

*ANNUAL FINANCIAL REPORT*

of

**BURLESON COUNTY, TEXAS**

For the Year Ended  
September 30, 2012

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# BURLESON COUNTY, TEXAS

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## ***INDEPENDENT AUDITORS' REPORT***

To the Honorable County Judge and  
Members of the Commissioners' Court of  
Burleson County, Texas:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Burleson County, Texas (the "County"), as of and for the year ended September 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2013 on our consideration of the County's 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis, budgetary comparison information, and schedules of funding progress, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. 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

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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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining statements and schedules are presented for purposes of additional analysis and are not required parts of the basic financial statements. The combining fund statements and schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*BELT HARRIS PECHACEK, LLP*

Belt Harris Pechacek, LLP  
*Certified Public Accountants*  
Houston, Texas  
February 28, 2013

***MANAGEMENT'S DISCUSSION  
AND ANALYSIS***

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# **BURLESON COUNTY, TEXAS**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

For the Year Ended September 30, 2012

The following Management's Discussion and Analysis ("MD&A") provides an overview of the financial activities of Burleson County (the "County") for the year ended September 30, 2012. This overview is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position and its ability to address subsequent year challenges, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

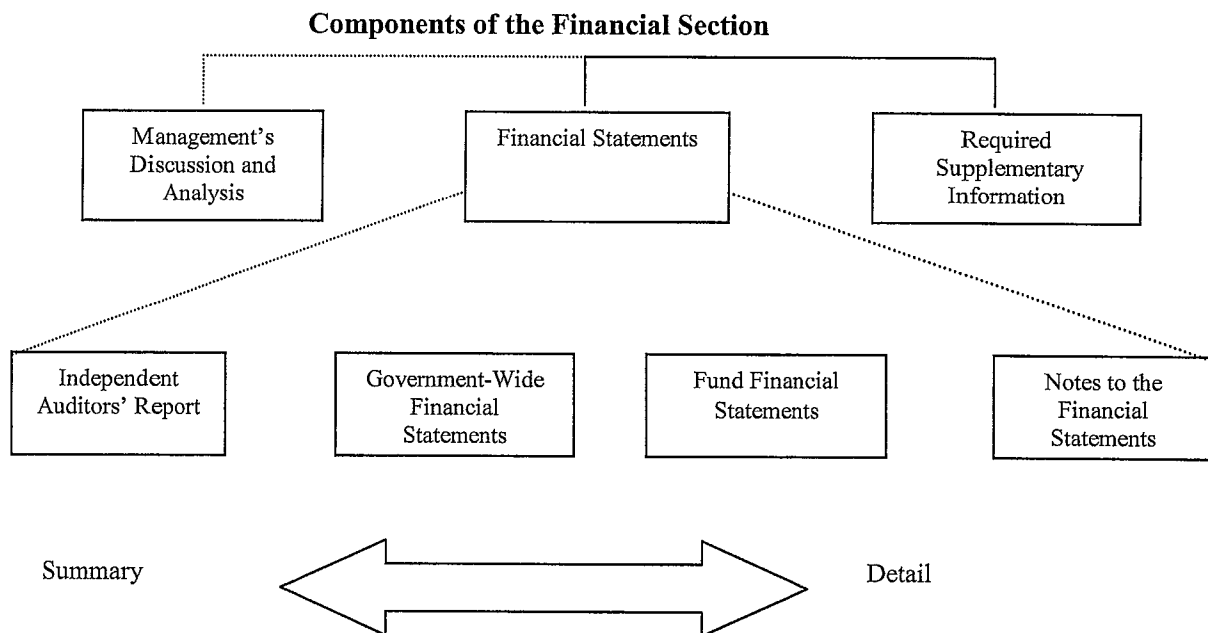
### **FINANCIAL HIGHLIGHTS**

The general fund budgeted expenditures over revenues and other financing sources and uses of \$324,987, as compared to an actual increase of \$1,243,140 resulting in a positive variance of \$1,568,127 after transfers.

On a government-wide basis for governmental activities, the County had expenses net of program revenue of \$7,488,403. General revenues of \$8,615,371 were \$1,126,968 greater than expenses net of program revenue.

The County's total net assets, on the government-wide basis, totaled \$14,522,133 at September 30, 2012.

### **THE STRUCTURE OF OUR ANNUAL REPORT**



The annual financial report is presented as compliant with the financial reporting model in effect pursuant to Governmental Accounting Standards Board (GASB) Statement No. 34. The financial reporting model requires governments to present certain basic financial statements as well as the MD&A and certain other Required Supplementary Information (RSI). The basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2012**

**GOVERNMENT-WIDE STATEMENTS**

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. One of the most important questions asked about the County's finances is, "Is the County as a whole better or worse off as a result of this year's activity?" The Statement of Net Assets and the Statement of Activities, which are the government-wide statements, report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities on the accrual basis of accounting, which is similar to the basis of accounting used by most private sector entities. All current year revenues and expenses are taken into account regardless of when the cash is received or paid.

