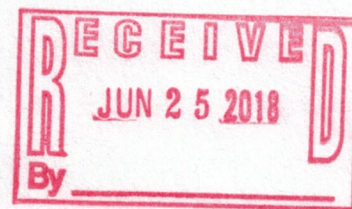


# FISHER COUNTY, TEXAS

## ANNUAL FINANCIAL REPORT PRESENTATION and COMMUNICATION OF AUDIT RESULTS

FISCAL YEAR ENDED SEPTEMBER 30, 2017



James E. Rodgers and Company, P.C.  
Certified Public Accountants

**FISHER COUNTY, TEXAS**  
**Annual Financial and Compliance Audit**  
**For the Year Ended September 30, 2017**

**Executive Summary of Audit Results**

**Financial Highlights**

**Governmental Fund Financial Statements**

<b>Modified Accrual for Budgetary &amp; Control Purposes</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>	
Beginning Fund Balance - All Governmental Funds	\$1,638,463	\$226,049	\$1,864,512	
Excess of Revenues Over Expenditures	370,514	357,105	727,619	
<b>Ending Fund Balance - All Governmental Funds</b>	<b>\$2,008,977</b>	<b>\$583,154</b>	<b>\$2,592,131</b>	Pgs. 21 - 25

**Government Wide Statements**

<b>Full Accrual for Overall Financial Condition</b>	<b>Beginning Net Position</b>	<b>Revenues - Expenses</b>	<b>Ending Net Position</b>	
Government Wide Totals	\$3,560,230	\$937,158	\$4,497,388	Pgs. 18 & 19
Net Position Change From GASB 68 Net Pension Liability	\$ (109,525.00)	\$ 267,287.00	\$ 157,762.00	Pgs. 23 & 26
Major Adjustments to Change From Modified Accrual to Full Accrual Accounting				

**Economic Factors and Demographic Data**

	<b>Years Ended September 30,</b>						
	1900	1910	1950	1990	2000	2010	2017
County Population	3,708	12,596	11,023	4,842	4,344	3,974	3,880
County Appraised Value for Property Taxes					146,085,648	169,607,186	356,297,896
County Total Property Tax Rate				\$0.6280	\$0.8600	\$0.8100	\$1.1020
Persons 65 and Older							23.0%
Persons Below Poverty							15.6%

**Financial Audit Findings**

Type of opinion issued on financial statements	<b>Unmodified</b>	Pg. 3
GAO Report - Significant Deficiencies in Internal Control & Compliance material to financial statements. * Accounting Records Cash Adjustments & Unrecorded Capital Outlay & Exp > Budget	<b>Yes</b>	Pgs. 75 - 78
Material weaknesses in internal controls.	<b>Yes</b>	Pgs. 75-78

**Single Audit Findings**

Type of report issued on compliance with "major" federal programs.	<b>N/A</b>
Noncompliance findings relative to federal programs.	<b>N/A</b>

**Reports to Management & Those Charged with Governance**

Report to Governance at Conclusion of the Audit - Significant Audit Finding and Other Matters	Separate Report
Management Letter	Separate Report

**Other Financial Highlights**

Total Long-term Debt was \$6,678,796 at year end compared to \$6,818,133 the previous year (decrease of \$139,337).	
The General Fund Transferred \$632,209 to Special Revenue Funds including Senior Citizens & Road and Bridge Funds.	
Revenue increased 14.33% and Expenditures decreased 39.29% due to New Jail Facility Completion in 2016.	
Net TCDRS Pension Liab->	\$ 145,850    Deferred Inflow \$                      -    Deferred Outflow \$    303,612                      \$ (157,762)

