



ARMSTRONG, BACKUS & CO., LLP

Certified Public Accountants

**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Statement of Cash Collections and Distributions – Cash Basis

For the Year Ended September 30, 2016



515 West Harris Avenue • Post Office Box 71 • San Angelo, Texas 76902-0071

Phone (325) 653-6854 • Fax (325) 655-5857 • www.armstrongbackus.com

**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Statement of Cash Collections and Distributions – Cash Basis

For the Year Ended September 30, 2016

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1-2
Statement of Cash Collections and Distributions – Cash Basis	3-4
Notes to the Statement of Cash Collections and Distributions	5-7



ARMSTRONG, BACKUS & CO., LLP

Certified Public Accountants

American Institute of Certified Public Accountants
Texas Society of Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Tom Green County Appraisal District
San Angelo, Texas

Report on the Financial Statements

We have audited the accompanying Statement of Collections and Distributions – Cash Basis of the Tom Green County Appraisal District Tax Distribution Fund (the “District”) for the year ended September 30, 2016, and the related notes to the financial statement, which collectively comprise the District’s basic financial statement. This financial statement is the responsibility of the District’s management. Our responsibility is to express an opinion on this financial statement based on our audit.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in conformity with the cash basis of accounting; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is 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 auditors’ 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 statement.

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

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the receipts and disbursements and changes in cash balance of the Tom Green County Appraisal District Tax Distribution Fund for the year ended September 30, 2016 in accordance with the cash basis of accounting described in Note A.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Armstrong, Backus & Co., L.L.P.

July 7, 2017



**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Statement of Cash Collections and Distributions - Cash Basis

For the Year Ended September 30, 2016

TAXING AUTHORITY	09/30/15 UNDISTRIBUTED BALANCE	COLLECTIONS					TIRZ	TOTAL
		AD VALOREM TAXES	AD VALOREM P & I	TAX CERTIFICATE	ATTORNEY FEES			
Christoval Independent School District	\$ - 0 -	\$ 2,782,932	\$ 22,575	\$ 398	\$ 12,294	\$ - 0 -	\$ 2,818,199	
City of San Angelo	- 0 -	35,415,398	375,011	6,498	193,375	- 0 -	35,990,282	
Grape Creek-Pulliam Independent School District	- 0 -	3,261,892	63,737	722	35,778	- 0 -	3,362,129	
Irion County Water District	- 0 -	1,647	102	- 0 -	- 0 -	- 0 -	1,749	
San Angelo Independent School District	- 0 -	55,598,231	566,907	6,640	314,390	- 0 -	56,486,168	
Tom Green County Regular	- 0 -	30,231,954	341,057	8,578	184,502	- 0 -	30,766,091	
Road and Bridge	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	
Miles Independent School District	- 0 -	513,441	4,525	42	926	- 0 -	518,934	
Red Creek Water District	- 0 -	68,248	2,313	74	931	- 0 -	71,566	
Sterling County Water Conservation District	- 0 -	346	1	- 0 -	- 0 -	- 0 -	347	
Veribest Independent School District	- 0 -	1,548,971	9,685	136	4,924	- 0 -	1,563,716	
Wall Independent School District	- 0 -	4,262,760	43,036	482	25,229	- 0 -	4,331,507	
Water Valley Independent School District	- 0 -	1,426,501	39,455	156	19,247	- 0 -	1,485,359	
Tom Green County Emergency Services	- 0 -	106,078	2,203	838	1,330	- 0 -	110,449	
Lipan-Kickapoo Water District	- 0 -	96,305	900	924	513	- 0 -	98,642	
Totals	\$ - 0 -	\$ 135,314,704	\$ 1,471,507	\$ 25,488	\$ 793,439	\$ - 0 -	\$ 137,605,138	

The accompanying notes are an integral part of this financial statement.

