTAL
-	660,085
-	296
-	104,346
-	54,401
-	819,128
-	143,424
-	143,424
-	675,704
-	675,704
-	819,128

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	2012 REFUNDING BOND	2013 REFUNDING BOND
	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>		
PROPERTY TAXES	\$ 4,852,491	263,973
INTEREST	9,642	622
	<u>                    </u>	<u>                    </u>
<b>TOTAL REVENUES</b>	<b>\$ 4,862,133</b>	<b>264,595</b>
<b>EXPENDITURES:</b>		
DEBT SERVICE:		
PRINCIPAL	\$ 3,275,000	265,000
INTEREST AND COMMISSION	1,369,100	11,129
	<u>                    </u>	<u>                    </u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,644,100</b>	<b>276,129</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 218,033</b>	<b>(11,534)</b>
<b>OTHER FINANCING SOURCES (USES):</b>		
TRANSFERS IN	\$ 24,800	-
TRANSFERS OUT	-	-
	<u>                    </u>	<u>                    </u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ 24,800</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 242,833</b>	<b>(11,534)</b>
<b>FUND BALANCES, BEGINNING</b>	<b>402,352</b>	<b>42,053</b>
	<u>                    </u>	<u>                    </u>
<b>FUND BALANCES, ENDING</b>	<b>\$ 645,185</b>	<b>30,519</b>
	<u>                    </u>	<u>                    </u>

<u>2011 REFUNDING BOND</u>	<u>TOTAL</u>
1,070,604	6,187,068
<u>2,287</u>	<u>12,551</u>
<u>1,072,891</u>	<u>6,199,619</u>
1,150,000	4,690,000
<u>35,225</u>	<u>1,415,454</u>
<u>1,185,225</u>	<u>6,105,454</u>
<u>(112,334)</u>	<u>94,165</u>
-	24,800
<u>(24,800)</u>	<u>(24,800)</u>
<u>(24,800)</u>	<u>-</u>
(137,134)	94,165
<u>137,134</u>	<u>581,539</u>
<u>-</u>	<u>675,704</u>

JEFFERSON COUNTY, TEXAS  
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 6,002,598	6,002,598	6,187,068	184,470
INTEREST	12,100	12,100	12,551	451
TOTAL REVENUES	<u>\$ 6,014,698</u>	<u>6,014,698</u>	<u>6,199,619</u>	<u>184,921</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 4,690,000	4,690,000	4,690,000	-
INTEREST AND COMMISSION	1,418,430	1,418,430	1,415,454	2,976
TOTAL EXPENDITURES	<u>\$ 6,108,430</u>	<u>6,108,430</u>	<u>6,105,454</u>	<u>2,976</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (93,732)</u>	<u>(93,732)</u>	<u>94,165</u>	<u>187,897</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS IN	\$ -	-	24,800	24,800
TRANSFERS OUT	-	-	(24,800)	(24,800)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	\$ (93,732)	(93,732)	94,165	187,897
FUND BALANCES, BEGINNING	<u>581,539</u>	<u>581,539</u>	<u>581,539</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 487,807</u>	<u>487,807</u>	<u>675,704</u>	<u>187,897</u>

JEFFERSON COUNTY, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE - 2012 REFUNDING BONDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 4,705,337	4,705,337	4,852,491	147,154
INTEREST	9,000	9,000	9,642	642
<b>TOTAL REVENUES</b>	<b>\$ 4,714,337</b>	<b>4,714,337</b>	<b>4,862,133</b>	<b>147,796</b>
<b>EXPENDITURES:</b>				
<b>DEBT SERVICE:</b>				
PRINCIPAL	\$ 3,275,000	3,275,000	3,275,000	-
INTEREST AND COMMISSION	1,369,700	1,369,700	1,369,100	600
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,644,700</b>	<b>4,644,700</b>	<b>4,644,100</b>	<b>600</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 69,637	69,637	218,033	148,396
<b>OTHER FINANCING SOURCES (USES)</b>				
TRANSFERS IN	\$ -	-	24,800	24,800
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>-</b>	<b>24,800</b>	<b>24,800</b>
NET CHANGE IN FUND BALANCE	\$ 69,637	69,637	242,833	173,196
FUND BALANCES, BEGINNING	402,352	402,352	402,352	-
FUND BALANCES, ENDING	<u>\$ 471,989</u>	<u>471,989</u>	<u>645,185</u>	<u>173,196</u>

JEFFERSON COUNTY, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE - 2013 REFUNDING BOND  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 256,085	256,085	263,973	7,888
INTEREST	700	700	622	(78)
TOTAL REVENUES	<u>\$ 256,785</u>	<u>256,785</u>	<u>264,595</u>	<u>7,810</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 265,000	265,000	265,000	-
INTEREST AND COMMISSION	11,730	11,730	11,129	601
TOTAL EXPENDITURES	<u>\$ 276,730</u>	<u>276,730</u>	<u>276,129</u>	<u>601</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (19,945)</u>	<u>(19,945)</u>	<u>(11,534)</u>	<u>8,411</u>
NET CHANGE IN FUND BALANCE	\$ (19,945)	(19,945)	(11,534)	8,411
FUND BALANCES, BEGINNING	<u>42,053</u>	<u>42,053</u>	<u>42,053</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 22,108</u>	<u>22,108</u>	<u>30,519</u>	<u>8,411</u>

JEFFERSON COUNTY, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)  
 DEBT SERVICE - 2011 REFUNDING BONDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
PROPERTY TAXES	\$ 1,041,176	1,041,176	1,070,604	29,428
INTEREST	2,400	2,400	2,287	(113)
TOTAL REVENUES	<u>\$ 1,043,576</u>	<u>1,043,576</u>	<u>1,072,891</u>	<u>29,315</u>
<b>EXPENDITURES:</b>				
DEBT SERVICE:				
PRINCIPAL	\$ 1,150,000	1,150,000	1,150,000	-
INTEREST AND COMMISSION	37,000	37,000	35,225	1,775
TOTAL EXPENDITURES	<u>\$ 1,187,000</u>	<u>1,187,000</u>	<u>1,185,225</u>	<u>1,775</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (143,424)</u>	<u>(143,424)</u>	<u>(112,334)</u>	<u>31,090</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS OUT	\$ -	-	(24,800)	(24,800)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>-</u>	<u>(24,800)</u>	<u>(24,800)</u>
NET CHANGE IN FUND BALANCE	\$ (143,424)	(143,424)	(137,134)	6,290
FUND BALANCES, BEGINNING	<u>137,134</u>	<u>137,134</u>	<u>137,134</u>	<u>-</u>
FUND BALANCES, ENDING	<u><u>\$ (6,290)</u></u>	<u><u>(6,290)</u></u>	<u><u>-</u></u>	<u><u>6,290</u></u>



## INTERNAL SERVICE FUNDS

## INTERNAL SERVICE FUNDS

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

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

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

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

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET POSITION -**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2017**

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>ASSETS:</b>				
CASH AND CASH EQUIVALENTS	\$ 833,867	569,311	-	1,403,178
ACCOUNTS RECEIVABLE	-	1,954	1,261,471	1,263,425
INTEREST RECEIVABLE	105	78	-	183
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	255,941	255,941
INSURANCE DEPOSIT	-	75,500	-	75,500
<b>TOTAL ASSETS</b>	<b>\$ 833,972</b>	<b>646,843</b>	<b>1,517,412</b>	<b>2,998,227</b>
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	-	19,708	19,708
CLAIMS LIABILITY	367,731	298,433	3,559,976	4,226,140
DUE TO OTHER FUNDS	-	-	6,221,238	6,221,238
<b>TOTAL LIABILITIES</b>	<b>\$ 367,731</b>	<b>298,433</b>	<b>9,800,922</b>	<b>10,467,086</b>
<b>NET POSITION:</b>				
UNRESTRICTED	\$ 466,241	348,410	(8,283,510)	(7,468,859)
<b>TOTAL NET POSITION</b>	<b>\$ 466,241</b>	<b>348,410</b>	<b>(8,283,510)</b>	<b>(7,468,859)</b>

JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN NET POSITION -  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>OPERATING REVENUES:</b>				
EMPLOYEE CONTRIBUTIONS	\$ -	-	2,395,892	2,395,892
CHARGES FOR SERVICES	<u>600,000</u>	<u>500,000</u>	<u>17,169,796</u>	<u>18,269,796</u>
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 600,000</b>	<b>500,000</b>	<b>19,565,688</b>	<b>20,665,688</b>
<b>OPERATING EXPENSES:</b>				
ADMINISTRATIVE	\$ -	-	1,612,126	1,612,126
INCURRED & ESTIMATED CLAIMS	<u>289,181</u>	<u>668,089</u>	<u>23,292,712</u>	<u>24,249,982</u>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 289,181</b>	<b>668,089</b>	<b>24,904,838</b>	<b>25,862,108</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 310,819</b>	<b>(168,089)</b>	<b>(5,339,150)</b>	<b>(5,196,420)</b>
<b>NONOPERATING REVENUES:</b>				
INTEREST	\$ 1,301	992	-	2,293
REFUNDS AND RECOVERIES	<u>-</u>	<u>1,954</u>	<u>1,852,807</u>	<u>1,854,761</u>
<b>TOTAL NONOPERATING REVENUES</b>	<b>\$ 1,301</b>	<b>2,946</b>	<b>1,852,807</b>	<b>1,857,054</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 312,120</b>	<b>(165,143)</b>	<b>(3,486,343)</b>	<b>(3,339,366)</b>
<b>NET POSITION, BEGINNING</b>	<b>154,121</b>	<b>513,553</b>	<b>(4,797,167)</b>	<b>(4,129,493)</b>
<b>NET POSITION, ENDING</b>	<b>\$ 466,241</b>	<b>348,410</b>	<b>(8,283,510)</b>	<b>(7,468,859)</b>

**JEFFERSON COUNTY, TEXAS**  
**COMBINING STATEMENT OF CASH FLOWS -**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
RECEIPTS FROM CUSTOMERS AND USERS	\$ -	-	2,214,373	2,214,373
RECEIPTS FROM EMPLOYEES	-	-	2,391,711	2,391,711
PAYMENTS TO SUPPLIERS	-	-	(1,612,183)	(1,612,183)
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	600,000	500,000	17,383,200	18,483,200
CLAIMS PAID	(287,036)	(614,549)	(21,004,558)	(21,906,143)
OTHER RECEIPTS	-	-	627,457	627,457
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 312,964</b>	<b>(114,549)</b>	<b>-</b>	<b>198,415</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES:</b>				
INTEREST	\$ 1,343	1,107	-	2,450
<b>NET CASH PROVIDED BY INVESTMENT ACTIVITIES</b>	<b>\$ 1,343</b>	<b>1,107</b>	<b>-</b>	<b>2,450</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>\$ 314,307</b>	<b>(113,442)</b>	<b>-</b>	<b>200,865</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	<b>519,560</b>	<b>682,753</b>	<b>-</b>	<b>1,202,313</b>
<b>CASH AND CASH EQUIVALENTS - ENDING</b>	<b>\$ 833,867</b>	<b>569,311</b>	<b>-</b>	<b>1,403,178</b>
<b>RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:</b>				
OPERATING INCOME(LOSS)	\$ 310,819	(168,089)	(5,339,150)	(5,196,420)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
OTHER NON-OPERATING REVENUES	-	1,954	1,852,807	1,854,761
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	-	(1,954)	(1,229,532)	(1,231,486)
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	19,816	19,816
ACCOUNTS PAYABLE	-	-	(57)	(57)
DUE TO OTHER FUNDS	-	-	2,407,962	2,407,962
CLAIMS LIABILITY	2,145	53,540	2,288,154	2,343,839
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 312,964</b>	<b>(114,549)</b>	<b>-</b>	<b>198,415</b>



## FIDUCIARY FUNDS

## FIDUCIARY FUNDS

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

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

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

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

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

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

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

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

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

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

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

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



JEFFERSON COUNTY, TEXAS  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	TREASURER MAINTAINED FUND	COUNTY CLERK FUND	DISTRICT CLERK FUND	SHERIFF'S FUND	JUSTICE OF THE PEACE FUND
<b>TOTAL AGENCY FUNDS</b>					
<b>ASSETS - OCTOBER 1, 2016</b>					
CASH AND CASH EQUIVALENTS	\$ 418,247	1,811,229	5,459,025	174,460	162,469
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	5,790	-	-	-	-
	331,130	-	76,712	-	-
<b>TOTAL</b>	<b>\$ 755,167</b>	<b>1,811,229</b>	<b>5,535,737</b>	<b>174,460</b>	<b>162,469</b>
<b>ADDITIONS</b>					
CASH AND CASH EQUIVALENTS	\$ 1,869,375	6,573,603	12,924,770	4,316,867	3,184,750
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	3,510	-	-	-	-
	293,740	-	135,555	-	-
<b>TOTAL</b>	<b>\$ 2,166,625</b>	<b>6,573,603</b>	<b>13,060,325</b>	<b>4,316,867</b>	<b>3,184,750</b>
<b>DELETIONS</b>					
CASH AND CASH EQUIVALENTS	\$ 1,958,121	6,615,786	9,473,121	4,280,235	3,200,177
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	5,790	-	-	-	-
	331,131	-	76,712	-	-
<b>TOTAL</b>	<b>\$ 2,295,042</b>	<b>6,615,786</b>	<b>9,549,833</b>	<b>4,280,235</b>	<b>3,200,177</b>
<b>ASSETS - SEPTEMBER 30, 2017</b>					
CASH AND CASH EQUIVALENTS	\$ 329,501	1,769,046	8,910,674	211,092	147,042
ACCOUNTS RECEIVABLE, Net DUE FROM OTHER GOVERNMENTAL ENTITIES	3,510	-	-	-	-
	293,739	-	135,555	-	-
<b>TOTAL ASSETS</b>	<b>\$ 626,750</b>	<b>1,769,046</b>	<b>9,046,229</b>	<b>211,092</b>	<b>147,042</b>
<b>LIABILITIES - OCTOBER 1, 2016</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 289,831	402,808	5,458,034	132,424	24,912
OTHER PAYABLES	465,336	73,836	77,703	42,036	137,557
	-	1,334,585	-	-	-
<b>TOTAL</b>	<b>\$ 755,167</b>	<b>1,811,229</b>	<b>5,535,737</b>	<b>174,460</b>	<b>162,469</b>
<b>ADDITIONS</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 143,680	96,700	11,332,284	1,545,195	292,108
OTHER PAYABLES	1,792,112	62,022	76,844	29,976	126,666
	-	3,418,467	-	-	-
<b>TOTAL</b>	<b>\$ 1,935,792</b>	<b>3,577,189</b>	<b>11,409,128</b>	<b>1,575,171</b>	<b>418,774</b>
<b>DELETIONS</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 217,425	220,210	7,820,933	1,496,503	294,875
OTHER PAYABLES	1,846,784	73,836	77,703	42,036	139,326
	-	3,325,326	-	-	-
<b>TOTAL</b>	<b>\$ 2,064,209</b>	<b>3,619,372</b>	<b>7,898,636</b>	<b>1,538,539</b>	<b>434,201</b>
<b>LIABILITIES - SEPTEMBER 30, 2017</b>					
ACCOUNTS PAYABLE DUE TO OTHER GOVERNMENTAL ENTITIES	\$ 216,086	279,298	8,969,385	181,116	22,145
OTHER PAYABLES	410,664	62,022	76,844	29,976	124,897
	-	1,427,726	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 626,750</b>	<b>1,769,046</b>	<b>9,046,229</b>	<b>211,092</b>	<b>147,042</b>

TAX ASSESSOR COLLECTOR FUND	DISTRICT ATTORNEY'S SEIZURE FUND	COMMUNITY SUPERVISION TRUST FUND	JUVENILE PROBATION TRUST FUND	FLEXIBLE SPENDING FUND	WOMEN'S CENTER TRUST FUND	TOTAL AGENCY FUNDS
4,834,319	656,181	431,872	6,019	22,534	7,001	13,983,356
-	-	-	-	-	-	5,790
-	-	-	-	2,262	-	410,104
<u>4,834,319</u>	<u>656,181</u>	<u>431,872</u>	<u>6,019</u>	<u>24,796</u>	<u>7,001</u>	<u>14,399,250</u>
581,860,729	917,488	4,272,259	12,989	376,966	458,284	616,768,080
-	-	-	-	31	-	3,541
-	-	-	-	2,469	-	431,764
<u>581,860,729</u>	<u>917,488</u>	<u>4,272,259</u>	<u>12,989</u>	<u>379,466</u>	<u>458,284</u>	<u>617,203,385</u>
581,073,257	1,179,412	4,277,074	13,883	376,502	456,763	612,904,331
-	-	-	-	-	-	5,790
-	-	-	-	2,262	-	410,105
<u>581,073,257</u>	<u>1,179,412</u>	<u>4,277,074</u>	<u>13,883</u>	<u>378,764</u>	<u>456,763</u>	<u>613,320,226</u>
5,621,791	394,257	427,057	5,125	22,998	8,522	17,847,105
-	-	-	-	31	-	3,541
-	-	-	-	2,469	-	431,763
<u>5,621,791</u>	<u>394,257</u>	<u>427,057</u>	<u>5,125</u>	<u>25,498</u>	<u>8,522</u>	<u>18,282,409</u>
4,834,319	656,181	431,872	6,019	24,796	7,001	12,268,197
-	-	-	-	-	-	796,468
-	-	-	-	-	-	1,334,585
<u>4,834,319</u>	<u>656,181</u>	<u>431,872</u>	<u>6,019</u>	<u>24,796</u>	<u>7,001</u>	<u>14,399,250</u>
582,816,624	917,488	4,272,259	14,068	380,430	458,284	602,269,120
-	-	-	-	-	-	2,087,620
-	-	-	-	-	-	3,418,467
<u>582,816,624</u>	<u>917,488</u>	<u>4,272,259</u>	<u>14,068</u>	<u>380,430</u>	<u>458,284</u>	<u>607,775,207</u>
582,029,152	1,179,412	4,277,074	14,962	379,728	456,763	598,387,037
-	-	-	-	-	-	2,179,685
-	-	-	-	-	-	3,325,326
<u>582,029,152</u>	<u>1,179,412</u>	<u>4,277,074</u>	<u>14,962</u>	<u>379,728</u>	<u>456,763</u>	<u>603,892,048</u>
5,621,791	394,257	427,057	5,125	25,498	8,522	16,150,280
-	-	-	-	-	-	704,403
-	-	-	-	-	-	1,427,726
<u>5,621,791</u>	<u>394,257</u>	<u>427,057</u>	<u>5,125</u>	<u>25,498</u>	<u>8,522</u>	<u>18,282,409</u>



## CAPITAL ASSETS

**JEFFERSON COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY SOURCE**  
**SEPTEMBER 30, 2017**

	<b>TOTAL</b>
<b>GOVERNMENTAL FUNDS CAPITAL ASSETS:</b>	
LAND	\$ 3,840,787
INFRASTRUCTURE	62,731,452
BUILDINGS AND IMPROVEMENTS	120,384,112
EQUIPMENT	44,515,373
CONSTRUCTION IN PROGRESS	2,790,211
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<b>\$ 234,261,935</b>
 <b>INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:</b>	
GENERAL FUND	\$ 87,812,100
SPECIAL REVENUE FUND	35,606,953
CAPITAL PROJECTS FUND	105,379,790
GIFTS	5,463,092
	<b>\$ 234,261,935</b>

JEFFERSON COUNTY, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION  
 FOR THE YEAR ENDED SEPTEMBER 30, 2017

FUNCTION	LAND	INFRASTRUCTURE
GENERAL GOVERNMENT	\$ -	\$ -
JUDICIAL AND LAW ENFORCEMENT	45,446	-
HEALTH & WELFARE	14,000	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	<u>3,781,341</u>	<u>62,731,452</u>
<b>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</b>	<u><u>\$ 3,840,787</u></u>	<u><u>\$ 62,731,452</u></u>

<u>BUILDINGS &amp; IMPROVEMENTS</u>	<u>EQUIPMENT</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
\$ 877,707	\$ 6,930,064	\$ -	\$ 7,807,771
31,682,018	22,945,134	147,787	54,820,385
3,689,182	1,066,404	-	4,769,586
<u>84,135,205</u>	<u>13,573,771</u>	<u>2,642,424</u>	<u>166,864,193</u>
<u>\$ 120,384,112</u>	<u>\$ 44,515,373</u>	<u>\$ 2,790,211</u>	<u>\$ 234,261,935</u>

JEFFERSON COUNTY, TEXAS  
 CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

FUNCTION	BALANCE 10/1/2016 - RESTATED	ADDITIONS	DEDUCTIONS	TRANSFERS	BALANCE 9/30/2017
GENERAL GOVERNMENT	\$ 7,351,040	\$ 460,580	\$ (126,854)	\$ 123,005	\$ 7,807,771
JUDICIAL AND LAW ENFORCEMENT	52,416,052	3,151,598	(638,343)	(108,922)	54,820,385
HEALTH AND WELFARE	4,760,428	11,015	(22,168)	20,311	4,769,586
MAINTENANCE OF STRUCTURES AND EQUIPMENT	165,786,719	2,427,243	(1,315,375)	(34,394)	166,864,193
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 230,314,239</u>	<u>\$ 6,050,436</u>	<u>\$ (2,102,740)</u>	<u>\$ -</u>	<u>\$ 234,261,935</u>

# STATISTICAL SECTION

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	137
Revenue Trends <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	144
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	148
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	152
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	154

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



TABLE 1

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

	Fiscal Year									
	2008	2009	2010	2011 <sup>^</sup>	2012	2013	2014	2015	2016	2017
<b>Governmental activities:</b>										
Net Investment in capital assets	\$ 62,450,468	\$ 68,242,040	\$ 71,336,466	\$ 81,583,824	\$ 82,640,727	\$ 84,123,857	\$ 85,095,478	\$ 93,814,603	\$ 96,137,672	\$ 91,366,714
Restricted	7,893,536	10,615,478	13,851,538	18,910,796	18,017,919	25,433,198	28,919,622	24,695,909	25,282,712	24,514,807
Unrestricted	(17,964,265)	(21,890,574)	(35,286,048)	(48,931,222)	(43,402,923)	(53,259,615)	(64,427,876)	(106,962,928)	(122,326,487)	(146,062,087)
<b>Total governmental activities net position</b>	<b>\$ 52,379,739</b>	<b>\$ 56,966,944</b>	<b>\$ 49,901,956</b>	<b>\$ 51,563,398</b>	<b>\$ 57,255,723</b>	<b>\$ 56,297,440</b>	<b>\$ 49,587,224</b>	<b>\$ 11,547,584</b>	<b>\$ (906,103)</b>	<b>\$ (30,180,566)</b>
<b>Business-type activities:</b>										
Net Investment in capital assets	\$ 88,482,217	\$ 93,237,299	\$ 91,674,403	\$ 90,465,368	\$ 90,441,044	\$ 87,043,444	\$ 84,297,573	\$ 83,107,097	\$ 82,294,523	\$ 81,842,002
Unrestricted	133,397	1,425,854	2,114,066	377,046	620,635	592,300	479,535	(634,858)	55,359	96,202
<b>Total business-type activities net position</b>	<b>\$ 88,615,614</b>	<b>\$ 94,663,153</b>	<b>\$ 93,788,469</b>	<b>\$ 90,842,414</b>	<b>\$ 91,061,679</b>	<b>\$ 87,635,744</b>	<b>\$ 84,777,108</b>	<b>\$ 82,472,239</b>	<b>\$ 82,349,882</b>	<b>\$ 81,938,204</b>
<b>Reclassifications:</b>										
Net Investment in capital assets	\$ (63,016,132)	\$ (61,855,720)	\$ (60,663,707)	\$ (57,637,497)	\$ (50,438,282)	\$ (46,786,666)	\$ (43,072,050)	\$ (39,220,834)	\$ (37,614,654)	\$ (33,254,522)
Unrestricted	63,016,132	61,855,720	60,663,707	57,637,497	50,438,282	46,786,666	43,072,050	39,220,834	37,614,654	33,254,522
<b>Total reclassifications</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>						
<b>Primary government:</b>										
Net Investment in capital assets	\$ 87,916,553	\$ 99,623,619	\$ 102,347,162	\$ 114,411,695	\$ 122,643,489	\$ 124,380,635	\$ 126,321,001	\$ 137,700,866	\$ 140,817,541	\$ 139,954,194
Restricted	7,893,536	10,615,478	13,851,538	18,910,796	18,017,919	25,433,198	28,919,622	24,695,909	25,282,712	24,514,807
Unrestricted	45,185,264	41,391,000	27,491,725	9,083,321	7,655,904	(5,880,649)	(20,876,291)	(68,376,952)	(84,656,474)	(112,711,363)
<b>Total primary government net position</b>	<b>\$ 140,995,353</b>	<b>\$ 151,630,097</b>	<b>\$ 143,690,425</b>	<b>\$ 142,405,812</b>	<b>\$ 148,317,402</b>	<b>\$ 143,933,184</b>	<b>\$ 134,364,332</b>	<b>\$ 94,019,823</b>	<b>\$ 81,443,779</b>	<b>\$ 51,757,638</b>

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

<sup>^</sup> GASB 54 was implemented.

TABLE 2

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
<b>Governmental activities:</b>										
General Government	\$ 20,369,690	\$ 24,940,366	\$ 33,344,391	\$ 34,710,153	\$ 32,862,570	\$ 37,253,918	\$ 42,933,889	\$ 40,203,444	\$ 40,583,261	\$ 44,626,177
Judicial and Law Enforcement	69,170,421	74,059,745	75,939,112	76,819,206	81,522,130	85,995,590	82,058,360	80,018,632	84,656,946	85,700,169
Education and Recreation	1,931,084	1,611,435	1,637,026	1,313,440	1,315,519	1,369,159	1,416,537	1,425,539	1,214,705	1,275,949
Health and Welfare	10,104,601	11,205,583	10,824,644	9,704,323	17,758,075	10,917,065	10,570,568	10,362,461	10,490,353	17,478,616
Maintenance - Equipment and Structures	21,118,467	35,000,580	18,724,938	13,365,410	15,552,976	17,162,873	14,859,687	14,076,436	14,693,137	18,698,878
Interest and Charges on Long-term Debt	3,804,914	3,715,282	3,587,860	3,388,354	1,936,302	1,762,428	1,611,661	1,423,776	1,320,790	1,181,005
<b>Total governmental activities expenses</b>	<b>\$ 126,499,177</b>	<b>\$ 160,532,991</b>	<b>\$ 144,057,971</b>	<b>\$ 139,300,886</b>	<b>\$ 150,947,872</b>	<b>\$ 154,461,033</b>	<b>\$ 153,450,702</b>	<b>\$ 147,510,288</b>	<b>\$ 152,959,192</b>	<b>\$ 168,960,794</b>
<b>Business-type activities:</b>										
Airport	\$ 4,902,822	\$ 4,710,467	\$ 5,095,941	\$ 5,506,746	\$ 6,618,247	\$ 7,386,238	\$ 6,943,749	\$ 5,894,518	\$ 5,478,254	\$ 5,492,750
Entertainment Complex	7,648,462	7,977,002	7,889,891	6,866,792	10,248,457	9,771,707	9,760,675	7,752,545	7,510,076	7,286,876
<b>Total Business-type expenses</b>	<b>\$ 12,551,284</b>	<b>\$ 12,687,469</b>	<b>\$ 12,985,832</b>	<b>\$ 12,373,538</b>	<b>\$ 16,866,704</b>	<b>\$ 17,157,945</b>	<b>\$ 16,704,424</b>	<b>\$ 13,647,063</b>	<b>\$ 12,988,330</b>	<b>\$ 12,779,626</b>
<b>Total primary government expenses</b>	<b>\$ 139,050,461</b>	<b>\$ 173,220,460</b>	<b>\$ 157,043,803</b>	<b>\$ 151,674,424</b>	<b>\$ 167,814,576</b>	<b>\$ 171,618,978</b>	<b>\$ 170,155,126</b>	<b>\$ 161,157,351</b>	<b>\$ 165,947,522</b>	<b>\$ 181,740,420</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General Government	\$ 6,637,669	\$ 5,741,944	\$ 7,612,696	\$ 8,218,241	\$ 9,076,015	\$ 7,279,674	\$ 6,234,887	\$ 4,697,503	\$ 5,219,872	\$ 6,211,869
Judicial and Law Enforcement	10,700,195	10,434,533	9,376,938	9,679,128	9,859,550	9,234,538	10,067,596	10,602,406	10,307,890	9,322,352
Education and Recreation	88,452	208,036	101,907	86,010	74,005	84,613	66,517	73,649	13,428	37,096
Health and Welfare	92,009	370,557	575,343	401,929	369,503	392,612	430,032	411,006	401,391	1,471,797
Maintenance - Equipment and Structures	5,768,735	8,447,195	6,328,641	4,047,555	5,362,121	5,837,681	5,535,713	5,482,157	5,612,682	5,470,153
Operating grants and contributions	14,050,116	30,927,086	15,607,904	16,494,833	18,243,076	19,150,824	13,417,014	10,935,535	11,359,382	14,563,279
Capital grants and contributions	269,347	937,390	2,336,880	8,991,187	11,938,532	5,222,624	4,287,420	8,711,241	4,246,945	5,432,451
<b>Total governmental activities program revenues</b>	<b>\$ 37,606,523</b>	<b>\$ 60,066,741</b>	<b>\$ 41,940,309</b>	<b>\$ 47,918,883</b>	<b>\$ 54,922,802</b>	<b>\$ 47,202,566</b>	<b>\$ 40,039,179</b>	<b>\$ 40,913,497</b>	<b>\$ 37,161,590</b>	<b>\$ 42,508,997</b>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Airport	\$ 3,269,502	\$ 2,999,857	\$ 2,897,411	\$ 3,088,666	\$ 3,712,348	\$ 3,978,820	\$ 4,526,324	\$ 3,493,616	\$ 2,780,094	\$ 3,253,212
Entertainment Complex	3,064,942	3,716,433	3,684,655	2,943,861	6,274,380	5,536,308	5,564,686	3,445,635	3,288,418	3,249,799
Operating grants and contributions	-	43,397	-	-	-	-	-	-	50,000	50,000
Capital grants and contributions	2,741,002	8,278,928	2,145,711	1,100,366	1,960,880	943,357	231,418	2,442,839	3,012,750	2,382,339
<b>Total business-type activities program revenues</b>	<b>\$ 9,075,446</b>	<b>\$ 15,038,615</b>	<b>\$ 8,727,777</b>	<b>\$ 7,132,893</b>	<b>\$ 11,948,108</b>	<b>\$ 10,458,485</b>	<b>\$ 10,322,428</b>	<b>\$ 9,382,090</b>	<b>\$ 9,131,262</b>	<b>\$ 8,935,350</b>
<b>Total primary government program revenues</b>	<b>\$ 46,681,969</b>	<b>\$ 75,105,356</b>	<b>\$ 50,668,086</b>	<b>\$ 55,051,776</b>	<b>\$ 66,870,910</b>	<b>\$ 57,661,051</b>	<b>\$ 50,361,607</b>	<b>\$ 50,295,587</b>	<b>\$ 46,292,852</b>	<b>\$ 51,444,347</b>
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (88,892,654)	\$ (100,466,250)	\$ (102,117,662)	\$ (91,382,003)	\$ (96,025,570)	\$ (107,255,467)	\$ (113,411,523)	\$ (106,596,791)	\$ (115,797,602)	\$ (126,451,797)
Business-type activities	(3,475,838)	2,351,146	(4,258,055)	(5,240,645)	(4,918,596)	(6,699,460)	(6,381,996)	(4,264,973)	(3,857,068)	(3,844,276)
<b>Total primary government net expense</b>	<b>\$ (92,368,492)</b>	<b>\$ (98,115,104)</b>	<b>\$ (106,375,717)</b>	<b>\$ (96,622,648)</b>	<b>\$ (100,943,666)</b>	<b>\$ (113,957,927)</b>	<b>\$ (119,793,519)</b>	<b>\$ (110,861,764)</b>	<b>\$ (119,654,670)</b>	<b>\$ (130,296,073)</b>

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 72,615,806	\$ 75,616,097	\$ 75,407,511	\$ 73,158,156	\$ 79,416,013	\$ 83,036,649	\$ 84,616,538	\$ 83,122,853	\$ 80,099,108	\$ 78,728,457
Sales taxes	23,906,777	30,410,633	21,361,596	20,961,453	23,864,675	24,695,194	24,064,857	23,047,286	24,595,048	24,984,470
Alcoholic Beverage Tax	506,047	614,474	575,928	547,605	484,988	475,162	614,384	656,678	673,135	689,240
Hotel Occupancy Tax	1,011,577	1,294,063	893,234	981,619	1,064,165	1,015,651	1,150,383	1,291,716	1,211,569	1,187,625
Investment earnings	2,871,285	842,485	402,735	266,118	541,703	281,672	311,546	468,561	353,495	238,304
Miscellaneous	208,499	29,275	26,095	24,164	25,206	35,918	30,355	29,686	27,589	33,113
Transfers	(3,762,155)	(3,687,832)	(3,330,199)	(2,271,146)	(4,183,564)	(3,223,628)	(3,470,353)	(2,594,492)	(3,733,600)	(3,430,561)
Total governmental activities	\$ 97,357,836	\$ 105,119,195	\$ 95,336,900	\$ 93,667,969	\$ 101,213,186	\$ 106,316,618	\$ 107,317,710	\$ 106,022,288	\$ 103,226,344	\$ 102,430,648
Business-type activities:										
Investment earnings	\$ 9,467	\$ 2,369	\$ 3,338	\$ 2,979	\$ 935	\$ 269	\$ 550	\$ 788	\$ 1,111	\$ 1,516
Miscellaneous	145	6,192	49,834	20,465	71,950	49,628	52,457	52,260	-	521
Transfers	3,762,155	3,687,832	3,330,199	2,271,146	4,183,564	3,223,628	3,470,353	2,594,492	3,733,600	3,430,561
Total business-type activities	\$ 3,771,767	\$ 3,696,393	\$ 3,383,371	\$ 2,294,590	\$ 4,256,449	\$ 3,273,525	\$ 3,523,360	\$ 2,647,540	\$ 3,734,711	\$ 3,432,598
Total primary government	\$ 101,129,603	\$ 108,815,588	\$ 98,720,271	\$ 95,962,559	\$ 105,469,635	\$ 109,590,143	\$ 110,841,070	\$ 108,669,828	\$ 106,961,055	\$ 105,863,246
<b>Changes in Net Position</b>										
Governmental activities:										
Governmental activities	\$ 8,465,182	\$ 4,652,945	\$ (6,780,762)	\$ 2,285,966	\$ 5,188,116	\$ (941,849)	\$ (6,093,813)	\$ (574,503)	\$ (12,571,258)	\$ (24,021,149)
Business-type activities	295,929	6,047,539	(874,684)	(2,946,055)	(662,147)	(3,425,935)	(2,858,636)	(1,617,433)	(122,357)	(411,678)
Total primary government	\$ 8,761,111	\$ 10,700,484	\$ (7,655,446)	\$ (660,089)	\$ 4,525,969	\$ (4,367,784)	\$ (8,952,449)	\$ (2,191,936)	\$ (12,693,615)	\$ (24,432,827)