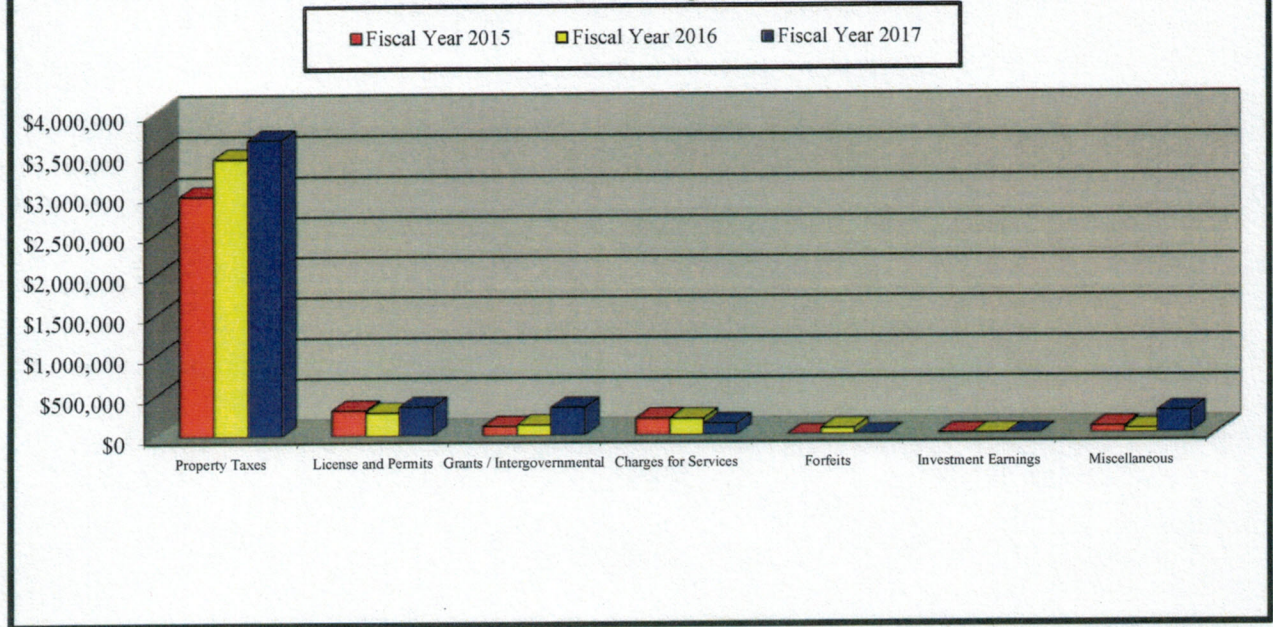
James E. Rodgers and Company, P.C.  
 Certified Public Accountants  
 20 SW 3rd Street - Hamlin, Texas 79520

# FISHER COUNTY, TEXAS

## REVENUES BY SOURCE

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
Property Taxes	\$2,970,771	\$3,427,630	\$3,658,607
License and Permits	314,872	284,257	354,481
Grants / Intergovernmental	113,278	128,040	341,785
Charges for Services	205,139	199,096	135,461
Forfeits	0	73,786	0
Investment Earnings	8,040	5,168	3,580
Miscellaneous	83,705	50,180	271,543
<b>Totals</b>	<b>\$3,695,805</b>	<b>\$4,168,157</b>	<b>\$4,765,457</b>