The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, the increase or decreases in net assets provides one indicator as to whether the County's financial health is improving or deteriorating. Other nonfinancial factors, such as the County's property tax base and the condition of the County's infrastructure, need to be considered to assess the overall health of the County.

The Statement of Activities presents information showing how the County's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows, using the accrual method rather than modified accrual that is used in the fund level statements.

In the Statement of Net Assets and the Statement of Activities, the County has only one type of activity:

**Governmental Activities** – The County's basic services are reported here such as general administration, financial administration, public facilities, judicial, public safety, health and welfare, public transportation, legal, and interest and fiscal charges on long-term debt.

The government-wide financial statements can be found following the MD&A.

**FUND FINANCIAL STATEMENTS**

Traditional users of government financial statements will find the fund financial statement presentation more familiar. The focus is on the County's most significant funds. The fund financial statements provide more information about the County's most significant funds, not the County as a whole.

The County has two types of funds:

**Governmental Funds** – Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's major programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided on the reconciliation of the governmental fund balance sheet to the Statement of Net Assets. This statement explains the relationship or differences between them.

# BURLESON COUNTY, TEXAS

## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2012

**Fiduciary Funds** – These 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.

**Notes to Financial Statements** – The notes to the 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 using the table of contents of this report.

**Other Information** – In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain RSI. The RSI that GASB Statement No. 34 requires includes budgetary comparison schedules for the general fund, road and bridge fund, and debt service fund, as well as schedules of funding progress for the Texas County and District Retirement System and other post employment healthcare benefits. RSI can be found using the table of contents of this report.

### FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

As noted earlier, net assets may serve over time as a useful indicator of the County's financial position. Assets exceed liabilities by \$14,522,133 as of September 30, 2012. The largest portion of the County's net assets, 32 percent, reflects its investments in capital assets (e.g. land, buildings and improvements, equipment, and infrastructure), less any outstanding debt used to acquire those assets. The County uses these capital assets 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 the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

#### Statement of Net Assets

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities	
	2012	2011
Current and other assets	\$ 11,414,784	\$ 9,957,918
Capital assets, net	5,741,720	5,844,271
<b>Total Assets</b>	<b>17,156,504</b>	<b>15,802,189</b>
Long-term liabilities	1,556,166	1,492,505
Other liabilities	1,078,205	914,519
<b>Total Liabilities</b>	<b>2,634,371</b>	<b>2,407,024</b>
Net assets:		
Invested in capital assets,		
net of related debt	4,616,913	4,518,605
Restricted	4,169,861	4,130,918
Unrestricted	5,735,359	4,745,642
<b>Total Net Assets</b>	<b>\$ 14,522,133</b>	<b>\$ 13,395,165</b>

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2012

A portion of the County's net assets, \$4,169,861 or 29 percent, represents resources that are subject to external restriction on how they may be used. The County's unrestricted net assets, \$5,735,359 or 39 percent, may be used to meet the County's ongoing obligation to citizens and creditors.

**Statement of Activities**

The following table provides a summary of the County's changes in net assets:

		<b>Governmental Activities</b>	
		<b>2012</b>	<b>2011</b>
<b>Revenues</b>			
Program revenues:			
Charges for services	\$	2,102,278	\$ 2,154,258
Operating grants and contributions		702,343	944,317
General revenues:			
Property taxes		6,565,516	6,610,199
Sales taxes		1,534,508	1,051,623
Interest income		93,997	183,777
Other revenues		421,350	396,071
<b>Total Revenues</b>		<b>11,419,992</b>	<b>11,340,245</b>
<b>Expenses</b>			
General administration		972,017	911,194
Judicial		828,370	832,036
Legal		462,058	475,943
Financial administration		451,963	447,824
Public facilities		169,400	168,581
Public safety		2,485,156	2,510,474
Public transportation		3,445,486	3,390,777
Health and welfare		84,895	163,930
Miscellaneous		1,343,732	1,506,847
Interest and fiscal agent fees		49,947	60,092
<b>Total Expenses</b>		<b>10,293,024</b>	<b>10,467,698</b>
<b>Change in Net Assets</b>		<b>1,126,968</b>	<b>872,547</b>
Beginning net assets		13,395,165	12,522,618
<b>Ending Net Assets</b>	<b>\$</b>	<b>14,522,133</b>	<b>\$ 13,395,165</b>

Total governmental revenues were comparable to the prior year, increasing \$79,747 or one percent. Sales tax revenue increased \$482,885 or 46 percent from prior year due to a better economy within the County. Operating grants and contributions revenue decreased \$241,974 or 26 percent from prior year mainly due to a decrease in state grants received for reimbursement.

