

PROPRIETARY FUNDS

Proprietary funds are used to account for a government's business-type activities. There are two different types of proprietary funds: enterprise funds and internal service funds.

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services.

Internal service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

COUNTY OF HIDALGO, TEXAS
Proprietary Funds
December 31, 2015

Enterprise Funds

Sanitary Landfill

This fund is used to account for the closure and post-closure care costs of the County's landfill site in Precinct No. 3 (MSW 1727), Precinct No. 3 landfill tire storage facility (6200744), and the landfill site in Precinct No. 4 (MSW 1593A).

Jail Commissary

This fund is used to account for services provided to the jail inmate population.

Internal Service Funds

Self Funded Health Benefits

This fund is used to account for employee and employer contributions set aside to cover medical claims sustained by insured County employees and County employees' dependents.

Self Funded Workers' Compensation

This fund is used to account for employer contributions set aside to cover claims resulting from on the job injuries sustained by County employees.



COUNTY OF HIDALGO, TEXAS
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 DECEMBER 31, 2015

EXHIBIT D-80

	Sanitary Landfill	Jail Commissary	Total Nonmajor Enterprise Funds (See Exhibit A-9)
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 823,596	\$ 2,996,484	\$ 3,820,080
Restricted cash	66,902	-	66,902
Receivables (net of allowance for uncollectibles)			
Due from other funds	-	16,172	16,172
Inventories	-	39,926	39,926
Total current assets	890,498	3,052,582	3,943,080
Noncurrent assets:			
Capital assets (net of accumulated depreciation)			
Land	1,001,093	-	1,001,093
Machinery and equipment	-	40,928	40,928
Total capital assets (net of accumulated depreciation)	1,001,093	40,928	1,042,021
Total noncurrent assets	1,001,093	40,928	1,042,021
Total assets	\$ 1,891,591	\$ 3,093,510	\$ 4,985,101
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 1,388	\$ -	\$ 1,388
Salaries and benefits payable	-	19,763	19,763
Due to other funds	45,298	24,353	69,651
Due to other governments	-	4,433	4,433
Compensated absences payable	-	637	637
Landfill closure/ postclosure care costs	17,934	-	17,934
Total current liabilities	64,620	49,186	113,806
Noncurrent liabilities:			
Compensated absences payable	-	11,719	11,719
Landfill closure/ postclosure care costs	1,587,045	-	1,587,045
Total noncurrent liabilities	1,587,045	11,719	1,598,764
Total liabilities	1,651,665	60,905	1,712,570
NET POSITION			
Net investment in capital assets	1,001,093	40,928	1,042,021
Restricted - bond covenant	66,902	-	66,902
Unrestricted	(828,069)	2,991,677	2,163,608
Total net position	\$ 239,926	\$ 3,032,605	\$ 3,272,531

COUNTY OF HIDALGO, TEXAS**EXHIBIT D-81**

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Sanitary Landfill	Jail Commissary	Total Nonmajor Enterprise Funds (See Exhibit A-10)
Operating revenues:			
Charges for services	\$ -	\$ 1,438,534	\$ 1,438,534
Other	-	56,321	56,321
Total operating revenues	<u>-</u>	<u>1,494,855</u>	<u>1,494,855</u>
Operating expenses:			
Costs of services	15,891	539,199	555,090
Operating supplies	-	188,140	188,140
Administrative	-	457,860	457,860
Inmate	-	164,030	164,030
Depreciation	-	4,536	4,536
Total operating expenses	<u>15,891</u>	<u>1,353,765</u>	<u>1,369,656</u>
Operating income (loss)	(15,891)	141,090	125,199
Non-operating revenues (expenses):			
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before contributions	(15,891)	141,090	125,199
Change in net position	(15,891)	141,090	125,199
Net position at beginning of year	255,817	2,891,515	3,147,332
Net position at end of year	<u>\$ 239,926</u>	<u>\$ 3,032,605</u>	<u>\$ 3,272,531</u>