TABLE 3

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Alcoholic Beverage Tax</u>	<u>Hotel Occupancy Tax</u>	<u>Total</u>
2008	\$ 72,615,806	\$ 23,906,777	\$ 506,047	\$ 1,011,577	\$ 88,850,633
2009	75,616,097	30,410,633	614,474	1,294,063	98,040,207
2010	75,407,511	21,361,596	575,928	893,234	107,935,267
2011	73,158,156	20,961,453	547,605	981,619	98,238,269
2012	79,416,013	23,864,675	484,988	1,064,165	95,648,833
2013	83,036,649	24,695,194	475,162	1,015,651	104,829,841
2014	84,616,538	24,064,857	614,384	1,150,383	110,446,162
2015	83,122,853	23,047,286	656,678	1,291,716	108,118,533
2016	80,099,108	24,595,048	673,135	1,211,569	106,578,860
2017	78,728,457	24,984,470	689,240	1,187,625	105,589,792

TABLE 4

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

	Fiscal Year									
	2008	2009	2010	2011 <sup>^</sup>	2012	2013	2014	2015	2016	2017
General Fund:										
Reserved	\$ 1,124,272	\$ 1,247,682	\$ 1,107,057							
Unreserved	31,324,562	37,639,200	34,899,538							
Nonspendable				1,023,855	898,536	1,043,407	897,102	873,260	889,865	903,116
Assigned				3,482,075	2,295,347	4,312,676	10,082,383	9,952,977	12,478,022	12,922,519
Unassigned				31,886,947	39,034,450	41,269,536	36,284,915	37,054,620	34,142,140	31,652,055
Total general fund	<u>\$ 32,448,834</u>	<u>\$ 38,886,882</u>	<u>\$ 36,006,595</u>	<u>\$ 36,392,877</u>	<u>\$ 42,228,333</u>	<u>\$ 46,625,619</u>	<u>\$ 47,264,400</u>	<u>\$ 47,880,857</u>	<u>\$ 47,510,027</u>	<u>\$ 45,477,690</u>
All other governmental funds:										
Reserved	\$ 7,895,953	\$ 10,617,541	\$ 13,853,088							
Unreserved, reported in:										
Special revenue funds	12,483,025	14,975,902	15,625,403							
Capital project funds	(1,618)	-	-							
Debt service funds	287,948	376,688	186,623							
Nonspendable				9,130	58,197	41,047	49,781	56,535	32,858	16,396
Restricted				17,397,567	18,116,476	25,561,948	28,846,726	24,613,120	25,229,322	24,490,362
Committed				5,150,723	3,047,323	1,902,675	2,919,885	6,649,085	532,034	-
Assigned				4,867,061	8,499,277	2,064,217	1,697,319	1,799,539	1,664,791	1,536,694
Unassigned (Deficit)				(4,832,614)	(2,670,874)	(787,118)	(2,925,831)	(4,489,815)	(583,320)	(19,668)
Total all other governmental funds	<u>\$ 20,665,308</u>	<u>\$ 25,970,131</u>	<u>\$ 29,665,114</u>	<u>\$ 22,591,867</u>	<u>\$ 27,050,399</u>	<u>\$ 28,782,769</u>	<u>\$ 30,587,880</u>	<u>\$ 28,628,464</u>	<u>\$ 26,875,685</u>	<u>\$ 26,023,784</u>

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

TABLE 5

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>REVENUES:</b>										
Property Taxes	\$ 71,516,193	\$ 75,912,693	\$ 75,995,020	\$ 72,959,364	\$ 79,446,316	\$ 82,593,407	\$ 84,262,722	\$ 82,850,758	\$ 80,400,650	\$ 78,856,965
Sales Taxes	25,424,401	32,319,170	22,830,758	22,490,677	25,413,828	26,186,007	25,829,624	24,995,680	26,479,752	26,861,335
Fees	13,844,334	13,372,000	13,247,758	13,176,331	13,056,182	13,101,871	13,811,818	14,337,616	14,111,539	13,562,054
Licenses	409,386	487,856	453,002	407,512	465,720	590,148	480,386	459,198	502,532	437,175
Intergovernmental	14,315,347	30,549,286	17,890,178	23,206,710	30,138,180	23,807,603	18,488,048	16,668,364	16,558,057	17,962,425
Sales, Rental & Services	4,173,703	5,585,920	3,073,201	2,837,483	3,819,630	3,369,016	3,053,808	4,754,414	3,085,858	3,850,471
Fines and Forfeitures	2,181,478	2,076,417	2,199,528	2,072,725	2,130,801	2,074,656	1,900,630	2,120,860	2,081,063	1,905,652
Interest	2,236,357	1,250,787	692,129	273,177	536,993	254,207	307,434	478,763	332,235	222,285
Miscellaneous	17,936	29,275	26,095	24,164	25,206	35,918	30,355	29,495	27,589	33,113
Contributions and Donations	4,116	1,315,190	31,727	4,041	1,412,098	4,700	184,819	57,842	12,123	31,970
<b>Total Revenues</b>	<b>\$ 134,123,251</b>	<b>\$ 162,898,594</b>	<b>\$ 136,439,396</b>	<b>\$ 137,452,184</b>	<b>\$ 156,444,954</b>	<b>\$ 152,017,533</b>	<b>\$ 148,349,644</b>	<b>\$ 146,752,990</b>	<b>\$ 143,591,398</b>	<b>\$ 143,723,445</b>
<b>EXPENDITURES:</b>										
General Government	\$ 18,587,891	\$ 20,335,453	\$ 20,853,875	\$ 20,474,698	\$ 20,252,981	\$ 21,237,703	\$ 22,666,968	\$ 23,786,927	\$ 22,470,110	\$ 24,286,380
Judicial and Law Enforcement	69,726,438	69,656,955	72,502,150	73,081,968	79,934,077	84,561,028	80,101,133	80,546,836	81,871,609	79,315,978
Education and Recreation	1,915,987	1,579,264	1,614,588	1,298,502	1,304,505	1,361,048	1,409,870	1,439,979	1,264,975	1,919,925
Health and Welfare	10,024,011	10,600,245	10,576,843	9,538,311	10,345,286	10,622,898	10,416,839	10,479,518	10,267,776	14,208,718
Maintenance of Structures and Equipment	19,851,954	36,379,418	17,123,159	12,543,110	12,115,480	11,792,372	12,677,678	12,178,205	11,850,940	11,674,025
Capital Outlay	2,016,129	4,076,087	7,218,487	17,434,755	11,913,277	6,777,118	8,270,112	12,829,173	7,818,394	5,039,315
Debt Services										
Principal	3,510,000	3,660,000	3,760,000	4,942,070	55,731,843	4,344,169	4,498,094	4,420,000	4,913,395	5,022,110
Interest and Commission	3,794,062	3,671,261	3,538,141	3,530,237	4,123,025	1,976,429	1,922,689	1,695,044	1,586,336	1,453,179
<b>Total Expenditures</b>	<b>\$ 129,426,472</b>	<b>\$ 149,958,683</b>	<b>\$ 137,187,243</b>	<b>\$ 142,843,651</b>	<b>\$ 195,720,474</b>	<b>\$ 142,672,765</b>	<b>\$ 141,963,383</b>	<b>\$ 147,375,682</b>	<b>\$ 142,043,535</b>	<b>\$ 143,919,630</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 4,696,779</b>	<b>\$ 12,939,911</b>	<b>\$ (747,847)</b>	<b>\$ (5,391,467)</b>	<b>\$ (39,275,520)</b>	<b>\$ 9,344,768</b>	<b>\$ 6,386,261</b>	<b>\$ (622,692)</b>	<b>\$ 1,547,863</b>	<b>\$ (196,185)</b>

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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>OTHER FINANCING SOURCES (USES):</b>										
Transfer In	\$ 8,147,776	\$ 10,267,060	\$ 8,491,580	\$ 2,851,000	\$ 6,709,370	\$ 6,590,699	\$ 5,310,045	\$ 1,598,717	\$ 1,498,879	\$ 1,521,015
Transfer Out	(11,909,931)	(13,954,892)	(11,821,779)	(3,648,785)	(9,523,951)	(9,789,377)	(8,167,733)	(4,064,677)	(5,169,565)	(4,250,626)
Proceeds from Sale of Capital Assets	-	-	2,111,000	-	-	-	-	-	-	-
Capital Lease Obligations	-	-	1,751,957	-	-	-	-	1,707,363	-	-
Insurance Proceeds	157,877	2,556,532	1,314,011	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	5,550,000	47,305,000	-	1,340,000	-	-	-
Premium on Debt Issued	-	-	-	249,283	4,970,522	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	(5,672,472)	-	-	(1,298,192)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (3,604,278)</b>	<b>\$ (1,131,300)</b>	<b>\$ 1,846,769</b>	<b>\$ (670,974)</b>	<b>\$ 49,460,941</b>	<b>\$ (3,198,678)</b>	<b>\$ (2,815,880)</b>	<b>\$ (758,597)</b>	<b>\$ (3,670,686)</b>	<b>\$ (2,729,611)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,092,501</b>	<b>\$ 11,808,611</b>	<b>\$ 1,098,922</b>	<b>\$ (6,062,441)</b>	<b>\$ 10,185,421</b>	<b>\$ 6,146,090</b>	<b>\$ 3,570,381</b>	<b>\$ (1,381,289)</b>	<b>\$ (2,122,823)</b>	<b>\$ (2,925,796)</b>
<b>Debt Service As A Percentage of Noncapital Expenditures</b>	<b>6.0%</b>	<b>5.3%</b>	<b>5.8%</b>	<b>6.6%</b>	<b>32.0%</b>	<b>4.6%</b>	<b>4.7%</b>	<b>4.6%</b>	<b>4.9%</b>	<b>4.7%</b>

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

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Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Tax	Hotel Occupancy Tax	Total
2008	\$71,516,193	\$23,906,777	\$506,047	\$1,011,577	\$96,940,594
2009	75,912,693	30,410,633	614,474	1,294,063	108,231,863
2010	75,995,020	21,361,596	375,928	893,234	98,625,778
2011	72,959,364	20,961,453	547,605	981,619	95,450,041
2012	79,446,316	23,864,675	484,988	1,064,165	104,860,144
2013	82,593,407	24,695,194	475,162	1,015,651	108,779,414
2014	84,262,722	24,064,857	614,384	1,150,383	110,092,346
2015	82,850,758	23,047,286	656,678	1,291,716	107,846,438
2016	80,400,650	24,595,048	673,135	1,211,569	106,880,402
2017	78,856,965	24,984,470	689,240	1,187,625	105,718,300

TABLE 6

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

Fiscal Year Ended September 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value (a) as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2008	\$ 6,729,159,173	\$ 11,409,878,641	\$ 62,781,190	\$ 4,196,575,015	\$ 3,824,188,028	\$ 18,574,205,991	\$ 0.390	\$ 18,879,604,039	84.29%
2009	7,717,517,403	12,524,372,020	63,467,330	4,907,849,539	4,416,709,776	20,796,496,516	0.365	21,244,031,039	84.26%
2010	7,848,755,180	11,452,048,660	59,394,290	4,831,378,530	3,053,531,674	21,138,044,986	0.365	21,337,887,316	88.20%
2011	8,042,282,874	12,128,893,349	47,961,490	4,820,689,110	2,904,361,132	22,135,465,691	0.365	22,248,999,610	88.85%
2012	7,989,089,195	12,510,887,710	51,129,790	5,421,135,950	2,819,185,882	23,153,056,763	0.365	23,199,553,509	89.32%
2013	7,912,100,439	14,408,052,759	62,242,770	6,068,922,220	3,198,328,907	25,252,989,281	0.365	25,274,550,281	88.83%
2014	7,974,453,458	17,857,917,342	66,248,570	6,675,937,170	6,667,443,764	25,907,112,776	0.365	25,914,410,662	79.55%
2015	8,081,673,579	16,701,727,909	68,532,930	6,926,838,120	6,385,170,071	25,393,602,467	0.365	25,404,515,574	79.94%
2016	8,279,899,361	17,082,882,495	75,061,930	5,867,214,193	6,399,625,866	24,905,432,113	0.365	24,916,084,230	79.59%
2017	8,568,478,324	16,366,360,029	79,893,490	5,363,369,718	6,033,364,824	24,344,736,737	0.365	24,362,151,992	80.20%

Source: Jefferson County Appraisal District

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

(a) Includes tax-exempt property.

TABLE 7

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

Fiscal Year	Operating Rate	Debt Service Rate	Total County Rate	Overlapping Rates							Total Direct & Overlapping Rates
				Cities			School Districts				
				Operating Rate	Debt Service Rate	Total City Rate	Operating Rate	Debt Service Rate	Total School Rate	Special Districts	
2008	\$ 0.353	\$ 0.037	\$ 0.390	\$ 0.419	\$ 0.187	\$ 0.606	\$ 1.077	\$ 0.144	\$ 1.221	\$ 0.205	\$ 2.422
2009	0.331	0.034	0.365	0.385	0.202	0.587	1.058	0.186	1.244	0.217	2.413
2010	0.330	0.035	0.365	0.394	0.199	0.593	1.073	0.220	1.293	0.226	2.477
2011	0.331	0.034	0.365	0.394	0.197	0.591	1.058	0.226	1.284	0.192	2.432
2012	0.336	0.029	0.365	0.401	0.185	0.586	1.059	0.230	1.289	0.193	2.433
2013	0.340	0.025	0.365	0.412	0.182	0.594	1.059	0.217	1.276	0.194	2.429
2014	0.341	0.024	0.365	0.419	0.189	0.608	1.058	0.235	1.293	0.193	2.459
2015	0.340	0.025	0.365	0.430	0.186	0.616	1.059	0.244	1.303	0.203	2.487
2016	0.342	0.023	0.365	0.441	0.175	0.616	1.059	0.259	1.318	0.206	2.505
2017	0.339	0.026	0.365	0.422	0.147	0.569	1.059	0.267	1.326	0.203	2.463

Source: Jefferson County Tax Assessor Collector

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

Note: Rates are per \$100 of taxable value. Rates for overlapping entities are an average tax rate of all cities (6), school districts (7), and special districts (14) located within Jefferson County. For fiscal year 2017, total rates ranged between .2383 and .7920 for cities, 1.16 and 1.444 for school districts, and .0264 and .5901 for special districts.

TABLE 8

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

Taxpayers	2017			2008		
	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value
Motiva Refinery	\$ 4,511,001,395	1	18.53%	\$ 1,730,976,620	2	9.32%
ExxonMobil Oil Corporation	1,986,135,163	2	8.16%	2,458,172,310	1	13.23%
Premcor Refining Group Inc	855,852,535	3	3.52%	979,962,790	3	5.28%
Total Petrochemicals USA	534,044,610	4	2.19%	760,684,420	4	4.10%
Golden Pass Pipeline LLC	427,821,850	5	1.76%	-	-	-
Huntsman Petrochemical Corp	419,070,337	6	1.72%	532,549,680	5	2.87%
Sunoco Partners Mktg & Term LP	373,398,328	7	1.53%	-	-	-
Enterprise Texas Pipeline LP	362,236,070	8	1.49%	-	-	-
Entergy Texas Inc.	315,070,910	9	1.29%	265,854,750	8	1.43%
Chevron Phillips Chemical Co	306,511,660	10	1.26%	341,751,870	6	1.84%
Goodyear Tire & Rubber Co.	-	-	-	284,264,830	7	1.53%
Samson Lone Star LP	-	-	-	221,076,970	9	1.19%
Sun Marine Terminals	-	-	-	143,687,840	10	0.77%
<b>TOTAL</b>	<b>\$10,091,142,858</b>		<b>41.45%</b>	<b>\$7,718,982,080</b>		<b>41.56%</b>

Source: Jefferson County Appraisal District.

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

TABLE 9

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

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 70,662,361	\$ 69,387,969	98.20%	\$ 1,045,905	\$ 70,433,874	99.68%
2009	74,709,446	73,704,158	98.65%	753,997	74,458,155	99.66%
2010	74,390,690	73,446,110	98.73%	676,144	74,122,254	99.64%
2011	79,139,167	77,966,579	98.52%	854,563	78,821,142	99.60%
2012	83,535,196	82,381,734	98.62%	787,507	83,169,241	99.56%
2013	89,389,769	88,220,195	98.69%	750,167	88,970,362	99.53%
2014	92,587,634	91,329,673	98.64%	775,047	92,104,720	99.48%
2015	90,468,498	89,246,776	98.65%	621,285	89,868,061	99.34%
2016	88,927,294	87,788,574	98.72%	333,145	88,121,719	99.09%
2017	87,550,735	86,272,257	98.54%	-	86,272,257	98.54%

TABLE 10

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

Fiscal Year	General Obligation Bonds	Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2008	\$ 71,912,777	\$ 2,005,529	\$ -	\$ 73,918,306	0.96%	\$ 305
2009	68,290,426	1,669,086	-	69,959,512	0.85%	\$ 289
2010	64,553,045	1,322,435	1,144,977	67,020,457	0.74%	\$ 266
2011	60,664,579	965,267	585,075	62,214,921	0.66%	\$ 247
2012	56,704,005	597,263	-	57,301,268	0.59%	\$ 227
2013	52,482,467	218,094	-	52,700,561	0.55%	\$ 209
2014	49,281,192	-	-	49,281,192	0.49%	\$ 195
2015	44,444,323	-	1,707,363	46,151,686	0.46%	\$ 183
2016	39,437,454	-	1,383,968	40,821,422	0.38%	\$ 161
2017	34,337,146	-	1,051,858	35,389,004	0.31%	\$ 139

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

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

TABLE 11

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Fund	Total	Percentage of Estimated Actual Taxable Value (a) of Property	Per Capita (b)
149 2008	\$ 71,912,777	\$ 76,619	\$ 71,836,158	0.38%	\$ 297
2009	68,290,426	176,339	68,114,087	0.32%	281
2010	64,553,045	330,833	64,222,212	0.30%	255
2011	60,664,579	354,241	60,310,338	0.27%	239
2012	56,704,005	716,106	55,987,899	0.24%	221
2013	52,482,467	1,071,014	51,411,453	0.20%	204
2014	49,281,192	1,010,241	48,270,951	0.19%	191
2015	44,444,323	1,096,051	43,348,272	0.17%	172
2016	39,437,454	602,071	38,835,383	0.16%	153
2017	34,337,146	700,149	33,636,997	0.14%	132

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

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

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

TABLE 12

JEFFERSON COUNTY, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF SEPTEMBER 30, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
JEFFERSON COUNTY DIRECT DEBT	\$35,389,004	100.0%	\$35,389,004
Total Direct Debt			<u>\$35,389,004</u>
OVERLAPPING DEBT REPAYED WITH PROPERTY TAXES:			
CITIES:			
BEAUMONT	111,855,000	100.0%	111,855,000
BEVIL OAKS	1,780,000	100.0%	1,780,000
GROVES	8,340,000	100.0%	8,340,000
NEDERLAND	13,770,000	100.0%	13,770,000
PORT ARTHUR	48,620,000	100.0%	48,620,000
PORT NECHES	16,540,000	100.0%	16,540,000
TAYLOR LANDING	-	100.0%	-
SCHOOL DISTRICTS:			
BEAUMONT	350,245,000	100.0%	350,245,000
HAMSHIRE FANNETT	22,395,000	100.0%	22,395,000
HARDIN JEFFERSON	49,867,338	51.7%	25,781,414
NEDERLAND	28,190,000	100.0%	28,190,000
PORT ARTHUR	362,215,000	100.0%	362,215,000
PORT NECHES	94,284,998	100.0%	94,284,998
SABINE PASS	24,673,970	100.0%	24,673,970
PORT DISTRICTS:			
BEAUMONT	1,450,000	100.0%	1,450,000
PORT ARTHUR	55,565,000	100.0%	55,565,000
SABINE PASS	1,278,101	100.0%	1,278,101
DRAINAGE DISTRICTS:			
DRAINAGE DISTRICTS #3	-	100.0%	-
DRAINAGE DISTRICTS #6	-	100.0%	-
DRAINAGE DISTRICTS #7	17,700,000	100.0%	17,700,000
NAVIGATION DISTRICTS:			
SABINE NECHES	10,990,000	100.0%	10,990,000
MUNICIPAL UTILITY DISTRICTS:			
NORTHWEST FOREST	-	100.0%	-
WATER DISTRICTS:			
WATER DISTRICT #10	4,750,000	100.0%	4,750,000
EMERGENCY SERVICE DISTRICTS:			
EMERGENCY SERVICE DISTRICT #1	-	100.0%	-
EMERGENCY SERVICE DISTRICT #2	-	100.0%	-
EMERGENCY SERVICE DISTRICT #3	-	100.0%	-
CONSERVATION DISTRICTS:			
TRINITY BAY	-	100.0%	-
IMPROVEMENT DISTRICT:			
CARDINAL MEADOWS	-	100.0%	-
Total Overlapping Debt			<u>\$1,200,423,483</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$1,235,812,487</u>

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

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

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

TABLE 13

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 4,534,760	\$ 5,060,472	\$ 4,825,201	\$ 5,042,794	\$ 5,124,994	\$ 5,580,038	\$ 6,458,093	\$ 6,195,850	\$ 6,340,696	\$ 6,233,710
Total net debt applicable to limit	71,908	68,149	64,234	60,416	60,416	48,404	44,070	39,564	35,468	30,680
Legal debt margin	<u>\$ 4,462,852</u>	<u>\$ 4,992,323</u>	<u>\$ 4,760,967</u>	<u>\$ 4,982,378</u>	<u>\$ 5,064,578</u>	<u>\$ 5,531,634</u>	<u>\$ 6,414,023</u>	<u>\$ 6,156,286</u>	<u>\$ 6,305,228</u>	<u>\$ 6,203,030</u>
Total net debt applicable to the limit as a percentage of debt limit	1.59%	1.35%	1.33%	1.20%	1.18%	0.87%	0.68%	0.64%	0.56%	0.49%

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**Legal Debt Margin Calculation for Fiscal Year 2017**

Assessed Value of Real Property	\$ 24,934,838
Debt limit (25% of assessed value of real property)	6,233,710
Debt applicable to limit:	
General obligation bonds	31,380
Less: Amount set aside for repayment of general obligation debt	700
Total net debt applicable to limit	<u>\$ 30,680</u>
Legal debt margin	<u>\$ 6,203,030</u>

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

TABLE 14

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

<u>Fiscal Year</u>	<u>Population (a)</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income (b)</u>	<u>Median Age (a)</u>	<u>School Enrollment (a)</u>	<u>Unemployment Rate (b)</u>
2008	241,975	\$ 7,684,158	\$ 31,756	36.7	62,290	7.3%
2009	242,142	\$ 8,183,189	\$ 33,795	36.5	61,721	10.7%
2010	252,273	\$ 9,099,739	\$ 36,071	35.6	62,433	10.6%
2011	252,273	\$ 9,369,167	\$ 37,139	36.0	63,371	11.7%
2012	252,802	\$ 9,786,471	\$ 38,712	35.9	63,371	10.2%
2013	251,813	\$ 9,658,791	\$ 38,357	36.0	63,433	10.1%
2014	252,358	\$ 10,083,721	\$ 39,958	35.9	63,350	7.8%
2015	252,235	\$ 9,971,354	\$ 39,532	35.9	61,768	6.6%
2016	254,308	\$ 10,809,362	\$ 42,505	35.9	60,809	7.4%
2017	254,679	\$ 11,451,641	\$ 44,965	36.0	59,927	8.5%

Data sources

(a) Bureau of Census

(b) Texas Workforce Commission

TABLE 15

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

Employer	2017			2008		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
State of Texas	4,433	1	4.52%	4,837	1	4.56%
Beaumont ISD	2,366	2	2.41%	3,000	2	2.83%
ExxonMobil Oil Corporation	2,189	3	2.23%	2,180	4	2.05%
Christus Health Southeast Texas	1,895	4	1.93%	2,335	3	2.20%
Motiva Enterprises	1,540	5	1.57%	-	-	-
Memorial Hermann Baptist Hospital	1,475	6	1.50%	1,613	5	1.52%
Port Arthur ISD	1,251	7	1.28%	1,227	9	1.16%
City of Beaumont	1,248	8	1.27%	1,272	8	1.20%
Jefferson County	1,154	9	1.18%	1,354	6	1.28%
Valero	818	10	0.83%	-	-	-
Wal-Mart Associates	-	-	-	1,331	7	1.25%
Conex International	-	-	-	983	10	0.93%
<b>TOTAL</b>	<b>18,369</b>		<b>18.72%</b>	<b>20,132</b>		<b>18.98%</b>

Source: Employment numbers provided by each entity

TABLE 16

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

Full-time Equivalent Employees as of September 30										
Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	171	180	170	166	164	166	165	165	168	155
Judicial & Law Enforcement										
Deputies	124	131	134	131	134	138	138	143	146	148
Detention Officers	221	240	242	239	238	241	238	237	237	231
Others	436	441	444	440	442	436	443	440	439	415
Education & Recreation	18	18	20	14	15	15	15	15	15	12
Health & Welfare	56	63	63	59	60	60	60	60	61	52
Maintenance - Equipment & Structures										
Road & Bridges	70	69	68	67	66	64	64	60	64	61
Engineering	10	10	9	10	10	10	10	10	10	9
Maintenance	27	30	29	28	28	30	27	28	28	25
Jaek Brooks Regional Airport	26	23	25	25	23	24	25	24	24	24
Ford Park	79	22	23	19	20	23	21	20	21	22
<b>TOTAL</b>	<u>1,238</u>	<u>1,227</u>	<u>1,227</u>	<u>1,198</u>	<u>1,200</u>	<u>1,207</u>	<u>1,206</u>	<u>1,202</u>	<u>1,213</u>	<u>1,154</u>

Sources: County and Ford Park payroll records

TABLE 17

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

Function	FISCAL YEAR									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Judicial & Law Enforcement										
Courts										
Number of Indigent Cases Heard	2,984	2,945	2,945	2,490	2,413	3,249	3,392	3,727	3,969	3,252
Number of Justice of Peace Cases	50,997	43,326	43,488	44,642	48,363	43,205	41,359	33,717	28,130	31,835
Sheriff										
Number of Arrests	6,543	6,404	6,573	6,099	6,023	5,898	5,517	5,730	5,337	4,644
Number of Citations	2,300	1,112	1,043	1,241	1,081	915	1,558	1,615	1,861	2,231
Jail										
Average Daily Population of Inmates	986	899	910	926	815	767	855	830	819	731
Constables										
Number of Papers Served	15,847	15,954	16,967	16,860	15,344	15,472	17,348	18,276	16,618	16,561
Education & Recreation										
Library										
Number of Patron Visits	6,300	4,002	1,536	n/a ^	n/a ^	n/a ^	n/a ^	n/a ^	n/a ^	n/a ^
Health & Welfare										
Health & Welfare										
Number of Patients Seen in Clinic	8,310	9,375	11,531	11,968	11,644	7,433	11,314	10,508	10,401	11,937
Mosquito Control										
Number of Acreage Sprayed	1,393,743	2,175,872	1,070,464	818,972	1,328,128	700,672	1,048,256	563,520	839,680	594,148
Maintenance - Equipment & Structures										
Road & Bridge										
Road Miles Maintained	370	370	370	370	369	370	370	369	369	366
Airport										
Number of Aircraft Operations	32,273	27,891	26,332	22,602	22,515	20,351	19,109	15,462	14,842	15,757
Number of Enplaned	22,126	22,174	17,957	18,098	5,666	24,669	36,605	34,879	27,245	24,934
Number of Deplaned	22,387	21,588	17,997	18,207	5,328	24,351	35,340	34,517	28,098	24,467
Health Insurance Risk Pool										
Number of Participants in Plan	1,490	1,541	1,568	1,550	1,581	1,612	1,807	1,652	1,667	1,702
Entertainment Complex										
Number of Events	221	183	198	188	185	176	174	170	183	40
Total Attendance	280,012	658,337	647,207	629,123	712,688	668,718	650,089	303,562	336,555	348,710

Sources: Various county departments

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

^ Library was closed 12/31/10.

TABLE 18

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

Function	FISCAL YEAR									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Judicial & Law Enforcement										
Sheriff										
Patrol Units	119	116	120	122	122	126	121	123	141	132
Aviation Units	3	3	3	3	4	4	3	3	3	4
Marine Units	4	9	9	11	11	11	11	11	10	10
Jail										
Dorms	23	23	23	23	23	23	23	23	23	23
Bed Capacity	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
Constables										
Patrol Units	30	31	32	27	24	29	32	32	34	28
Education & Recreation										
Library Holdings (ie books, audio, video)	46,104	35,549	36,038	n/a ^						
Health & Welfare										
Mosquito Control										
Mosquito Spray Trucks	8	8	8	8	8	8	8	8	8	8
Weed Control Trucks	2	2	2	2	2	2	2	2	2	2
Aviation Units	3	3	3	3	3	3	3	3	3	3
Maintenance - Equipment & Structures										
Road (miles)	370	370	370	370	369	370	370	369	369	366
Bridges	65	65	65	65	65	65	65	65	65	65
Airport										
Runways (linear feet)	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820	11,820
T-Hangar & Open Span Hangars (square feet)	144,276	123,076	123,076	150,470	150,470	150,470	150,470	150,470	150,470	150,470
Office Space (square feet)	14,439	14,426	14,426	18,885	18,885	43,850	43,850	43,850	45,850	45,850
Entertainment Complex										
Number of venues	5	5	5	5	5	5	5	5	5	5
Softball Fields	12	12	12	12	12	12	12	12	12	12
Exhibit Floor Space (square feet)	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000	142,000
Seating Capacity	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500	23,500

Sources: Various county departments

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

^ Library was closed 12/31/10.





**P A T T I L L O , B R O W N & H I L L , L . L . P .**  
 CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

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

We have audited the financial statements of Jefferson County, Texas as of and for the year ended September 30, 2017, and have issued our report thereon dated March 16, 2018. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated November 21, 2017, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Jefferson County, Texas solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

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 505.266.5904

  
**Governmental Audit  
 Quality Center**

## **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, and, as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

We will assist in preparing the schedule of expenditures of federal and state awards of Jefferson County, Texas in conformity with U.S. generally accepted accounting principles, the U.S. Office of Management and Budget (OMB) *Compliance Supplement*, and the State of Texas *Uniform Grant Management Standards* based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Services*.

In order to ensure we maintain our independence for performing these nonaudit services certain safeguards were applied to this engagement. Management assumed responsibility for the financial statements and related notes to the financial statements and any other nonaudit services we provided. Management acknowledged, in the management representation letter, our assistance with the preparation of the schedule of expenditures of federal and state awards and that this was reviewed and approved prior to their issuance and accepted responsibility for them. Further, the nonaudit services were overseen by an individual within management that has the suitable skill, knowledge, or experience; evaluated the adequacy and results of the services; and accepted responsibility for them.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Jefferson County, Texas is included in Note I to the financial statements. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Management's estimate of the allowance for uncollectible property taxes is based on a historical collection rate of outstanding property taxes at September 30, 2017. We evaluated the key factors and assumptions used to develop the allowance for uncollectible property taxes in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible court fines and fees receivable is based on a historical collection rate of outstanding court fines and fees at September 30, 2017. We evaluated the key factors and assumptions used to develop the allowance for uncollectible court fines in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accumulated depreciation is based on the related estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop these estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the annual OPEB cost and net OPEB obligation is based on economic and demographic assumptions related to future claims/premiums paid on behalf of retirees. We evaluated the key factors and assumptions used to develop the annual OPEB cost and net OPEB obligation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and deferred outflows/inflows related to TCDRS is based on actuarial assumptions which are determined by the demographics of the plan and future projections that the actuarial makes based on historical information of the plan and the investment market. We evaluated the key factors and assumptions used to develop the net pension liability and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

#### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Jefferson County, Texas' financial statements relate to: the TCDRS pension liability and fair value disclosures related to the Jefferson County, Texas' investments. The disclosures in the financial statements are neutral, consistent and clear.

#### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Jefferson County, Texas' financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated March 16, 2018.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Jefferson County, Texas, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Jefferson County, Texas' auditors.

## **Significant Forthcoming Accounting Pronouncements**

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – This statement changes the focus of accounting of postemployment benefits other than pensions from how much it costs to adequately fund the benefits over time to a point-in-time liability that is reflected on the employer's financial statements for any actuarially unfunded portion of benefits earned to date. This statement will become effective for the County in fiscal year 2018.

This report is intended solely for the information and use of the Commissioners Court and management of Jefferson County, Texas and is not intended to be, and should not be, used by anyone other than these specified parties.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
March 16, 2016

JEFFERSON COUNTY, TEXAS

FINANCIAL & OPERATING  
STATEMENTS - COUNTY FUNDS ONLY

For the Three Months Ending December 31, 2017



Patrick Swain - County Auditor

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



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

March 21, 2018

Honorable Commissioners Court:  
Judge Jeff R. Branick  
Commissioner Eddie Arnold  
Commissioner Brent Weaver  
Commissioner Michael "Shane" Sinegal  
Commissioner Everette "Bo" Alfred

Gentlemen:

In compliance with Section 114.023 of the Local Government Code, I herewith present the monthly report of the financial condition of Jefferson County as of December 31, 2017 together with the results of operations of the budget for the third period then ended.

**Revenue:**

Total budgeted revenue collected for the three months ending December 31, 2017 is \$18,590,423. Budgeted Revenues are \$118,751,599 leaving \$100,161,176 in revenue to be collected in order to meet our budgetary revenue goals. Highlights of revenues are as follows:

**Property Taxes:**

Property tax collections are \$13,010,021 for the first three months of the year. This amount represents 16% of the budgeted amount of \$80,620,917.

**Sales Taxes:**

Ten percent of budgeted revenue for sales taxes has been collected. Sales Tax revenue is budgeted to be \$24,000,000.

Page Two

**Licenses & Permits:**

Twenty-five percent of budgeted revenue from Licenses & Permits has been collected. Licenses & Permits are budgeted to be \$426,700 for the year.

**Intergovernmental:**

Nine percent of Intergovernmental Revenue has been collected. Intergovernmental Revenue is budgeted to be \$1,215,791.

**Fees:**

Twenty-three percent of the budgeted revenue for Fees has been collected. Revenue from Fees is budgeted to be \$10,646,591 for the year.

**Fines and Forfeitures:**

Nineteen percent of Fines and Forfeitures have been collected. Revenues from Fines and Forfeitures are budgeted to be \$1,625,000.

**Interest:**

Ninety-four percent of the budgeted revenue for Interest has been collected. Revenues from Interest are budgeted to be \$192,600.

**Other Revenues:**

Thirty-eight dollars has been collected in Other Revenues. Revenues from Other Revenues are budgeted to be \$24,000 for the year.

**Expenditures:**

Overall for the County's budgeted funds, twenty-four percent of the expenditures have been spent.

Page Three

Expenditures are budgeted to be \$127,366,337, which includes General Funds and debt service funds, excluding budgeted transfers of \$4,576,247 for the fiscal year ending September 30, 2018.

Please call me if you have any questions on the enclosed report.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick Swain', with a long horizontal flourish extending to the right.