Governmental expenses were comparable to the prior year decreasing \$174,674 or one percent which is due to the County's effort to decrease expenses.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2012**

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

The County's governmental funds reflect a combined fund balance of \$9,288,768. Of this, \$5,118,039 is unassigned and available for day-to-day operations of the County and \$4,170,729 is restricted for various purposes.

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 \$5,118,039. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 94 percent of total general fund expenditures. The fund balance of the general fund reported an increase of \$1,243,140 in fund balance due to the increase in sales tax collected and decreases in actual expenditures.

The road and bridge fund reported a decrease of \$132,127 in fund balance due to capital outlay expenditures.

The lateral road and bridge fund reported an increase of \$60,830 in fund balance due to fewer capital outlay expenditures.

The debt service fund reported an increase of \$154,729 in fund balance mainly due to transfers in from the general and nonmajor governmental funds.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The actual revenues were over the budgeted general fund revenues by \$703,554 during the year. This net increase is largely the result of more sales taxes collected than projected.

General fund expenditures were less than the final budget by \$925,282 as a result of a County-wide effort to keep expenditures at or below budget. The miscellaneous, judicial, and public safety departments reported significantly fewer expenditures than budgeted.

**CAPITAL ASSETS**

At the end of the year, the County's governmental activities had invested \$5,741,720 in a variety of capital assets and infrastructure, net of depreciation. Approximately \$300,000 of equipment purchases were financed and budgeted to pay in fiscal years 2013 through 2016. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34.

Major capital asset purchases during the year include the following:

- Roads and building system improvements for \$428,371

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2012**

- Vehicles for \$87,614

The County disposed of capital assets in conjunction with the purchase of the items listed above. More detailed information about the County's capital assets is presented in the notes to the financial statements.

**LONG-TERM DEBT**

At the end of the year, the County reported total certificates of obligation of \$820,000. The County also reported capital leases and time warrants issued with a depository loan for a total of \$304,807. The County entered into additional capital leases of \$90,200 during the year.

More detailed information about the County's long-term liabilities is presented in the notes to the financial statements.

**ECONOMIC FACTORS**

The County continues to grow as seen in the increase in sales tax revenue. The County has continued the permanent road program to solidify the infrastructure of the County.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the County's finances. Questions concerning this report or requests for additional financial information should be directed to the County Auditor's Office, Burleson County, 100 W. Buck Street, Suite 400, Caldwell, Texas 77836.

## ***FINANCIAL STATEMENTS***

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# BURLESON COUNTY, TEXAS

## STATEMENT OF NET ASSETS

September 30, 2012

	Governmental Activities
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 9,409,893
Receivables, net	1,695,943
Due from others	275,036
Deferred charges	33,912
	<u>11,414,784</u>
Capital assets, net:	
Nondepreciable	112,514
Depreciable capital assets, net	5,629,206
	<u>5,741,720</u>
<b>Total Assets</b>	<u>17,156,504</u>
<b><u>Liabilities</u></b>	
Accounts payable	730,531
Accrued interest	8,046
Long-term liabilities due within one year	338,437
	<u>1,078,205</u>
Noncurrent liabilities:	
Long-term debt due in more than one year	878,400
Compensated absences	10,225
Net OPEB obligation	667,541
	<u>1,556,166</u>
<b>Total Liabilities</b>	<u>2,634,371</u>
<b><u>Net Assets</u></b>	
Invested in capital assets, net of related debt	4,616,913
Restricted for:	
Road and bridge	1,726,169
Lateral road and bridge	574,547
Debt service	647,810
Other governmental funds	1,221,335
Unrestricted	5,735,359
<b>Total Net Assets</b>	<u>\$ 14,522,133</u>

See Notes to Financial Statements.

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# BURLESON COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2012

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General administration	\$ 972,017	\$ 313,301	\$ 702,343	\$ 43,627
Judicial	828,370	642,744	-	(185,626)
Legal	462,058	6,199	-	(455,859)
Financial administration	451,963	243,741	-	(208,222)
Public facilities	169,400	-	-	(169,400)
Public safety	2,485,156	27,703	-	(2,457,453)
Public transportation	3,445,486	685,143	-	(2,760,343)
Health and welfare	84,895	-	-	(84,895)
Miscellaneous	1,343,732	183,447	-	(1,160,285)
Interest and fiscal agent fees	49,947	-	-	(49,947)
<b>Total Governmental Activities</b>	<u>10,293,024</u>	<u>2,102,278</u>	<u>702,343</u>	<u>(7,488,403)</u>
<b>Total Primary Government</b>	<u>\$ 10,293,024</u>	<u>\$ 2,102,278</u>	<u>\$ 702,343</u>	<u>(7,488,403)</u>

### General Revenues:

Property taxes	6,565,516
Sales taxes	1,534,508
Interest income	93,997
Other revenues	<u>421,350</u>
<b>Total General Revenues</b>	<u>8,615,371</u>

**Change in Net Assets** 1,126,968

**Beginning net assets** 13,395,165

**Ending Net Assets** \$ 14,522,133

See Notes to Financial Statements.