COUNTY OF HIDALGO, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT D-82

	Landfill Services	Jail Commissary	Total Nonmajor Enterprise Funds (See Exhibit A-11)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ -	\$ 1,494,856	\$ 1,494,856
Payments to vendors	-	(910,593)	(910,593)
Payments to employees	-	(453,162)	(453,162)
Net cash provided (used) by operating activities	<u>-</u>	<u>131,101</u>	<u>131,101</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES			
Transfer to other funds	(29,697)	-	(29,697)
Net cash provided (used) by non capital financing activities	<u>(29,697)</u>	<u>-</u>	<u>(29,697)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(14,930)	(14,930)
Disposal of capital assets	-	23,821	23,821
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>8,891</u>	<u>8,891</u>
Net increase (decrease) in cash and cash equivalents	(29,697)	139,992	110,295
Cash and cash equivalents, January 1	920,195	2,856,492	3,776,687
Cash and cash equivalents, December 31	<u>\$ 890,498</u>	<u>\$ 2,996,484</u>	<u>\$ 3,886,982</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (15,891)	\$ 141,090	\$ 125,199
Adjustments not affecting cash:			
Landfill closure & post-closure costs	15,891	-	15,891
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	-	4,536	4,536
(Increase) decrease in due from other funds	-	(385)	(385)
(Increase) decrease in inventory	-	9,123	9,123
Increase (decrease) in salaries and fringe benefits payable	-	(92)	(92)
Increase (decrease) in accounts payable	-	(28,395)	(28,395)
Increase (decrease) in due to other governments	-	335	335
Increase (decrease) in due to other funds	-	4,804	4,804
Increase (decrease) in compensated absences payable	-	85	85
Total adjustments	<u>15,891</u>	<u>(9,989)</u>	<u>5,902</u>
Net cash provided by operating activities	<u>\$ -</u>	<u>\$ 131,101</u>	<u>\$ 131,101</u>
Noncash operating activities:			
Closure & post-closure costs for inflation adjustment see Exhibit D-80.	\$ 15,891	\$ -	\$ 15,891
Noncash capital and financing activities:			
Disposal of capital assets	-	23,821	23,821
Total noncash activities	<u>\$ 15,891</u>	<u>\$ 23,821</u>	<u>\$ 39,712</u>

COUNTY OF HIDALGO, TEXAS
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 DECEMBER 31, 2015

EXHIBIT D-83

	Self Funded Health Benefits	Self Funded Workers' Compensation	Total Internal Service Funds (See Exhibit A-9)
ASSETS			
Current assets:			
Cash and cash equivalents	\$ -	\$ 1,499,347	\$ 1,499,347
Receivables (net of allowance for uncollectibles)			
Accounts receivable	288	1,238	1,526
Due from other funds	24,353	3,275,504	3,299,857
Due from others	365,314	4,689	370,003
Prepays	-	194,640	194,640
Total current assets	<u>389,955</u>	<u>4,975,418</u>	<u>5,365,373</u>
Noncurrent assets:			
Loans	-	150,000	150,000
Capital assets (net of accumulated depreciation)			
Machinery and equipment	<u>2,980</u>	<u>30,854</u>	<u>33,834</u>
Total capital assets (net of accumulated depreciation)	<u>2,980</u>	<u>30,854</u>	<u>33,834</u>
Total noncurrent assets	<u>2,980</u>	<u>180,854</u>	<u>183,834</u>
Total assets	<u><u>\$ 392,935</u></u>	<u><u>\$ 5,156,272</u></u>	<u><u>\$ 5,549,207</u></u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 1,784,429	\$ 89,634	\$ 1,874,063
Salaries and benefits payable	17,023	13,165	30,188
Due to other funds	3,275,757	16,172	3,291,929
Compensated absences payable	1,155	451	1,606
Claims and judgments payable	1,340,000	431,674	1,771,674
Capital leases	<u>2,196</u>	<u>4,341</u>	<u>6,537</u>
Total current liabilities	<u>6,420,560</u>	<u>555,437</u>	<u>6,975,997</u>
Noncurrent liabilities:			
Compensated absences payable	21,259	8,299	29,558
Claims and judgments payable	-	1,691,326	1,691,326
Capital leases	<u>691</u>	<u>-</u>	<u>691</u>
Total noncurrent liabilities	<u>21,950</u>	<u>1,699,625</u>	<u>1,721,575</u>
Total liabilities	<u>6,442,510</u>	<u>2,255,062</u>	<u>8,697,572</u>
NET POSITION			
Net investment in capital assets	93	26,513	26,606
Unrestricted	<u>(6,049,668)</u>	<u>2,874,697</u>	<u>(3,174,971)</u>
Total net position	<u><u>\$ (6,049,575)</u></u>	<u><u>\$ 2,901,210</u></u>	<u><u>\$ (3,148,365)</u></u>