Patrick Swain  
County Auditor

JEFFERSON COUNTY, TEXAS  
FINANCIAL & OPERATING  
STATEMENTS - COUNTY FUNDS ONLY  
FOR THE THREE MONTHS ENDING DECEMBER 31, 2017  
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Jefferson County, Texas  
 Consolidated Balance Sheet  
 For the Three Months Ending December 31, 2017

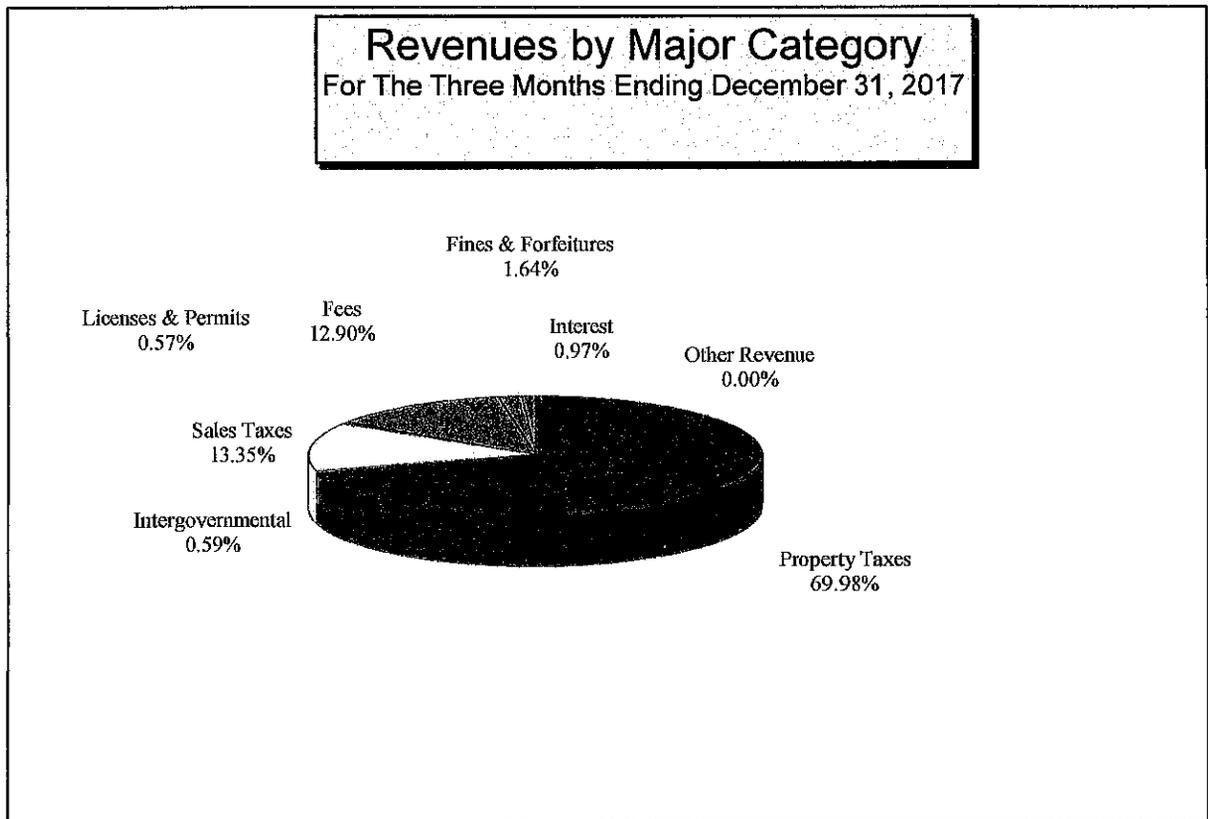
	<u>General Funds</u>	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Debt Service Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Total</u>
<b><u>ASSETS</u></b>							
Cash and Cash Equivalents	\$ 38,489,056	20,412,886	3,505,164	1,368,035	266,672	(7,618,656)	\$ 56,423,157
Receivables & Prepaids	6,062,488	87,127	-	158,746	45,347	-	6,353,708
Intergovernmental Receivables	3,334,366	-	-	-	-	-	3,334,366
Due From Other Funds	150,008	-	-	-	-	-	150,008
Inventory	557,847	16,009	-	-	119,277	-	693,133
Other Assets	-	-	-	-	82,431,242	-	82,431,242
<b>Total Assets</b>	<b>\$ <u>48,593,765</u></b>	<b>\$ <u>20,516,022</u></b>	<b>\$ <u>3,505,164</u></b>	<b>\$ <u>1,526,781</u></b>	<b>\$ <u>82,862,538</u></b>	<b>\$ <u>(7,618,656)</u></b>	<b>\$ <u>149,385,614</u></b>
<b><u>LIABILITIES AND FUND BALANCE/EQUITY</u></b>							
Payables	\$ 3,936,035	628,498	-	-	1,417,180	3,583,720	\$ 9,565,433
Intergovernmental Payables	360	230,515	-	-	146	-	231,021
Due To Other Funds	-	-	-	-	-	-	-
Other Liabilities	8,975,629	-	-	143,424	473,213	-	9,592,266
Fund Balance/Equity	<u>35,681,741</u>	<u>19,657,009</u>	<u>3,505,164</u>	<u>1,383,357</u>	<u>80,971,999</u>	<u>(11,202,376)</u>	<u>129,996,894</u>
<b>Total Liabilities and Fund Balance/Equity</b>	<b>\$ <u>48,593,765</u></b>	<b>\$ <u>20,516,022</u></b>	<b>\$ <u>3,505,164</u></b>	<b>\$ <u>1,526,781</u></b>	<b>\$ <u>82,862,538</u></b>	<b>\$ <u>(7,618,656)</u></b>	<b>\$ <u>149,385,614</u></b>

Jefferson County, Texas  
Statement of Changes in Fund Balances  
For The Three Months Ending December 31, 2017

	10/01/2017	Three Months Ending December 31, 2017				12/31/2017
	Fund Balance	Receipts	Disbursements	Transfers In(/Out)	Prior Period Adjustment	Fund Balance
Jury Fund	\$ 409,479	\$ 30,010	\$ 138,897	\$ -	\$ -	\$ 300,592
Road & Bridge Pct. 1	3,000,799	265,066	335,952	-	-	2,929,913
Road & Bridge Pct. 2	971,265	246,982	381,012	-	-	837,235
Road & Bridge Pct. 3	613,463	225,398	346,826	-	-	492,035
Road & Bridge Pct. 4	1,824,171	285,893	384,267	-	-	1,725,797
Engineering Fund	119,908	134,774	227,788	-	-	26,894
Parks & Recreation	94,159	24,129	13,103	-	-	105,185
General Fund	34,249,886	16,359,022	24,963,885	(370,588)	-	25,274,435
Mosquito Control Fund	519,759	306,225	415,901	-	-	410,083
Tobacco Settlement Fund	3,674,801	4,771	100,000	-	-	3,579,572
<b>Total General Funds</b>	<b>45,477,690</b>	<b>17,882,270</b>	<b>27,307,631</b>	<b>(370,588)</b>	<b>-</b>	<b>35,681,741</b>
<b>Total Special Revenue Funds</b>	<b>21,539,261</b>	<b>3,931,718</b>	<b>5,832,008</b>	<b>18,038</b>	<b>-</b>	<b>19,657,009</b>
<b>Total Capital Project Funds</b>	<b>3,808,819</b>	<b>4,671</b>	<b>308,326</b>	<b>-</b>	<b>-</b>	<b>3,505,164</b>
<b>Total Debt Service Funds</b>	<b>675,704</b>	<b>708,153</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>1,383,357</b>
<b>Total Enterprise Funds</b>	<b>81,253,638</b>	<b>511,534</b>	<b>1,145,723</b>	<b>352,550</b>	<b>-</b>	<b>80,971,999</b>
<b>Total Internal Service Funds</b>	<b>(7,468,859)</b>	<b>3,868,636</b>	<b>7,602,153</b>	<b>-</b>	<b>-</b>	<b>(11,202,376)</b>
<b>Total Balances</b>	<b>\$ 145,286,253</b>	<b>\$ 26,906,982</b>	<b>\$ 42,196,341</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,996,894</b>

Jefferson County Texas  
 Statement of Revenues by Category - Compared with Budget Allocation  
 For The Three Months Ending December 31, 2017

Category	Cumulative Actual	Annual Budget	Unrealized Balance	Percentage Unrealized
Property Taxes	\$ 13,010,021	\$ 80,620,917	\$ 67,610,896	83.86%
Sales Taxes	2,481,732	24,000,000	21,518,268	89.66%
Licenses & Permits	104,923	426,700	321,777	75.41%
Intergovernmental	110,165	1,215,791	1,105,626	90.94%
Fees	2,397,358	10,646,591	8,249,233	77.48%
Fines & Forfeitures	305,315	1,625,000	1,319,685	81.21%
Interest	180,871	192,600	11,729	6.09%
Other Revenue	38	24,000	23,962	99.84%
	<u>\$ 18,590,423</u>	<u>\$ 118,751,599</u>	<u>\$ 100,161,176</u>	<u>84.35%</u>



**Jefferson County, Texas**  
Statement of Revenues - Compared With Budget Allocation  
For The Three Months Ending December 31, 2017

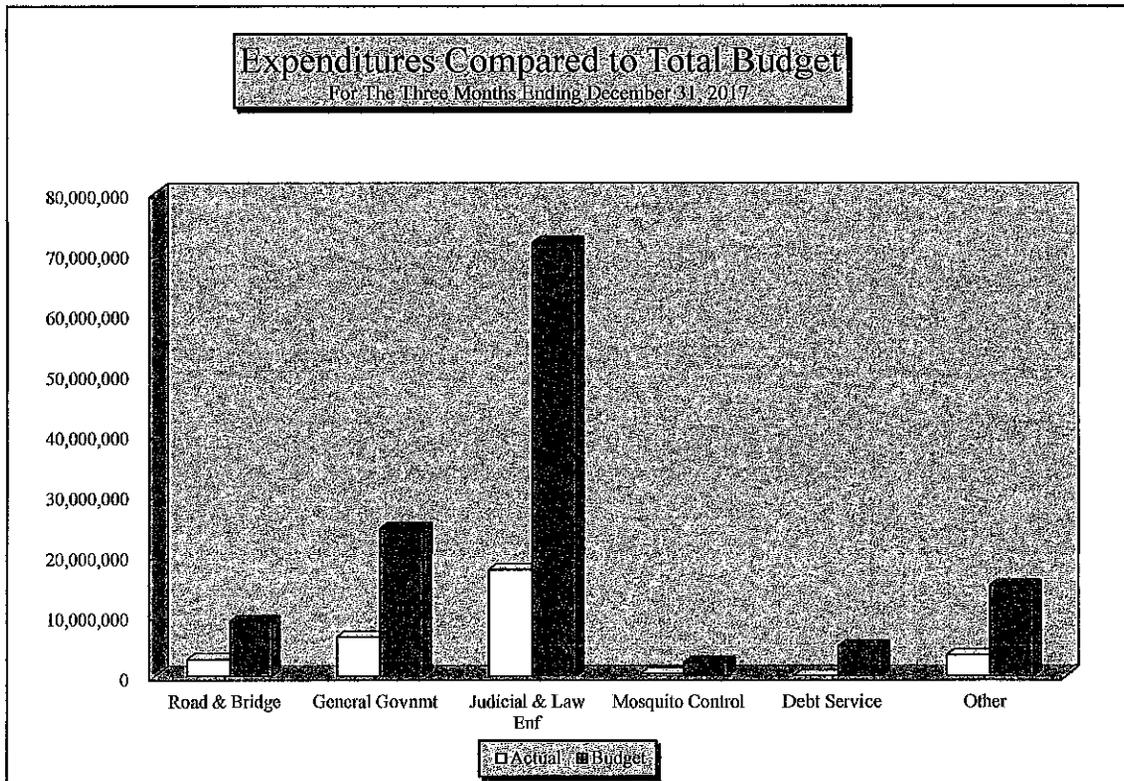
	October 2017 <u>-December</u>	Cumulative <u>Total</u>	Annual <u>Budget</u>	Unrealized <u>Balance</u>
<b>Jury Fund</b>				
Current Taxes	\$ 19,987	\$ 19,987	\$ 137,496	\$ 117,509
Delinquent Taxes	964	964	3,716	2,752
Jury Fees	9,059	9,059	35,000	25,941
Other Revenue	-	-	200,000	200,000
<b>Road &amp; Bridge Pct. 1</b>				
Current Taxes	84,058	84,058	578,251	494,193
Delinquent Taxes	1,858	1,858	7,158	5,300
Intergovernmental Revenue	-	-	-	-
Auto Registration Fees	-	-	564,960	564,960
Road & Bridge Fees	131,972	131,972	558,540	426,568
Sales, Rentals & Services	2,276	2,276	-	(2,276)
Fines and Forfeitures	44,902	44,902	231,120	186,218
<b>Road &amp; Bridge Pct. 2</b>				
Current Taxes	79,017	79,017	543,574	464,557
Delinquent Taxes	1,702	1,702	6,559	4,857
Intergovernmental Revenue	-	-	-	-
Auto Registration Fees	-	-	531,080	531,080
Road & Bridge Fees	124,053	124,053	525,045	400,992
Sales, Rentals & Services	-	-	-	-
Fines and Forfeitures	42,210	42,210	217,260	175,050
<b>Road &amp; Bridge Pct. 3</b>				
Current Taxes	72,111	72,111	496,062	423,951
Delinquent Taxes	1,554	1,554	5,987	4,433
Intergovernmental Revenue	-	-	-	-
Auto Registration Fees	-	-	484,660	484,660
Road & Bridge Fees	113,211	113,211	479,153	365,942
Sales, Rentals & Services	-	-	-	-
Fines and Forfeitures	38,522	38,522	198,270	159,748
<b>Road &amp; Bridge Pct. 4</b>				
Current Taxes	92,143	92,143	633,869	541,726
Delinquent Taxes	1,985	1,985	7,648	5,663
Intergovernmental Revenue	-	-	1,200	1,200
Auto Registration Fees	-	-	619,300	619,300
Road & Bridge Fees	144,662	144,662	612,263	467,601
Sales, Rentals & Services	(2,116)	(2,116)	-	2,116
Fines and Forfeitures	49,219	49,219	253,350	204,131
Other Revenue	-	-	-	-

**Jefferson County, Texas**  
**Statement of Revenues - Compared With Budget Allocation**  
**For The Three Months Ending December 31, 2017**

	October 2017 <u>-December</u>	Cumulative <u>Total</u>	Annual <u>Budget</u>	Unrealized <u>Balance</u>
<b>Engineering Fund</b>				
Current Taxes	\$ 131,364	\$ 131,364	\$ 903,677	\$ 772,313
Delinquent Taxes	3,010	3,010	11,598	8,588
Licenses and Permits	400	400	650	250
Sales, Rentals & Services	-	-	500	500
<b>Parks &amp; Recreation</b>				
Current Taxes	6,798	6,798	46,763	39,965
Delinquent Taxes	170	170	655	485
Sales, Rentals & Services	17,161	17,161	65,175	48,014
<b>General Fund</b>				
Current Taxes	11,251,900	11,251,900	69,558,088	58,306,188
Delinquent Taxes	248,685	248,685	958,300	709,615
Sales Taxes	2,481,732	2,481,732	24,000,000	21,518,268
Other Taxes	38	38	24,000	23,962
Licenses and Permits	104,523	104,523	426,050	321,527
Intergovernmental Revenue	110,165	110,165	1,014,591	904,426
Fees of Office	967,109	967,109	4,108,265	3,141,156
Other Sales, Rentals & Svcs.	889,971	889,971	2,062,650	1,172,679
Fines & Forfeitures	130,462	130,462	725,000	594,538
Interest	174,437	174,437	175,000	563
Other Revenue	-	-	-	-
<b>Mosquito Control Fund</b>				
Current Taxes	300,191	300,191	2,065,072	1,764,881
Delinquent Taxes	6,034	6,034	23,252	17,218
Sales, Rentals & Services	-	-	-	-
<b>Tobacco Settlement Fund</b>				
Interest	4,771	4,771	10,000	5,229
<b>Debt Service</b>				
Current Taxes	686,111	686,111	4,558,065	3,871,954
Delinquent Taxes	20,379	20,379	75,127	54,748
Interest	1,663	1,663	7,600	5,937
Other, Sales, Rentals & Svcs.	-	-	-	-
<b>Total</b>	<b>\$ 18,590,423</b>	<b>\$ 18,590,423</b>	<b>\$ 118,751,599</b>	<b>\$ 100,161,176</b>

Jefferson County, Texas  
 Statement of Expenditures - Compared With Budget Allocation - 25% of Budget Expended  
 For The Three Months Ending December 31, 2017

	Cumulative Actual	Annual Budget	Unencumbered Balance	Percentage Unencumbered
Jury Fund	\$ 148,069	\$ 650,474	\$ 502,405	77.24%
Road & Bridge Funds	2,562,832	7,838,368	5,275,536	67.30%
Engineering Fund	229,744	1,031,055	801,311	77.72%
Parks & Recreation Fund	17,552	180,731	163,179	90.29%
<b>General Fund:</b>				
General Government	6,494,051	24,431,601	17,937,550	73.42%
Judicial	4,674,461	19,370,892	14,696,431	75.87%
Law Enforcement	12,811,555	51,740,731	38,929,176	75.24%
Education	85,850	424,338	338,488	79.77%
Health & Welfare	1,450,188	8,582,605	7,132,417	83.10%
Maintenance	1,166,004	3,849,701	2,683,697	69.71%
Other	652,888	1,996,303	1,343,415	67.30%
Mosquito Control Fund	425,146	2,260,280	1,835,134	81.19%
Tobacco Settlement	100,000	100,000	-	-
Debt Service Funds	500	4,909,258	4,908,758	99.99%
	<u>\$ 30,818,840</u>	<u>\$ 127,366,337</u>	<u>\$ 96,547,497</u>	<u>75.80%</u>



Jefferson County, Texas  
Statement of Expenditures - Compared With Budget Allocation  
For The Three Months Ending December 31, 2017

	October 2017		Cumulative	Annual	Unencumbered
	December	Encumbrances	Total	Budget	Balance
Jury Fund	\$ 138,897	\$ 9,172	\$ 148,069	\$ 650,474	\$ 502,405
Road & Brdg Pct. 1	335,952	307,467	643,419	1,743,419	1,100,000
Road & Brdg Pct. 2	381,012	453,539	834,551	2,016,500	1,181,949
Road & Brdg Pct. 3	346,826	153,594	500,420	1,992,224	1,491,804
Road & Brdg Pct. 4	384,267	200,175	584,442	2,086,225	1,501,783
Engineering	227,788	1,956	229,744	1,031,055	801,311
Parks & Recreation	13,103	4,449	17,552	180,731	163,179
Tax Assessor/Coll.	1,042,424	13,005	1,055,429	4,015,207	2,959,778
Human Resources	112,623	3,499	116,122	446,431	330,309
County Auditor	369,944	507	370,451	1,524,752	1,154,301
County Clerk	540,523	77,273	617,796	2,364,127	1,746,331
County Judge	190,513	75	190,588	921,974	731,386
Risk Management	68,238	73	68,311	258,592	190,281
County Treasurer	99,336	-	99,336	395,842	296,506
Printing Department	33,883	18,921	52,804	173,275	120,471
Purchasing Department	143,176	17,178	160,354	571,359	411,005
General Services	2,735,606	91,100	2,826,706	10,580,229	7,753,523
MIS	584,857	18,685	603,542	2,180,603	1,577,061
Voter's Registration	72,687	424	73,111	158,956	85,845
Elections	231,498	28,003	259,501	840,254	580,753
District Attorney	1,688,120	38,304	1,726,424	6,894,201	5,167,777
District Clerk	497,368	15,331	512,699	1,956,148	1,443,449
Criminal Dist. Court	319,600	26	319,626	1,530,482	1,210,856
58th Dist. Court	73,697	270	73,967	305,645	231,678
60th Dist. Court	77,767	508	78,275	302,717	224,442
136th Dist. Court	81,242	-	81,242	308,347	227,105
172nd Dist. Court	74,651	145	74,796	306,186	231,390
252nd Dist. Court	233,119	-	233,119	1,160,612	927,493
279th Dist. Court	95,757	187	95,944	406,909	310,965
317th Dist. Court	192,039	412	192,451	808,245	615,794
J.P. Pct. 1 Pl 1	94,388	-	94,388	382,394	288,006
J.P. Pct. 1 Pl 2	93,684	638	94,322	381,038	286,716
J.P. Pct. 2	75,897	117	76,014	354,110	278,096
J.P. Pct. 4	91,079	159	91,238	375,490	284,252
J.P. Pct. 6	93,172	60	93,232	383,911	290,679
J.P. Pct. 7	89,627	-	89,627	379,034	289,407
J.P. Pct. 8	88,785	1,524	90,309	372,025	281,716
Cnty. Court at Law 1	123,338	85	123,423	486,260	362,837
Cnty. Court at Law 2	150,764	-	150,764	631,471	480,707
Cnty. Court at Law 3	183,404	110	183,514	736,035	552,521
Court Master	137,834	-	137,834	643,372	505,538

Jefferson County, Texas  
Statement of Expenditures - Compared With Budget Allocation  
For The Three Months Ending December 31, 2017

	October 2017		Cumulative		Annual		Unencumbered
	December	Encumbrances	Total		Budget		Balance
Dispute Resolution	\$ 55,654	\$ 5,599	\$ 61,253	\$	266,260	\$	205,007
Alternative School	107,722	-	107,722		413,246		305,524
Comm. Supervision	995	-	995		19,082		18,087
Sheriff's Dept.	3,515,913	141,103	3,657,016		13,713,696		10,056,680
Crime Lab	293,571	17,480	311,051		1,434,162		1,123,111
Jail	6,391,809	492,130	6,883,939		28,340,933		21,456,994
Juvenile Probation	326,561	3,216	329,777		1,651,152		1,321,375
Juvenile Detention	467,989	103,171	571,160		2,169,233		1,598,073
Constable Pct. 1	191,028	9,652	200,680		779,226		578,546
Constable Pct. 2	115,680	90	115,770		463,423		347,653
Constable Pct. 4	116,425	29,640	146,065		497,948		351,883
Constable Pct. 6	142,472	384	142,856		569,104		426,248
Constable Pct. 7	109,980	39	110,019		448,389		338,370
Constable Pct. 8	115,592	114	115,706		456,137		340,431
County Morgue	118,531	268	118,799		785,000		666,201
Agriculture Ext.	83,711	2,139	85,850		424,338		338,488
Public Health # 1	304,659	120	304,779		1,290,638		985,859
Public Health # 2	296,468	450	296,918		1,282,065		985,147
Nurse Practitioner	78,169	2,616	80,785		316,395		235,610
Child Welfare	32,593	-	32,593		120,000		87,407
Env. Control	96,650	18,727	115,377		422,187		306,810
Ind. Medical Svcs.	224,935	334,888	559,823		4,907,433		4,347,610
Emergency Mgmt.	59,913	-	59,913		243,887		183,974
Beaumont Maintenance	432,752	449,571	882,323		2,882,567		2,000,244
Port Arthur Maint.	166,151	52,856	219,007		742,916		523,909
Mid-County Maint.	40,055	24,619	64,674		224,218		159,544
Service Center	218,620	355,546	574,166		1,034,377		460,211
Veteran Service	78,647	75	78,722		306,653		227,931
Mosquito Control	415,901	9,245	425,146		2,260,280		1,835,134
Tobacco Settlement	100,000	-	100,000		100,000		-
Debt Service Funds	500	-	500		4,909,258		4,908,758
Contingency	-	-	-		655,273		655,273
<b>Total</b>	<b>\$ 27,308,131</b>	<b>\$ 3,510,709</b>	<b>\$ 30,818,840</b>	<b>\$</b>	<b>127,366,337</b>	<b>\$</b>	<b>96,547,497</b>

Jefferson County, Texas  
Statement of Bonded Indebtedness  
For The Three Months Ending December 31, 2017

Issue	Beginning Amount Outstanding	2017-2018 Requirements				2017-2018 Payments				Ending Amount Outstanding
		Principal	Interest	Fees	Total	Principal	Interest	Fees	Total	
2012 Refunding Bonds	\$ 31,105,000	\$ 3,365,000	\$ 1,258,950	\$ 2,500	\$ 4,626,450	\$ -	\$ -	\$ -	\$ -	\$ 31,105,000
2013 Refunding Bonds	275,000	275,000	5,308	2,500	282,808	-	-	500	500	275,000
	<u>\$ 31,380,000</u>	<u>\$ 3,640,000</u>	<u>\$ 1,264,258</u>	<u>\$ 5,000</u>	<u>\$ 4,909,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 31,380,000</u>

Jefferson County, Texas  
Statement of Transfers In and Out  
For The Three Months Ending December 31, 2017

Fund	Transfers In	Transfers Out
120 General Fund	-	352,550 (a)
120 General Fund	-	18,038 (b)
265 Check Water & Sewer Phase 5	5,400 (b)	-
282 VAWA Fund	12,638 (b)	-
550 SETEC Fund	352,550 (a)	-
	\$370,588	\$370,588

(a) Budgeted Transfer

(b) Grant Match

Jefferson County, Texas  
Statement of Comp-Time Liability  
For The First Quarter - December 31, 2017

Department	Cumulative Hours	Current Liability
Road & Bridge # 1	318.75	\$ 7,689.29
Road & Bridge # 2	456.45	11,597.86
Road & Bridge # 3	459.45	10,307.80
Road & Bridge # 4	41.50	988.86
Engineering	79.52	2,318.28
Tax Assessor/Collector	290.71	6,056.84
Human Resources	16.75	345.63
County Auditor	173.85	4,654.76
County Clerk	226.89	4,916.20
County Judge	72.63	1,884.17
Treasurer	0.01	0.10
Printing	0.55	13.55
Purchasing Department	8.75	184.55
MIS	496.37	14,536.38
Voter Registration	27.00	720.69
Elections Department	143.01	3,554.64
District Attorney	0.08	1.72
District Clerk	502.19	9,867.88
Criminal District Court	65.00	1,675.00
58th District Court	1.63	41.87
172nd District Court	-	-
252nd District Court	86.38	2,880.22
279th District Court	0.01	0.13
Justice of Peace Pct. 1 Pl. 1	70.12	1,749.96
Justice of Peace Pct. 1 Pl. 2	-	-
Justice of Peace Pct. 2	-	-
Justice of Peace Pct. 4	0.01	0.12
Justice of Peace Pct. 6	3.62	86.59
Justice of Peace Pct. 7	50.63	1,262.49
Justice of Peace Pct. 8	-	-
County Court at Law #2	71.75	2,125.05
Court Master	7.38	158.59
Dispute Resolution Center	84.00	1,530.21
Alternative School	138.50	4,439.53
Sheriff's Department	11,705.31	389,496.90
Crime Lab	274.60	10,398.66
Correctional Facility	8,837.06	220,597.92
Juvenile Probation	154.78	2,899.81
Juvenile Detention Home	316.16	6,347.15
Constable Pct. 1	307.87	10,585.55

Jefferson County, Texas  
Statement of Comp-Time Liability  
For The First Quarter - December 31, 2017

Department	Cumulative Hours	Current Liability
Constable Pct. 2	74.51	\$ 2,915.13
Constable Pct. 4	94.25	3,539.84
Constable Pct. 6	69.70	2,259.91
Constable Pct. 7	41.79	1,455.88
Constable Pct. 8	24.12	496.58
Public Health No. 1	126.88	2,273.18
Public Health No. 2	86.39	1,555.48
Environmental Control	-	-
Indigent Health	-	-
Emergency Management	72.00	2,118.82
Mosquito Control	424.87	9,812.30
Maintenance - Beaumont	330.38	6,714.02
Maintenance - Port Arthur	244.50	4,663.08
Maintenance- Mid County	-	-
Service Center	35.00	843.90
Veterans' Services Office	0.62	14.80
Airport	855.12	17,631.66
Visitors' Center	56.55	840.57
Grant A Basic Probation	107.01	1,873.87
Grant A Mental Health Service	-	-
Grant A Community Programs	87.32	1,632.60
Grant A Pre and Post Ajudication	-	-
Misdemeanor Pre-Trial	0.01	0.07
Community Supervision	387.67	8,842.70
Women's Center	833.10	11,866.86
Adult Surveillance Program	1.00	14.06
Community Corrections	39.00	737.51
High Need Program	3.50	89.37
TJPC Grant Contract M	27.54	499.83
Drug Diversion	40.75	749.61
Juvenile Probation and Detention	51.75	667.41
Mentally Impaired Offender	0.50	11.91
Auto Theft	9.00	326.12
Sheriff Mental Health Liason	-	-
ASAP	426.01	12,232.12
Marine Division	3,058.62	99,808.57
Courthouse Security	219.50	7,052.26
Total	<u>33,318.23</u>	<u>\$ 939,454.97</u>
Comp-Time Liability at 12/31/16	31,450.92	\$847,443.91

JEFFERSON COUNTY, TEXAS

FINANCIAL & OPERATING  
STATEMENTS - COUNTY FUNDS ONLY

For the Month Ending January 31, 2018



Patrick Swain - County Auditor

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



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

March 21, 2018

Honorable Commissioners Court:  
Judge Jeff R. Branick  
Commissioner Eddie Arnold  
Commissioner Brent Weaver  
Commissioner Michael "Shane" Sinegal  
Commissioner Everette "Bo" Alfred

Gentlemen:

In compliance with Section 114.023 of the Local Government Code, I herewith present the monthly report of the financial condition of Jefferson County as of January 31, 2018 together with the results of operations of the budget for the fourth period then ended.

**Revenue:**

Total budgeted revenue collected for the month ending January 31, 2018 is \$45,786,651. Budgeted Revenues are \$118,751,599 leaving \$72,964,948 in revenue to be collected in order to meet our budgetary revenue goals. Highlights of revenues are as follows:

**Property Taxes:**

Property tax collections are \$36,498,574 for the first four months of the year. This amount represents 45% of the budgeted amount of \$80,620,917.

**Sales Taxes:**

Twenty-two percent of budgeted revenue for sales taxes has been collected. Sales Tax revenue is budgeted to be \$24,000,000.

Page Two

**Licenses & Permits:**

Thirty-five percent of budgeted revenue from Licenses & Permits has been collected. Licenses & Permits are budgeted to be \$426,700 for the year.

**Intergovernmental:**

Twenty-eight percent of Intergovernmental Revenue has been collected. Intergovernmental Revenue is budgeted to be \$1,215,791.

**Fees:**

Twenty-seven percent of the budgeted revenue for Fees has been collected. Revenue from Fees is budgeted to be \$10,646,591 for the year.

**Fines and Forfeitures:**

Thirty-one percent of Fines and Forfeitures have been collected. Revenues from Fines and Forfeitures are budgeted to be \$1,625,000.

**Interest:**

Revenues from Interest have exceeded the budgeted amount of \$192,600 by \$11,655.

**Other Revenues:**

Thirty-eight dollars has been collected in Other Revenues. Revenues from Other Revenues are budgeted to be \$24,000 for the year.

**Expenditures:**

Overall for the County's budgeted funds, thirty-three percent of the expenditures have been spent.

Page Three

Expenditures are budgeted to be \$127,366,337, which includes General Funds and debt service funds, excluding budgeted transfers of \$4,576,247 for the fiscal year ending September 30, 2018.

Please call me if you have any questions on the enclosed report.

Sincerely,

A handwritten signature in black ink, appearing to read 'PS', with a long horizontal stroke extending to the right.