### Revenues by Source

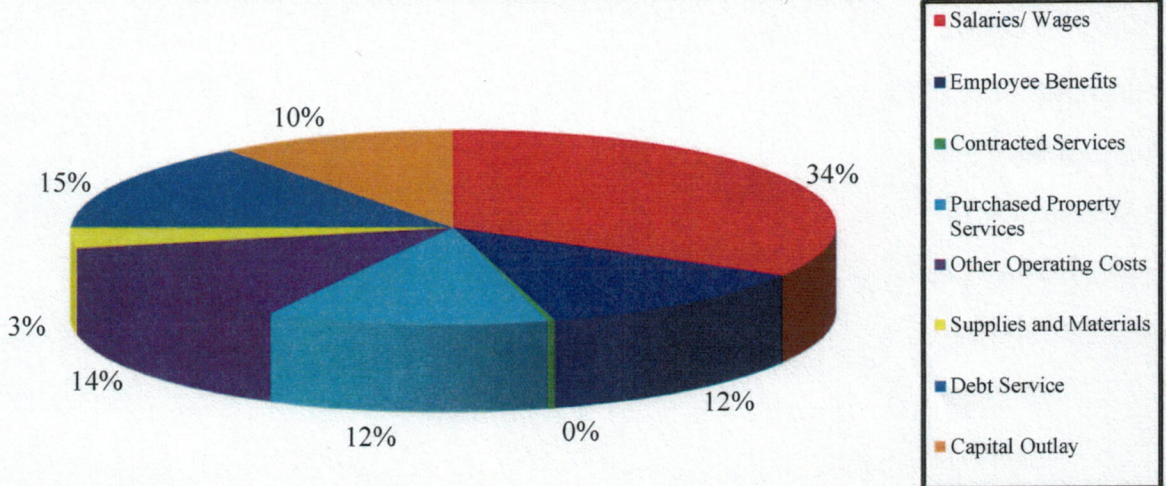


# FISHER COUNTY, TEXAS

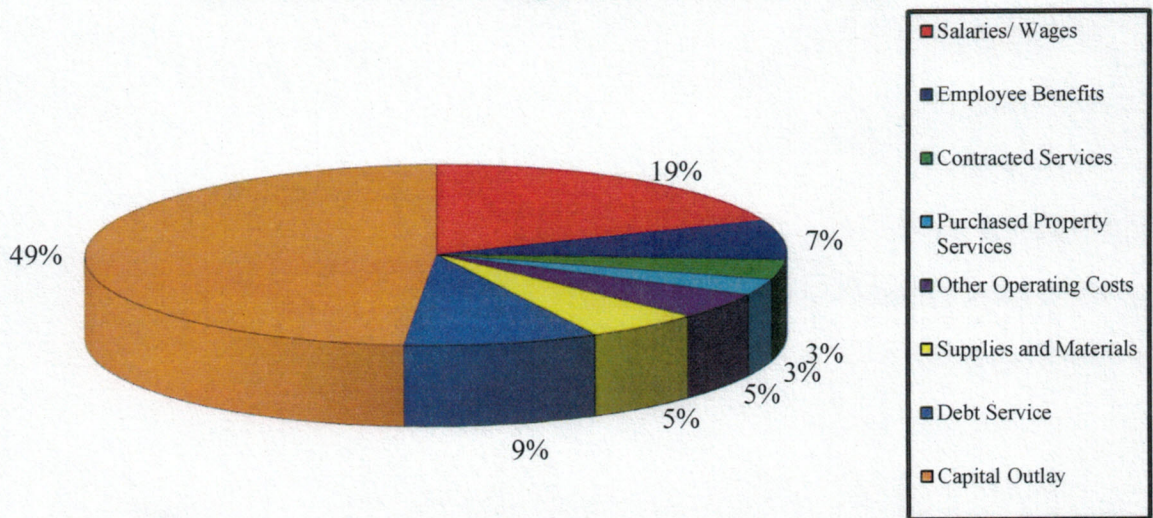
## EXPENDITURES BY TYPE

	Fiscal Year 2016	Fiscal Year 2017
Salaries/ Wages	\$1,365,329	\$1,463,567
Employee Benefits	519,375	530,739
Contracted Services	252,286	13,785
Purchased Property Services	202,956	515,868
Other Operating Costs	337,411	617,806
Supplies and Materials	376,367	150,217
Debt Service	642,165	630,971
Capital Outlay	3,485,251	436,553
<b>Total</b>	<b>\$7,181,140</b>	<b>\$4,359,506</b>

### Fiscal Year 2017 Expenditures by Type



### Fiscal Year 2016 Expenditures by Type



# James E. Rodgers and Company, P.C.

## Certified Public Accountants

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Member of Texas Society of CPA's and American Institute of CPA's  
Richard E. Rodgers CPA • Gerald L. Rodgers CPA

June 25, 2018

### Communication with Those Charged with Governance at the Conclusion of the Audit

To the Commissioners Court of Fisher County  
Fisher County, Texas  
Roby, Texas 79534

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fisher County, Texas for the year ended September 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 23, 2018. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Fisher County, Texas are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended September 30, 2017. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period to the extent that we could determine due to the lack of accounting records.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimate(s) affecting the District's financial statements were:

Management's estimate of the allowance for uncollectible taxes is based on historical property tax collections for the District. We evaluated the key factors and assumptions used to develop the allowance for uncollectible taxes in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of current litigation (if any) in Note IV-R to the financial statements. There were no issues or judgments in formulating the disclosure due to the lack of current litigation.