# BURLESON COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

September 30, 2012

	General	Road and Bridge	Lateral Road and Bridge	Debt Service
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 5,040,973	\$ 1,925,471	\$ 640,254	\$ 516,039
Receivables, net	608,702	266,330	110,793	27,864
Due from other funds	416,185	769	-	132,684
<b>Total Assets</b>	<b>\$ 6,065,860</b>	<b>\$ 2,192,570</b>	<b>\$ 751,047</b>	<b>\$ 676,587</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 379,197	\$ 218,747	\$ 65,148	\$ -
Due to other funds	134,995	1,288	182	-
Deferred revenue	433,629	246,366	111,170	27,909
<b>Total Liabilities</b>	<b>947,821</b>	<b>466,401</b>	<b>176,500</b>	<b>27,909</b>
<b><u>Fund Balances</u></b>				
Restricted:				
Debt service	-	-	-	648,678
Road and bridge fund	-	1,726,169	-	-
Lateral road and bridge fund	-	-	574,547	-
Other governmental funds	-	-	-	-
Unassigned:				
General fund	5,118,039	-	-	-
<b>Total Fund Balances</b>	<b>5,118,039</b>	<b>1,726,169</b>	<b>574,547</b>	<b>648,678</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,065,860</b>	<b>\$ 2,192,570</b>	<b>\$ 751,047</b>	<b>\$ 676,587</b>

See Notes to Financial Statements.

<b>Non Major Governmental</b>	<b>Total Governmental Funds</b>
\$ 1,287,156	\$ 9,409,893
139,755	1,153,444
-	549,638
<u>\$ 1,426,911</u>	<u>\$ 11,112,975</u>
\$ 67,439	\$ 730,531
138,137	274,602
-	819,074
<u>205,576</u>	<u>1,824,207</u>
-	648,678
-	1,726,169
-	574,547
1,221,335	1,221,335
-	5,118,039
<u>1,221,335</u>	<u>9,288,768</u>
<u>\$ 1,426,911</u>	<u>\$ 11,112,975</u>

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**BURLESON COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
September 30, 2012

Total Fund balances for Governmental Funds	\$	9,288,768
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**Adjustments for the Statement of Net Assets:**

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.

Nondepreciable capital assets	112,514	
Depreciable capital assets	10,361,198	
Accumulated depreciation	<u>(4,731,992)</u>	
		5,741,720

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred or accrued in the governmental funds.

Receivables - fines	542,499	
Deferred bond issue costs	33,912	
Deferred revenue - property taxes	<u>817,883</u>	
		1,394,294

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Long-term debt due within one year	(246,407)	
Long-term debt due in more than one year	(878,400)	
Accrued interest payable	(8,046)	
Compensated absences	(102,255)	
Net OPEB obligation	<u>(667,541)</u>	
		<u>(1,902,649)</u>

<b>Net Assets of Governmental Activities</b>	<b>\$</b>	<b><u>14,522,133</u></b>
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See Notes to Financial Statements.

# BURLESON COUNTY, TEXAS

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Year Ended September 30, 2012

	General	Road and Bridge	Lateral Road and Bridge	Debt Service
<b>Revenues</b>				
Property Taxes	\$ 3,543,450	\$ 2,005,085	\$ 914,717	\$ 121,557
Sales tax	1,534,508	-	-	-
Intergovernmental	73,265	-	-	-
Fees	606,695	-	-	-
Fines and forfeitures	642,744	-	-	-
Interest	54,327	18,087	5,582	4,408
Permits and licenses	-	685,143	-	-
Miscellaneous	291,847	98,639	-	-
<b>Total Revenues</b>	<b>6,746,836</b>	<b>2,806,954</b>	<b>920,299</b>	<b>125,965</b>
<b>Expenditures</b>				
<b>Current:</b>				
General administration	721,819	-	-	-
Judicial	712,199	-	-	-
Legal	462,058	-	-	-
Financial administration	451,963	-	-	-
Public facilities	169,400	-	-	-
Public safety	2,326,988	-	-	-
Public transportation	-	2,169,039	840,876	-
Health and welfare	84,895	-	-	-
Miscellaneous	411,233	318,259	-	-
<b>Debt service:</b>				
Principal	14,683	206,378	-	70,000
Interest and fiscal agent fees	135	12,022	-	33,950
<b>Capital outlay</b>	<b>87,614</b>	<b>394,600</b>	<b>18,593</b>	<b>-</b>
<b>Total Expenditures</b>	<b>5,442,987</b>	<b>3,100,298</b>	<b>859,469</b>	<b>103,950</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,303,849</b>	<b>(293,344)</b>	<b>60,830</b>	<b>22,015</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	132,714
Transfers (out)	(60,709)	-	-	-
Sale of capital assets	-	71,017	-	-
Capital leases	-	90,200	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(60,709)</b>	<b>161,217</b>	<b>-</b>	<b>132,714</b>
<b>Net Change in Fund Balances</b>	<b>1,243,140</b>	<b>(132,127)</b>	<b>60,830</b>	<b>154,729</b>
Beginning fund balances	3,874,899	1,858,296	513,717	493,949
<b>Ending Fund Balances</b>	<b>\$ 5,118,039</b>	<b>\$ 1,726,169</b>	<b>\$ 574,547</b>	<b>\$ 648,678</b>

See Notes to Financial Statements.