Patrick Swain  
County Auditor

JEFFERSON COUNTY, TEXAS  
FINANCIAL & OPERATING  
STATEMENTS - COUNTY FUNDS ONLY  
FOR THE MONTH ENDING JANUARY 31, 2018  
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Jefferson County, Texas  
Consolidated Balance Sheet  
For the Month Ending January 31, 2018

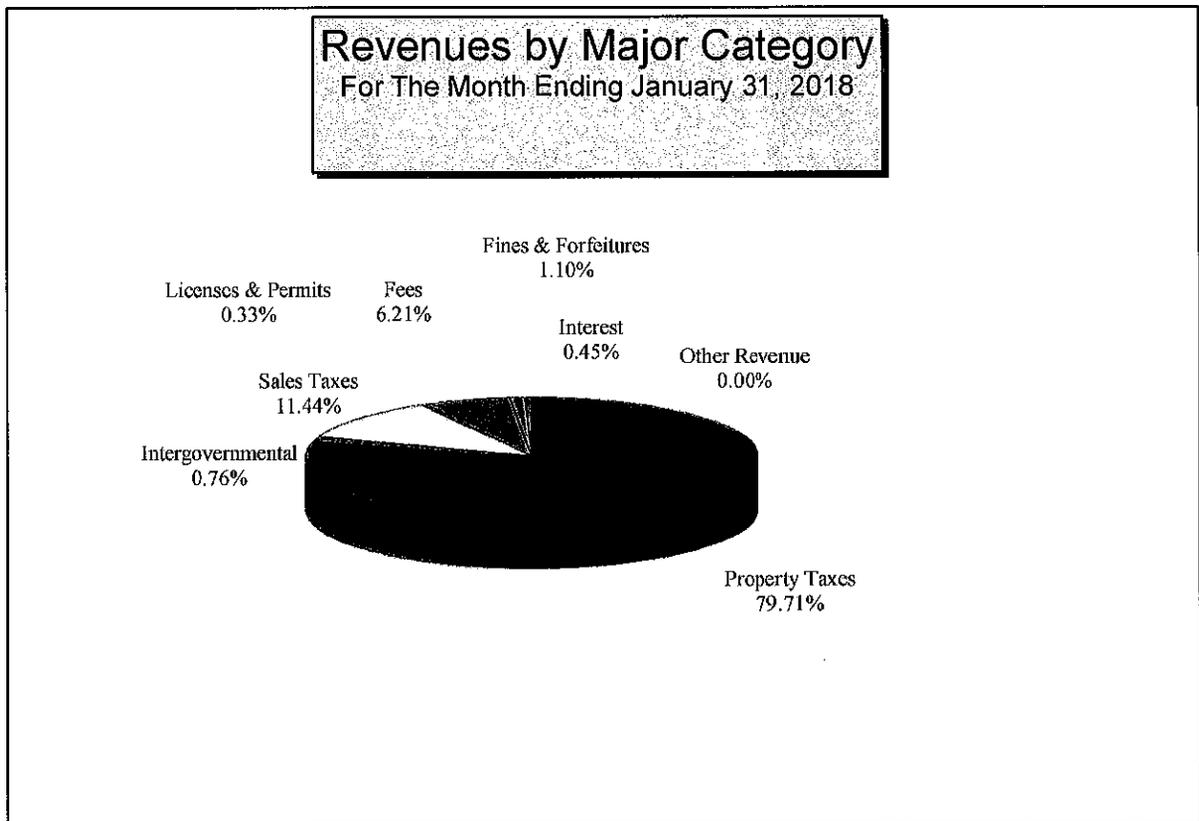
	<u>General Funds</u>	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Debt Service Funds</u>	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Total</u>
<u>ASSETS</u>							
Cash and Cash Equivalents	\$ 52,930,179	20,283,091	3,193,143	2,001,089	385,811	(7,709,923)	\$ 71,083,390
Receivables & Prepaids	6,054,007	58,596	-	158,747	45,347	-	6,316,697
Intergovernmental Receivables	3,414,466	-	-	-	-	-	3,414,466
Due From Other Funds	150,008	-	-	-	-	-	150,008
Inventory	557,847	16,009	-	-	119,277	-	693,133
Other Assets	-	-	-	-	82,431,242	-	82,431,242
<b>Total Assets</b>	<b>\$ <u>63,106,507</u></b>	<b>\$ <u>20,357,696</u></b>	<b>\$ <u>3,193,143</u></b>	<b>\$ <u>2,159,836</u></b>	<b>\$ <u>82,981,677</u></b>	<b>\$ <u>(7,709,923)</u></b>	<b>\$ <u>164,088,936</u></b>
<u>LIABILITIES AND FUND BALANCE/EQUITY</u>							
Payables	\$ 3,936,035	628,498	-	-	1,417,179	3,583,720	\$ 9,565,432
Intergovernmental Payables	360	230,515	-	-	-	-	230,875
Due To Other Funds	-	-	-	-	-	-	-
Other Liabilities	8,975,629	-	-	143,424	473,213	-	9,592,266
Fund Balance/Equity	50,194,483	19,498,683	3,193,143	2,016,412	81,091,285	(11,293,643)	144,700,363
<b>Total Liabilities and Fund Balance/Equity</b>	<b>\$ <u>63,106,507</u></b>	<b>\$ <u>20,357,696</u></b>	<b>\$ <u>3,193,143</u></b>	<b>\$ <u>2,159,836</u></b>	<b>\$ <u>82,981,677</u></b>	<b>\$ <u>(7,709,923)</u></b>	<b>\$ <u>164,088,936</u></b>

Jefferson County, Texas  
Statement of Changes in Fund Balances  
For The Month Ending January 31, 2018

	12/31/2017	For the Month Ending January 31, 2018				1/31/2018
	Fund Balance	Receipts	Disbursements	Transfers In(/Out)	Prior Period Adjustment	Fund Balance
Jury Fund	\$ 300,592	\$ 98,395	\$ 22,693	\$ -	\$ -	\$ 376,294
Road & Bridge Pct. 1	2,929,913	240,237	186,069	-	-	2,984,081
Road & Bridge Pct. 2	837,235	225,818	352,998	-	-	710,055
Road & Bridge Pct. 3	492,035	207,045	204,070	-	-	495,010
Road & Bridge Pct. 4	1,725,797	265,794	117,075	-	-	1,874,516
Engineering Fund	26,894	242,519	66,319	-	-	203,094
Parks & Recreation	105,185	17,513	5,877	-	-	116,821
General Fund	25,274,435	24,074,300	9,877,172	(499,944)	-	38,971,619
Mosquito Control Fund	410,083	553,939	82,120	-	-	881,902
Tobacco Settlement Fund	3,579,572	1,519	-	-	-	3,581,091
<b>Total General Funds</b>	<b>35,681,741</b>	<b>25,927,079</b>	<b>10,914,393</b>	<b>(499,944)</b>	<b>-</b>	<b>50,194,483</b>
Total Special Revenue Funds	19,657,009	1,750,343	2,025,851	117,182	-	19,498,683
Total Capital Project Funds	3,505,164	1,329	313,350	-	-	3,193,143
Total Debt Service Funds	1,383,357	1,269,149	636,094	-	-	2,016,412
Total Enterprise Funds	80,971,999	531,302	794,778	382,762	-	81,091,285
Total Internal Service Funds	(11,202,376)	1,813,677	1,904,944	-	-	(11,293,643)
<b>Total Balances</b>	<b>\$ 129,996,894</b>	<b>\$ 31,292,879</b>	<b>\$ 16,589,410</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 144,700,363</b>

Jefferson County Texas  
 Statement of Revenues by Category - Compared with Budget Allocation  
 For The Month Ending January 31, 2018

Category	Cumulative Actual	Annual Budget	Unrealized Balance	Percentage Unrealized
Property Taxes	\$ 36,498,574	\$ 80,620,917	\$ 44,122,343	54.73%
Sales Taxes	5,236,407	24,000,000	18,763,593	78.18%
Licenses & Permits	149,917	426,700	276,783	64.87%
Intergovernmental	346,099	1,215,791	869,692	71.53%
Fees	2,845,319	10,646,591	7,801,272	73.27%
Fines & Forfeitures	506,042	1,625,000	1,118,958	68.86%
Interest	204,255	192,600	(11,655)	-6.05%
Other Revenue	38	24,000	23,962	99.84%
	<u>\$ 45,786,651</u>	<u>\$ 118,751,599</u>	<u>\$ 72,964,948</u>	<u>61.44%</u>



Jefferson County, Texas  
Statement of Revenues - Compared With Budget Allocation  
For The Month Ending January 31, 2018

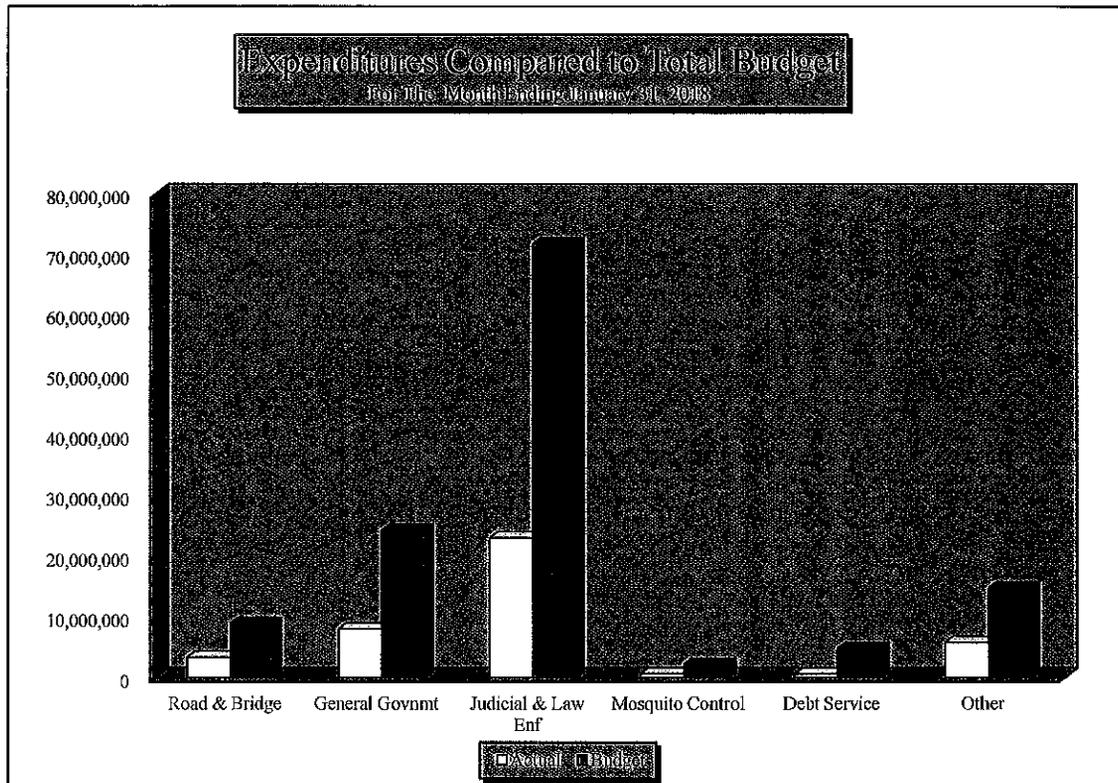
	October 2017 -December	January	Cumulative Total	Annual Budget	Unrealized Balance
Jury Fund					
Current Taxes	\$ 19,987	\$ 36,757	\$ 56,744	\$ 137,496	\$ 80,752
Delinquent Taxes	964	301	1,265	3,716	2,451
Jury Fees	9,059	3,843	12,902	35,000	22,098
Other Revenue	-	57,494	57,494	200,000	142,506
Road & Bridge Pct. 1					
Current Taxes	84,058	154,584	238,642	578,251	339,609
Delinquent Taxes	1,858	579	2,437	7,158	4,721
Intergovernmental Revenue	-	-	-	-	-
Auto Registration Fees	-	28,765	28,765	564,960	536,195
Road & Bridge Fees	131,972	36,852	168,824	558,540	389,716
Sales, Rentals & Services	2,276	-	2,276	-	(2,276)
Fines and Forfeitures	44,902	19,457	64,359	231,120	166,761
Road & Bridge Pct. 2					
Current Taxes	79,017	145,314	224,331	543,574	319,243
Delinquent Taxes	1,702	532	2,234	6,559	4,325
Intergovernmental Revenue	-	-	-	-	-
Auto Registration Fees	-	27,040	27,040	531,080	504,040
Road & Bridge Fees	124,053	34,642	158,695	525,045	366,350
Sales, Rentals & Services	-	-	-	-	-
Fines and Forfeitures	42,210	18,290	60,500	217,260	156,760
Road & Bridge Pct. 3					
Current Taxes	72,111	132,613	204,724	496,062	291,338
Delinquent Taxes	1,554	484	2,038	5,987	3,949
Intergovernmental Revenue	-	-	-	-	-
Auto Registration Fees	-	24,677	24,677	484,660	459,983
Road & Bridge Fees	113,211	31,614	144,825	479,153	334,328
Sales, Rentals & Services	-	964	964	-	(964)
Fines and Forfeitures	38,522	16,693	55,215	198,270	143,055
Road & Bridge Pct. 4					
Current Taxes	92,143	169,453	261,596	633,869	372,273
Delinquent Taxes	1,985	619	2,604	7,648	5,044
Intergovernmental Revenue	-	-	-	1,200	1,200
Auto Registration Fees	-	31,532	31,532	619,300	587,768
Road & Bridge Fees	144,662	40,397	185,059	612,263	427,204
Sales, Rentals & Services	(2,116)	2,466	350	-	(350)
Fines and Forfeitures	49,219	21,327	70,546	253,350	182,804
Other Revenue	-	-	-	-	-

Jefferson County, Texas  
Statement of Revenues - Compared With Budget Allocation  
For The Month Ending January 31, 2018

	October 2017 <u>-December</u>	January	Cumulative <u>Total</u>	Annual <u>Budget</u>	Unrealized <u>Balance</u>
<b>Engineering Fund</b>					
Current Taxes	\$ 131,364	\$ 241,581	\$ 372,945	\$ 903,677	\$ 530,732
Delinquent Taxes	3,010	938	3,948	11,598	7,650
Licenses and Permits	400	-	400	650	250
Sales, Rentals & Services	-	-	-	500	500
<b>Parks &amp; Recreation</b>					
Current Taxes	6,798	12,501	19,299	46,763	27,464
Delinquent Taxes	170	53	223	655	432
Sales, Rentals & Services	17,161	4,959	22,120	65,175	43,055
<b>General Fund</b>					
Current Taxes	11,251,900	20,692,462	31,944,362	69,558,088	37,613,726
Delinquent Taxes	248,685	77,543	326,228	958,300	632,072
Sales Taxes	2,481,732	2,754,675	5,236,407	24,000,000	18,763,593
Other Taxes	38	-	38	24,000	23,962
Licenses and Permits	104,523	44,994	149,517	426,050	276,533
Intergovernmental Revenue	110,165	178,440	288,605	1,014,591	725,986
Fees of Office	967,109	305,887	1,272,996	4,108,265	2,835,269
Other Sales, Rentals & Svcs.	889,971	(125,677)	764,294	2,062,650	1,298,356
Fines & Forfeitures	130,462	124,960	255,422	725,000	469,578
Interest	174,437	21,016	195,453	175,000	(20,453)
Other Revenue	-	-	-	-	-
<b>Mosquito Control Fund</b>					
Current Taxes	300,191	552,058	852,249	2,065,072	1,212,823
Delinquent Taxes	6,034	1,881	7,915	23,252	15,337
Sales, Rentals & Services	-	-	-	-	-
<b>Tobacco Settlement Fund</b>					
Interest	4,771	1,519	6,290	10,000	3,710
<b>Debt Service</b>					
Current Taxes	686,111	1,261,773	1,947,884	4,558,065	2,610,181
Delinquent Taxes	20,379	6,527	26,906	75,127	48,221
Interest	1,663	849	2,512	7,600	5,088
Other, Sales, Rentals & Svcs.	-	-	-	-	-
<b>Total</b>	<u>\$ 18,590,423</u>	<u>\$ 27,196,228</u>	<u>\$ 45,786,651</u>	<u>\$ 118,751,599</u>	<u>\$ 72,964,948</u>

Jefferson County, Texas  
 Statement of Expenditures - Compared With Budget Allocation - 33% of Budget Expended  
 For The Month Ending January 31, 2018

	Cumulative Actual	Annual Budget	Unencumbered Balance	Percentage Unencumbered
Jury Fund	\$ 170,589	\$ 650,474	\$ 479,885	73.77%
Road & Bridge Funds	3,081,230	7,838,368	4,757,138	60.69%
Engineering Fund	295,709	1,031,055	735,346	71.32%
Parks & Recreation Fund	22,878	180,731	157,853	87.34%
<b>General Fund:</b>				
General Government	8,120,817	24,431,601	16,310,784	66.76%
Judicial	6,051,533	19,370,892	13,319,359	68.76%
Law Enforcement	16,936,795	51,740,731	34,803,936	67.27%
Education	109,108	424,338	315,230	74.29%
Health & Welfare	3,535,077	8,582,605	5,047,528	58.81%
Maintenance	1,411,682	3,849,701	2,438,019	63.33%
Other	720,308	1,996,303	1,275,995	63.92%
Mosquito Control Fund	723,205	2,260,280	1,537,075	68.00%
Tobacco Settlement	100,000	100,000	-	-
Debt Service Funds	636,594	4,909,258	4,272,664	87.03%
	<u>\$ 41,915,525</u>	<u>\$ 127,366,337</u>	<u>\$ 85,450,812</u>	<u>67.09%</u>



Jefferson County, Texas  
Statement of Expenditures - Compared With Budget Allocation  
For The Month Ending January 31, 2018

	October 2017		Encumbrances	Cumulative	Annual	Unencumbered
	December	January		Total	Budget	Balance
Jury Fund	\$ 138,897	\$ 22,693	\$ 8,999	\$ 170,589	\$ 650,474	\$ 479,885
Road & Brdg Pct. 1	335,952	186,069	205,542	727,563	1,743,419	1,015,856
Road & Brdg Pct. 2	381,012	352,998	208,360	942,370	2,016,500	1,074,130
Road & Brdg Pct. 3	346,826	204,070	168,821	719,717	1,992,224	1,272,507
Road & Brdg Pct. 4	384,267	117,075	190,238	691,580	2,086,225	1,394,645
Engineering	227,788	66,319	1,602	295,709	1,031,055	735,346
Parks & Recreation	13,103	5,877	3,898	22,878	180,731	157,853
Tax Assessor/Coll.	1,042,424	297,995	10,712	1,351,131	4,015,207	2,664,076
Human Resources	112,623	32,425	4,321	149,369	446,431	297,062
County Auditor	369,944	93,220	230	463,394	1,524,752	1,061,358
County Clerk	540,523	180,813	64,136	785,472	2,364,127	1,578,655
County Judge	190,513	70,010	577	261,100	921,974	660,874
Risk Management	68,238	19,859	-	88,097	258,592	170,495
County Treasurer	99,336	29,620	-	128,956	395,842	266,886
Printing Department	33,883	8,490	18,152	60,525	173,275	112,750
Purchasing Department	143,176	42,899	16,258	202,333	571,359	369,026
General Services	2,735,606	670,853	83,803	3,490,262	10,580,229	7,089,967
MIS	584,857	152,796	11,020	748,673	2,180,603	1,431,930
Voter's Registration	72,687	3,362	1,448	77,497	158,956	81,459
Elections	231,498	42,766	39,744	314,008	840,254	526,246
District Attorney	1,688,120	514,307	11,996	2,214,423	6,894,201	4,679,778
District Clerk	497,368	148,207	15,908	661,483	1,956,148	1,294,665
Criminal Dist. Court	319,600	113,417	749	433,766	1,530,482	1,096,716
58th Dist. Court	73,697	21,581	240	95,518	305,645	210,127
60th Dist. Court	77,767	22,878	508	101,153	302,717	201,564
136th Dist. Court	81,242	23,128	-	104,370	308,347	203,977
172nd Dist. Court	74,651	21,721	67	96,439	306,186	209,747
252nd Dist. Court	233,119	82,916	156	316,191	1,160,612	844,421
279th Dist. Court	95,757	27,904	370	124,031	406,909	282,878
317th Dist. Court	192,039	44,221	464	236,724	808,245	571,521
J.P. Pct. 1 Pl 1	94,388	28,328	-	122,716	382,394	259,678
J.P. Pct. 1 Pl 2	93,684	25,121	-	118,805	381,038	262,233
J.P. Pct. 2	75,897	23,418	228	99,543	354,110	254,567
J.P. Pct. 4	91,079	27,367	823	119,269	375,490	256,221
J.P. Pct. 6	93,172	27,068	-	120,240	383,911	263,671
J.P. Pct. 7	89,627	25,925	(24)	115,528	379,034	263,506
J.P. Pct. 8	88,785	25,907	1,436	116,128	372,025	255,897
Cnty. Court at Law 1	123,338	36,583	-	159,921	486,260	326,339
Cnty. Court at Law 2	150,764	43,711	398	194,873	631,471	436,598
Cnty. Court at Law 3	183,404	54,479	110	237,993	736,035	498,042
Court Master	137,834	47,020	-	184,854	643,372	458,518

Statement of Expenditures - Compared With Budget Allocation  
For The Month Ending January 31, 2018

	October 2017		Encumbrances	Cumulative	Annual	Unencumbered
	December	January		Total	Budget	Balance
Dispute Resolution	\$ 55,654	\$ 20,161	\$ 1,750	\$ 77,565	\$ 266,260	\$ 188,695
Alternative School	107,722	31,490	-	139,212	413,246	274,034
Comm. Supervision	995	435	-	1,430	19,082	17,652
Sheriff's Dept.	3,515,913	1,029,840	106,519	4,652,272	13,713,696	9,061,424
Crime Lab	293,571	82,078	23,887	399,536	1,434,162	1,034,626
Jail	6,391,809	2,589,434	362,742	9,343,985	28,340,933	18,996,948
Juvenile Probation	326,561	100,220	2,787	429,568	1,651,152	1,221,584
Juvenile Detention	467,989	145,578	105,508	719,075	2,169,233	1,450,158
Constable Pct. 1	191,028	53,566	10,222	254,816	779,226	524,410
Constable Pct. 2	115,680	33,607	330	149,617	463,423	313,806
Constable Pct. 4	116,425	31,794	32,570	180,789	497,948	317,159
Constable Pct. 6	142,472	39,574	464	182,510	569,104	386,594
Constable Pct. 7	109,980	32,947	39	142,966	448,389	305,423
Constable Pct. 8	115,592	33,943	-	149,535	456,137	306,602
County Morgue	118,531	66,718	6,235	191,484	785,000	593,516
Agriculture Ext.	83,711	23,386	2,011	109,108	424,338	315,230
Public Health # 1	304,659	85,920	2,537	393,116	1,290,638	897,522
Public Health # 2	296,468	82,680	2,596	381,744	1,282,065	900,321
Nurse Practitioner	78,169	25,953	11,428	115,550	316,395	200,845
Child Welfare	32,593	1,898	-	34,491	120,000	85,509
Env. Control	96,650	48,194	2	144,846	422,187	277,341
Ind. Medical Svcs.	224,935	1,887,837	275,186	2,387,958	4,907,433	2,519,475
Emergency Mgmt.	59,913	17,459	-	77,372	243,887	166,515
Beaumont Maintenance	432,752	214,979	421,738	1,069,469	2,882,567	1,813,098
Port Arthur Maint.	166,151	49,430	49,570	265,151	742,916	477,765
Mid-County Maint.	40,055	15,153	21,854	77,062	224,218	147,156
Service Center	218,620	79,230	320,298	618,148	1,034,377	416,229
Veteran Service	78,647	23,353	160	102,160	306,653	204,493
Mosquito Control	415,901	82,120	225,184	723,205	2,260,280	1,537,075
Tobacco Settlement	100,000	-	-	100,000	100,000	-
Debt Service Funds	500	636,094	-	636,594	4,909,258	4,272,664
Contingency	-	-	-	-	655,273	655,273
<b>Total</b>	<b>\$ 27,308,131</b>	<b>\$ 11,550,487</b>	<b>\$ 3,056,907</b>	<b>\$ 41,915,525</b>	<b>\$ 127,366,337</b>	<b>\$ 85,450,812</b>

Jefferson County, Texas  
Statement of Bonded Indebtedness  
For The Month Ending January 31, 2018

Issue	Beginning Amount Outstanding	2017-2018 Requirements				2017-2018 Payments				Ending Amount Outstanding
		Principal	Interest	Fees	Total	Principal	Interest	Fees	Total	
2012 Refunding Bonds	\$ 31,105,000	\$ 3,365,000	\$ 1,258,950	\$ 2,500	\$ 4,626,450	\$ -	\$ 629,475	\$ 1,965	\$ 631,440	\$ 31,105,000
2013 Refunding Bonds	275,000	275,000	5,308	2,500	282,808	-	2,654	2,500	5,154	275,000
	<u>\$ 31,380,000</u>	<u>\$ 3,640,000</u>	<u>\$ 1,264,258</u>	<u>\$ 5,000</u>	<u>\$ 4,909,258</u>	<u>\$ -</u>	<u>\$ 632,129</u>	<u>\$ 4,465</u>	<u>\$ 636,594</u>	<u>\$ 31,380,000</u>

Jefferson County, Texas  
Statement of Transfers In and Out  
For The Month Ending January 31, 2018

Fund	Transfers In	Transfers Out
120 General Fund	-	735,312 (a)
120 General Fund	-	135,220 (b)
245 Crime Victim's Clearing	51,137 (b)	-
248 Crime Victim's Clearing	757 (b)	-
265 Check Water & Sewer Phase 5	5,400 (b)	-
282 VAWA Fund	12,638 (b)	-
550 SETEC Fund	735,312 (a)	-
881 Port Security Grant	65,288 (b)	-
	<u>\$870,532</u>	<u>\$870,532</u>

(a) Budgeted Transfer

(b) Grant Match

**PUBLIC DEFENDER CONTRACT**  
**CRIMINAL DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Criminal District Court of Jefferson County, Texas ("Court") [appointing authority] and David Grove ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause. Prior Court approval for these expenses should be obtained whenever possible.

**Term of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/Workload Limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal District Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

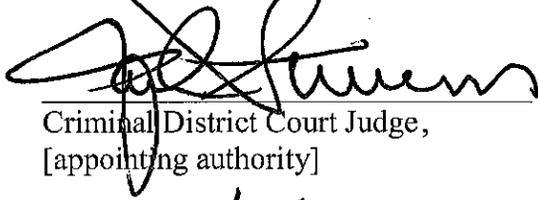
(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

*Kand E. Gurd*  
 \_\_\_\_\_  
 Contract Public Defender [contractor]  
 08548500  
 \_\_\_\_\_  
 SBOT Number  
 3/7/2018  
 \_\_\_\_\_  
 Date

Approved and Accepted:



Criminal District Court Judge,  
[appointing authority]

3/7/18  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**CRIMINAL DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Criminal District Court of Jefferson County, Texas ("Court") [appointing authority] and Don Duesler ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause. Prior Court approval for these expenses should be obtained whenever possible.

**Term of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/Workload Limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal District Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

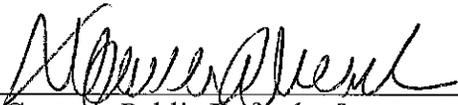
**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

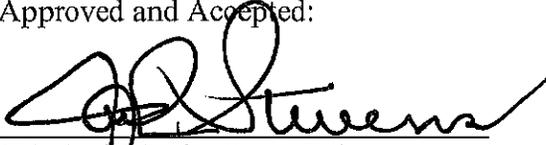
(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

  
\_\_\_\_\_  
Contract Public Defender [contractor]

06166400  
SBOT Number

3-8-18-  
Date

Approved and Accepted:



Criminal District Court Judge,  
[appointing authority]

3/8/18  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**CRIMINAL DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Criminal District Court of Jefferson County, Texas ("Court") [appointing authority] and Kevin Sekaly Cribbs ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause.. Prior Court approval for these expenses should be obtained whenever possible.

**Term of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/Workload Limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal District Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

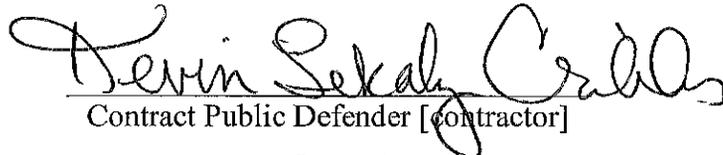
**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

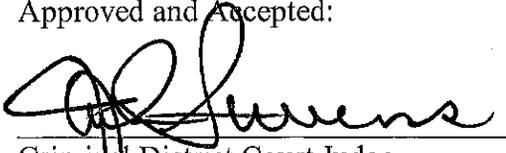
  
 Contract Public Defender [contractor]

00792826  
 SBOT Number

3-12-15

Date

Approved and Accepted:



Criminal District Court Judge,  
[appointing authority]

3/12/18  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**252<sup>ND</sup> DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between the 252nd District Court of Jefferson County, Texas ("Court") [appointing authority] and Sean Samuel ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause. Prior Court approval for these expenses should be obtained whenever possible.

**Terms of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney, or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/workload limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson county and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

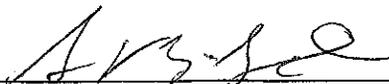
**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

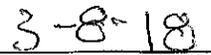
(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

  
\_\_\_\_\_  
Contract Public Defender [contractor]

  
\_\_\_\_\_  
SBOT Number

  
\_\_\_\_\_  
Date

Approved and Accepted:



\_\_\_\_\_  
252nd District Court Judge  
[appointing authority]

\_\_\_\_\_  
3/9/18  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**252<sup>ND</sup> DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between the 252nd District Court of Jefferson County, Texas ("Court") [appointing authority] and Tom Kelley ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause. Prior Court approval for these expenses should be obtained whenever possible.

**Terms of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney, or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/workload limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson county and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

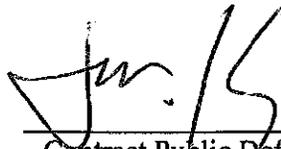
**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

  
 \_\_\_\_\_  
 Contract Public Defender [contractor]  
 24072891  
 \_\_\_\_\_  
 SBOT Number  
 March 8, 2018  
 \_\_\_\_\_  
 Date

Approved and Accepted:



\_\_\_\_\_  
252nd District Court Judge  
[appointing authority]

3/9/18  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**252<sup>ND</sup> DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between the 252nd District Court of Jefferson County, Texas ("Court") [appointing authority] and Allen Parker ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause. Prior Court approval for these expenses should be obtained whenever possible.

**Terms of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney, or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/workload limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson county and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.



Approved and Accepted:



\_\_\_\_\_  
252nd District Court Judge  
[appointing authority]

03/19/18

\_\_\_\_\_  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**DRUG IMPACT DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Drug Impact District Court of Jefferson County, Texas ("Court") [appointing authority] and Marsha Normand ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause.. Prior Court approval for these expenses should be obtained whenever possible.

**Term of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/Workload Limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal District Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

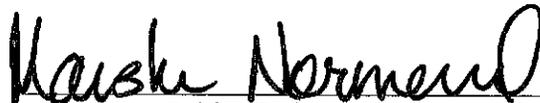
**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

- (a) The cases handled under this contract shall all be non-capital.
- (b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.
- (c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

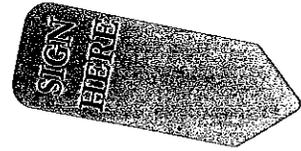
  
Contract Public Defender [contractor]

15087980

SBOT Number

3-12-18

Date



Approved and Accepted:

A handwritten signature in black ink, appearing to read 'Amy Cant'. The signature is written over a horizontal line.

Drug Impact Court Judge ,  
[appointing authority]

3-8-18

Date

County Judge,  
Jefferson County, Texas  
[contracting authority]

Date

**PUBLIC DEFENDER CONTRACT**  
**DRUG IMPACT DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Drug Impact District Court of Jefferson County, Texas ("Court") [appointing authority] and David Barlow ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause.. Prior Court approval for these expenses should be obtained whenever possible.

**Term of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/Workload Limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal District Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

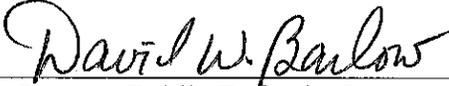
**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

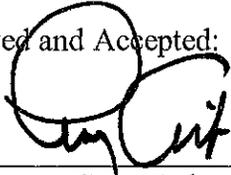
(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

  
 Contract Public Defender [contractor]

00793305  
 SBOT Number

3/8/18  
 Date

Approved and Accepted:

A handwritten signature in black ink, appearing to be 'my cut', written over a horizontal line.

Drug Impact Court Judge  
[appointing authority]

3-8-18

Date

County Judge,  
Jefferson County, Texas  
[contracting authority]

Date

**PUBLIC DEFENDER CONTRACT**  
**DRUG IMPACT DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Drug Impact District Court of Jefferson County, Texas ("Court") [appointing authority] and MikeVanZandt ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$8750.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause.. Prior Court approval for these expenses should be obtained whenever possible.

**Term of Contract:** This contract is in full force and effect on a **month-to-month basis** unless terminated by Attorney or by the Court. If this contract is terminated, Attorney will be relieved of all pending appointments and will not be required to continue representation in any case previously assigned.

**Contract Termination:** This contract may be terminated at-will by either Attorney or by the Court.

**Independent Contractor:** Attorney is not an employee of Jefferson County, but is an independent contractor who shall complete the requirements of this contract by Attorney's own means and methods of work, and in accordance with Attorney's professional legal judgment. In the course of representing any indigent criminal defendant, Attorney shall be in exclusive control of his professional legal judgment and shall freely and independently exercise same in the best interests of his client, and Attorney shall not be subject to the control of or supervision by the Court, unless otherwise specified in this contract. The indigent criminal defendant is the Attorney's client, not Jefferson County and not the Court. Attorney shall provide reasonably competent, zealous legal services to each indigent criminal defendant in accordance with Attorney's responsibilities under the Texas Disciplinary Rules of Professional Conduct and the Texas Code of Criminal Procedure.

**Caseload/Workload Limitation:** The maximum caseload allowed Attorney pursuant to their contract should not exceed 150 felony cases per year. The term "Case" referred to herein means a single charge or set of charges concerning a defendant in one court in one proceeding.

**Standards of Representation:**

(a) Attorney shall provide all services required by Senate Bill 7 as passed by the 77<sup>th</sup> General Session of the Texas Legislature in 2001, as it amends the Texas Code of Criminal Procedure.

(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

(c) Attorney shall not assign, subcontract, or delegate any part of the services to be provided by Attorney under this contract unless first obtaining the approval of the Court. Any substitution of attorneys under this provision shall be made from the approved indigent appointment list for the Jefferson County Criminal District Courts.

(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

**Conflict:** In the event of a conflict of interest between Attorney and any indigent criminal defendant, Attorney shall immediately present such evidence to the Court and, if allowed, be permitted to withdraw from further representation. Such withdrawal shall not affect the other terms of this contract.

**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

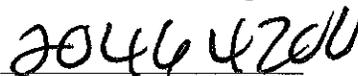
**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

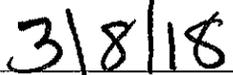
- (a) The cases handled under this contract shall all be non-capital.
- (b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.
- (c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.



Contract Public Defender [contractor]

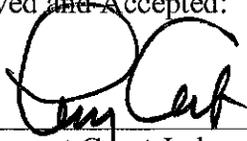


SBOT Number



Date

Approved and Accepted:



\_\_\_\_\_  
Drug Impact Court Judge  
[appointing authority]

3-8-18

\_\_\_\_\_  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

**PUBLIC DEFENDER CONTRACT**  
**DRUG IMPACT DISTRICT COURT**

**CONTRACT AGREEMENT**

This contract is made by and between Drug Impact District Court of Jefferson County, Texas ("Court") [appointing authority] and Kevin Laine ("Attorney") [contractor], and Jefferson County, Texas ("County") [contracting authority] for the purpose of providing legal representation and services to indigent defendants who appear before the Court.

In compliance with the Jefferson County Criminal District Courts Indigent Representation Plan ("Plan"), which is incorporated herein and expressly made a part hereof for all purposes, Attorney agrees to serve as a Contract Public Defender in the Court and to comply with all applicable Plan provisions.

Attorney certifies that he meets all the qualifications required to serve as a Contract Public Defender pursuant to the Plan.

**Cases Covered:** Attorney agrees to represent indigent defendants in all cases assigned to Attorney in the Court for all pre-trial matters which have not been assigned to indigent defendant trial counsel.

**Compensation:** Attorney agrees to accept \$4875.00 per month to serve as Contract Public Defender. In addition, Attorney agrees to accept an additional compensation amount not to exceed \$3000.00 annually to pay for required and reasonable Continuing Legal Education requirements, registrations, and travel expenses related thereto.

**Investigators and Experts Compensation:** Attorney may access investigator and expert services on a case by case basis. Attorney shall be reimbursed for reasonable and necessary expenses, including expenses for licensed investigators and mental health providers and other experts pursuant to Article 26.05, Texas Code of Criminal Procedure, upon showing of good cause.. Prior Court approval for these expenses should be obtained whenever possible.

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(b) Attorney shall ensure continuity of representation of each indigent criminal defendant unless relieved or replaced in accordance with Article 26.04(j)(2), Texas Code Criminal Procedure.

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(d) Attorney must submit a monthly invoice to be approved by the Court for payment.

(e) Attorney must maintain at least the minimum qualifications and requirements listed in the Plan.

(f) Attorney agrees to indemnify and hold harmless Jefferson County from any and all claims arising from the delivery of professional services under this contract.

(g) Attorney shall maintain an office in Jefferson County and the ability to receive facsimile and telephone communications 24 hours a day, 7 days a week.

(h) Attorney is prohibited from accepting any payments from any indigent criminal defendant, or any third party, for legal services provided in an assigned case.

(i) Attorney is prohibited from releasing confidential attorney-client information or work product related to any case covered by this contract except as permitted by the Texas Disciplinary Rules of Professional Conduct.

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**Administration:** The Court will provide oversight and monitoring to assure that Attorney performs in accordance with the terms of this contract.

**Forum Selection With Regard to Disputes Between the Parties:** Venue of any proceedings arising under or with regards to this contract shall be in a court of competent jurisdiction in Jefferson County, Texas.

**Additional Terms and Conditions:**

(a) The cases handled under this contract shall all be non-capital.

(b) A determination that Attorney has provided false information in the materials submitted to the Court in response to, or as required under, the terms of the Plan will be grounds for immediate cancellation of this contract by the Court.

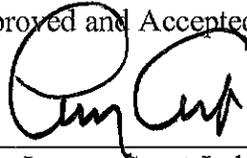
(c) Falsification of any report, invoice, or other documentation submitted by Attorney will be grounds for immediate cancellation of this contract by the Court.