The financial statement disclosures are neutral, consistent, and clear.

##### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit other than the difficulties encountered due to the unreconciled bank accounts and failure by the County to distinguish between new assets purchased and payments made on loans from previously purchased assets.

# James E. Rodgers and Company, P.C.

## Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Some of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

## Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

## Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 25, 2018.

## Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

## Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the County's Commissioners Court, the audit committee, the administration, federal awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

*James E. Rodgers and Company*

James E. Rodgers and Company, P.C.

*in witness whereof  
Outside Accountant*

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# James E. Rodgers and Company, P.C.

Certified Public Accountants

20 Southwest Third Street • PO Box 669 • Hamlin, Texas 79520 • Tel: 325-576-2356 • Fax: 325-576-3525

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Member of Texas Society of CPA's and American Institute of CPA's

Richard E. Rodgers CPA • Gerald L. Rodgers CPA

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June 25, 2018

## Independent Auditor's Management Letter

Commissioners Court of Fisher County  
Fisher County, Texas  
PO Box 308  
Roby, Texas 79543

### Members of the Commissioners Court and Other County Officials:

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fisher County (the County) as of and for the year ended September 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fisher County's internal control. Accordingly, we do not express an opinion on the effectiveness of Fisher County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of the deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Therefore, there can be no assurance that all such deficiencies have been identified. A separate letter dated June 25, 2018, has been reported to management and those charged with governance reporting significant deficiencies and or material weaknesses, if any.

However, we noted certain other matters involving the internal control and its operation that we consider to be clearly inconsequential and therefore not a significant deficiency or material weakness as noted below. These items that are not significant deficiencies or material weakness as well as the material weaknesses identified in the separate report are addressed below.

# James E. Rodgers and Company, P.C.

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- **Accounting Records**

The general ledger accounting software should be changed so that the bank reconciliations include all general ledger bank accounts included in each single bank account at the depository institution.

- **Fund Accounting**

- a. The general fund trial balance was reviewed as of September 30, 2017. The fund was out of balance by \$1,703,885.34 and was adjusted to agree with the prior year ending balance. Also, the election services fund was out of balance and adjusted \$296.96.
- b. Transfers In and Transfers Out between funds did not agree per printed income statements.
- c. After adjustments were made in all funds for recording errors, a final adjustment of \$175,249.29 was required to reconcile all general ledger funds cash in bank.
- d. Several instances of recording of deposits as an offset to an expenditure were identified. All deposits should be recorded to revenue per GASB (Governmental Accounting Standards Board) Statements under governmental accounting guidelines. Examples included insurance reimbursement on a vehicle.
- e. Items purchased with a loan or lease/purchase financing from a financial institution or John Deere Financial were not recorded in the Road & Bridge Funds. When items purchased are paid for by the financial institution or leasing company and thus the County does not write a check or receive funds to be deposited, the County should record the transaction as if money was received for a loan and a check was written by the County to purchase the new item.

- **Cash Accounting**

- a. The County should maintain a monthly detailed reconciliation of each bank account (Detail should include a listing of each deposit in transit and a detailed listing of each check number and amount outstanding at the end of each month for all funds that comprise actual bank accounts such the general operating fund).
- b. The Commissioners should review and approve a listing of all checks written the previous month. This will improve the review and internal controls over cash accounting.

The comments and recommendations documented in this letter have been presented for consideration in maintaining and improving internal controls and operating efficiency of Fisher County. We are required to review the status of these comments during our next audit engagement.

This report is intended solely for the information of the County's commissioners, judge, other elected officials within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Respectfully submitted,

*James E. Rodgers and Company*

James E. Rodgers and Company, P.C.



## Fisher County Profile

Compiled by  
The County Information Program, Texas Association of Counties

[The County Information Program](#) [County Profiles](#) [Advanced Search](#) [Town & City Search](#)

The information contained in this report was obtained from The County Information Program's on-line database. The data contained in the database are obtained from official sources and are not the product of the CIP. The CIP, therefore, does not expressly or impliedly warrant the accuracy of the data. Questions regarding the accuracy, methodology, etc. should be directed to the original source of the information. The sources may be obtained from the CIP by contacting the County Information Program, Texas Association of Counties at (512) 478-8753.