<u>Non Major Governmental</u>	<u>Total Governmental Funds</u>
\$ -	\$ 6,584,809
-	1,534,508
629,078	702,343
183,447	790,142
-	642,744
11,593	93,997
-	685,143
30,864	421,350
<u>854,982</u>	<u>11,455,036</u>
28,301	750,120
116,171	828,370
-	462,058
-	451,963
-	169,400
28,063	2,355,051
-	3,009,915
-	84,895
647,575	1,377,067
-	291,061
-	46,107
-	500,807
<u>820,110</u>	<u>10,326,814</u>
<u>34,872</u>	<u>1,128,222</u>
-	132,714
(72,005)	(132,714)
-	71,017
-	90,200
<u>(72,005)</u>	<u>161,217</u>
(37,133)	1,289,439
<u>1,258,468</u>	<u>7,999,329</u>
<u>\$ 1,221,335</u>	<u>\$ 9,288,768</u>



**BURLESON COUNTY, TEXAS**  
***RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES***  
**For the Year Ended September 30, 2012**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total government funds	\$ 1,289,439
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	515,985
Depreciation expense	(565,676)
Loss on disposal of capital assets	(52,860)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Changes in deferred revenue - fines and fees	(15,751)
Changes in deferred bond issue costs	(2,970)
Changes in deferred revenue - property taxes	(19,293)
Long-term debt proceeds and other debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets.	
Debt issued	(90,200)
Principal payments	291,059
Changes in accrued interest expense	(868)
Changes in compensated absences	(2,142)
OPEB obligation	(219,755)
	<hr/>
<b>Change in Net Assets of Governmental Activities</b>	<b><u>\$ 1,126,968</u></b>

See Notes to Financial Statements.



# BURLESON COUNTY, TEXAS

## STATEMENT OF FIDUCIARY NET ASSETS

### FIDUCIARY FUNDS

September 30, 2012

	<u>Total Fiduciary Funds</u>
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 2,045,304
Receivables	92,682
<b>Total Assets</b>	<u><u>\$ 2,137,986</u></u>
<b><u>Liabilities</u></b>	
Accounts payable	\$ 1,862,950
Due to other funds	275,036
<b>Total Liabilities</b>	<u><u>\$ 2,137,986</u></u>

See Notes to Financial Statements.



# **BURLESON COUNTY, TEXAS**

## ***NOTES TO FINANCIAL STATEMENTS***

**For the Year Ended September 30, 2012**

### **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Reporting Entity**

Burleson County, Texas (the "County") is an independent government entity created by an act of the Texas Legislature. The County is governed by a Commissioners' Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County's financial statements include the accounts of all County operations. The County provides a vast array of services including financial administration, judicial, health and welfare, public facilities and transportation, general administration, public safety, and legal.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the County's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

#### **B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information about the County as a whole. These statements include all activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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. The County has no business-type activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as taxes and investment earnings, are presented as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. In the fund financial statements, the accounts of the County are organized 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, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

The County reports the following governmental funds:

**1. Governmental Funds**

Governmental funds are those funds through which most governmental functions are typically financed.

**General Fund**

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general administration, financial administration, public facilities, judicial, public safety, health and welfare, public transportation, and legal.

**Special Revenue Funds**

The special revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes (not including permanent funds or major capital projects).

The following special revenue funds are reported as major funds for reporting purposes:

Road and Bridge Fund and Lateral Road and Bridge Fund – These funds are used to account for revenues of property taxes levied and vehicle registration fees. Uses of funds are restricted for the maintenance of roads, bridges, and the operations of related facilities. All precinct operations, as well as permanent road monies, are accounted for in these funds.

The remaining special revenue funds are considered nonmajor funds for reporting purposes.

**Debt Service Fund**

The debt service fund is used to account for the payment of interest and principal on all tax notes and other long-term debt of the County. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

**2. Fiduciary Funds**

The fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. 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 has the following type of fiduciary funds:

**Agency Funds**

The agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

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

The government-wide Statements of Net Assets and Statements of Activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these activities are either included on the balance sheet or on the statement of fiduciary net assets.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The County utilizes the modified accrual basis of accounting in the governmental fund types. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues available if they are collected within 60 days of the end of the current period. Revenues susceptible to accrual include charges for services and interest on temporary investments.