  
 \_\_\_\_\_  
 Contract Public Defender [contractor]

00798313  
 \_\_\_\_\_  
 SBOT Number

3/7/18  
 \_\_\_\_\_  
 Date

Approved and Accepted:



\_\_\_\_\_  
Drug Impact Court Judge ,  
[appointing authority]

**3-7-18**

\_\_\_\_\_  
Date

\_\_\_\_\_  
County Judge,  
Jefferson County, Texas  
[contracting authority]

\_\_\_\_\_  
Date

NAME	AMOUNT	CHECK NO.	TOTAL
JURY FUND			
TRI-CITY COFFEE SERVICE	128.70	444571	128.70**
ROAD & BRIDGE PCT.#1			
ART SIGNS & DECALS	102.00	444500	
ENTERGY	86.67	444521	
M&D SUPPLY	171.07	444530	
MUNRO'S	28.65	444534	
OFFICE DEPOT	134.46	444535	
SANITARY SUPPLY, INC.	178.64	444545	
SOUTHEAST TEXAS WATER	14.00	444550	
ADVANCE AUTO PARTS	172.69	444655	
ASCO	687.96	444657	
A-1 MAIDA FENCE COMPANY	243.00	444674	
GULF COAST	2,442.67	444692	4,261.81**
ROAD & BRIDGE PCT.#2			
CENTERPOINT ENERGY RESOURCES CORP	116.55	444608	116.55**
ROAD & BRIDGE PCT. # 3			
ENTERGY	26.79	444521	
DEPARTMENT OF INFORMATION RESOURCES	.05	444580	26.84**
ROAD & BRIDGE PCT.#4			
SPIDLE & SPIDLE	1,370.28	444495	
FED EX	61.25	444515	
CASH ADVANCE ACCOUNT	36.02	444526	
DEPARTMENT OF INFORMATION RESOURCES	.04	444580	
EQUIPMENT DEPOT	2,404.07	444613	3,871.66**
ENGINEERING FUND			
UNITED STATES POSTAL SERVICE	.41	444589	.41**
GENERAL FUND			
TOTAL PETROCHEMICALS USA INC	613,110.00	444642	613,110.00*
TAX OFFICE			
FAST SIGNS, INC.	89.61	444514	
TAC - TEXAS ASSN. OF COUNTIES	1,000.00	444558	
UNITED STATES POSTAL SERVICE	1,784.61	444589	
DESIGN CHUTE LLC	300.00	444688	3,174.22*
COUNTY HUMAN RESOURCES			
UNITED STATES POSTAL SERVICE	1.22	444589	1.22*
AUDITOR'S OFFICE			
OFFICE DEPOT	623.25	444535	
PATRICK SWAIN	66.00	444556	
UNITED STATES POSTAL SERVICE	5.93	444589	695.18*
COUNTY CLERK			
UNITED STATES POSTAL SERVICE	285.83	444589	285.83*
COUNTY JUDGE			
OFFICE DEPOT	9.68	444535	
HARVEY L WARREN III	500.00	444636	
WILLIAM FORD DISHMAN	500.00	444663	
DANE DENNISON	500.00	444668	
JAN GIROUARD & ASSOCIATES LLC	800.00	444683	2,309.68*
RISK MANAGEMENT			

NAME	AMOUNT	CHECK NO.	TOTAL
UNITED STATES POSTAL SERVICE	2.23	444589	
COBRA RESOURCES, INC.	47.95	444594	50.18*
COUNTY TREASURER			
TAC - TEXAS ASSN. OF COUNTIES	225.00	444560	
TAC - TEXAS ASSN. OF COUNTIES	225.00	444561	
UNITED STATES POSTAL SERVICE	156.52	444589	
GCA	195.00	444591	
THOMSON REUTERS-WEST	73.00	444659	874.52*
PURCHASING DEPARTMENT			
OFFICE DEPOT	59.96	444535	
UNITED STATES POSTAL SERVICE	13.78	444589	73.74*
GENERAL SERVICES			
B&L MAIL PRESORT SERVICE	1,706.72	444501	
CASH ADVANCE ACCOUNT	80.00	444526	
TIME WARNER COMMUNICATIONS	610.90	444564	
MCGRIFF, SEIBELS & WILLIAMS OF TX	24,000.00	444600	26,397.62*
VOTERS REGISTRATION DEPT			
UNITED STATES POSTAL SERVICE	362.69	444589	362.69*
ELECTIONS DEPARTMENT			
UNITED STATES POSTAL SERVICE	7.25	444589	
PV RENTALS LLC	482.75	444679	490.00*
DISTRICT ATTORNEY			
JEFFERSON CTY. BAR ASSOCIATION	300.00	444524	
OFFICE DEPOT	801.14	444535	
CLERK - SUPREME COURT OF TEXAS	5,593.00	444555	
UNITED STATES POSTAL SERVICE	173.47	444589	
SETAP	65.00	444628	
JAN GIROUARD & ASSOCIATES LLC	738.70	444683	7,671.31*
DISTRICT CLERK			
UNITED STATES POSTAL SERVICE	554.88	444589	554.88*
CRIMINAL DISTRICT COURT			
EDWARD B. GRIPON, M.D., P.A.	595.00	444520	
RIFE KIMLER, LAW OFFICE OF	900.00	444527	
OFFICE DEPOT	81.48	444535	
WENDELL RADFORD	800.00	444541	
BRUCE N. SMITH	4,697.50	444549	
JOHN STEVENS JR	60.00	444620	
BRITTANIE HOLMES	1,600.00	444654	8,733.98*
60TH DISTRICT COURT			
LEXIS-NEXIS	67.00	444590	67.00*
252ND DISTRICT COURT			
UNITED STATES POSTAL SERVICE	30.41	444589	30.41*
279TH DISTRICT COURT			
ANITA F. PROVO	225.00	444540	
JOHN D WEST	150.00	444581	
GLEN M. CROCKER	700.00	444596	
LANGSTON ADAMS	150.00	444599	
TONYA CONNELL TOUPS	150.00	444624	
MATUSKA LAW FIRM	150.00	444665	
MELANIE AIREY	150.00	444671	
FUNCTION 4 LLC	499.00	444693	2,174.00*
317TH DISTRICT COURT			

NAME	AMOUNT	CHECK NO.	TOTAL
DAVID GROVE	500.00	444496	
ALISA RAUMAKER, CSR	60.45	444497	
PHILLIP DOWDEN	900.00	444498	
PENGAD	77.46	444536	
MARVA PROVO	650.00	444539	
ANITA F. PROVO	1,325.00	444540	
WENDELL RADFORD	325.00	444541	
NATHAN REYNOLDS, JR.	150.00	444542	
CHARLES ROJAS	1,775.00	444579	
UNITED STATES POSTAL SERVICE	.47	444589	
GLEN M. CROCKER	1,475.00	444596	
LANGSTON ADAMS	825.00	444599	
JOEL WEBB VAZQUEZ	600.00	444605	
RONALD PLESSALA	325.00	444627	
P DEAN BRINKLEY	150.00	444637	
JONATHAN L. STOVALL	500.00	444639	
ALICIA K HALL	500.00	444647	
BRITTANIE HOLMES	650.00	444654	
WILLIAM FORD DISHMAN	150.00	444663	
MATUSKA LAW FIRM	475.00	444665	
TARA SHELANDER	150.00	444667	
SAMUEL & SON LAW FIRM PLLC	1,000.00	444669	
MELANIE AIREY	300.00	444671	
LAW OFFICE OF J SCOTT FREDERICK	500.00	444672	
THE DAWS LAW FIRM PLLC	150.00	444696	
			13,513.38*
JUSTICE COURT-PCT 1 PL 1			
UNITED STATES POSTAL SERVICE	31.28	444589	31.28*
JUSTICE COURT-PCT 1 PL 2			
TEXAS MUNICIPAL COURT - JUSTICE	36.00	444569	36.00*
JUSTICE COURT-PCT 4			
DEPARTMENT OF INFORMATION RESOURCES	.36	444580	.36*
JUSTICE COURT-PCT 6			
UNITED STATES POSTAL SERVICE	40.32	444589	40.32*
JUSTICE COURT-PCT 7			
TAC - TEXAS ASSN. OF COUNTIES	200.00	444559	
DEPARTMENT OF INFORMATION RESOURCES	.08	444580	200.08*
COUNTY COURT AT LAW NO.1			
UNITED STATES POSTAL SERVICE	1.22	444589	1.22*
COUNTY COURT AT LAW NO. 2			
UNITED STATES POSTAL SERVICE	3.26	444589	
JONATHAN VERNON	250.00	444680	
THE MAYO LAW FIRM PLLC	550.00	444695	803.26*
COUNTY COURT AT LAW NO. 3			
NATHAN REYNOLDS, JR.	500.00	444542	
UNITED STATES POSTAL SERVICE	3.67	444589	
JENNIFER MATTINGLY	250.00	444686	753.67*
MEDIATION CENTER			
UNITED STATES POSTAL SERVICE	4.08	444589	4.08*
SHERIFF'S DEPARTMENT			
COTTON CARGO	687.00	444512	
KIRKSEY'S SPRINT PRINTING	49.90	444528	
MOORMAN & ASSOCIATES, INC.	150.00	444533	
TEXAS DISTRICT & COUNTY ATTY ASSN.	92.00	444568	

NAME	AMOUNT	CHECK NO.	TOTAL
DEPARTMENT OF INFORMATION RESOURCES	538.63	444580	
UNITED STATES POSTAL SERVICE	1,383.75	444589	
BEAUMONT OCCUPATIONAL SERVICE, INC.	98.85	444597	
FIVE STAR FEED	172.24	444603	
FLIGHT AWARE	360.00	444619	
TWIN CITY VETERINARY CLINIC	75.00	444634	
RITA HURT	550.00	444645	
SPANKY'S WRECKER SERVICE INC	425.00	444648	
3L PRINTING COMPANY	50.00	444682	
SOUTHEAST TEXAS OCCUPATIONAL MEDICI	400.00	444684	
BLUE360 MEDIA	1,733.60	444700	6,765.97*
CRIME LABORATORY			
LYNN PEAVEY CO., INC.	478.00	444529	
OFFICE DEPOT	416.18	444535	
SWAFS	10.00	444544	
AIRGAS SOUTHWEST	103.54	444625	
JULIE HANNON	600.00	444660	
ATTAINIT	128.46	444677	1,736.18*
JAIL - NO. 2			
AAA LOCK & SAFE	87.50	444494	
BOB BARKER CO., INC.	35.98	444502	
CITY OF BEAUMONT - WATER DEPT.	13,897.84	444507	
COASTAL WELDING SUPPLY	112.30	444510	
FAST SIGNS, INC.	32.30	444514	
W.W. GRAINGER, INC.	112.65	444519	
M&D SUPPLY	541.78	444530	
METAL-MART	461.76	444532	
RALPH'S INDUSTRIAL ELECTRONICS	17.04	444543	
SANITARY SUPPLY, INC.	4,486.58	444545	
ULINE SHIPPING SUPPLY SPECIALI	220.94	444572	
WHOLESALE ELECTRIC SUPPLY CO.	230.18	444573	
WORTH HYDROCHEM	327.00	444574	
DEPARTMENT OF INFORMATION RESOURCES	2.73	444580	
LOWE'S HOME CENTERS, INC.	587.08	444598	
TEXAS GAS SERVICE	533.62	444601	
INTERCONTINENTAL JET CORP	4.56	444607	
BELT SOURCE	16.03	444612	
TABB TEXTILE COMPANY, INC.	6,065.00	444626	
MHC DATACOMM	8,340.00	444630	
WORLD FUEL SERVICES	1,185.36	444635	
INDEPENDENT STATIONERS	795.47	444640	
EMERGENCY POWER SERVICE	993.50	444646	
SAM'S CLUB DIRECT	257.42	444652	
CONMED INC	315,789.71	444656	
THOMSON REUTERS-WEST	4,267.82	444659	
24 HR SAFETY LLC	110.00	444666	
GALLS LLC	4,225.32	444675	
3L PRINTING COMPANY	50.00	444682	
IMPACT WASTE LLC	720.00	444690	
TND WORKWEAR CO LLC	50.00	444694	
FOOD MARKETING CONCEPTS INC	18,289.79	444697	
HARDIE'S FRESH FOODS	5,989.55	444698	
BIMBO BAKERIES USA INC	2,040.36	444699	390,651.87*
JUVENILE PROBATION DEPT.			
EDWARD B. GRIPON, M.D., P.A.	450.00	444520	
UNITED STATES POSTAL SERVICE	8.84	444589	458.84*
JUVENILE DETENTION HOME			
AMERICAN RED CROSS, INC.	188.00	444499	
CITY OF BEAUMONT - WATER DEPT.	2,560.82	444507	
EPS	1,509.13	444513	
SANITARY SUPPLY, INC.	79.08	444545	
BEN E KEITH FOODS	145.05	444604	
CENTERPOINT ENERGY RESOURCES CORP	587.97	444608	
KAREN ROBERTS	400.00	444631	
ATTABOY TERMITE & PEST CONTROL	80.00	444633	

NAME	AMOUNT	CHECK NO.	TOTAL
WILLBANKS CONTRACTOR SUPPORT LLC	2,400.00	444681	7,950.05*
CONSTABLE PCT 1			
UNITED STATES POSTAL SERVICE	34.63	444589	34.63*
CONSTABLE-PCT 6			
UNITED STATES POSTAL SERVICE	4.49	444589	4.49*
CONSTABLE PCT. 7			
AT&T	32.03	444553	
TAC - TEXAS ASSN. OF COUNTIES	165.00	444562	
DEPARTMENT OF INFORMATION RESOURCES	.11	444580	
BEST BUY BUSINESS ADVANTAGE ACCOUNT	56.34	444664	253.48*
HEALTH AND WELFARE NO. 1			
UNITED STATES POSTAL SERVICE	105.74	444589	
CLIA LABORATORY PROGRAM	75.00	444611	
EQUIFAX WORKFORCE SOLUTIONS	78.52	444691	259.26*
HEALTH AND WELFARE NO. 2			
CITY OF PORT ARTHUR - WATER DEPT.	40.00	444508	
CLAYTON THOMPSON FUNERAL HOME	1,500.00	444509	
GABRIEL FUNERAL HOME, INC.	3,000.00	444517	
ENTERGY	70.00	444522	
TIME WARNER COMMUNICATIONS	117.14	444565	
CLIA LABORATORY PROGRAM	75.00	444611	
EQUIFAX WORKFORCE SOLUTIONS	78.53	444691	4,880.67*
NURSE PRACTITIONER			
SIERRA SPRING WATER CO. - BT	6.00	444592	6.00*
ENVIRONMENTAL CONTROL			
AT&T	61.92	444553	
DEPARTMENT OF INFORMATION RESOURCES	.03	444580	61.95*
INDIGENT MEDICAL SERVICES			
OFFICE DEPOT	1,355.00	444535	
PRECISION DYNAMICS CORP.	1,013.60	444538	
CARDINAL HEALTH 110 INC	15,237.62	444661	17,606.22*
MAINTENANCE-BEAUMONT			
BUILDING SPECIALTIES	304.00	444503	
CERTIFIED LABORATORIES	1,211.85	444504	
CITY OF BEAUMONT - WATER DEPT.	8,428.80	444507	
CONSOLIDATED ELECTRICAL DIST INC.	120.61	444511	
W.W. GRAINGER, INC.	1,233.68	444519	
M&D SUPPLY	227.18	444530	
SANITARY SUPPLY, INC.	2,569.65	444545	
ACE IMAGEWEAR	203.47	444547	
AT&T	159.61	444553	
AT&T	4,961.22	444554	
DEPARTMENT OF INFORMATION RESOURCES	624.95	444580	
SOLAR	91.60	444595	
VOSS LIGHTING	825.60	444618	
ATTABOY TERMITE & PEST CONTROL	477.54	444633	
A1 FILTER SERVICE COMPANY	732.70	444644	
INDUSTRIAL & COMMERCIAL MECHANICAL	1,689.75	444649	
MEMBER'S BUILDING MAINTENANCE LLC	22,687.76	444662	
FRED MILLER'S OUTDOOR EQUIPMENT LLC	206.55	444673	
CLIMATEC LLC	8,167.00	444676	54,923.52*
MAINTENANCE-PORT ARTHUR			
DEPARTMENT OF INFORMATION RESOURCES	.28	444580	.28*
MAINTENANCE-MID COUNTY			

NAME	AMOUNT	CHECK NO.	TOTAL
CENTERPOINT ENERGY RESOURCES CORP SERVICE CENTER	124.65	444608	124.65*
CHUCK'S WRECKER SERVICE	175.00	444505	
MUNRO'S	39.70	444534	
PHILPOTT MOTORS, INC.	583.29	444537	
TATE & CO., INC.	2,119.38	444567	
VIN'S PAINT & BODY, INC.	12,999.99	444576	
FASTENAL	84.24	444577	
JEFFERSON CTY. TAX OFFICE	7.50	444582	
JEFFERSON CTY. TAX OFFICE	7.50	444583	
JEFFERSON CTY. TAX OFFICE	22.00	444584	
JEFFERSON CTY. TAX OFFICE	7.50	444585	
BUMPER TO BUMPER	704.27	444606	
AMERICAN TIRE DISTRIBUTORS	1,049.58	444629	
MIGHTY OF SOUTHEAST TEXAS	237.74	444641	
SNAP ON TOOLS	202.95	444687	
MIDNIGHT AUTO	89.95	444689	
			18,330.59*
			1,186,488.76**
MOSQUITO CONTROL FUND			
DEPARTMENT OF INFORMATION RESOURCES	.02	444580	
CENTERPOINT ENERGY RESOURCES CORP	202.07	444608	202.09**
FEMA EMERGENCY			
GOLD CREST ELECTRIC CO., INC.	12,851.00	444518	
AERIAL ACCESS EQUIPMENT	9,634.00	444615	
AERIAL ACCESS EQUIPMENT	9,404.00	444616	31,889.00**
J.C. FAMILY TREATMENT			
BEAUMONT OCCUPATIONAL SERVICE, INC.	148.85	444597	
PATRICIA VELASCO	1,435.00	444678	1,583.85**
LAW LIBRARY FUND			
THOMSON REUTERS-WEST	1,851.97	444659	1,851.97**
EMPG GRANT			
SOUTHEAST TEXAS WATER	32.80	444551	
TIME WARNER COMMUNICATIONS	85.43	444566	118.23**
GRANT A STATE AID			
CASH ADVANCE ACCOUNT	269.75	444526	
VERIZON WIRELESS	26.13	444586	
HARRIS COUNTY	4,544.40	444614	4,840.28**
COMMUNITY SUPERVISION FND			
OFFICE DEPOT	472.98	444535	
SASSI INSTITUTE	973.00	444575	
DEPARTMENT OF INFORMATION RESOURCES	1.54	444580	
UNITED STATES POSTAL SERVICE	123.20	444589	
REDWOOD TOXICOLOGY LABORATORY	321.50	444621	1,892.22**
JEFF. CO. WOMEN'S CENTER			
HAZELDEN EDUCATIONAL MAT	1,001.52	444523	
KIM MCKINNEY, LPC, LMFT	450.00	444531	
OFFICE DEPOT	72.71	444535	
AT&T	137.14	444553	
SYSCO FOOD SERVICES, INC.	1,081.31	444557	
DEPARTMENT OF INFORMATION RESOURCES	.07	444580	
TOWER COMMUNICATIONS, INC.	60.00	444587	
BEN E KEITH FOODS	1,043.73	444604	
MELODY C ANTOON RN	3,380.00	444617	
REDWOOD TOXICOLOGY LABORATORY	1,581.75	444621	
ICS	102.25	444623	

NAME	AMOUNT	CHECK NO.	TOTAL
SAM'S CLUB DIRECT	209.72	444652	
MATERA PAPER COMPANY INC	513.37	444658	
GLOBAL TEL*LINK CORP	1,000.00	444670	
CINTAS CORPORATION	84.57	444685	
			10,718.14**
LAW OFFICER TRAINING GRT			
GT DISTRIBUTORS, INC.	2,442.00	444516	
SCANTRON CORPORATION	296.97	444546	
			2,738.97**
DRUG INTERVENTION COURT			
SOUTHEAST TEXAS COUNCIL ON ALCOHOL	7,440.00	444525	
CHEEK H2O & SEWER			7,440.00**
MK CONSTRUCTORS	10,778.44	444650	
HOTEL OCCUPANCY TAX FUND			10,778.44**
MUNRO'S	99.06	444534	
SOUTHWESTERN PRINTING	22.00	444552	
TIME WARNER COMMUNICATIONS	110.53	444563	
TRIANGLE BLUE PRINT CO., INC.	247.00	444570	
TRI-CITY COFFEE SERVICE	161.35	444571	
DEPARTMENT OF INFORMATION RESOURCES	4.63	444580	
LA RUE ROUGEAU	90.47	444622	
OAK LANE FARMS	820.00	444632	
COUNTY HOME AND RANCH LP	99.99	444643	
B&G POPCORN INC	236.18	444653	
			1,891.21**
CRIME LAB FUNDING CJD			
SENTRY AIR SYSTEMS INC	15,574.31	444703	
AIRPORT FUND			15,574.31**
CENTERPOINT ENERGY RESOURCES CORP	667.17	444608	
SE TX EMP. BENEFIT POOL			667.17**
HOLMES MURPHY	13,750.00	444610	
GROUP ADMINISTRATIVE CONCEPTS INC	132,281.36	444638	
EXPRESS SCRIPTS INC	39,477.74	444701	
UNITEDHEALTHCARE INSURANCE COMPANY	1,189.44	444702	
			186,698.54**
WORKER'S COMPENSATION FD			
TRISTAR RISK MANAGEMENT	7,009.20	444609	
D.A.'S FORFEITURED FUNDS			7,009.20**
BUILDING SPECIALTIES	536.49	444503	
CONSOLIDATED ELECTRICAL DIST INC.	143.58	444511	
			680.07**
SHERIFF'S FORFEITURE FUND			
SMART'S TRUCK & TRAILER, INC.	372.72	444548	
PAYROLL FUND			372.72**
JEFFERSON CTY. - FLEXIBLE SPENDING	14,388.00	444468	
CLEAT	288.00	444469	
JEFFERSON CTY. TREASURER	14,630.95	444470	
RON STADTMUELLER - CHAPTER 13	150.00	444471	
INTERNAL REVENUE SERVICE	475.00	444472	
JEFFERSON CTY. ASSN. OF D.S. & C.O.	4,360.00	444473	
JEFFERSON CTY. COMMUNITY SUP.	9,482.39	444474	
JEFFERSON CTY. TREASURER - HEALTH	514,698.35	444475	
JEFFERSON CTY. TREASURER - PAYROLL	1,657,473.32	444476	
JEFFERSON CTY. TREASURER - PAYROLL	581,270.77	444477	
MONEY LIFE INSURANCE OF AMERICA	116.23	444478	
POLICE & FIRE FIGHTERS' ASSOCIATION	2,552.25	444479	

NAME	AMOUNT	CHECK NO.	TOTAL
TGSLC	586.96	444480	
US DEPARTMENT OF EDUCATION	214.32	444481	
JEFFERSON CTY. TREASURER - TCDRS	630,109.52	444482	
OPPENHEIMER FUNDS DISTRIBUTOR, INC	1,564.99	444483	
JEFFERSON COUNTY TREASURER	2,856.47	444484	
JEFFERSON COUNTY - TREASURER -	6,880.85	444485	
NECHES FEDERAL CREDIT UNION	45,556.78	444486	
JEFFERSON COUNTY - NATIONWIDE	58,352.92	444487	
WILLIAM E HEITKAMP	748.53	444488	
JOHN TALTON	2,066.15	444489	
IL DEPT OF HEALTHCARD AND FAMILY SER	49.85	444490	
BELINDA M ZURITA	230.77	444491	
CONSERVE	175.92	444492	
JEFFERSON CTY. TREASURER - PAYROLL	100,127.50	444493	
GUARDIANSHIP FEE			3,649,406.79**
JOSHUA C HEINZ	600.00	444651	
MARINE DIVISION			600.00**
VERIZON WIRELESS	341.91	444586	
SIERRA SPRING WATER CO. - BT	106.12	444593	
SPECTROLAB, INC.	63.01	444602	
FY 2017 PORT SECURITY GRT			511.04**
CDW COMPUTER CENTERS, INC.	8,427.50	444578	
			8,427.50**
			5,140,786.47***

**AGENDA ITEM****March 26, 2018**

Consider and possibly consider and approve a Resolution to Establish a Juvenile Mental Health Court pursuant to Chapter 121, Texas Government Code.



**AGENDA ITEM****March 26, 2018**

Consider, possibly approve and authorize the County Judge to execute the Southeast Texas Ford Dealers'-Ford Park Naming Rights for the term beginning April 1, 2018 and expiring on March 31, 2022.

## AMENDMENT TO NAMING AND ADVERTISING RIGHTS AGREEMENT

This Amendment to Naming and Advertising Rights Agreement (the “**Amendment**”) is dated February 23, 2018 and is among (1) Jefferson County Texas, a political subdivisions of the State of Texas (“**Jefferson**”), (2) Global Spectrum, L.P. d/b/a Spectra Venue Management, a Delaware limited partnership (“**Spectra**”) as agent on behalf of Jefferson,(3) South Texas Ford Dealers Advertising Fund, Inc., a Texas nonprofit corporation (“**STFD**”), and (4) Ford Motor Company, a Delaware Corporation (“**Ford**”).

### BACKGROUND

1. SMG, a Pennsylvania general partnership and the former manager of the Complex, Jefferson, STFD and Ford entered into a certain Naming and Advertising Rights Agreement dated December 15, 2003, which granted STFD certain advertising and promotional rights with respect to the Southeast Texas Entertainment Complex (the “**Complex**”), and such parties amended that agreement on several occasions (as amended, the “**Agreement**”).
2. SMG ceased managing the Complex on March 31, 2017, and Jefferson engaged Spectra as of April 1, 2017, to act as its agent to manage the Complex on its behalf. As the current manager of the Complex, Spectra agrees to join the Agreement as a party thereto, in its capacity as agent for Jefferson, to perform certain duties thereunder previously performed by SMG.
3. Spectra, Jefferson, STFD and Ford desire to amend the Agreement to extend its term and make certain other changes to its terms and conditions.

Accordingly, the parties agree to amend the Agreement effective April 1, 2018 as follows:

1. Spectra, acting solely as agent on behalf of Jefferson, hereby joins the Agreement as a party thereto and agrees to perform, on a going forward basis in its agency capacity, the obligations formerly performed by SMG thereunder. Spectra shall have no responsibility or liability for any obligations, debts, acts or omissions under the Agreement prior to the date hereof.
2. The term of the agreement is extended for an additional 4 calendar years, expiring on March 31, 2022. STFD shall pay Spectra the following Rights Fee in 4 equal installments on or prior January 1, April 1, July 1 and October 1 of each year:

Year	Rights Fee
2018	\$183,700
2019	\$183,700
2020	\$192,885
2021	\$192,885

3. Section 16.7.01 of the Agreement is amended by striking all references to “Suite #2” and replacing them with “Suite #5”.
4. Section 16 of the Agreement is amended by adding the following additional promotional and advertising benefits:
  - a. “16.3.10. STFD shall have the right to place an interactive display in the lobby of the Arena for all publicly ticketed events for the purposes of allowing customers to learn more about Ford-branded vehicles. The precise location of the display shall be mutually agreed upon between the parties and the size and appearance of the display shall be subject to Spectra’s reasonable approval.”;

- b. "16.3.11. STFD shall receive promotional exposure in the form of a 15 – 30 second commercial on the digital monitors at the Arena during each publicly ticketed event. Such commercial shall rotate at random with commercials of other advertisers at a frequency determined by Spectra;"
  - c. In connection with the benefit described in Section 16.4.01, STFD shall be permitted to have a reasonable number of its representatives present to explain the vehicles on display to customers and discuss other types of Ford-branded vehicles. The precise number of representatives shall be subject to the prior approval of Spectra, not to be unreasonably withheld;
  - d. "16.4.06. STFD shall have the right to operate "test drive" events in the Arena parking lots in connection with up to 6 publicly ticketed events each calendar year. The date of each event, the exact location and portion of the parking lots used, and the scope of each event shall be mutually agreed upon between the parties. For the avoidance of doubt, all vehicles shall be provided by STFD. STFD staff shall operate each event and indemnify, defend and hold harmless each of the other Parties from any loss, liability, damage, cost and/or expense (including reasonable attorneys' fees) arising from or in connection with the "test drive" events."; and
  - e. "16.7.04. Spectra shall request that the promoter of any ticketed event at the Arena offer a ticket discount to STFD employees. Whether any discount is offered, and the size and scope of any discount shall be determined by the promoter."
5. The parties acknowledge that the Texas Wildcatters no longer play their home schedule of ice hockey games in the Arena. Accordingly, any obligations that any party has to provide advertising or promotional rights with respect to the Texas Wildcatters are struck from the Agreement.
  6. Sections 3 of the Agreement is deleted in its entirety.
  7. Section 7 of the Agreement is amended as follows:
    - a. The first two sentences of 7.2 are struck from the Agreement;
    - b. Section 7.3 is struck from the Agreement; and
    - c. The phrase "FORDS's quality standards" is struck from Section 7.4 and replaced with "any quality standards of FORD that are reasonable and communicated to Spectra, Jefferson and STFD in writing in advance".
  8. Section 9.3 of the Agreement is amended by striking "shall require" and replacing it with "shall use commercially reasonable efforts to cause".
  9. Section 10 of the Agreement is amended by adding the following: "10.4. Notwithstanding anything to the contrary contained in this Agreement, nothing in this Agreement shall prevent or restrict Spectra, Jefferson or anyone else from selling or granting any advertising or promotional rights inside or otherwise with respect to the Complex to: (a) any person or entity that sells or offers automotive financing, so long as such person or entity is not permitted to advertise or promote specific automotive financing products at the Complex; or, (b) any distributor or retailer of automotive parts and accessories, so long as such distributor or retailer is not permitted to advertise or promote specific automotive parts and accessories at the Complex. By way of example only, a big box retailer who, among other things, offers automotive accessories in its stores is permitted to advertise at the Complex, so long as it is not specifically promoting its automotive accessory offerings."
  10. Section 13.4 of the Agreement is amended by striking all references to "national" and "nationally".
  11. Section 22.2 of the Agreement is amended by striking "; provided, SMG shall...by such Party."

12. Section 23.1 of the Agreement is amended by adding the phrase "negligent" before each use of the phrase "acts or omissions" and Section 23.3 of the Agreement is amended by striking "any claims of...from any event at the Complex" and replacing it with "the negligent act or omission of Spectra that caused the bodily injury, including death, or property damage to a third party at an event at the Complex".

13. Section 24 of the Agreement is amended as follows:  
a. Strike "(\$25,000,000 to \$50,000,000 of adjusted policy holders surplus)" from the first sentence of Section 24.2;  
b. Strike "or by any Subcontractor" and "any of" from the second sentence of Section 24.2;  
c. Add "The limits required in this paragraph may be satisfied by a combination of primary and umbrella/excess coverage" to the end of Section 24.2; and  
d. Section 24.4 is deleted in its entirety.

14. Any notice sent to Spectra pursuant to Section 26 of the Agreement shall be sent to: Ford Park Entertainment Complex 5115 Interstate 10 South, Beaumont, TX 77705, Attn: General Manager, with a copy to Spectra Venue Management, 3601 S. Broad Street, Philadelphia, PA 19148-5290, Attn: Legal Department.

15. In the event of a conflict between this Amendment and the Agreement, the terms of this Amendment shall prevail. Unless otherwise set forth herein, any capitalized term used in this Amendment shall have the meaning assigned to it in the Agreement.

16. Except as expressly modified by this Amendment, the terms and conditions of the Agreement shall remain in full force and effect. This Amendment may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one and the same instrument.

To evidence the parties' agreement to this Amendment, they have executed and delivered it on the date set forth in the preamble.

**Global Spectrum, LP d/b/a Spectra Venue Management as agent on behalf of Jefferson County Texas**

**South Texas Ford Dealers Advertising Fund, Inc.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**Jefferson County, Texas**

**Ford Motor Company**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

*Jefferson County Courthouse  
P.O. Box 4025  
Beaumont, Texas 77704*



*Office (409) 835-8442  
Fax (409) 835-8628  
eddiearnold@co.jefferson.tx.us*

*Eddie Arnold  
Jefferson County  
Commissioner Pct. #1*

March 19, 2018

Loma George  
Judge Branick's Office

RE: Agenda Items

Please place the following agenda item on the March 26, 2018 Commissioner's Court Agenda.

Receive and file Certificate of Completion for Commissioner Eddie Arnold.  
Commissioner Arnold has successfully completed the continuing education  
provisions of Article 81.0025 of the Texas Local Government Code for 2017.

Total hours earned in 2017 = 28. Commissioner Arnold will carry forward Eight (8)  
hours to the next reporting period.

Thank you,

Eddie Arnold  
County Commissioner, Pct. #1

EA/as



**CHUBB****SPECIALTY CASUALTY - AVIATION****DATE:** January 23, 2018

**AIRCRAFT INSURANCE QUOTATION**  
 With  
**WESTCHESTER FIRE INSURANCE COMPANY**  
 (AA- S&P, A++ XV Best)

In accordance with your request, we are pleased to provide the following quotation:

Please read this quotation carefully, as the limits, coverage and other terms and conditions may vary significantly from those requested in your submission and/or from the expiring policy. Terms and conditions that are not specifically mentioned in this quotation are not included. The terms and conditions of this quotation supersede the submitted insurance specifications and all prior quotations and binders. Actual coverage will be provided by and in accordance with the policy as issued.

The insurer is not bound by any statements made in the submission purporting to bind the insurer unless such statement is reflected in the policy or in an agreement signed by someone authorized to bind the insurer.

This quotation has been constructed in reliance on the data provided in the submission. A material change or misrepresentation of that data voids this quotation.

The U.S. Foreign Account Tax Compliance Act, commonly known as "FATCA", became the law in the U.S. in March of 2010 and becomes effective July 1, 2014. Pursuant to FATCA, brokers, producers, agents and/or clients may need to obtain withholding certificates, such as Forms W-8 or W-9, from insurance companies. For information on how to obtain the applicable withholding certificate from ACE U.S. insurance companies, please go to <http://www.acegroup.com/us-en/assets/www.acegroup.com-w-9.pdf>.

**NAMED INSURED:** **Jefferson County**

**NAMED INSURED'S ADDRESS:** 215 Franklin Street, Suite 202, Beaumont, Texas 77701

**BUSINESS OF NAMED INSURED:** County Government

**PERIOD:** From: April 24, 2018 To: April 24, 2019  
 both days at 12.01a.m. Local Time at the address of the Named Insured.

**LIABILITY COVERAGES:** The Liability Coverages, Limits of Liability and Liability Premiums applicable to each insured aircraft are as shown under the Aircraft Liability Section of the Schedule of Insured Aircraft.

The liability coverage codes have the following meanings:

- A Bodily Injury Excluding Passengers
- B Property Damage
- C Passenger Bodily Injury
- D Single Limit Bodily Injury (excluding Passengers) and Property Damage

**HULL COVERAGES:** The Hull coverage, Amount of Insurance, deductibles, premium and financial interest applicable to each insured aircraft are shown under the Aircraft Hull Section of the Schedule of Insured Aircraft.

The aircraft hull coverage codes have the following meanings:

- F In Motion and not In Motion coverage.
- G Not In Motion coverage only.
- H Not In Flight coverage only.

**PURPOSE OF USE:** All uses required by the "Named Insured", including Aerial Application but excluding any use for which the "Named Insured" or "Anyone" "We" insure expects to, or does, receive "Compensation".

**PILOTS:** The pilots who may fly the Aircraft are as listed below, provided that those pilots have all of the qualifications as shown and provided also that all pilots are properly certificated, rated and qualified under the current F.A.A. regulations which apply to the operation of the Aircraft.

Any pilot approved by the Named Insured's chief pilot or by his or her designee.

**LOCATION OF THE AIRCRAFT:**

The aircraft are regularly based at Jack Brooks Regional Airport (FAA I.D.: BPT), Beaumont/Port Arthur, Texas and are either hangared or tied down

**TERRITORY:**

While the Aircraft are anywhere in the world.