Click the More data link to open a table showing the data item for that row for all 254 Texas counties.

[Map of County](#)

Note: Corrected/updated 2013 property tax data for Anderson, Andrews, Angelina, Ector, Hale, Hood and Montgomery on April 29, 2015.

<b>POPULATION (Census Bureau)</b>		
County Population	<a href="#">«History»</a>	<a href="#">«Group Quarters»</a>
Estimate 2017:	3,880	<a href="#">More data</a>
Estimate 2016:	3,881	
Estimate 2015:	3,871	
Estimate 2014:	3,873	
Estimate 2013:	3,869	
Estimate 2012:	3,848	
Estimate 2011:	3,957	
Census 2010:	3,974	<a href="#">More data</a>
Census 2000:	4,344	<a href="#">More data</a>
<b>Population of the County Seat (Roby)</b>		
Census 2010:	643	
Census 2000:	673	
<b>POPULATION OF PLACES IN FISHER COUNTY - 2016 (Census Bureau)</b>		
Note: City and town populations include only those parts of each place found within this county. Use our <a href="#">«Town &amp; City Search»</a> to find the total population of each place.		
Hamlin city (pt.):	0	<a href="#">More data</a>
Roby city:	626	<a href="#">More data</a>
Rotan city:	1,451	<a href="#">More data</a>
<b>GENERAL INFORMATION</b>		
County Size in Square Miles (Census Bureau and EPA)		
Land Area:	898.9	<a href="#">More data</a>
Water Area:	2.8	<a href="#">More data</a>
Total Area:	901.8	<a href="#">More data</a>
Population Density Per Square Mile		
2010:	4.42	<a href="#">More data</a>
Urban and Rural Population of the County, 2010 (Census Bureau)		
Percent Urban:	0.00	<a href="#">More data</a>
Percent Rural:	100.00	<a href="#">More data</a>
<b>DEMOGRAPHICS</b>		
Ethnicity - 2016 (Census Bureau)		
Percent Hispanic:	28.4%	<a href="#">More data</a>
Race - 2016 (Census Bureau)		
Percent White Alone:	92.0%	<a href="#">More data</a>
Percent African American Alone:	4.1%	<a href="#">More data</a>
Percent American Indian and Alaska Native Alone:	1.1%	<a href="#">More data</a>
Percent Asian Alone:	0.5%	<a href="#">More data</a>
Percent Native Hawaiian and Other Pacific Islander Alone:	0.1%	<a href="#">More data</a>
Percent Multi-Racial:	2.2%	<a href="#">More data</a>
Race and Ethnicity - 2016 (Census Bureau)		
Percent Not Hispanic White Alone:	66.3%	<a href="#">More data</a>
Percent Not Hispanic Black Alone:	3.4%	<a href="#">More data</a>