COUNTY OF HIDALGO, TEXAS**EXHIBIT D-84**

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Self Funded Health Benefits	Self Funded Workers' Compensation	Total Internal Service Funds (See Exhibit A-10)
Operating revenues:			
Charges for services	\$ 25,471,047	\$ 2,070,153	\$ 27,541,200
Other	132,851	43,403	176,254
Total operating revenues	<u>25,603,898</u>	<u>2,113,556</u>	<u>27,717,454</u>
Operating expenses:			
Costs of services	22,586,905	1,200,839	23,787,744
Administrative	4,242,624	617,246	4,859,870
Depreciation	1,788	9,051	10,839
Total operating expenses	<u>26,831,317</u>	<u>1,827,136</u>	<u>28,658,453</u>
Operating income (loss)	(1,227,419)	286,420	(940,999)
Non-operating revenues (expenses):			
Interest expense	(115)	(231)	(346)
Total non-operating revenues (expenses)	<u>(115)</u>	<u>(231)</u>	<u>(346)</u>
Income (loss) before contributions	(1,227,534)	286,189	(941,345)
Change in net position	(1,227,534)	286,189	(941,345)
Net position at beginning of year	(4,822,041)	2,615,021	(2,207,020)
Net position at end of year	<u>\$ (6,049,575)</u>	<u>\$ 2,901,210</u>	<u>\$ (3,148,365)</u>



COUNTY OF HIDALGO, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT D-85

	Self-Funded Health Benefits	Self-Funded Workers' Compensation	Total Internal Service Funds (see Exhibit A-11)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 27,108,549	\$ 2,233,125	\$ 29,341,674
Payments to vendors	(4,025,175)	106,491	(3,918,684)
Payments to employees	(376,556)	(266,007)	(642,563)
Payments for interfund services used	(22,704,904)	(1,058,838)	(23,763,742)
Net cash provided (used) by operating activities	<u>1,914</u>	<u>1,014,771</u>	<u>1,016,685</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on capital debt	(1,799)	(5,056)	(6,855)
Interest paid on capital debt	(115)	(231)	(346)
Net cash provided (used) by capital and related financing activities	<u>(1,914)</u>	<u>(5,287)</u>	<u>(7,201)</u>
Net increase (decrease) in cash and cash equivalents	-	1,009,484	1,009,484
Cash and cash equivalents, January 1	-	489,863	489,863
Cash and cash equivalents, December 31	<u>\$ -</u>	<u>\$ 1,499,347</u>	<u>\$ 1,499,347</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (1,227,419)	\$ 286,420	\$ (940,999)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	1,788	9,051	10,839
(Increase) decrease in accounts receivable	1,874,769	124,746	1,999,515
(Increase) decrease in due from other funds	(4,804)	482,664	477,860
(Increase) decrease in due from others	(365,314)	(4,689)	(370,003)
(Increase) decrease in prepaids	-	(6,497)	(6,497)
Increase (decrease) in salaries and fringe benefits payable	1,381	1,061	2,442
Increase (decrease) in accounts payable	326,387	(19,304)	307,083
Increase (decrease) in due to other funds	(482,548)	357	(482,191)
Increase (decrease) in unearned revenue	-	(872)	(872)
Increase (decrease) in claims and judgments	(118,000)	142,000	24,000
Increase (decrease) in compensated absences payable	(4,326)	(166)	(4,492)
Total adjustments	<u>1,229,333</u>	<u>728,351</u>	<u>1,957,684</u>
Net cash provided (used) by operating activities	<u>\$ 1,914</u>	<u>\$ 1,014,771</u>	<u>\$ 1,016,685</u>