**SCHEDULE OF INSURED AIRCRAFT:**

F.A.A. Number	Year	Make and Model	Aircraft Type	Engine and HP	Total Seats Incl. Crew
N21673	1974	Cessna 188B	L	Continental 10-520	1
N82886	1973	Cessna 188B	L	Continental 10-520	1
N541MC	1965	Beech 65-A90-1	L	PT-6-21	1

**APPLICABLE LIABILITY COVERAGES, LIMITS OF LIABILITY AND PREMIUMS.**

F.A.A. Number	Coverage	Each Occurrence Limit	Each Passenger sub-Limit	Med. Pay Limit Per Person	Liability Premium
N21673	D	\$1,000,000	Not Applicable	Not Insured	\$3,550
N82886	D	\$1,000,000	Not Applicable	Not Insured	\$3,550
N541MC	D	\$1,000,000	Not Applicable	Not Insured	\$2,900

**DESCRIPTION OF AIRCRAFT, HULL COVERAGES AND HULL DEDUCTIBLES**

**DEDUCTIBLES**

F.A.A. Number	Coverage	Amount of Insurance	Not In Motion	In Motion	Ingestion	Hull Premium
N21673	No	Aircraft	Physical	Damage	Coverage	Hereunder
N82886	No	Aircraft	Physical	Damage	Coverage	Hereunder
N541MC	No	Aircraft	Physical	Damage	Coverage	Hereunder

**PREMIUM:**

	<b>HULLS</b>	<b>LIABILITIES</b>
<b>Basic Premium:</b>	<b>Not Purchased</b>	<b>\$10,000</b>
<b>Additional Coverages:</b>	<b>None Purchased</b>	<b>\$2,000</b>
<b>War Premium:</b>		<b>\$1,200</b>
<b>TRIA Premium:</b>		<b>\$1,200</b>
<b>War/TRIA Combined</b>		<b>\$1,500</b>

**CONDITIONS:**

Policy form: AC 101 (07-07) and AC 102 (11-98) which includes, inter alia, the following exclusion clauses:  
 War and Other Perils Exclusion Clause;  
 Noise, Pollution and Other Perils Exclusion Clause;

CONDITIONS:	30	Days notice of cancellation, non-renewal or reduction in coverage by Insurer, but
[CONTINUED]	10	days notice for non-payment of premium.
AC 103	(11-98)	Pilots Who May Fly The Aircraft <i>Any pilot approved by the Named Insured's chief pilot or by his or her designee.</i>
AC 110	(11-98)	War, Hi-jacking and Other Perils Exclusion Clause (Aviation)
AC 112	(02-08)	Extended Coverage Endorsement (Aviation Liabilities) <i>Agg Limit: \$1,000,000</i>
AC 118	(11-98)	Experimental /Restricted Category Aircraft Endorsement
AC 127	(11-98)	Limited Enhanced Coverage Endorsement <i>Addl Prem: \$Included</i>
AC 159	(11-98)	Nuclear Risk Exclusion Clause
AC 161	(11-98)	Date Recognition Exclusion Endorsement
AC 165	(01-15)	Amendment To Include Coverage For Certified Acts of Terrorism; Cap On Losses From Certified Acts of Terrorism
AC 167	(02-08)	War, Physical Damage Coverage Endorsement
AC 168	(11-03)	Pollution Endorsement
AC 170	(01-15)	Limited Terrorism Coverage Endorsement
AC 182	(02-05)	Chemical Application Endorsement <i>Other Approved Abatement: Insect Abatement</i> <i>BI/PD Occurrence limit: \$300,000</i> <i>Addl Prem: \$Included</i> <i>Annual Aggregate Limit: \$1,000,000</i>
AC 183	(02-05)	Public Use Category Endorsement
AC 185	(02-05)	Emergency Landing Endorsement
AC 187	(02-05)	Notice Of Claim Endorsement
ALL-21101	(11-06)	Trade or Economic Sanctions Endorsement
AC TX	(11-99)	Texas Changes - Cancellation and Nonrenewal
9001-TX	(11-99)	Texas Changes - Duties
9002-TX	(11-99)	Texas Changes - Conditions Requiring Notice
ALL-4Y30f	(06-15)	Texas Notice - Information and Complaints

Please note that you do not have authority to bind the above insurance. Please contact us if you wish to bind this insurance. We look forward to receiving your instructions and thank you for your inquiry

**CHUBB**

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance Coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury- in consultation with the Secretary of Homeland Security, and the Attorney General of the United States- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND, DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage**

\_\_\_\_\_ I hereby elect to purchase terrorism coverage for a prospective premium of **\$1,200**

\_\_\_\_\_ I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

\_\_\_\_\_  
*Policyholder/Applicant's Signature*

**WESTCHESTER FIRE INSURANCE COMPANY**

*Insurance Company*

**Jefferson County**

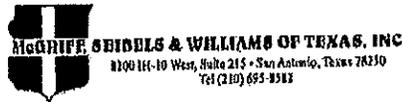
*Print Name*

**To be advised when policy purchased**

*Policy Number*

\_\_\_\_\_  
*Date*

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**AERIAL AIRCRAFT HULL AND LIABILITY APPLICATION**

1. Name of Applicant Jefferson County  
 Name or names used in any former aerial application business \_\_\_\_\_  
 Name of all partners, if a partnership, or name of all officers, is a corporation \_\_\_\_\_
2. Address 215 Franklin Street, Suite 202, Beaumont TX 77701
3. Date insurance is to go into effect \_\_\_\_\_
4. Airport name and location Jack Brooks Regional KBJT
5. Will aircraft be used for any purpose other than aerial application? If yes, give details \_\_\_\_\_
6. Will aircraft be used for "Right-of-Way" spraying? No
7. Area of operations (Radius from home airport) and states operated in Jefferson County TX 30 miles
8. Aircraft will be: Hangered Yes Tied down \_\_\_\_\_
9. Description of aircraft (Please note that we must have an allocation for the aircraft and the crop spray equipment separately below)

N#	Year Make & Model	Make of Engine	Cost New Including Crop Equipment	Present Value Including Equipment	Value of Aircraft	Value of Crop Equipment
<u>N21673</u>	<u>1974-C-18RB</u>	<u>Cont 10-520</u>	<u>50,000 +</u>	<u>80,000</u>	<u>80,000</u>	
<u>N82886</u>	<u>1973-C-18813</u>	<u>Cont 10-520</u>	<u>50,000 +</u>	<u>80,000</u>	<u>80,000</u>	
<u>N541MC</u>	<u>1968-18650-01</u>	<u>PT-6-21</u>	<u>600,000 +</u>	<u>600,000</u>	<u>600,000</u>	
	<u>(U-21)</u>					

10. Details of any loss payable clause (including name and address of lienholder) NONE
11. If Breach of Warranty required advise:
  - (A) The amount of loan excluding interest none
  - (B) The number of installments the lien is to be paid in \_\_\_\_\_
  - (C) The amount and date of each installment \_\_\_\_\_
  - (D) When the last installment is due \_\_\_\_\_

12. Flying record of all pilots who will fly aircraft

Name	Age	Total # Flying Hours	Total # of Aerial Application Hours	License Information		
				Number	Date	Classification
<u>Jerry Johnson</u>	<u>62</u>	<u>12,100 +</u>	<u>4,100 +</u>	<u>2785816</u>	<u>Aug 12'</u>	<u>Commercial</u>
<u>Reagan Carter</u>	<u>53</u>	<u>1,800 +</u>	<u>1,000 +</u>	<u>461234027</u>	<u>Aug 11</u>	<u>Commercial</u>
<u>Bryan Favarr</u>	<u>29</u>	<u>1,400 +</u>	<u>600 +</u>	<u>3569319</u>	<u>Oct 11</u>	<u>Commercial</u>

13. What are the minimum qualifications for pilots
  - 500 + Total Hours
  - 50 + Aerial Application Hours
14. Has an FAA or military pilot certificate held by any pilot named above ever been suspended or revoked? If so, explain NO
15. Has any pilot named above ever been convicted for violation of Federal Aviation Regulations? If so, explain all violations NO
16. Who is your current insurance carrier? (Name of insurance company, not agent) \_\_\_\_\_

17. Has any insurance company or underwriter at any time: Yes No

(A) Declined to quote \_\_\_\_\_ \_\_\_\_\_

(B) Cancelled or refused to renew your policy \_\_\_\_\_ \_\_\_\_\_

(C) Required an increased premium or revised terms \_\_\_\_\_ \_\_\_\_\_

(D) Ever declined an application in respect of a pilot(s) \_\_\_\_\_ \_\_\_\_\_

If so, give details and identify the organization (Name of insurance company, not agent) \_\_\_\_\_

18. Has the applicant or any pilot named had any claim or losses in the past five years concerning bodily injury and property damage, hull losses, or chemical liability (show on separate sheet if not ample space provided)?

Pilot	Year	Amount of Loss	Type of Loss	Circumstances
<u>None</u>				

19. Number of aircraft owned, operated or leased or to be operated by you 3

20. Hull coverage (check which type desired)

All risks or physical damage while not in motion

All risks of physical damage while in motion and not in motion

Deductible

10% of insured value of aircraft

Other, \_\_\_\_\_

21. Aircraft liability excluding chemical liability (fill in amount desired)

Bodily Injury Liability (Excluding Passengers) \$ \_\_\_\_\_ Each Person

\$ \_\_\_\_\_ Each Occurrence

Property Damage Liability \$ \_\_\_\_\_ Each Occurrence

Passenger Bodily Injury Liability \$ \_\_\_\_\_ Each Person

\$ \_\_\_\_\_ Each Occurrence

Single Limit Bodily Injury and Property Damage Liability (Excluding Passengers) \$ \_\_\_\_\_ Each Occurrence

22. If chemical liability is desired, please advise:

Length of time applicant has operated crop control operation \_\_\_\_\_

Experience in operating aerial application aircraft in applying herbicides (if used) in present area as owner \_\_\_\_\_ As pilot \_\_\_\_\_

Chemicals to be used \_\_\_\_\_

If herbicides, crops to be treated \_\_\_\_\_

Counties where herbicides are to be used \_\_\_\_\_

Amount of water carrier per acre to be used \_\_\_\_\_

23. Chemical Liability:

Chemical Bodily Injury Liability \$ \_\_\_\_\_ Each Person

\$ \_\_\_\_\_ Each Occurrence

Chemical Property Damage Liability \$ \_\_\_\_\_ Each Occurrence

Single Limit Chemical Liability (Bodily Injury & Property Damage) \$ \_\_\_\_\_ Each Occurrence

Total hours experience each pilot applying:

Pilot	Insecticide Chemicals	Herbicide Chemicals
_____	_____	_____

We agree that the aforementioned aircraft is/are my/our property and the statements and particulars given are true, and that no material information has been withheld or suppressed and We agree that the application, signed by or caused to be signed by me/us shall be the basis of and form part of the Contract between me/us and the underwriters and to accept a policy subject to the terms, exclusions and conditions prescribed hereinafter. We further agree that upon the finding that said information is untrue, such insurance as shall or may be issued shall be void and no coverage shall exist under such Certificate of Insurance.

Date \_\_\_\_\_ Signature of Applicant \_\_\_\_\_

Name of Agent \_\_\_\_\_

Address \_\_\_\_\_

The completion of this application does not commit underwriters to any liability or make the applicant liable for any premium unless and until underwriters agree to effect any



February 7, 2018

Jefferson County  
215 Franklin, Suite 202  
Beaumont, TX 77701

RE: Storage Tank Liability  
Quote # Q142731

Dear Kim:

We are pleased to offer the following coverage for your Storage Tank Liability policy to be effective on April 6, 2018.

McGriff, Seibels & Williams of Texas, Inc. makes every effort to provide you with coverage that is standard in the industry. However, we have been unable to secure a policy for you without a "Punitive Damage Exclusion". Punitive damages are awarded to an injured party with the intent of punishing the wrongdoer. The damages are awarded in addition to "actual" damages (i.e., property damage, bodily injury, loss of use, pain & suffering, medical bills, etc.).

By offering this policy McGriff, Seibels & Williams of Texas, Inc. makes no judgment concerning the availability of this coverage from other insurance companies and your signing this letter acknowledges your acceptance of this coverage exclusion.

Sincerely,

*Susan Golla*, CPCU, ARM, CRM

Marketing Account Executive

-----

I acknowledge that my Storage Tank Liability policy contains a "Punitive Damage Exclusion" and request that the policy be issued with this exclusion.

\_\_\_\_\_  
Kim Isaacs

\_\_\_\_\_  
Date

**CHUBB®****TANKSAFE®****Storage Tank Liability  
Insurance Policy****APPLICATION****Instructions:**

- Please type or print clearly.
- Answer **ALL** questions completely, leaving no blanks. If any questions, or part thereof, do not apply, print "N/A" in the space.
- Provide any supporting information on a separate sheet using the Applicant's letterhead and reference the applicable question number.
- Check Yes or No answers.
- This form must be completed, dated and signed by a principal of the Applicant.

**Required Attachments:**

- Copies of the Applicant's past two (2) years of audited financial statements and annual reports
- Summary of Environmental Site Assessments/Remediation (past, current, planned)  (check if none)
- Storage Tank Inventory – By Location Document (Attachment I)
- Marina Questionnaire (Attachment II)  (check if no marina exposure)

**NOTICE TO APPLICANT: THE COVERAGE APPLIED FOR IS SOLELY AS STATED IN THE POLICY AND ANY ENDORSEMENTS ATTACHED THERETO. THE POLICY PROVIDES COVERAGE FOR THIRD-PARTY LIABILITY ON A CLAIMS-MADE AND REPORTED BASIS, WHICH COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE POLICY ALSO PROVIDES COVERAGE FOR FIRST-PARTY REMEDIATION COSTS ON A DISCOVERED AND REPORTED BASIS, WHICH COVERS ONLY STORAGE TANK INCIDENTS FIRST DISCOVERED AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD.**

1. Name of Applicant: Jefferson County

Principal Contact: \_\_\_\_\_ E-mail Address: kisaacs@co.jefferson.tx.us

Mailing Address: 215 Franklin, Suite 202  
Beaumont, TX 77701

Telephone #: 4098358672 Fax #: \_\_\_\_\_

URL: http:// \_\_\_\_\_ Date Established: \_\_\_\_\_

The Applicant is:  Corporation  Partnership  Joint Venture  LLC/LLP  
 Other: \_\_\_\_\_

Federal Employer Identification Number (FEIN): 746000291

2. Details of locations where the insured storage tanks are located:  
 (Continue on a separate sheet, if necessary.)

Company Name:	Street Address City, State Zip Code:	No. of USTs at this location	No. of ASTs at this location	Known Pre-existing Contamination Present?*	Facility Type**
As Per Schedule of Covered Storage Tanks					

- a. \*If Yes, please provide details on a separate sheet. Include at a minimum:
- Prior Environmental Site Assessments (including date performed)
  - Past, current, planned sampling/remediation, etc.
- b. \*\*Facility Type:
- |                            |   |
|----------------------------|---|
| - Airport                  | - Automobile/Other Motor Vehicle Facility |
| - Convenience Store        | - Schools/Educational Services Facility   |
| - Gasoline Service Station | - Petroleum Bulk Station/Terminal         |
| - Marina                   | - Other (If "Other", please describe.)    |

3. Please complete the **Storage Tank Inventory – By Location** form as attached to this application. (If more than one location, please make duplicates of the inventory form and complete a separate form for each location.)

4. The Applicant's total gross revenues in the last filed tax return, excluding recovered expenses:

\$ \_\_\_\_\_ [for the period ending: month \_\_\_\_\_ year \_\_\_\_\_ ]

5. The Applicant's estimated gross revenues for the current fiscal year: \$ \_\_\_\_\_

6. Desired effective date of coverage: 04/06/2018

a. Desired Retroactive Date:  Policy Inception  Other As per Schedule of Covered Storage Tanks

(In order to obtain retroactive coverage, you must provide copies of all prior policies for the corresponding time period.)

7. Limits of Liability and Deductible requested:

Limits of Liability:		Deductible:
Per Storage Tank Incident:	<u>\$1,000,000</u>	\$25,000 (per Storage Tank Incident)
Aggregate:	<u>\$2,000,000</u>	
Aggregate Legal Defense Expense Limit:	<u>\$1,000,000</u>	

8. Were all of the Applicant's or any other party to the proposed insurance's storage tanks new at the time of installation?  YES  NO

9. Were any storage tanks included on the insured schedule installed more than thirty (30) years ago?(Twenty-five (25) years for tanks located in the state of Connecticut?)  YES  NO

10. Are any of the Applicant's or any other party to the proposed insurance's storage tanks located within one (1) mile of a body of water?  
(If "Yes", please complete the **Marina Questionnaire** form as attached to this application.)  YES  NO
11. Are any of the Applicant's or any other party to the proposed insurance's facilities located in the State of Florida?  YES  NO
12. Are Single-Walled Storage Tanks (i.e., Bare Steel Tanks, Steel Tanks with Cathodic Protection, STIP ¾ Tanks or Tanks operating under ACT 100), with or without any form of tank lining, located at the Applicant's or any other party to the proposed insurance's facilities in the State of Florida? (Only applicable if Question 11. is answered "Yes")  N/A  YES  NO
13. Within the past five (5) years has the Applicant purchased this type of insurance coverage?  
(If "Yes", please provide information regarding any such coverage and all available loss information.)  YES  NO
14. Are there currently, or have there historically been, any hazardous, toxic, or regulated substances stored at any of the locations for which this application for insurance is being made other than these products: Gasoline, Diesel Fuel, Motor Oil, Fuel Oil, or Kerosene?  YES  NO
15. Were any tanks ever removed or closed in placed at the location(s) where the scheduled tanks are currently located?  
a. Will any scheduled storage tank(s) be removed, closed or upgraded at any of the facilities for which coverage is sought under this policy within the next eighteen (18) months?  YES  NO
16. Does the Applicant and any other parties to the proposed insurance maintain a Spill Prevention and Counter Control Plan with regard to any aboveground tanks for which coverage is sought? (If "Yes", please provide a copy of such plan.)  N/A  YES  NO
17. Within the past five (5) years have there been any reportable spills of regulated substances, hazardous waste or any other pollutants, as defined by applicable environmental statutes or regulations, at the facility(ies) where the tanks the Applicant is seeking coverage for are located?  YES  NO
18. Within the past ten (10) years have any repairs or upgrades been performed on any tanks?  
a. Are all underground storage tanks compliant with 1998 regulations?  N/A  YES  NO
19. Within the past five (5) years have any claims been made or legal actions (including any regulatory proceedings) been brought against the Applicant or any other party to the proposed insurance?  YES  NO
20. Does the Applicant or any other party to the proposed insurance have knowledge of pollution conditions at any of the proposed covered locations?  YES  NO
21. At the time of signing this application, is the Applicant or any other party to the proposed insurance aware of any circumstances that may reasonably be expected to give rise to a claim against any party to the proposed insurance?  YES  NO
22. Within the last five (5) years before the date of signing this application, has the Applicant, any of its affiliated entities, or any person or entity proposed to be an  YES  NO

insured filed or been the subject of any proceeding related to bankruptcy, receivership, and/or insolvency?

23. At the time of signing this application, do the Applicant, any of its affiliated entities, or any person or entity proposed to be an insured either (a) intend to commence or (b) know of any plan or threat to commence any proceeding relating to bankruptcy, receivership, and/or insolvency, whether by or against one or more of them?  YES  NO

*If "Yes" to Questions 14. through 23., above, provide a description of the information, claim, or circumstance.*

***\*IT IS UNDERSTOOD AND AGREED THAT IF ANY SUCH CLAIMS EXIST OR ANY SUCH FACTS OR CIRCUMSTANCES EXIST WHICH COULD GIVE RISE TO A CLAIM, THEN THOSE CLAIMS AND ANY OTHER CLAIMS ARISING FROM SUCH FACTS OR CIRCUMSTANCES ARE EXCLUDED FROM THE PROPOSED INSURANCE UNLESS OTHERWISE AFFIRMATIVELY STATED IN THE POLICY.***

**BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT IT AND THE OTHER PARTIES TO THIS INSURANCE, ALONG WITH ANY FOREIGN SUBSIDIARIES, WILL STRICTLY FOLLOW ANY WATER INTRUSION, MOLD-RELATED, FUNGI-RELATED OR BACTERIA-RELATED OPERATION AND MAINTENANCE PROCEDURES OR PROTOCOLS, INCLUDING ANY WATER INTRUSION, MOLD-RELATED, FUNGI-RELATED OR BACTERIA-RELATED DUE DILIGENCE PROCEDURES OR PROTOCOLS FOR THE ACQUISITION, LEASE, OPERATION, MANAGEMENT OR MAINTENANCE OF ANY PROPERTIES, WHICH WERE PROVIDED TO THE INSURER PRIOR TO THE INCEPTION OF ANY COVERAGE APPLIED FOR HEREIN. THE APPLICANT ACKNOWLEDGES THAT THE INSURER'S AGREEMENT TO PROVIDE MOLD, FUNGI AND/OR LEGIONELLA PNEUMOPHILA COVERAGE AS PART OF THE COVERAGE APPLIED FOR PURSUANT TO THIS APPLICATION IS PREDICATED UPON THE APPLICANT'S AGREEMENT TO PROVIDE THIS WARRANTY.**

**BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT IT AND THE OTHER PARTIES TO THIS INSURANCE, ALONG WITH ANY FOREIGN SUBSIDIARIES, WILL STRICTLY FOLLOW ANY LEAD-BASED PAINT OR ASBESTOS OPERATION AND MAINTENANCE PROCEDURES OR PROTOCOLS, WHICH WERE PROVIDED TO THE INSURER PRIOR TO THE INCEPTION OF ANY SUCH COVERAGE APPLIED FOR HEREIN. THE APPLICANT ACKNOWLEDGES THAT THE INSURER'S AGREEMENT TO PROVIDE LEAD-BASED PAINT AND/OR ASBESTOS COVERAGE AS PART OF THE COVERAGE APPLIED FOR PURSUANT TO THIS APPLICATION IS PREDICATED UPON THE APPLICANT'S AGREEMENT TO PROVIDE THIS WARRANTY.**

**BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT ALL STATEMENTS MADE IN THIS APPLICATION, INCLUDING ANY ATTACHMENTS THERETO, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE INSURER'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.**

**NOTICE TO APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO ARKANSAS, LOUISIANA, RHODE ISLAND and WEST VIRGINIA APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO COLORADO APPLICANTS:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:** WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**NOTICE TO FLORIDA APPLICANTS:** Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

**NOTICE TO MAINE APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

**NOTICE TO MARYLAND APPLICANTS:** Any person who knowingly and willfully presents a false or fraudulent claim for payment for a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO MINNESOTA APPLICANTS:** A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW MEXICO APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**NOTICE TO NEW YORK APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each violation.

**NOTICE TO OHIO APPLICANTS:** Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**NOTICE TO OKLAHOMA APPLICANTS:** WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**NOTICE TO OREGON APPLICANTS:** Any person who knowingly and with intent to defraud or solicit another to defraud an insurer: 1) by submitting an application, or 2) by filing a claim containing a false statement as to any material fact may be violating state law.

**NOTICE TO PENNSYLVANIA APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**NOTICE TO TENNESSEE, VIRGINIA and WASHINGTON APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

\_\_\_\_\_  
Signature of Authorized Applicant

\_\_\_\_\_  
Signature of Broker/Agent

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signed by Licensed Resident Agent  
(Where Required By Law)

Facility No. 1 \_\_\_\_\_ of 9 \_\_\_\_\_

quote no. Q142731 \_\_\_\_\_

**Facility Name:** Correctional Facility No. of USTs at this facility: 2

Address: 5030 Hwy 69 South City: Beaumont State: TX \_\_\_\_\_ USA

ZIP: 77705 Facility EPA ID #: 1 \_\_\_\_\_ (leave blank if not applicable)

**Which form of Tank Maintenance/Record Keeping is utilized at this facility?**

- Statistically Inventory Reconciliation with Annual Tank Tightness Testing (SIR)
- Automatic Tank Gauging/Electronic Monitoring (ATG)

Do you have a **Written Tank Management Plan** for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	Tank Construction	Tank Size (gallons)	Tank Contents
1	01/01/1991	<input checked="" type="checkbox"/> Double Walled <input type="checkbox"/> Fiberglass/Steel Clad <input type="checkbox"/> Steel w/ Cathodic Protection	6000	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
2	01/01/1991	<input checked="" type="checkbox"/> Double Walled <input type="checkbox"/> Fiberglass/Steel Clad <input type="checkbox"/> Steel w/ Cathodic Protection	2500	<input type="checkbox"/> Unleaded <input checked="" type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)

Facility No. 2 of 9

quote no. Q142731

**Facility Name:** SE Tx Regional Airport No. of ASTs at this facility: 4

Address: 4875 Parker Drive City: Beaumont State: TX USA

ZIP: 77705 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	09/01/1999	20000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input checked="" type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
2	09/01/1999	15000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input checked="" type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
3	09/01/1999	15000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input checked="" type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
2	04/06/2006	20000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Storage Tank Liability Coverage Facility/Storage Tank Inventory AST Supplemental Worksheet

Facility No. 3 of 9

quote no. Q142731

Facility Name: Precinct 1 No. of ASTs at this facility: 1

Address: 20205 W Hwy 90 City: China State: TX USA

ZIP: 77613 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	01/01/1991	4000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Unleaded <input checked="" type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Storage Tank Liability Coverage Facility/Storage Tank Inventory AST Supplemental Worksheet

Facility No. 4 of 9

quote no. Q142731

Facility Name: Precinct 2 No. of ASTs at this facility: 2

Address: 7759 Viterbo Road City: Beaumont State: TX USA

ZIP: 77705 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	07/01/1999	2000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Unleaded <input checked="" type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
2	07/01/1999	2000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Storage Tank Liability Coverage Facility/Storage Tank Inventory AST Supplemental Worksheet

Facility No. 5 of 9

quote no. Q142731

Facility Name: Precinct 3 No. of ASTs at this facility: 2

Address: 5700 Jade Avenue City: Port Arthur State: TX USA

ZIP: 77640 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	08/21/1992	3000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
2	08/21/1992	5000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)

**Storage Tank Liability Coverage  
Facility/Storage Tank Inventory  
AST Supplemental Worksheet**

Facility No. 6 of 9

quote no. Q142731

**Facility Name:** Precinct 4 No. of ASTs at this facility: 2

Address: 7780 Boyl Road City: Beaumont State: TX USA

ZIP: 77713 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
2	01/01/1994	2000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Unleaded <input checked="" type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other
1	01/01/1994	2000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Storage Tank Liability Coverage Facility/Storage Tank Inventory AST Supplemental Worksheet

Facility No. 7 of 9

quote no. Q142731

Facility Name: Service Center No. of ASTs at this facility: 1

Address: Jerry Ware Drive City: Nederland State: TX USA

ZIP: 77701 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	01/05/1990	12000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Storage Tank Liability Coverage Facility/Storage Tank Inventory AST Supplemental Worksheet

Facility No. 8 of 9

quote no. Q142731

**Facility Name:** Sabine Pass Port Authority No. of ASTs at this facility: 1

Address: 5960 1st Avenue City: Sabine Pass State: TX USA

ZIP: 77655 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	10/14/2008	8000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Storage Tank Liability Coverage Facility/Storage Tank Inventory AST Supplemental Worksheet

Facility No. 9 of 9

quote no. Q142731

**Facility Name:** Sub Courthouse No. of ASTs at this facility: 1

Address: 525 Lakeshore Drive City: Port Authur State: TX USA

ZIP: 77640 Facility ID #: 1 (leave blank if not applicable)

Type of Facility?  Gas station  Convenience store  Marina  Airport  Industrial  Fuel Storage/Transfer  **ALL OTHER FACILITY TYPES**

Do you have an SPCC for this Facility?  yes  no

**Loss History Information for this Facility:**

- No pollution related clean-ups or 3rd party claims at this facility in past 10 years
- Pollution at facility in past 10 years, resolved with regulatory closure

Do you utilize a 3rd party Engineering firm to provide Compliance Management Services for this Facility?  yes  no

Tank No.	Installation Date	AST Capacity (gallons)	AST Secondary Containment	Piping Secondary Containment	Automatic Overfill/Spill Protection and/or Electronic Leak Detection?	Tank Contents
1	07/01/2005	2000	<input type="checkbox"/> Permeable <input checked="" type="checkbox"/> Impermeable <input type="checkbox"/> None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Unleaded <input type="checkbox"/> Diesel <input type="checkbox"/> Waste Oil <input type="checkbox"/> Fuel Oil <input type="checkbox"/> Jet/Aviation <input type="checkbox"/> Other

(use additional rows/pages as need)



# Resolution

STATE OF TEXAS

§  
§  
§

COMMISSIONERS COURT

COUNTY OF JEFFERSON

OF JEFFERSON COUNTY, TEXAS

BE IT REMEMBERED at a meeting of Commissioners Court of Jefferson County, Texas, held on the 26<sup>th</sup> day of March, 2018, on motion made by Brent Weaver, Commissioner of Precinct No. 2, and seconded by Michael Sinegal, Commissioner of Precinct No. 3, the following Resolution was adopted:

**WHEREAS, *Michael S. Shaw***, has devoted 25 years and 4 months of his life serving the people of Jefferson County with pride and professionalism; and

**WHEREAS, *Michael S. Shaw***, has dedicated his talents and pledged his services as a Corrections Officer in the Correctional Facility for the Jefferson County Sheriff's Office; and

**WHEREAS, *Michael S. Shaw***, has pledged his services as a Peace Officer, Sergeant, and Lieutenant, making an outstanding contribution to law enforcement in Jefferson County, serving as a Peace Officer, in both the Forensics Division and Patrol Unit, as a Sergeant, in Patrol Unit and in the Criminal Investigations Division, as a Lieutenant in Training/Personnel Department, teaching specialized law enforcement courses, workshops, and training activities to meet the in-service needs that are required by the state, and also, as a Lieutenant in the Fugitive Warrant Division apprehending dangerous and repeat offenders who are fugitives from Justice, serving criminal subpoenas, mental commitment orders, investigating runaways and missing persons; and

**WHEREAS**, through hard work and commitment to excellence, ***Michael S. Shaw***, has earned the respect of his colleagues and the citizens of Jefferson County; and

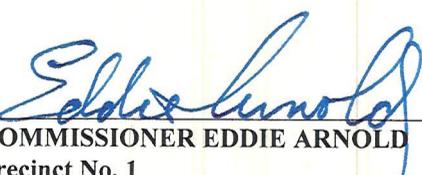
**WHEREAS**, having made a significant contribution to the Jefferson County Sheriffs' Office, ***Michael S. Shaw***, is recognized for his unselfish devotion to the common good and welfare of the citizens of Jefferson County; and will always be missed by his friends and co-workers.

**NOW THEREFORE, BE IT RESOLVED** that the Jefferson County Commissioners Court does hereby honor and commend ***Michael S. Shaw***, for his dedicated service as a valuable employee of Jefferson County and wishes him well in his retirement.

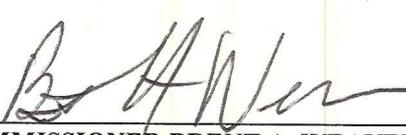
SIGNED this 26<sup>th</sup> day of March, 2018.

  
\_\_\_\_\_  
JUDGE JEFF R. BRANICK  
County Judge



  
\_\_\_\_\_  
COMMISSIONER EDDIE ARNOLD  
Precinct No. 1

  
\_\_\_\_\_  
COMMISSIONER MICHAEL S. SINEGAL  
Precinct No. 3

  
\_\_\_\_\_  
COMMISSIONER BRENT A. WEAVER  
Precinct No. 2

  
\_\_\_\_\_  
COMMISSIONER EVERETTE D. ALFRED  
Precinct No. 4

**AGENDA ITEM****March 26, 2018**

Receive and file executed FY2018 ABTPA State of Grant Award for Southeast Texas Auto Theft Task Force.



ABTPA Board Members

**Chief Carlos Garcia**  
Chair  
Law Enforcement Representative  
Brownsville, Texas

**Ken Ross**  
Insurance Representative  
State Farm Insurance  
Houston, Texas

**Ashley Hunter**  
Insurance Representative  
HM Risk Group  
Austin, Texas

**Linda Kinney**  
Consumer Representative  
Dripping Springs, Texas

**Armin Mizani**  
Consumer Representative  
Keller, Texas

**Tommy Hansen**  
Law Enforcement Representative  
Galveston, Texas

Ex Officio Member  
**Steven C. McCraw**  
Major Wynn Reynolds—Designee  
Texas Department of Public Safety  
Austin, Texas

**Bryan E. Wilson**  
Director

August 10, 2017

Mr. Kyle Hayes, City Manager  
Beaumont Police Department  
P.O. Box 3827  
Beaumont, Texas 77704  
Via Email: [khayes@ci.beaumont.tx.us](mailto:khayes@ci.beaumont.tx.us)

Re: **FY2018 ABTPA Statement of Grant Award and Acceptance Notice**  
Grant Number: **608-18-1230100**  
Grantee: **City of Beaumont**  
Program Title: **Southeast Texas Auto Theft Task Force**  
Grant Award Amount: **\$528,714**  
Grant Term: **September 1, 2017 to August 31, 2018**

Dear Mr. Hayes,

I am pleased to inform you that your organization has been awarded a grant by the Automobile Burglary and Theft Prevention Authority (ABTPA) in the amount indicated above. The grant award must be officially accepted by signing and returning the enclosed Statement of Grant Award and grantee acceptance notice to the ABTPA within 30 days from the date received.

We look forward to working with you to combat and reduce motor vehicle theft and burglary. Any questions relating to the administration of this grant should be directed to our office. Please do not hesitate to contact me should you require further assistance with this matter. I can be reached at [Bryan.Wilson@txdmv.gov](mailto:Bryan.Wilson@txdmv.gov) or (512) 465-4012.

Sincerely,

Bryan E. Wilson  
Director

Copy via email: all agency designated grant officials



## FY18 Automobile Burglary and Theft and Prevention Authority Statement of Grant Award and Grantee Acceptance Notice

Grant Number: **608-18-1230100**  
 Grantee: **City of Beaumont**  
 Program Title: **Southeast Texas Auto Theft Task Force**  
 Grant Award Amount: **\$ 528,714**  
 Total Cash Match Amount: **\$ 351,632**  
 Reimbursement Percent\*: **60.06%**  
 In-Kind Match Amount: **\$ 12,822**  
 Grant Term: **September 1, 2017 to August 31, 2018**

That whereas, **City of Beaumont** (hereinafter referred to as Grantee), has heretofore submitted a grant application in response to the Request for Application issued on March 24, 2017 to the Automobile Burglary and Theft Prevention Authority, State of Texas, entitled **Southeast Texas Auto Theft Task Force**, and further identified by grant number **608-18-1230100**; and

Whereas, the Automobile Burglary and Theft Prevention Authority has approved the grant application as evidenced by this FY18 Statement of Grant Award and certain special requirements from the Automobile Burglary and Theft Prevention Authority dated **August 10, 2017**; and

Whereas, the Grantee desires to accept the FY18 grant award and use all funds for purposes and in compliance with the following requirements that are adopted in their entirety by reference:

- Texas Revised Civil Statutes Article 4413(37);
- Texas Administrative Code: Title 43; Part 3; Chapter 57;
- Uniform Grant Management Standards (UGMS) as promulgated by the Texas Comptroller of Public Accounts;
- The Request for Applications issued on March 24, 2017;
- The current Automobile Burglary and Theft Prevention Authority Grant Administrative Manual and forms and subsequently adopted grantee instruction manuals and forms;
- The Final Adopted Application attached to this Statement of Grant Award;
- The certification of compliance; and
- The Approved Grant Budget Summary:

<b>Approved Grant Budget Summary</b>				
	<b>ABTPA</b>	<b>Cash Match</b>	<b>TOTAL</b>	<b>In-Kind</b>
Personnel	\$234,132	\$24,000	\$258,132	\$245,535
Fringe	\$0	\$193,957	\$193,957	\$0
Overtime	\$0	\$4,500	\$4,500	\$0
Professional and Contract Services	\$198,575	\$84,199	\$282,774	\$0
Travel	\$6,644	\$0	\$6,644	\$0
Equipment	\$0	\$0	\$0	\$0
Supplies and Direct Operating Expenses	\$89,363	\$44,976	\$134,339	\$12,822
<b>Total</b>	<b>\$528,714</b>	<b>\$351,632</b>	<b>\$880,346</b>	<b>\$258,357</b>
*Reimbursement Percent: 60.06% - \$528,714 ABTPA Amt. / \$ 880,346 (ABTPA Amt. plus \$351,632 Cash Match)				
In the award above, \$105,743 is obligated from AY17 appropriation and \$422,971 from AY18 appropriation.				