Property taxes and interest associated with the current period are all susceptible to accrual and so have been recognized as revenues of the current period. Other receipts and other taxes become measurable and available when cash is received by the County and are recognized as revenue at that time. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Under modified accrual accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on general long-term debt, which is recognized when due.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements.

Agency funds are unlike other types of funds, reporting only assets and liabilities. Agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

**D. Assets, Liabilities, and Net Assets or Fund Equity**

**1. Deposits and Investments**

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

The County's investments are accounted for in accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, which establishes accounting and

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

reporting standards for all of the County's investments. In accordance with Statement No. 31, the County reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexClass, are reported using the pools' share price.

The Local Government Code of Texas authorizes the County to invest in:

- (1) obligations of the United States or its agencies and instrumentalities;
- (2) direct obligations of the State of Texas or its agencies and instrumentalities;
- (3) collateral mortgage obligations, although significantly limited;
- (4) other obligations, the principal and interest on which are unconditionally guaranteed or insured or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities;
- (5) obligations of state agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm of not less than "A" or its equivalent;
- (6) certificates of deposit issued by state and national banks or savings and loan domiciled in Texas which are:
  - (a) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or
  - (b) secured by obligations of paragraphs (1) to (5) above and that have a market value of not less than the principal amount of the certificates but excluding certain mortgage-backed securities;
  - (c) fully collateralized repurchase agreements, bankers' acceptances, commercial paper, mutual funds, guaranteed investment contracts, and investment pools all of which are required to meet certain restrictive criteria.

## **2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable, available financial resources.

All trade receivables are shown net of an allowance for uncollectible amounts.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

**Property Taxes**

General property taxes are recorded as revenue when levied for the current year and due, payable, and collected in the current year. Uncollected amounts at year end are reported as deferred revenue. Delinquent property taxes collected within 60 days subsequent to year end were not considered material.

The property tax calendar dates are:

Levy date and due date – October 1

Collection dates – October 1 through January 31

Lien date – February 1

The County bills and collects its own taxes and those for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor's agency fund. Tax collections deposited for the County are distributed on a periodic basis to the general, road and bridge, and debt service funds of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners' Court for the tax year for which the collections are made.

The appraisal of property within the County is the responsibility of the County-wide appraisal district, which is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value, and is prohibited from applying any assessment ratios. The appraisal district must review the value of the property within the County every three years unless the County, at its own expense, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County sets tax rates on County property.

**3. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental-type activities column in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years.

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	20 to 40 years
Infrastructure	15 to 30 years
Equipment	3 to 30 years

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

**4. Compensated Employee Absences**

The County provides its employees with vacation and sick leave. Sick leave may be accumulated from year to year up to 16 weeks. Vacation is to be used prior to year end but may be carried over up to the limitations outlined by County policy. Exceptions to the maximum accruals can only be approved by the Commissioners' Court upon request of employee's supervisor. Upon termination, any accumulated vacation time will be paid; however, no accumulated sick leave will be paid. This liability is recorded as long-term debt in the government-wide financial statements.

**5. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Assets. The long-term debt consists primarily of tax notes and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payment of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments and compensated absences paid from governmental funds are reported as liabilities in the fund financial statements only for the portion expected to be financed from expendable, available financial resources.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment, with an appropriate reduction of principal recorded in the government-wide financial statements.

**6. Fund Equity**

Fund balances of governmental funds are classified as follows:

*Nonspendable* – represents amounts that cannot be spent because they are either in nonspendable form (such as inventory or prepaid insurance) or are legally required to remain intact (such as notes receivable or principal of a permanent fund).

*Restricted* – represents amounts that are constrained by external parties, constitutional provisions, or by enabling legislation.

*Committed* – represents amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (ie, Commissioners' Court). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint. The commitment must be made prior to year end.

*Assigned* – represents amounts the County intends to use for a specific purpose. Intent can be expressed by the Commissioners' Court or by an official or body to which the Commissioners' Court delegates the authority. Assignments can be made at any time.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

*Unassigned* – represents amounts that are available for any purpose. Positive amounts are reported only in the general fund. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

The County strives to maintain unrestricted fund balance at a level adequate to provide for unanticipated expenditures of a nonrecurring nature and to meet unexpected increases in service delivery costs. The target level for the general fund unrestricted fund balance is at least 20% of budgeted fund expenditures. The road & bridge funds have a target level of 18-25% of budgeted fund expenditures, but will be subject to a 50% unrestricted fund balance ceiling.