**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Statement of Cash Collections and Distributions - Cash Basis

For the Year Ended September 30, 2016

TAXING AUTHORITY	DISTRIBUTIONS						09/30/16
	AD VALOREM TAXES	AD VALOREM P & I	TAX CERTIFICATE	ATTORNEY FEES	TIRZ	TOTAL	UNDISTRIBUTED BALANCE
Christoval Independent							
School District	\$ 2,782,932	\$ 22,575	\$ 398	\$ 12,294	\$ - 0 -	\$ 2,818,199	\$ - 0 -
City of San Angelo	35,415,398	375,011	6,498	193,375	- 0 -	35,990,282	- 0 -
Grape Creek-Pulliam							
Independent School							
District	3,261,892	63,737	722	35,778	- 0 -	3,362,129	- 0 -
Irion County Water District	1,647	102	- 0 -	- 0 -	- 0 -	1,749	- 0 -
San Angelo Independent							
School District	55,598,231	566,907	6,640	314,390	- 0 -	56,486,168	- 0 -
Tom Green County							
Regular	30,231,954	341,057	8,578	184,502	- 0 -	30,766,091	- 0 -
Road and Bridge	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
Miles Independent School							
District	513,441	4,525	42	926	- 0 -	518,934	- 0 -
Red Creek Water District	68,248	2,313	74	931	- 0 -	71,566	- 0 -
Sterling County Water							
Conservation District	346	1	- 0 -	- 0 -	- 0 -	347	- 0 -
Veribest Independent							
School District	1,548,971	9,685	136	4,924	- 0 -	1,563,716	- 0 -
Wall Independent							
School District	4,262,760	43,036	482	25,229	- 0 -	4,331,507	- 0 -
Water Valley Independent							
School District	1,426,501	39,455	156	19,247	- 0 -	1,485,359	- 0 -
Tom Green County							
Emergency Services	106,078	2,203	838	1,330	- 0 -	110,449	- 0 -
Lipan-Kickapoo Water							
District	96,305	900	924	513	- 0 -	98,642	- 0 -
Totals	<u>\$ 135,314,704</u>	<u>\$ 1,471,507</u>	<u>\$ 25,488</u>	<u>\$ 793,439</u>	<u>\$ - 0 -</u>	<u>\$ 137,605,138</u>	<u>\$ - 0 -</u>

The accompanying notes are an integral part of this financial statement.

**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Notes to the Statement of Cash Collections and Distributions

For the Year Ended September 30, 2016

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

Organization

The Tom Green County Appraisal District (the District) was organized in 1980 for the purpose of consolidating the assessment and collection of ad valorem taxes levied by the various taxing authorities within Tom Green County. The District, under the direction of its board of directors, has contracted with fourteen taxing authorities for the assessment and collection of their taxes. One authority under contract, Tom Green County, is additionally responsible for the collection and distribution of taxes for several other authorities. The taxing authorities under contract as of September 30, 2016 are as follows:

Christoval Independent School District
City of San Angelo
Grape Creek-Pulliam Independent School District
San Angelo Independent School District
Tom Green County
Miles Independent School District
Red Creek Water District
Veribest Independent School District
Wall Independent School District
Water Valley Independent School District
Tom Green County Emergency Services District
Lipan-Kickapoo Water District
Sterling County Water Conservation District
Irion County Water Conservation District

The accompanying statement is a summary of the collections and distributions made by the District on behalf of the various taxing authorities. This statement does not include operating revenues and expenses of the District and does not report the results of the District's operations.

Basis of Accounting

The District maintains its collection and distribution account on the cash basis of accounting. Consequently, collections are recorded when received, and distributions are recorded when paid.

Distributions

The District maintains a separate checking account (the collections account) for all taxes collected. The collections are generally distributed by check on a weekly basis to the various authorities.

**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Notes to the Statement of Cash Collections and Distributions

For the Year Ended September 30, 2016

Reporting Period

The taxes of the District's contracting authorities are levied on October 1st of each year. The District distributes the tax notices on that date, and accordingly, a September 30th reporting period was selected to correspond with the levy period.

Interest Earned

The District earns interest on money deposited in the collections account. All interest earned is transferred to the District's operating fund.

NOTE B – CASH

The District maintains two cash operating accounts and the collection account (see Note A) all of which are interest bearing. These funds are deposited at a bank where the District has a depository service contract, which collateralizes funds in excess of the \$250,000 FDIC limit.

During the year ended September 30, 2016, the District's highest cash balance, including the collection account, was \$19,668,463, which occurred on January 5, 2016. A portion of the cash balance was covered by federal deposit insurance up to \$250,000 plus collateral held in the safekeeping department of an affiliated bank pledged in the District's name totaling \$15,907,799.

At September 30, 2016, all funds on deposit were fully insured or collateralized by securities held in the District's name.

NOTE C – ATTORNEY FEES

The District collects a 20% fee on all delinquent tax accounts to cover the costs of attorney fees incurred during the collection process. This 20% fee is being paid by the taxpayer in addition to taxes plus penalties and interest on delinquent accounts. For collections from tax years prior to 1981, the attorney fee is withheld from the amounts due to the taxing authorities since state law did not provide for the assessment of attorney fees.

NOTE D – SETTLEMENT PROCESS

It is the current policy of the District to advance, on a weekly basis, all collections of current tax levies. At month end, a settlement is calculated for each taxing authority which includes the current tax, delinquent tax, penalty and interest, attorney fees, and tax certificates. All amounts advanced during the month are subtracted from the settlement total, and the net difference is distributed.

**TOM GREEN COUNTY APPRAISAL DISTRICT
TAX DISTRIBUTION FUND**

Notes to the Statement of Cash Collections and Distributions

For the Year Ended September 30, 2016

NOTE E - EVALUATION OF SUBSEQUENT EVENTS

The District has evaluated subsequent events through July 7, 2017, the date which the financial statements were available to be issued.