Age - 2016 (Census Bureau) «Age Groups»		
17 and Under:	20.7%	<a href="#">More data</a>
65 and Older:	23.0%	<a href="#">More data</a>
85 and Older:	2.8%	<a href="#">More data</a>
Median Age:	45.6	<a href="#">More data</a>
Income		
Per Capita Income - 2016 (BEA):	\$45,679	<a href="#">More data</a>
Total Personal Income - 2016 (BEA):	\$176,048,000	<a href="#">More data</a>
Median Household Income - 2016 (Census Bureau):	\$46,247	<a href="#">More data</a>
Poverty - 2016 (Census Bureau)		
Percent of Population in Poverty:	15.6%	<a href="#">More data</a>
Percent of Population under 18 in Poverty:	23.1%	<a href="#">More data</a>
Educational Attainment (Census Bureau, 2012-2016 American Community Survey 5-Year Estimate)		
Percent high school graduate and higher:	82.8%	
Percent bachelor's degree or higher:	18.4%	
Pay (BLS)		
Average Annual Pay - 2016:	\$38,145	<a href="#">More data</a>
Average Annual Pay - 2015:	\$37,001	
Average Annual Pay - 2014:	\$36,554	
Average Annual Pay - 2013:	\$35,344	
Average Annual Pay - 2012:	\$33,462	
Annual Unemployment Rate, Not Adjusted (Texas Workforce Commission)		
Unemployment Rate - 2017:	3.5	<a href="#">More data</a>
Unemployment Rate - 2016:	4.3	
Unemployment Rate - 2015:	3.8	
Unemployment Rate - 2014:	4.5	
Unemployment Rate - 2013:	5.4	
<b>COUNTY FINANCES (Texas Comptroller of Public Accounts)</b>		
Property Taxes - 2016		
Total County Tax Rate: «Historic Tax Rate» «Detailed Tax Rates»	\$0.815505	<a href="#">More data</a>
Total Market Value: «Values and Levies»	\$952,517,800	<a href="#">More data</a>
Total Appraised Value Available for County Taxation:	\$356,055,330	<a href="#">More data</a>
Total Actual Levy:	\$2,903,649	<a href="#">More data</a>
For property tax information about a specific property, contact the <a href="#">Appraisal District</a> .		
Sales Tax Allocation History		
CY 2017:	\$N/A	<a href="#">More data</a>
CY 2016:	\$N/A	
CY 2015:	\$N/A	
CY 2014:	\$N/A	
CY 2013:	\$N/A	
<b>ROAD INVENTORY WITHIN FISHER COUNTY (TXDOT)</b>		
Centerline Miles - 2016		
IH Highways:	0.000	<a href="#">More data</a>
US Highways:	31.682	<a href="#">More data</a>
State Highways, Spurs, Loops, Business Routes:	53.464	<a href="#">More data</a>
Farm or Ranch to Market Roads and Spurs:	188.820	<a href="#">More data</a>
Pass, Park and Recreation Roads:	0.000	<a href="#">More data</a>
Frontage Roads:	0.000	<a href="#">More data</a>
On-System Subtotal:	273.966	<a href="#">More data</a>
City Streets:	36.734	<a href="#">More data</a>
Certified County Roads:	637.499	<a href="#">More data</a>
Toll Road Authority Roads:	0.000	<a href="#">More data</a>
Federal Roads:	0.000	<a href="#">More data</a>
Off-System Subtotal:	674.233	<a href="#">More data</a>
Center Line Miles: County Total:	948.199	<a href="#">More data</a>
Lane Miles - 2016		
IH Highways:	0.000	<a href="#">More data</a>
US Highways:	68.568	<a href="#">More data</a>

State Highways, Spurs, Loops, Business Routes:	108.572	<a href="#">More data</a>
Farm or Ranch to Market Roads and Spurs:	377.980	<a href="#">More data</a>
Pass, Park and Recreation Roads:	0.000	<a href="#">More data</a>
Frontage Roads:	0.000	<a href="#">More data</a>
On-System Subtotal:	555.120	<a href="#">More data</a>
City Streets:	73.468	<a href="#">More data</a>
Certified County Roads:	1,274.998	<a href="#">More data</a>
Toll Road Authority Roads:	0.000	<a href="#">More data</a>
Federal Roads:	0.000	<a href="#">More data</a>
Off-System Subtotal:	1,348.466	<a href="#">More data</a>
County Total:	1,903.586	<a href="#">More data</a>

**LINKS TO ADDITIONAL DATA**

County Business Patterns (Census Bureau):	<a href="#">«CBP 2016»</a>
County Agricultural Profile (USDA):	<a href="#">«Census of Agriculture 2012»</a>
State & County QuickFacts (Census Bureau):	<a href="#">«Fisher County QuickFacts»</a>
State & County Narrative Profiles (Census Bureau):	<a href="#">«Fisher County Narrative Profile»</a>
County History (Handbook of Texas Online):	<a href="#">«Fisher County History»</a>
Texas Almanac (Texas State Historical Association):	<a href="#">«Fisher County»</a>

**Special Districts** in Fisher County.  
**School Districts** in Fisher County.  
**History of City Tax Rates** in Fisher County.

**Airports** in Fisher County.  
**Hospitals** in Fisher County.  
**Prisons** in Fisher County.

<a href="#">The County Information Program</a>	<a href="#">County Profiles</a>	<a href="#">Advanced Search</a>	<a href="#">Town &amp; City Search</a>
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