**7. Estimates**

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

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Annual budgets are adopted on the GAAP basis of accounting for the general fund, certain special revenue funds, and the debt service fund. Project-length budgets are adopted for capital projects funds. All annual appropriations lapse at fiscal year end. The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. The legal level of control is the department level in the general fund and road and bridge fund and fund level for all other funds. The following special revenue funds did not have an adopted budget: election services, attorney fee account, vehicle inventory, and jail commissary.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

*Interest rate risk.* In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less.

*Credit risk.* State law and the County's investment policy limits investments to obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent. Further, commercial paper must be rated not less than "A-1" or "P-1" or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2012, the County's investments in TexPool, TexSTAR, or TexClass were rated "AAAm" by Standard & Poor's and "AAA/V1" by Fitch Ratings.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

*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 requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of September 30, 2012, market values of pledged securities and FDIC insurance exceeded bank balances.

**TexClass**

TexClass was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexClass. Pursuant to the requirements of the Public Funds Investment Act, Texas Government Code, Section 2256.001 et seq. (the "Act"), a local government may invest funds through investment pools meeting the standards of the Act. TexClass uses amortized costs rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexClass is the same as the value of TexClass shares. TexClass operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The custodial bank for these funds is Wells Fargo. These investments are reported as cash on the financial statements in the amount of \$9,999 as of September 30, 2012.

**B. Receivables**

The following comprise receivable balances at year end:

	General	Road and Bridge	Lateral Road and Bridge	Debt Service	Nonmajor
Intergovernmental	\$ 3,736	\$ 20,732	\$ -	\$ -	\$ 139,755
Taxes receivable	613,816	250,610	113,054	28,433	-
Less: allowance for uncollectible	(8,850)	(5,012)	(2,261)	(569)	-
	<u>\$ 608,702</u>	<u>\$ 266,330</u>	<u>\$ 110,793</u>	<u>\$ 27,864</u>	<u>\$ 139,755</u>

A receivable of \$542,499 for fees and fines is reported within the Statement of Net Assets for governmental activities.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

**C. Capital Assets**

A summary of changes in capital assets for the year ended September 30, 2012, follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases / Reclassifications</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 112,514	\$ -	\$ -	\$ 112,514
Total capital assets not being depreciated	<u>112,514</u>	<u>-</u>	<u>-</u>	<u>112,514</u>
Other capital assets:				
Buildings and improvements	4,085,197	-	-	4,085,197
Infrastructure	53,009	-	-	53,009
Equipment	5,908,606	515,985	(201,599)	6,222,992
Total other capital assets	<u>10,046,812</u>	<u>515,985</u>	<u>(201,599)</u>	<u>10,361,198</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,170,840)	(102,070)	-	(1,272,910)
Infrastructure	(8,255)	(1,602)	-	(9,857)
Equipment	(3,135,960)	(462,004)	148,739	(3,449,225)
Total accumulated depreciation	<u>(4,315,055)</u>	<u>(565,676)</u>	<u>148,739</u>	<u>(4,731,992)</u>
Other capital assets, net	<u>5,731,757</u>	<u>(49,691)</u>	<u>(52,860)</u>	<u>5,629,206</u>
<b>Totals</b>	<u><u>\$ 5,844,271</u></u>	<u><u>\$ (49,691)</u></u>	<u><u>\$ (52,860)</u></u>	<u><u>5,741,720</u></u>
			Less associated debt	<u>(1,124,807)</u>
			<b>Invested in Capital Assets, Net of Related Debt</b>	<u><u>\$ 4,616,913</u></u>

Depreciation was charged to governmental functions as follows:

Public safety	\$ 130,105
Public transportation	435,571
	<u><u>\$ 565,676</u></u>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

**D. Long-Term Debt**

The following is a summary of changes in the County's total governmental long-term liabilities for the year ended September 30, 2012. The County issues tax notes payable and to provide funds for the acquisition or construction of major capital lease obligations for vehicles. These issues are direct obligations and pledge the full faith and credit of the County.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
<b>Governmental Activities:</b>					
Certificates of obligations	\$ 890,000	\$ -	\$ (70,000)	\$ 820,000	* \$ 70,000
Capitalized lease obligations	435,666	90,200	(221,059)	304,807	* 176,407
OPEB obligation	447,786	237,541	(17,786)	667,541	-
Compensated absences	100,113	129,002	(126,860)	102,255	92,030
<b>Total Governmental Activities</b>	<u>\$ 1,873,565</u>	<u>\$ 456,743</u>	<u>\$ (435,705)</u>	<u>\$ 1,894,603</u>	<u>\$ 338,437</u>

Long-term debt due in more than one year \$ 1,556,166

\*Debt associated with governmental activity capital assets \$ 1,124,807

Compensated absences and the other post employment benefits obligation are generally liquidated in the general fund. Capital lease obligations and certificates of obligation of the County as of September 30, 2012, are as follows:

	<u>Percentage Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>
<b>Certificates of Obligation</b>			
2004 Tax and Revenue Certificates of Obligation	3.0-4.25%	\$ 1,500,000	\$ 820,000
<b>Total Certificates of Obligation</b>			<u>\$ 820,000</u>