Now, therefore, the Grantee accepts the FY18 Statement of Grant Award under the conditions above including the special requirements in the grant application and the Statement of Grant Award as evidenced by this agreement, executed by the official authorized to sign the original grant application, or the official's designated successor, as presiding officer of and on behalf of the governing body of this grantee; and

The Texas Automobile Burglary and Theft Prevention Authority (ABTPA) has awarded the above-referenced grant subject to the availability of state funds. The approved budget is reflected in the above Approved Grant Budget Summary. This grant is subject to and conditioned upon the acceptance of the ABTPA Grant Administrative Guide promulgated for this specific program fund (referenced above) by the Automobile Burglary and Theft Prevention Authority. Applicable special conditions are listed below.

**Special Conditions and Requirements:**

**Border Security Report Requirement** – Grantees that receive ABTPA funds and which are located along the United States of America border with the United States of Mexico and those that are adjacent to the Gulf Intracoastal Waterway are required to provide an additional report as required by the General Appropriations Act, page IX-40 Section 7:11 (b) 3; 85<sup>th</sup> Texas Legislature, Regular Session. The report form will be developed and provided to the applicable grantee prior to September 1, 2017. The Governor or Legislative Budget Board may request additional information regarding the report data during the term of the grant.

APPROVED AND ACCEPTED BY:

Approved and Accepted by:

*L L L*

\_\_\_\_\_  
Authorized Official

*Kyle Hayes, City Manager*

\_\_\_\_\_  
Printed Name and Title

*8-16-17*

\_\_\_\_\_  
Date Signed

## City of Beaumont Grant Application Negotiation for Fiscal Year 2018

The Application was submitted by Kyle Hayes at 8/9/2017 9:07:37 AM and is now locked.

The confirmation Number is 2017080900013.

**Program Title** Please enter a short description of the proposed program that can be used as the title. *FY18 City of Beaumont ABTPA Grant Application*

Which type of grant are you applying for?

**Continued Grant** - Only available to agencies that have a 2017 grant. These are annual competitive grants for the program described in the application. The program must be submitted for substantially the same program as the previous year. The requested funds, match funds, and in-kind match must be within 5% of the previous year but in any event may not go below the 20% minimum cash match requirement. The number of staff positions must be within 5% of the total positions. Awarded activities are funded on a reimbursement basis.

To be eligible for consideration for funding, a program must be designed to support one or more of the following **ABTPA program categories**.

- Law Enforcement, Detection and Apprehension
- Reduction of the Sale of Stolen Vehicles or Parts
- Public Awareness, Crime Prevention, and Education

### Grant Participation and Coverage Area

- **Other Coverage** (Describe): *Jefferson, Hardin, Orange, Jasper counties and all municipalities therein.*
- **Law Enforcement Grant**  
Participating and coverage agencies below.

**Participating Agencies:** agencies that will materially participate in the grant application through the use of interlocal agreements. The agencies selected in this list only includes agencies that will receive or provide funding and/or resources. The interlocal agreements do not need to be submitted with the application. Interlocal agreements will need to be executed prior to the first payment being made if selected for a grant. Letters of support with the application from the participating agencies are strongly recommended.

**Coverage Agencies:** agencies that will be covered by the grant but not materially participating in the grant application. These agencies will not be covered by a grant interlocal agreement but as law enforcement agencies may have jurisdictional coverage agreements unrelated to the grant. The agencies selected in this list only includes agencies that will be covered or where the chief of police or county sheriff indicates that their agency will coordinate or call upon the taskforce. These will not directly receive or provide funding and/or resources. Letters of support with the application from the participating agencies are strongly recommended.

Participating Agencies	Coverage Agencies
TX1000000 HARDIN CO SO	TX1000000 HARDIN CO SO
TX1230000 JEFFERSON CO SO	TX1000100 KOUNTZE PD
TX1230100 BEAUMONT PD (MIP)	TX1000200 SILSBEE PD
TX1230700 PORT ARTHUR PD (AE)	TX1000300 SOUR LAKE PD
	TX1000900 LUMBERTON PD (IBR)
	TX1210000 JASPER CO SO
	TX1210100 JASPER PD
	TX1210200 KIRBYVILLE PD
	TX1230000 JEFFERSON CO SO
	TX1230100 BEAUMONT PD (MIP)
	TX1230300 GROVES PD
	TX1230500 NEDERLAND PD
	TX1230700 PORT ARTHUR PD (AE)
	TX1230800 PORT NECHES PD
	TX1231000 LAMAR UNIVERSITY PD
	TX1810000 ORANGE CO SO
	TX1810100 BRIDGE CITY PD
	TX1810200 ORANGE PD
	TX1810300 PINEHURST PD
	TX1810400 VIDOR PD
	TX1810500 WEST ORANGE PD
	TX1810800 ROSE CITY PD

**Resolution:** Complete a Resolution and submit to local governing body for approval. *Sample Resolution* is found in the Request for Application or send a request for an electronic copy to [grantsABTPA@txdmv.gov](mailto:grantsABTPA@txdmv.gov).

**Grant Budget Summary**

Budget Category	ABTPA Expenditures	Cash Match Expenditures	Total Expenditures	In-Kind Match
Personnel	\$234,132.00	\$24,000.00	\$258,132.00	\$245,535.00
Fringe	\$0.00	\$193,957.00	\$193,957.00	
Overtime	\$0.00	\$4,500.00	\$4,500.00	
Professional and Contract Services	\$198,575.00	\$84,199.00	\$282,774.00	
Travel	\$6,644.00	\$0.00	\$6,644.00	
Equipment				
Supplies and Direct Operating Expenses (DOE)	\$89,363.00	\$44,976.00	\$134,339.00	\$12,822.00
Total	\$528,714.00	\$351,632.00	\$880,346.00	\$258,357.00
		66.51%		

Description	Subcategory	Pct Time	ABTPA Funds	Cash Match	Total	In-Kind Match
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Description	Subcategory	Pct Time	ABTPA Funds	Cash Match	Total	In-Kind Match
<b>Personnel</b>						
BPD Lt - Program Director / Commander	Investigator/LEO	100.00%	\$91,032.00	\$8,000.00	\$99,032.00	
BPD Sgt - Program Manager / Supervisor	Investigator/LEO	100.00%	\$0.00	\$0.00	\$0.00	\$89,352.00
BPD Investigator / Crime Prevention	Investigator/LEO	100.00%	\$71,550.00	\$8,000.00	\$79,550.00	
BPD Investigator / Inspections	Investigator/LEO	100.00%	\$71,550.00	\$8,000.00	\$79,550.00	
BPD Investigator 1	Investigator/LEO	100.00%	\$0.00	\$0.00	\$0.00	\$81,141.00
BPD Investigator 2	Investigator/LEO	100.00%	\$0.00	\$0.00	\$0.00	\$75,042.00
	Total Personnel		\$234,132.00	\$24,000.00	\$258,132.00	\$245,535.00
<b>Fringe</b>						
BPD Lt - Program Director / Commander	Investigator/LEO		\$0.00	\$35,779.00	\$35,779.00	
BPD Sgt - Program Manager / Supervisor	Investigator/LEO		\$0.00	\$32,424.00	\$32,424.00	
BPD Investigator / Crime Prevention	Investigator/LEO		\$0.00	\$31,660.00	\$31,660.00	
BPD Investigator / Inspections	Investigator/LEO		\$0.00	\$31,660.00	\$31,660.00	
BPD Investigator 1	Investigator/LEO		\$0.00	\$31,725.00	\$31,725.00	
BPD Investigator 2	Investigator/LEO		\$0.00	\$30,709.00	\$30,709.00	
	Total Fringe		\$0.00	\$193,957.00	\$193,957.00	

Description	Subcategory	Pct Time	ABTPA Funds	Cash Match	Total	In-Kind Match
<b>Overtime</b>						
Beaumont Investigator 1	Investigator/LEO		\$0.00	\$1,500.00	\$1,500.00	
Beaumont Investigator 2	Investigator/LEO		\$0.00	\$1,500.00	\$1,500.00	
Crime Prevention Officer	Investigator/LEO		\$0.00	\$500.00	\$500.00	
Inspections Officer	Investigator/LEO		\$0.00	\$500.00	\$500.00	
Supervisor	Investigator/LEO		\$0.00	\$500.00	\$500.00	
	Total Overtime		\$0.00	\$4,500.00	\$4,500.00	
<b>Professional and Contract Services</b>						
Jefferson County S.O. Investigator	Investigator/LEO - fringe	100.00%	\$78,476.00	\$32,506.00	\$110,982.00	
Hardin County S.O. Investigator	Investigator/LEO - fringe	100.00%	\$51,824.00	\$22,183.00	\$74,007.00	
Port Arthur PD Investigator	Investigator/LEO - fringe	100.00%	\$68,275.00	\$29,510.00	\$97,785.00	
	Total Professional and Contract Services		\$198,575.00	\$84,199.00	\$282,774.00	
<b>Travel</b>						
TAVTI Conference	Law enforcement In-State		\$3,760.00	\$0.00	\$3,760.00	
ABTPA Workshop	Law enforcement In-State		\$524.00	\$0.00	\$524.00	
Auto Theft Training	Law enforcement In-State		\$1,360.00	\$0.00	\$1,360.00	
Out-of-Town Meetings & Investigations	Law enforcement In-State		\$1,000.00	\$0.00	\$1,000.00	
	Total Travel		\$6,644.00	\$0.00	\$6,644.00	

Description	Subcategory	Pct Time	ABTPA Funds	Cash Match	Total	In-Kind Match
<b>Equipment</b>						
Total Equipment						
<b>Supplies and Direct Operating Expenses (DOE)</b>						
Office & Warehouse Lease			\$52,650.00	\$0.00	\$52,650.00	
Office & Field Supplies and Expenses			\$5,833.00	\$0.00	\$5,833.00	
Office Maintenance			\$4,200.00	\$0.00	\$4,200.00	
Office Utilities			\$4,800.00	\$0.00	\$4,800.00	
Office Phone & Data Service			\$5,400.00	\$0.00	\$5,400.00	
Public Awareness Advertising			\$9,000.00	\$0.00	\$9,000.00	
Bait & Tracking Air Time			\$1,620.00	\$0.00	\$1,620.00	
Cellular Phone Service			\$4,800.00	\$0.00	\$4,800.00	
Fuel, Oil, & Maintenance			\$0.00	\$44,976.00	\$44,976.00	\$5,622.00
Postage			\$60.00	\$0.00	\$60.00	
TAVTI Conference Registration			\$1,000.00	\$0.00	\$1,000.00	
Vehicle Lease			\$0.00	\$0.00	\$0.00	\$7,200.00
Total Supplies and Direct Operating Expenses (DOE)			\$89,363.00	\$44,976.00	\$134,339.00	\$12,822.00

**Budget Narrative**

**Personnel:** Commander:

### Budget Narrative

The Task Force Commander will serve as the Program Director and macro-manage all task force personnel and associated law enforcement operations; oversee fiscal matters relating to the grant; complete payroll; direct priorities, establish expectations, enforce accountability, and initiate corrective actions; work closely with ABTPA, Beaumont Chief of Police, and Beaumont CFO Office to ensure grant compliance and the continuance of mutually beneficial outcomes; liaison with officials of participating and coverage agencies; attend appropriate meetings, seminars, training, and webinars; administer any official task force webpage or social media presence; submit required ABTPA reports; monitor progress and document accordingly. The Commander will hold the rank of Lieutenant in the Beaumont Police Department and will spend 100% of work hours on task force and grant-related activities. The position will be primarily funded with ABTPA Funds. Clothing allowance, clothing maintenance, and all fringe benefits will be cash matched.

#### Task Force Supervisor:

The Task Force Supervisor will serve as Program Manager, supervise task force investigators, and monitor law enforcement activities; schedule personnel, manage after-hour callouts, analyze available intelligence on trends or areas of increased criminal activity, and disseminate information to investigators and the Commander (Program Director) to facilitate the most effective and efficient approach to task force endeavors; review offense reports and make appropriate case assignments; assess risk, complete paperwork, and organize special projects, including both overt and covert operations and proactive enforcement; compile data and draft activity summaries for necessary periodic or recurring reports; assist with activities associated with those of an investigator when required; and, perform additional duties and/or complete other assignments as directed by the Program Director. The Supervisor will hold the rank of Sergeant at the Beaumont Police Department with 100% of work hours being dedicated to task force duties. The salary is shown as an in-kind match based on actual figures.

#### Crime Prevention Officer:

The Crime Prevention Officer will develop and present crime prevention and awareness programs; conduct media interviews; disseminate public information on task force accomplishments or cases; issue official press releases to media; email suspect BOLO reports inter-departmentally; attend relevant neighborhood association or community-led meetings; liaison with participating agencies; obtain and maintain crime statistics for coverage areas; as appropriate, mail or email case update notices to crime victims; assist other task force personnel with assigned duties including investigations, inspections, and back up; maintain all surveillance equipment and assist with its use during investigations or covert operations; cooperate with probation and parole offices to stay informed of the statuses of known auto crime recidivists; and, conduct investigations or complete assignments as directed by the Supervisor or Commander. The position will be a Beaumont Police Officer and primarily funded by ABTPA. Clothing allowance, clothing maintenance, and all fringe benefits will be cash matched. This investigator will devote 100% of work hours toward auto crime and grant related activities. Inspections Officer:

The Inspections Officer will coordinate and conduct inspections of salvage dealers and repair shops within the scope of the task force jurisdiction; monitor local auctions where

### Budget Narrative

insurance-totaled vehicles are sold; in conjunction with the Supervisor, organize covert sting operations as needed to identify illegal activities by salvage dealers or repair shops; coordinate and conduct VTR-68A inspections; complete seizure paperwork, organize seized property inventory, prepare seized property for auction, and work closely with personnel who are associated with the process; and, assist with follow-up investigations or complete assignments as directed by the Supervisor or Commander. The position will be primarily funded by ABTPA funds. Clothing allowance, clothing maintenance, and all fringe benefits cash matched. This investigator will devote 100% of work hours toward auto crime and grant related activities.

#### Investigators:

The BPD Investigators will conduct investigations of auto-related cases as assigned by each investigator's respective agency; prepare and present completed cases to the District Attorney; identify and develop suspects; recover stolen vehicles and auto-related property; make recommendations to the Supervisor on special projects based on identifiable trends; forward information on suspects and trends to the Crime Prevention Officer; assist with special projects and operations; assist with 68A inspections and inspections of salvage yards and repair shops when necessary; and, complete other duties or assignments as directed. The BPD salaries will be in-kind match.

**Fringe:** Fringe benefits include FICA, retirement withholding, and health insurance. City of Beaumont withholds FICA at rate of 1.45% (except a Sgt who was hired before April 1, 1986). Retirement withholdings including agency contributions: City of Beaumont (20.42%).

**Overtime:** Criminal behavior is unpredictable. In the majority of circumstances, task force personnel will flex hours to accommodate events or unexpected incidents that require an extended period of work beyond what is scheduled. However, upon occasion and within reason, overtime will be unavoidable due to the complexity of an incident, the hour it originated, or the inability to flex due to personnel having already met the 40-hour limitation per week. Overtime is unpredictable, so rounded estimates are provided and, when necessary, it will be considered as part of cash match.

#### **Professional and Contract Services:** Investigators:

The Investigators (PAPD, HCSO, JCSO) will conduct investigations of auto-related cases as assigned by each investigator's respective agency; prepare and present completed cases to the District Attorney; identify and develop suspects; recover stolen vehicles and auto-related property; make recommendations to the Supervisor on special projects based on identifiable trends; forward information on suspects and trends to the Crime Prevention Officer; assist with special projects and operations; assist with 68A inspections and inspections of salvage yards and repair shops when necessary; and, complete other duties or assignments as directed. HCSO and JCSO salaries will be fully funded by ABTPA while PAPD will be primarily funded with a cash match contribution (\$8000).

Fringe benefits include FICA, retirement withholding, and health insurance for all contributing agencies. Workers Compensation and TEC figures for Jefferson County, Hardin County, and the City of Port Arthur. Workers Comp and TEC are figured together for Jefferson County at 5% whereas The City of Port Arthur is at 5% (WC) and 3.48% (TEC) respectively. Hardin County figures WC at 1.47% and TEC at 0.08%. FICA is withheld at a rate of 7.65%. Retirement withholdings including agency contributions are

### Budget Narrative

taken at the following rates: Jefferson County (14.9%), City of Port Arthur (13.1%), and Hardin County (13.62%). Health insurance costs also vary between agencies.

**Travel:** Annual TAVTI Conference / Board Meeting (\$3760):

Negotiated price per night is \$144 per room (\$125 + estimated 15% taxes). Three rooms for five nights is \$2160 (3 x \$144 x 5 = \$2160). Based on current GSA for Dallas, per diem cost is estimated at \$64 per day per person (64 x 5 x 5 attendees = \$1600). Conference attendees would include investigators, program manager, and program director who are all law enforcement and funded or partially funded by the grant, cash-matched, or in-kind-matched. Only program manager and program director would attend any board meeting.

**ABTPA Workshop (\$524):**

Estimated price per night is \$144 (\$125 + estimated 15% tax). One room for two nights (2 x 144 = \$288). Based on current GSA for Austin, per diem cost is estimated at \$59 per day per person (59 x 2 x 2 attendees = \$236). Attendees would include program manager and program director who are both law enforcement personnel whose salaries are funded or partially funded by grant, cash-match, or in-kind match.

**Auto Theft Training (\$1360):**

Potential training for new investigator(s). Negotiated price per night is \$144 per room (\$125 + estimated 15% taxes). One room for five nights (144 x 5 = \$720). Per diem estimate at \$64 per person (64 x 5 x 2 attendees = \$640). Attendees would include any investigator potentially in need of training that is either funded directly, cash-matched, or in-kind match of the grant. This line item would not be needed unless there is a change in personnel.

**Out-of-Town Meetings & Unplanned Investigative Travel (\$1000):**

During the course of any given year, unplanned meetings are scheduled or investigations lead out-of-town and become an unfunded expense. If needed, only law enforcement personnel listed on the ABTPA grant will utilize these funds for proper purposes. The availability of these designated funds will prevent budget adjustments for unexpected travel. However, only actual costs, if any, will be filed for reimbursement.

**Supplies and Direct Operating Expenses (DOE): Office Lease (\$52,650):**

Lease includes two adjacent sections of the same building owned by the same lessor. One section is for office space for investigators and garage space that includes a vehicle lift for assisting with inspections and investigations. The second section is warehouse space for storage of seized property pending court dispositions, recovered stolen property, task force vehicles, and other task force property (tools, equipment, etc). Cost is based on current payments of \$4,387.50 per month.

**Office & Field Supplies (\$5833):**

### Budget Narrative

These funds are used to purchase standard office supplies such as printing paper, photo paper, storage media, toner, ink cartridges, presentation / binding services. It also covers field supplies such as hand cleaner, paper towels, degreaser, paint, paint stripper, sanding material, acid restoration materials, disposable gloves, etc, as well as expendable items like batteries. New task force work apparel - shirts embroidered with task force identity - would be included in this category as well as coverage for unanticipated operational costs that are impossible to exactly predict. It is anticipated that our logo will be updated and our website will be upgraded, which may incur service fees and associated expenses like new graphics, letterhead, business cards, signage, etc. Estimate is based on both current expenditures and future expectations, averaged at \$485 per month. These are estimates, not allocations. Only actual costs will be submitted for reimbursement.

#### Office Maintenance (\$4200):

Cost of cleaning and maintaining the office is based on current cost of \$350 per month. The cost is not determined by the task force, but rather a city-wide contractual arrangement by the City of Beaumont. The listed cost serves as a reimbursement to the city.

#### Office Utilities (\$4800):

An estimate based on average cost of electricity and water bills over the past 12 months (\$4,034) plus 20% to cover unexpected heat waves or cold spells that can quickly invalidate previous energy averages in Texas. These are estimates, not allocations. Only actual costs will be submitted for reimbursement.

#### Office Phone & Data Service (\$5400):

This expense includes the estimated cost for the multiple business lines (office phones and internet service) at \$3360 per year, and a designated secure data line for communication with city and county computers, which has been a recurring cost of \$170 month (\$2,040 annually). These are estimates not allocations. Only actual expenses will be submitted for reimbursement.

#### Public Awareness Advertising (\$9000):

The monthly cost for the billboard sign is \$500 per month (\$6000). Although it varies by location, the generates and estimated 800,000 to 1.8 million impressions per month. The task force also maintains a kiosk display at the largest shopping mall in the region at a rate of \$250 per month (\$3000). Depending on mall attendance, the kiosk is estimated to make up to 10,000 impressions per day.

#### Bait and Tracking Air Time (\$1620):

The Task Force bait vehicle system will require monthly GPRS communication (air time), which has an estimated cost of \$45 per month. The Task Force also intends to operate a web-based camera system and tracker that each require air time (\$45x2). All three devices would have an estimated annual cost of \$1620 to operate. These are estimates, not allocations. Only actual costs will be submitted for reimbursement.

### Budget Narrative

#### Cell Phone Service (\$4800):

Service cost based on reasonable monthly average allowance of \$50 per month. There are eight task force members, which would total \$4800 annually (\$400 per month).

#### Postage (\$60):

Estimated cost of postal fees or delivery services.

#### TAVTI Conference Registration (\$1000):

Fees associated with annual TAVTI conference at \$200 per attendee (5 x \$200).

#### Vehicle Lease (\$7200):

The vehicle lease is calculated at \$600 per month based on a local dealer estimate for a statewide leasing program to law enforcement agencies. It is also the ABTPA cap. The Beaumont Police Department currently provides one vehicle for investigators. Due to it being previously budgeted by BPD, its expense is listed as an in-kind match.

#### Fuel, Oil, & Maintenance (\$55,224):

Fuel costs are estimated based on 18,000 miles per year, 14 miles per gallon @ \$2.75 per gallon, totaling \$3536 per vehicle per year. Oil changes and other maintenance costs are estimated at \$2600 per vehicle per year to include expendables such as tires, brakes, shocks, or other necessary repairs. Combining estimates result in an average cost of \$6136 per year multiplied by nine vehicles totaling \$55,224. The \$6136 shown for the one vehicle previously budgeted by BPD is listed as an in-kind match whereas the remaining \$49,088 is listed as a cash match. These estimates are not allocated. Only actual costs will be submitted for reimbursement.

### Revenue

Indicate Source of Cash and In-Kind Matches for the proposed program.

	Cash Match	
	Source of Cash Match	
City of Beaumont	Grantee	\$267,433.00
Hardin County	Subgrantee	\$22,183.00
City of Port Arthur	Subgrantee	\$29,510.00
<b>Total Cash Match</b>		<b>\$351,632.00</b>

<b>Source of Cash Match</b>		
Jefferson County	Subgrantee	\$32,506.00
<b>Total Cash Match</b>		<b>\$351,632.00</b>

<b>In-Kind Match</b>		
<b>Source of In-Kind Match</b>		
City of Beaumont	Grantee	\$258,357.00
Hardin County	Subgrantee	\$0.00
City of Port Arthur	Subgrantee	\$0.00
Jefferson County	Subgrantee	\$0.00
<b>Total In-Kind Match</b>		<b>\$258,357.00</b>

<b>Statistics to Support Grant Problem Statement</b>				
Use UCR data	2014	2015	2016	
Larceny from a motor vehicle	2019	1887	2107	
Larceny from a motor vehicle - Parts	161	157	290	
<b>Jurisdictions included in totals</b>	Statistics a combination of Task Force and Jurisdiction			
Theft of a motor vehicle	739	717	916	
Recoveries of Motor Vehicles	133	133	147	
<b>Jurisdictions included in totals</b>	Statistics a combination of Task Force and Jurisdiction			

Provide any additional information or limitations about the data provide above  
n/a

## **Application Narrative**

### **Grant Introduction (Executive Summary)**

- 1.1 Briefly describe the organization and program operation. Provide a high level summary to the intent of the application and how it will affect the local community. (500 words or less)

*Since 1993, the Southeast Texas Auto Theft Task Force has continued to provide a multi-agency, multi-jurisdictional effort to reduce auto-related crimes within Jefferson, Orange, Hardin, and Jasper Counties. According to the most recent U.S. Census estimates, the counties have a combined population of roughly 431,000 folks with nearly 60% residing in Jefferson County. The Task Force is staffed by sworn personnel from Beaumont Police Department, Port Arthur Police Department, Jefferson County Sheriff's Office, and Hardin County Sheriff's Office.*

*According to TXDOT, there were over 405,000 vehicles registered within our four-county coverage area in 2016. Corresponding to the population, more than half were in Jefferson County, which is primarily urban and suburban areas. Orange County is mostly suburban and rural areas whereas Jasper and Hardin Counties are markedly more rural and more heavily wooded.*

*The Southeast Texas Auto Theft Task Force has been actively combating auto thefts since it was formed in 1993. Through thorough investigations, development of suspects, crime prevention awareness and education, combined with surveillance, covert patrol, bait vehicle operations, and inspections of salvage and repair businesses, Task Force personnel have done their best to positively impact our communities by facilitating a reduction in the occurrences of auto-related crimes. Despite these efforts, auto-related crimes continue to be a major problem with a significantly negative economic impact. Within the four county project area, there were still over 900 vehicles stolen and nearly 2400 vehicles burglarized in 2016.*

*Our coverage area denotes being in the top 20 locations where this grant is needed for both auto burglaries and auto thefts.*

### **Grant Problem Statement**

- 2.1 Provide an assessment of the motor vehicle burglary (including theft of parts) problem in the coverage area of this application.

*It seems that offenses involving auto-related burglaries and thefts are increasing randomly at a steady pace without any identifiable trends. While window-shattering still occurs in large numbers due to visible valuables, the most prevalent method of operation is simply pulling on handles of unlocked doors with little to no suspect evidence left behind. Solving these crimes has become more challenging, forcing us to rely even more on a vigilant public, proactive patrolling, video surveillance, and bait operations.*

*Offenders are becoming more creative, organized, evasive, and brazenly violent in their "jugging" activities when victims are stalked and followed from banks or after instances of large purchases at retail establishments. Whether it is due to the fluid circumstances at the time of the offense or to the impromptu impatience of the offender, what used to be considered only a property crime has occasionally evolved into aggravated robberies. We know statistically that many guns are stolen from vehicles and more suspects are being arrested in possession of guns. Consequently, auto burglars should no longer be perceived in the vein of harmless, vehicular pickpockets. Although these offenses appear to have no pattern, there is an occasional, albeit unpredictable, ebb and flow to auto burglaries, leaving investigators to wonder what determines it. We may never know but wondering is the first step. Are pauses uniquely applied to a few recidivists who are temporarily incarcerated for unrelated crimes? Are we dealing with an increase in juvenile offenders who operate around school schedules? Are offenses just random crimes of opportunity? Do some offenders plan when, where, and what to target in advance or cruise aimlessly? We suspect the answer is yes to all, which begs the bigger question of how we determine how to combat all of these realities. The best we can. The "cause" and "source" of crime are the same: criminal behavior. Plain and simple. Any statements that claim to know how to eradicate criminal behavior in a free society are at best, mere guesses, but more likely deceptive, disingenuous, or ignorant. If there was a solution to individual criminal choices, it would have been initiated millennia ago and we wouldn't be facing recurring issues. A big part of a perceivable, partial solution still falls on the general public heeding our advice to lock their cars and remove (or at least hide) their valuables - reducing opportunities for criminals to capitalize. Citizens have a false sense of security within these "mobile offices" or*

*"homes away from home" and often leave valuables, including firearms, within their vehicles when unoccupied, which compounds the problem.*

*The pervasive problem is further worsened by an apparent disinterest in the aggressive prosecution of misdemeanor auto burglaries. Our efforts to communicate persuasively with local District Attorney Offices are re-doubled, but it can be foreseen that the possible inclusion of a prosecutorial element in a future grant may reap rewards. Unfortunately, the timing for FY2018 is not right for such a modification. Our three-year average for motor vehicle burglaries (including theft of parts) was in the top twenty of the state at 2207.*

2.2 Provide an assessment of the motor vehicle theft problem in the coverage area of this application

*Overall, the Southeast Texas Auto Theft Task Force has experienced steady declines in auto thefts since its 1993 inception when the Beaumont area had hit a national high of nearly 2800 in 1992. In contrast to the astronomical 1992, we are pleased to maintain these general declines in Jefferson County due to better public awareness, law enforcement, and manufacturer improvements. Even so, we are dissatisfied and we aim to further build on these successes with lower reductions over the longer term. Despite our ongoing efforts throughout our coverage area, we saw an increase in offenses for 2016. Our three-year average for motor vehicle thefts was in the top twenty of the state at 791.*

*Nowadays, vehicles cost more than a house did several decades ago. The investment in vehicles is ever-increasing and therefore, the auto thefts have an ever-increasing impact on insurance premiums and the local economy.*

*Auto thefts (more frequently by violent means of carjacking) are often a prerequisite to additional crimes and serve as getaway vehicles to help mask suspect identities during additional criminal activity.*

*Unfortunately many vehicles are not recovered, but when they are, the location is often outside the jurisdiction of where the vehicles were originally stolen. This fact, in itself, is reason enough to assist neighboring agencies and to collaborate in efforts to linking recovery locations to possible suspects and/or larger organized crime operations.*

2.3 Describe the geographical target area intended for this application. Include information about the taskforce governing and command structure. Include a description of the coverage area(s) and the nature of support and agreements supporting this application.

*The geographical target area is Jefferson, Orange, Hardin, and Jasper Counties, which includes all the municipalities therein. Beaumont Police Department contributes the lion's share of manpower with two investigators, one inspections officer, one crime prevention officer, one sergeant as task force supervisor, and one lieutenant as task force commander. The majority of the Jefferson County region, including Beaumont and Port Arthur, are primarily urban and suburban. In contrast, Hardin and Jasper Counties are mostly rural whereas Orange County is more a mixture of Jefferson and Hardin counties. The Jefferson County Sheriff's Office, Hardin County Sheriff's Office, and the Port Arthur Police Department contribute one investigator each. Each*

*contributing agency head, whether City Manager or County Judge, signs the ABTPA inter-local contract as required along with cooperative working agreements. The Program Director serves as liaison to the participating agencies. District Attorneys in coverage areas also sign contract on how to regulate the distribution of seized property and monies.*

- 2.4 Will the program described in the application cover the community(ies) at large or will all or any part of this program be directed to serve a specific target population? **If No or Both, please describe the problem supporting the need for a special target population.**

*Yes - the program will cover the communities at large.*

### **Grant Goals and Activities**

There are two parts to this section: 1) Functions of Proposed Program and Goals Strategies and Activities (GSA). In the following boxes, describe the functions of the proposed program and then complete a fillable form called GSA.

ABTPA programs must completely describe the functions they will perform in implementing the program. If Awarded, funds expended towards activities not described in this section will result in the reimbursement being denied.

#### **Part 1**

- 3.1 Functions of the Proposed Program Related to Burglary of a Motor Vehicle

*The Southeast Texas Auto Theft Task Force will employ Objectives, Approaches and Actions to reduce the incidence of Burglary of a Motor Vehicle and Theft From a Motor Vehicle in a comprehensive program, which has multiple approaches and actions to confront and reduce the problem.*

*Objective: Reduce the incidence of Burglary of a Motor Vehicle and Theft From a Vehicle*

*Approaches: - Identify and Target Offenders and Prolific Offenders - Collaborate with Law Enforcement Agencies and other Organizations - Community Crime Prevention Campaign*

*Actions: Identify and target Offenders and Prolific Offenders: Offenders in motor vehicle burglary and theft from a motor vehicle will be identified through intelligence gained from arrests, informants, other law enforcement agencies, surveillance observations, bait vehicle operations, repair shop inspections, salvage yard inspections, metal recycler inspections, as well as parts resale location inspections. The offenders would be the target of investigations based on the method of the crime, types of vehicles burglarized, property taken, geographical location of the crimes and any information or evidence pointing to or linking them to the crime(s). The use of covert operations will be employed to target burglary of a motor vehicle offenders, such as, buys of stolen property from auto burglaries and "jugger" bait operations, to identify and determine if there is an organized criminal enterprise involved.*

*Collaborate with other law enforcement agencies and other organizations: Collaborate with law enforcement agencies in and out of the project area, to determine crime trends, patterns, suspected offenders and recover stolen property, through intelligence sharing. Assist other agencies with auto crime cases, which involve Burglary of a Motor Vehicle or Theft of Property or Parts from a Motor Vehicle. This collaboration will be critical in determining if the crimes are being committed by an organized ring, if it is one individual or merely a crime of opportunity. The collaboration would include the District Attorney's Offices in the jurisdictions affected, in order to help them understand the scope and importance of the crime(s) and provide any additional information that might be needed to properly prosecute the offender(s) for maximum result.*

### 3.2 Functions of the Proposed Program Related to Theft of a Motor Vehicle

*The Southeast Texas Auto Theft Task Force will employ Objectives, Approaches and Actions to reduce the incidence of Motor Vehicle Theft in a comprehensive program, which has multiple approaches and actions to confront and reduce the problem.*

*Objective: Reduce the Incidence of Motor Vehicle Theft*

*Approaches: - Identify and Target Offenders and Prolific Offenders - Collaborate with Law Enforcement Agencies and other Organizations - Community Crime Prevention Campaign*

*Actions: Identify and target Offenders and Prolific Offenders: Offenders involved in motor vehicle theft will be identified through intelligence gained from arrests, informants, other law enforcement agencies, surveillance observations, bait vehicle operations, use of the LPR system, repair shop inspections, used car dealership inspections, salvage yard inspections, metal recycler inspections, as well as parts resale location inspections. The offenders would be the target of investigations based on the method of the crime, types of vehicles stolen, other property taken, geographical location of the crimes and any information or evidence pointing to or linking them to the crime(s). The utilization of covert operations, such as surveillance of offenders and buys of stolen vehicles and/or parts to determine the origin and assist in the identification of chop shops.*

*Collaborate with other law enforcement agencies and other organizations: Collaborate with law enforcement agencies in and out of the project area, to determine crime trends, patterns, suspected offenders and recover stolen vehicles and other property, through intelligence sharing. Assist other agencies with auto crime cases, which involve Theft of a Motor Vehicle, Theft of Property or Parts from a Motor Vehicle. This collaboration will be critical in determining if the crimes are being committed by an organized ring, if it is one individual, or merely a crime of opportunity. The collaboration would include the District Attorney's Offices in the jurisdictions affected, in order to help them understand the scope and importance of the crime(s), and provide any additional information that might be needed to properly prosecute the offender(s) for maximum result. The collaboration would also include working with NICB and insurance companies on insurance fraud cases, cargo thefts, and gray market vehicles. It would also entail working with the Texas Department of Motor Vehicles and local tax offices*

*on fraudulent titles, and conducting 68A inspections, to determine if vehicles are stolen.*

### 3.3 Functions of the Proposed Program Related to Motor Vehicle Burglary and Theft Prevention

*The Southeast Texas Auto Theft Task Force will employ Objectives, Approaches and Actions to reduce the incidence of Burglary of a Motor Vehicle and Theft of a Motor vehicle in a comprehensive Crime Prevention Campaign, which has multiple approaches and actions to inform the community of methods and practices to avoid being a victim of auto crimes, coupled with educational presentations to civilian groups and law enforcement agencies to bring the issue to the forefront, in order to reduce the occurrence and increase the clearance of auto crimes cases.*

*Objective: Reduce the incidence of Motor Vehicle Theft through Community Crime Prevention Campaign and Education*

*Approaches: - Administer Community Educational Presentations - Administer Law Enforcement Educational Presentations - Utilize Local Media Outlets to Propagate Community Recognition of Auto Crimes and Prevention*

*Actions:*

*Administer Community Educational Presentations:*

*Educational Presentations will be conducted for civilian groups and civic organizations to promote and educate the civilian population of the seriousness of auto crimes. This opportunity will be used to inform the community on methods and practices of how to avoid becoming a victim of an auto crime. Things such as, but no limited to, not leaving your vehicle unattended with it running or simply with the keys in it. Instruction on planning ahead for multiple stop trips, such as putting things in a secure place that cannot be seen from outside the vehicle before arriving at a destination, so that they are not seen hiding their valuables. Being sure that they don't leave anything in plain view and explain the most frequent items taken in auto burglaries. Instruct them on being aware of their surroundings and paying attention to where they park their vehicles and who might be watching them.*

*Administer Law Enforcement Educational Presentations:*

*Educational presentations will be conducted for law enforcement agencies to inform officers on basic auto crime investigations. These presentations would be to inform the officers of trends pertaining to auto theft, including types of vehicles, organized rings involved in auto theft, identifying signs and evidence of auto theft, insurance fraud cases, fraudulent titles and utilizing the Southeast Texas Auto Theft Task Force as a resource. This opportunity would be used as a tool to build a rapport with other agencies and build the foundation for a good working relationship and open exchange for intelligence sharing.*

*Utilize Local Media Outlets to Propagate Community Recognition of Auto Crimes and Prevention:*

*Local Media Outlets will be used to disseminate information to the public, via television, radio, news publications and other local publications. Interviews and appearances at local events, civic organization meetings, as well as Neighborhood Association meetings would be used at opportunities to disseminate information and stress the importance of preventing auto crimes, placing emphasis of the dangers to the community of these types of crimes. Auto burglaries are frequently where criminals gain access to weapons, personal information which could lead to identity theft, as well as keys to personal spaces and/or the vehicle, stressing the fact that a simple auto burglary could arm a criminal and give them access to personal information and/or your home. Economic impact will be addressed as well conveying the fact that not only is there an immediate monetary loss, but insurance rates are affected as well, which affects everyone in the state. Billboards will be utilized on a rotating location basis to to maximize exposure of the message. A display will be used in a high traffic area of a local mall to show items that are used in auto theft prevention. Advertisements would be purchased in local outlets to disseminate prevention methods and practices. Social Media would be utilized to expand circulation of the prevention information as well.*

*The Task Force maintains one highway billboard sign that is periodically moved to different locations within the project area in an effort to provide a constant reminder to be wary of auto thieves and burglars. Although it varies by location, the generates and estimated 800,000 to 1.8 million impressions per month. The task force also maintains a kiosk display at the largest shopping mall in the region. The kiosk features a television that plays a continuous loop video that warns the public of the risks of leaving keys and valuables in vehicles. The kiosk also features static displays of items associated with auto-related crimes along with posters, signs, and other material focused on prevention. Depending on mall attendance, the kiosk is estimated to make up to 10,000 impressions per day.*

#### *Community Crime Prevention Campaign:*

*Crime prevention efforts will be concentrated on educating the community in practices which would help them avoid becoming a victim of auto crimes. This would be accomplished by using social media outlets, local television and radio interviews, public service announcements, press releases, as well as billboards, advertisements in local outlets, operating vehicle displays, trade shows and community events and educational presentations for citizens through the Citizens Police Academy, Neighborhood Association meetings and civic organizations. There will also be parking lot checks, during which the TFO's will look at vehicles and determine if the vehicle is more or less likely to be a victim of an auto burglary due to items being left in the vehicle, or it being left unlocked. Mock citations, noting a passing or failing grade, would be left on the vehicle in order to make the citizen aware of the grade, would be left on the vehicle in order to make the citizen aware of the potential of becoming a crime victim.*

#### *Community Crime Prevention Campaign:*

*Crime prevention efforts will be concentrated on educating the community in practices which would help them avoid becoming a victim of auto crimes. This would be accomplished by using social media outlets, local television and radio interviews, public service announcements, press releases, as well as billboards, advertisements in local*

outlets, operating vehicle displays, trade shows and community events and educational presentations for citizens through the Citizens Police Academy, Neighborhood Association meetings and civic organizations. Educational presentations to Law Enforcement agencies in basic auto theft investigation techniques and identification of tampering with VIN's, HIN's and PIN's in combination with typical methods of vehicle theft and title fraud.

ABTPA Task Forces are required to collaborate across judicial boundaries and to develop regional strategies to implement funded activities. Describe how the applicant staff and jurisdiction will coordinate with other agencies and jurisdictions in the implementation of this program.

### 3.4 Collaboration Effort

*Objective: Form Working Relationships with other Jurisdictions Pertaining to Burglary of a Motor Vehicle and Motor Vehicle Theft*

*Approaches: - Collaborate with other Law Enforcement Agencies - Collaborate with other Judicial Agencies - Collaborate with other State Agencies*

*Actions: Collaborate with other Law Enforcement Agencies The Southeast Texas Auto Theft Task Force has established long lasting working relationships with all local law enforcement agencies and through the affiliation with the ABTPA has those same relationships with other Task Forces throughout the state, over the last 20 plus years as an ABTPA funded task force. The reputation of the Southeast Texas Auto Theft Task Force is known to be one of competence, dedication and cooperativeness with all agencies in Texas as well as with agencies in many other states. Intelligence sharing, outside agency assistance and service to the program area are the backbone of the working relationships that have been formed. The Southeast Texas Auto Theft Task Force will continue to work with and share intelligence with agencies in and Out of the program coverage area.*

*Collaborate with other Judicial Agencies The Southeast Texas Auto Theft Task force has long established relationships with all four of the District Attorney's Offices in the program coverage area. These relationships have been cooperative and focused on the prosecution of criminals in all four jurisdictions. These relationships include collaborative efforts on numerous cases involving some Organized Criminal Enterprises and some individuals. This will continue in the future due to the common interest of reducing auto crimes.*

*Collaborate with other State Agencies: The Southeast Texas Auto Theft Task Force will collaborate with the TXDMV and Local Tax Offices on ensuring that stolen vehicles are not registered. This will be achieved by the working with both entities in the matters of Fraudulent Titles and identification of motor vehicles. 68A inspections will also be conducted on vehicles deemed unregistered or questionable, as required by TXDMV.*

## Part II

### Goals, Strategies, and Activities

Select Goals, Strategies, and Activity Targets for the proposed program.

Click on the link above and select the method by which statutory measures will be collected. Law Enforcement programs must also estimate targets for the ABTPA predetermined activities. The ABTPA board has determined that grants programs must document specific activities that are appropriate under each of the three goals. Applicants are allowed to write a limited number of user defined activities.

ID	Activity	Measure	Target
<b>Mandatory Motor Vehicle Theft Measures Required for all Grantees.</b>			
1.1.17	Increase the recovery rate of stolen motor vehicles	Report the number of motor vehicle theft cases cleared above the previous year total	<i>Mandatory. Reporting for Combination of TF and Jurisdiction</i>
1.1.18	Increase the clearance rate of motor vehicle thefts	Report the number of motor vehicle theft cases cleared above the previous year total	<i>Mandatory. Reporting for Combination of TF and Jurisdiction</i>
1.1.19	Increase the number of persons arrested for motor vehicle theft	Report the number of persons arrested for motor vehicle theft above the previous year total	<i>Mandatory. Reporting for Combination of TF and Jurisdiction</i>
<b>Mandatory Burglary of a Motor Vehicle Measures Required for all Grantees</b>			
2.1.12	Increase the clearance rate of motor vehicle burglaries	Report the number of burglary cases cleared above the previous year total	<i>Mandatory. Reporting for Combination of TF and Jurisdiction</i>
2.1.13	Increase the number of persons arrested for motor vehicle burglary	Report the number of persons arrested for burglary above the previous year total	<i>Mandatory. Reporting for Combination of TF and Jurisdiction</i>
<b>Measures for Grantees. Add Target values for those that you will measure.</b>			
1	<b>Goal 1: Enforcement Strategies</b>		
1.1	<b>Strategy 1: Conduct Activities that Result in the Arrest, Clearance, and Recoveries of Motor Vehicle Theft</b>		
1.1.1	Identify groups of auto theft offenders through intelligence gathering, crime analysis and the use of informants	Number of groups identified	5
1.1.2	Identify and document/record prolific motor vehicle theft offenders	Number identified/documentated offenders	5

ID	Activity	Measure	Target
	[Prolific is defined as "linked to MVT offenses three or more times"]		
1.1.3	Collaborate with the District Attorneys' offices regarding sentencing, case packets or addressing repeat offenders	Number of times collaborated	25
1.1.4	Conduct salvage yard inspections	Number of salvage yard inspections	30
1.1.5	Conduct repair shop/recycling center/used car dealership inspections	Number of businesses inspected	80
1.1.6	Conduct bait vehicle operations that target motor vehicle theft offenders	Number of bait vehicle deployments	15
1.1.7	Deploy license plate readers (LPR)	Number of times LPR deployed	12
1.1.9	Conduct covert operations targeting motor vehicle theft offenders	Number of covert operations	3
1.1.11	Conduct warrant "round-up" operations targeting auto crimes offenders, including those wanted for motor vehicle thefts, vehicle burglaries and the theft of vehicle parts	Number of operations	2
1.2	<b>Strategy 2: Conduct Collaborative Efforts that Result In Reduction of Incidents of Motor Vehicle Theft</b>		
1.2.1	Provide Agency Assists	Number of agency assists	120
1.2.2	Collaborate with law enforcement units responsible for gateway crimes involved with motor vehicle theft investigations	Number of times collaborated	20
1.2.3	Collaborate with agencies and organizations that assist in the reduction of motor vehicle thefts	Number of times collaborated	120
1.2.4	Collaborate on investigations regarding stolen parts and other property	Number of cases investigated	20
1.2.5.1	Conduct intelligence information-sharing	Number of intelligence meetings attended	12
1.2.5.2	Conduct intelligence information-sharing	Crime analysis bulletins disseminated	12
1.3	<b>Strategy 3: Prevent and Reduce the Incidence of Motor Vehicle Related Fraud Activities</b>		
1.3.1	Collaborate with agencies relating to investigation and enforcement of vehicle insurance fraud	Number of collaborations	10

ID	Activity	Measure	Target
1.3.3	Conduct 68(A) inspections and VIN verification inspections	Number of inspections	600
1.3.5	Coordinate with TxDMV/Tax Offices relating to investigation and enforcement of fraudulent titles and registration of stolen vehicles	Number of collaborations	25
2	<b>Goal 2: Reduce the Incidence of Theft from Motor Vehicles through Enforcement Strategies</b>		
2.1	<b>Strategy 1: Prevent and Reduce the Incidence of Motor Vehicle Related Fraud Activities</b>		
2.1.1	Conduct bait vehicle operations that target vehicle burglary offenders	Number of bait vehicle burglary deployments	15
2.1.2	Identify "prolific BMV offenders" through informants and intelligence [Prolific is defined as "linked to BMV and theft of vehicle parts and accessories offenses three or more times"]	Number of offenders identified	5
2.1.4	Conduct salvage yard/repair shop/metal recyclers and resale location inspections	Number of business inspections	30
2.1.5	Conduct warrant "round-up" operations targeting auto crimes offenders, including those wanted for motor vehicle thefts, vehicle burglaries and the theft of vehicle parts	Number of "round up" operations	2
2.2	<b>Strategy 2: Conduct Collaborative Efforts that Result in the Reduction of Incidents of Theft From a Motor Vehicle</b>		
2.2.1	Provide Agency Assists	Number of agency assists	120
2.2.2	Collaborate on investigations with law enforcement units responsible for gateway crimes involving theft from a motor vehicle	Number of times collaborated	15
2.2.3	Collaborate with agencies/organizations that assist in the reduction of thefts from a motor vehicle	Number of times collaborated	120
2.2.4	Investigate cases regarding stolen parts and other property	Number of cases investigated	120
3	<b>Goal 3: Educate/Train Citizens and Qualified Personnel in Detection and Prevention of Motor Vehicle Theft, Burglary of Motor Vehicles and Theft of Vehicle Parts and Accessories</b>		
3.1	<b>Strategy 1: Conduct Public Awareness Related Activities Used to Educate Citizens</b>		

ID	Activity	Measure	Target
3.1.1	Conduct media outreach, including, public service announcements, press releases, and interviews	Number of outreaches	12
3.1.2.1	Conduct educational presentations to citizens	Number of presentations	8
3.1.2.2	Conduct educational presentations to citizens	Number of participants	100
3.1.3	Operate trade show exhibits/booths at community events	Number of events	12
3.1.8	Conduct vehicle report card initiatives.	Number report cards issued	200
3.1.9	Utilize social media outlets	Number of postings in social media outlets	50
3.1.10	Deploy outdoor public notification signage	Number of deployments per month (if sign remains several months, count as 1 deployment per month)	12
<b>3.2 Strategy 2: Conduct Law Enforcement Training Activities to Educate Officers on Recognition and Apprehension of Stolen Vehicles and Property</b>			
3.2.1.1	Conduct law enforcement training (TCOLE)	Number of classes	2
3.2.1.2	Conduct law enforcement training (TCOLE)	Number of participants	100
3.2.2.1	Conduct vehicle crimes presentations to law enforcement agencies (non TCOLE)	Number of classes	2
3.2.2.2	Conduct vehicle crimes presentations to law enforcement agencies (non TCOLE)	Number of participants	100

#### Grant Evaluation

- 4.1 Describe the method and practice of evaluating the program activities. Including management and staff participation and systems (forms and software) used to ensure reliable and accurate data is collected and reported.
- The local evaluation process establishes accountability and measurement of progress through collection of data and information throughout the chain of command. Investigators are required to keep activity logs and submit monthly reports to the Program Manager. In addition to these reports the Task Force's Public Awareness Officer submits a monthly Activity Report to the Program Manager for review while the Inspections Officer submits detailed reports on all salvage and repair shop inspections. The Task Force Supervisor reviews cases and monitors the activities of investigators. The Program Director oversees the entire operation, including the field supervisor, and maintains records of all activity and spending. He reports periodically to the Task Force's Board of Directors, which is comprised of the department heads of the participating agencies.*

*UCR data for all agencies within the project area will be closely monitored to determine the overall impact of Task Force efforts. Personal activity logs and specific reports will be maintained to log progress on stated objectives. These include information detailing such things as the number of bait operations, inspections and public awareness initiatives performed. They will also record other items like arrests made, cases filed and vehicles recovered.*

*Progress of the program will be evaluated monthly. Each investigator will complete a monthly report based on ABTPA reporting categories and the specific objectives of this grant. Each report will be accompanied by documentation supporting the information given. The Project Manager will then compile that information into the monthly Progress Report and submit it to the Program Director for review before forwarding to ABTPA. The Program Director will also periodically report on progress to the Task Force Board of Directors.*

#### **Current Documents in folder**

Grant Review and Negotiation Document.docx (7/26/2017 4:31:23 PM)

Resolution.pdf (5/16/2017 11:20:15 AM)

#### **Certifications**

The certifying official is the authorized official, Kyle Hayes, City Manager.

By submitting this application I certify that I have been designated by my jurisdiction as the authorized official to accept the terms and conditions of the grant. The statements herein are true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties.

By submitting this application I certify that my jurisdiction agrees to comply with all terms and conditions if the grant is awarded and accepted. I further certify that my jurisdiction will comply with all applicable state and federal laws, rules and regulations in the application, acceptance, administration and operation of this grant.

AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

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**SPECIAL CONDITION**

**DISTRICT ATTORNEY CONTRACT**

**WHEREAS**, the office of the District Attorney of Jefferson County, Texas and the Southeast Texas Auto Theft Task Force are desirous of entering into a contract between the parties regulating the disposition of property and monies (as defined by law) seized by the Task Force pursuant to civil and criminal statutes of the State of Texas; and

**WHEREAS**, the parties to this contract are identified as the District Attorney of Jefferson County, Texas (hereafter referred to as the District Attorney) and the Southeast Texas Auto Theft Task Force, being that group organized pursuant to a grant by and through the Automobile Burglary and Theft Prevention Authority (hereinafter referred to as the Task Force); and

**WHEREAS**, the District Attorney has the duty to represent the State of Texas regarding forfeitures of property pursuant to various civil and criminal statutes; and

**WHEREAS**, the Task Force has the duty to provide law enforcement service with particular emphasis on auto theft related offenses; and

**NOW, THEREFORE**, it is mutually agreed by and between the District Attorney and the Task Force, as follows:

1. The District Attorney shall diligently pursue all Forfeiture actions which arise from operations initiated and investigated by the District Attorney and the Task Force, as follows:
  - a. Upon seizure of funds or property by the Task Force under the provisions of law, the Task Force shall provide for the custody property until final disposition of the Forfeiture action; and the District Attorney shall provide for the custody of seized funds per Chapter 59.03 of the Code of Criminal Procedure.

b. Upon final disposition of the Forfeiture action, all funds and all property attributable to the efforts of the Task Force shall be awarded to the Task Force.

2. All property and funds awarded to the Task Force under the forfeiture action represent Program Income (see page 7 of the "ABTPA Grant Application and Administration Guidelines"). Up to the total grant amount of \$528,714.00 these funds shall be added to the funds committed to the project in accordance with the Uniform Grant Management Standards, Subpart C, Section 25, Paragraph (g) (2). Any program income (forfeiture, etc.) in excess of the total grant award amount may be retained by the grantee with ABTPA approval and must be used for purposes that further the objectives of the project.

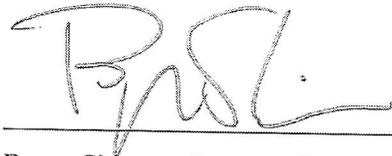
3. This agreement shall be in effect for the term of the Task Force grant award dates, September 1, 2017 to August 31, 2018.

It is Agreed and Noted.

Witness our hands this 21<sup>st</sup> day of February 2018.



Bob Wortham, District Attorney  
Jefferson County



Bryan Skinner, Program Director  
Southeast Texas Auto Theft Task Force



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AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

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**SPECIAL CONDITION**

**DISTRICT ATTORNEY CONTRACT**

**WHEREAS**, the office of the District Attorney of Orange County, Texas and the Southeast Texas Auto Theft Task Force are desirous of entering into a contract between the parties regulating the disposition of property and monies (as defined by law) seized by the Task Force pursuant to civil and criminal statutes of the State of Texas; and

**WHEREAS**, the parties to this contract are identified as the District Attorney of Orange County, Texas (hereafter referred to as the District Attorney) and the Southeast Texas Auto Theft Task Force, being that group organized pursuant to a grant by and through the Automobile Burglary and Theft Prevention Authority (hereinafter referred to as the Task Force); and

**WHEREAS**, the District Attorney has the duty to represent the State of Texas regarding forfeitures of property pursuant to various civil and criminal statutes; and

**WHEREAS**, the Task Force has the duty to provide law enforcement service with particular emphasis on auto theft related offenses; and

**NOW, THEREFORE**, it is mutually agreed by and between the District Attorney and the Task Force, as follows:

1. The District Attorney shall diligently pursue all Forfeiture actions which arise from operations initiated and investigated by the District Attorney and the Task Force, as follows:
  - a. Upon seizure of funds or property by the Task Force under the provisions of law, the Task Force shall provide for the custody property until final disposition of the Forfeiture action; and the District Attorney shall provide for the custody of seized funds per Chapter 59.03 of the Code of Criminal Procedure.

b. Upon final disposition of the Forfeiture action, all funds and all property attributable to the efforts of the Task Force shall be awarded to the Task Force.

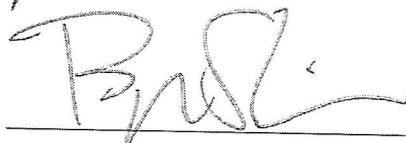
2. All property and funds awarded to the Task Force under the forfeiture action represent Program Income (see page 7 of the "ABTPA Grant Application and Administration Guidelines"). Up to the total grant amount of \$528,714.00 these funds shall be added to the funds committed to the project in accordance with the Uniform Grant Management Standards, Subpart C, Section 25, Paragraph (g) (2). Any program income (forfeiture, etc.) in excess of the total grant award amount may be retained by the grantee with ABTPA approval and must be used for purposes that further the objectives of the project.

3. This agreement shall be in effect for the term of the Task Force grant award dates, September 1, 2017 to August 31, 2018.

It is Agreed and Noted.

Witness our hands this 21<sup>st</sup> day of February, 2018.

  
John Kimbrough, District Attorney  
Orange County

  
Bryan Skinner, Program Director  
Southeast Texas Auto Theft Task Force



**SPECIAL CONDITION****DISTRICT ATTORNEY CONTRACT**

**WHEREAS**, the office of the District Attorney of Hardin County, Texas and the Southeast Texas Auto Theft Task Force are desirous of entering into a contract between the parties regulating the disposition of property and monies (as defined by law) seized by the Task Force pursuant to civil and criminal statutes of the State of Texas; and

**WHEREAS**, the parties to this contract are identified as the District Attorney of Hardin County, Texas (hereafter referred to as the District Attorney) and the Southeast Texas Auto Theft Task Force, being that group organized pursuant to a grant by and through the Automobile Burglary and Theft Prevention Authority (hereinafter referred to as the Task Force); and

**WHEREAS**, the District Attorney has the duty to represent the State of Texas regarding forfeitures of property pursuant to various civil and criminal statutes; and

**WHEREAS**, the Task Force has the duty to provide law enforcement service with particular emphasis on auto theft related offenses; and

**NOW, THEREFORE**, it is mutually agreed by and between the District Attorney and the Task Force, as follows:

1. The District Attorney shall diligently pursue all Forfeiture actions which arise from operations initiated and investigated by the District Attorney and the Task Force, as follows:

- a. Upon seizure of funds or property by the Task Force under the provisions of law, the Task Force shall provide for the custody property until final disposition of the Forfeiture action; and the District Attorney shall provide for the custody of seized funds per Chapter 59.03 of the Code of Criminal Procedure.
- b. Upon final disposition of the Forfeiture action, all funds and all property attributable to the efforts of the Task Force shall be awarded to the Task Force.
2. All property and funds awarded to the Task Force under the forfeiture action represent Program Income (see page 7 of the "ABTPA Grant Application and Administration Guidelines"). Up to the total grant amount of \$528,714.00, these funds shall be added to the funds committed to the project in accordance with the Uniform Grant Management Standards, Subpart C, Section 25, Paragraph (g) (2). Any program income (forfeiture, etc.) in excess of the total grant award amount may be retained by the grantee with ABTPA approval and must be used for purposes that further the objectives of the project.
3. This agreement shall be in effect for the term of the Task Force grant award dates, September 1, 2017 to August 31, 2018.

It is Agreed and Noted.

Witness our hands this 10 day of Jan, 2018.




David Sheffield  
District Attorney  
Hardin County, Texas

Bryan Skinner  
Grant Project Director  
Southeast Texas Auto Theft Task Force

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AUTOMOBILE BURGLARY AND THEFT PREVENTION AUTHORITY

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**SPECIAL CONDITION**

**DISTRICT ATTORNEY CONTRACT**

WHEREAS, the office of the District Attorney of Jasper County, Texas and the Southeast Texas Auto Theft Task Force are desirous of entering into a contract between the parties regulating the disposition of property and monies (as defined by law) seized by the Task Force pursuant to civil and criminal statutes of the State of Texas; and

WHEREAS, the parties to this contract are identified as the District Attorney of Jasper County, Texas (hereafter referred to as the District Attorney) and the Southeast Texas Auto Theft Task Force, being that group organized pursuant to a grant by and through the Automobile Burglary and Theft Prevention Authority (hereinafter referred to as the Task Force); and

WHEREAS, the District Attorney has the duty to represent the State of Texas regarding forfeitures of property pursuant to various civil and criminal statutes; and

WHEREAS, the Task Force has the duty to provide law enforcement service with particular emphasis on auto theft related offenses; and

NOW, THEREFORE, it is mutually agreed by and between the District Attorney and the Task Force, as follows:

1. The District Attorney shall diligently pursue all Forfeiture actions which arise from operations initiated and investigated by the District Attorney and the Task Force, as follows:
  - a. Upon seizure of funds or property by the Task Force under the provisions of law, the Task Force shall provide for the custody property until final disposition of the Forfeiture action; and the District Attorney shall provide for the custody of seized funds per Chapter 59.03 of the Code of Criminal Procedure.

b. Upon final disposition of the Forfeiture action, all funds and all property attributable to the efforts of the Task Force shall be awarded to the Task Force.

2. All property and funds awarded to the Task Force under the forfeiture action represent Program Income (see page 7 of the "ABTPA Grant Application and Administration Guidelines"). Up to the total grant amount of \$528,714.00 these funds shall be added to the funds committed to the project in accordance with the Uniform Grant Management Standards, Subpart C, Section 25, Paragraph (g) (2). Any program income (forfeiture, etc.) in excess of the total grant award amount may be retained by the grantee with ABTPA approval and must be used for purposes that further the objectives of the project.

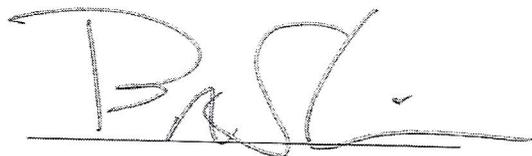
3. This agreement shall be in effect for the term of the Task Force grant award dates, September 1, 2017 to August 31, 2018.

It is Agreed and Noted.

Witness our hands this 27 day of FEB, 2018.



Steve Hollis, District Attorney  
Jasper County 2/21/18



Bryan Skinner, Program Director  
Southeast Texas Auto Theft Task Force

**INTERLOCAL CONTRACT**

**SOUTHEAST TEXAS AUTO THEFT TASK FORCE**

**STATE OF TEXAS** §  
**COUNTY OF JEFFERSON** §

This Interlocal Contract, ("**Contract**") is entered into between the City of Beaumont, a municipal corporation situated in Jefferson County, Texas, ("**Beaumont**"), the City of Port Arthur, a municipal corporation situated in Jefferson County, Texas ("**Port Arthur**"), Jefferson County, a political subdivision of the State of Texas ("**Jefferson County**"), Hardin County, a political subdivision of the State of Texas ("**Hardin County**"), Jasper County, a political subdivision of the State of Texas ("**Jasper County**"), and Orange County, a political subdivision of the State of Texas ("**Orange County**") pursuant to the Interlocal Cooperation Act, Tex. Gov't Code Ann. Sec. 791.001 - 791.027 (Vernon 1997).

**WITNESSETH**

**Whereas, Beaumont, Port Arthur, Hardin County, Jasper County, Jefferson County, and Orange County**, collectively herein after referred to as "**Parties**", seek to contract or agree with each other to perform certain governmental functions and services in a joint cooperative agency which is known as the Southeast Texas Auto Theft Task Force ("**Task Force**"); and

**Whereas, the Parties** are each independently authorized, pursuant to Tex. Gov't. Code Ann. Sec. 791.001 to enter into a joint contract to provide a governmental function or service which each party to the Contract is authorized to perform individually; and

**Whereas, the Parties** wish to file a joint application for grant funding (FY2018) with the Automobile Burglary and Theft Prevention Authority of the State of Texas ("**Authority**") in the amount of \$528,714.00; and

**Whereas**, the **Parties** believe it to be in the best interest of the **Parties** to continue the operation of the **Task Force** based upon positive results of prior operations of the **Task Force** which include, but are not limited to, demonstrated decreases in the number of reported auto thefts; and

**Whereas**, there are approximately 405,000 registered motor vehicles in Jefferson, Hardin, Jasper, and Orange Counties combined; and

**Whereas**, since the inception of the **Task Force** in 1993 officers in the **Task Force** have made approximately 2,410 arrests, filed approximately 4,623 auto related criminal cases with prosecuting authorities, recovered more than 5,180 vehicles valued at an estimated \$49,669,902 along with other property estimated at \$5,550,501; and

**Whereas**, the **Parties** have agreed to provide \$351,632 in funding (personnel services, equipment, vehicle supplies, salaries, benefits, and insurance) to be used to match the funding sought from the **Authority**; and

**Whereas**, the **Parties** believe that it is in their mutual interest to enter into this **Contract** to carry-out operations of the **Task Force**; and

**Whereas**, the **Parties** agree to abide by all pertinent federal, state and local laws and regulations;

**NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:**

#### **ARTICLE I.**

- 1.01 The purpose of this **Contract** is to continue the operation of the **Task Force** pursuant to a joint application filed with the **Authority** for FY 2018 grant funding of the **Task Force**.

- 1.02 The **Parties** to this **Contract** hereby mutually agree to cooperate to whatever extent is necessary to carry out the work plan set forth in the grant application.

#### ARTICLE II.

- 2.01 The term of this **Contract** shall be for a period of one (1) year from and after the date of August 31, 2017 subject to other termination rights of the **Parties** as established in this document.

#### ARTICLE III.

- 3.01 As a condition and part of this **Contract**, the **Parties** agree to contribute a total of \$351,632 in match funding for operation of the **Task Force** in the following amounts:

Match by the City of Beaumont	\$267,433
Match by the City of Port Arthur	\$29,510
Match by Jefferson County	\$32,506.
Match by Hardin County	\$22,183
Match by Jasper County	-0-
Match by Orange County	-0-

#### ARTICLE IV.

- 4.01 The expenditure of funds, including the anticipated receipt of \$528,714.00 from the **Authority** is set out in Exhibit "A" which is attached hereto and incorporated herein.

**ARTICLE V.**

5.01 **Beaumont** is designated as the primary agency ("**GRANTEE**") for purposes of this **Contract** and for purposes of receipt and disbursement of all funds received from the **Authority**. **Beaumont** shall designate a lieutenant of the Beaumont Police Department to serve as the director for the **Task Force** who shall be authorized to establish rules, regulations, directives, etc. for operation of the **Task Force** and the administration of funding for the **Task Force**.

**ARTICLE VI.**

6.01 Upon termination of this **Contract**, right, title and ownership of non-expendable property acquired pursuant to this **Contract** will revert to the individual party for which it was acquired, subject to the statutes of the State of Texas and approval of the **Authority**.

**ARTICLE VII.**

- 7.01 **Beaumont, Port Arthur, Hardin County, Jasper County, Jefferson County, and Orange County** as political subdivisions, are governed by the Texas Tort Claims Act, Chapter 101.001 et seq., Civil Practice and Remedies Code. **Beaumont, Port Arthur, Hardin County, Jasper County, Jefferson County and Orange County** warrant and represent to each other that they are self-insured or commercially insured for all claims falling within the Texas Tort Claims Act.
- 7.02 Each party to this **Contract** agrees that it shall have no liability whatsoever for acts or omissions of an individual employed by another party regardless of where the individual's actions occurred. Each party is solely responsible for the action and/or omissions of its employees and officers.

**ARTICLE VIII.**

- 8.01 The **Parties** certify that the **Task Force** is a program which meets all the requirements of the **Authority** program, that the information set forth in this **Contract** is correct, and that the **Parties** will comply with the appropriate provisions of the **Authority**.
- 8.02 The **Parties** assure and certify that they will comply with the regulations, policies, guidelines, and requirements set forth in the "assurances" section of the 2015 Grant Application and the Administrative Guide issued by the **Authority** pursuant to the acceptance and use of any federal funds. If any of the provisions of the "assurances" are applicable pursuant to statutes of the State of Texas, the **Parties** will comply with those pertinent parts.
- 8.03 The **Parties** assure and certify to the **Authority** that they are in compliance with Subtitle A, Title II of the Americans with Disabilities Act (A.D.A.), 42 U.S.C. 12131-12134, and Department of Justice implementing regulation 28 C.F.R., Part 35.
- 8.04 Attached as Exhibit "A" is a digest representing the Authority's approved budget summary for grant 608-18-1230100. The Parties agree that they shall be responsible for determining, prior to expenditure of funds, that:
1. Salaries are in accordance with local policy of participating agencies.
  2. Personnel are classified in accordance with the needed qualification for the position.
  3. Fringe benefits are in accordance with local policy of the participating agencies.
  4. Travel policy is in accordance with the travel policy of the City of Beaumont.

**ARTICLE IX.**

9.01 This **Contract** may only be amended by mutual agreement of the **Parties** hereto in writing and any amendments shall be attached to and incorporated into this **Contract**.

**ARTICLE X.**

10.1 In case any one or more of the provisions contained in this **Contract** shall be held to be invalid, illegal or unenforceable in any aspect, such invalidity, illegality or unenforceability shall not affect any other provision of the **Contract**, and this **Contract** shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

**ARTICLE XI.**

11.01 This **Contract** supersedes any and all other agreements, either oral or in writing, between the **Parties** hereto with respect to the subject matter hereof, and no other agreement, statement or promise relating to the subject matter of this agreement which is not contained herein shall be valid or binding.

EXECUTED by the City of Beaumont this 10<sup>th</sup> day of January, 2018

CITY OF BEAUMONT, TEXAS

By:   
Kyle Hayes, City Manager

EXECUTED by Jefferson County this 28<sup>th</sup> day of AUGUST, 2017.

JEFFERSON COUNTY, TEXAS

By:   
\_\_\_\_\_  
Jeff Branick, County Judge

EXECUTED by the City of Port Arthur this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

CITY OF PORT ARTHUR

By: \_\_\_\_\_  
Brian McDougal, City Manager

*Withdrawn*

EXECUTED by Orange County this 9<sup>th</sup> day of January, 2018. *SL*

ORANGE COUNTY, TEXAS

By:   
Stephen Brint Carlton, County Judge

EXECUTED by Hardin County this 8 day of September, 2017.

HARDIN COUNTY, TEXAS

By:   
Wayne McDaniel, Jr, County Judge

EXECUTED by Jasper County this 16TH day of OCTOBER, 2017.

JASPER COUNTY, TEXAS

By: 

Mark Allen, County Judge

**Special, March 26, 2018**

There being no further business to come before the Court at this time,  
same is now here adjourned on this date, March 26, 2018