A summary of the County's debt service requirements, including interest, is as follows:

	<u>Governmental Activities Certificates of Obligation</u>		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 70,000	\$ 31,345	\$ 101,345
2014	70,000	29,140	99,140
2015	75,000	26,690	101,690
2016	75,000	24,065	99,065
2017	80,000	21,253	101,253
2018-2022	450,000	56,783	506,783
<b>Total</b>	<u>\$ 820,000</u>	<u>\$ 189,276</u>	<u>\$ 1,009,276</u>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

A summary of the County's capital leases requirements, including interest, is as follows:

Fiscal Year	Governmental Activities		
	Capital Leases		
	Principal	Interest	Total
2013	\$ 176,407	\$ 9,165	\$ 185,572
2014	32,100	3,216	35,316
2015	32,100	3,216	35,316
2016	32,100	3,216	35,316
2017	32,100	3,215	35,315
<b>Total</b>	<b>\$ 304,807</b>	<b>\$ 22,028</b>	<b>\$ 326,835</b>

The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment	\$ 741,709
Less: Accumulated depreciation	(118,727)
	<u>\$ 622,982</u>

**E. Interfund Transactions**

The composition of interfund balances as of year end is as follows:

	Due From	Due To
General fund	\$ 416,185	\$ 134,995
Road and bridge fund	769	1,288
Lateral road and bridge fund	-	182
Debt service fund	132,684	-
Other governmental funds	-	138,137
Fiduciary funds	-	275,036
	<u>\$ 549,638</u>	<u>\$ 549,638</u>

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

Transfers between the primary government funds during the year were as follows:

	Transfer Out	Transfer In
General fund	\$ 60,709	\$ -
Debt service fund	-	132,714
Other governmental funds	72,005	-
	<u>\$ 132,714</u>	<u>\$ 132,714</u>

Transfers are used to move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due. They are also utilized to move unrestricted general fund revenues to finance various programs that must be accounted for in other funds in

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs and governmental expenditures.

**F. Grants**

**Brazos Valley Council of Governments (BVCOG)**

SSBG Disaster Relief Funds

For fiscal year 2012, the County received funding from the Texas Commission on Environmental Quality through the BVCOG for \$6,320 to support community clean-up efforts and tire disposals. For fiscal year 2012, expenditures totaled \$6,320.

**Texas Indigent Defense Commission**

Indigent Defense Formula Grant

A grant was awarded to the County in the amount of \$12,372 in January 2012 from the Texas Task Force on Indigent Defense (TFID) to assist the County in continued implementation of the provisions of the Indigent Defense Act and the improvement of the indigent criminal defense services in the County. As of the year end, \$9,250 had been received and expended in compliance with grant requirements with the remaining \$3,122 processed in December 2012. An additional \$4,807 was noted as expended from the remaining fiscal year 2011 funding received in December 2011. For fiscal year 2012, TFID expenditures totaled \$14,057.

**Homeland Security Grant Program (HSGP)**

The County received one new grant for fiscal year 2011, and the County was awarded one new grant for fiscal year 2012 (noted below) from the Texas Department of Public Safety as the pass-through agency for the Grant Programs Directorate of the Federal Emergency Management Agency under the Department of Homeland Security Appropriation Act of 2010, and the Department of Defense and Full-Year Continuing Appropriations Act of 2011, respectively. Grant funding was designed to enhance the County's communication interoperability, information sharing, and emergency response due to acts of terrorism and catastrophic events.

2009 HSGP

During October 2009, the County received a grant award of \$148,710 for further communications and emergency enhancements. These awards represent funding available from August 1, 2009 to April 15, 2012. For fiscal year 2012, HSGP expenditures for grants awarded in October 2009 totaled \$23,723. All grant funding due was received during fiscal year 2012.

2010 HSGP

During October 2010, the County received grant awards of \$70,800 and \$17,434 for further communications and emergency enhancements. These awards represent funding available from August 1, 2010 to July 31, 2012. For fiscal year 2012, HSGP expenditures for grants awarded in October 2010 totaled \$88,234. Total receivable for these grants totaled \$78,378 for fiscal year 2012.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

2011 HSGP

During November 2011, the County received grant awards of \$22,566 and \$15,491 for further communications and emergency enhancements. These awards represent funding available from September 1, 2011 to August 31, 2013. For fiscal year 2012, HSGP expenditures for grants awarded in October 2011 totaled \$14,385. Total receivable for these grants totaled \$14,385 for fiscal year 2012.

**Department of Housing and Urban Development**

Disaster Recovery Texas Community Development Block Grant Program (TxCDBG)

During March 2010, the County received a partial contract award from the Texas Department of Rural Affairs in the amount of \$1,122,000 to improve emergency power needs to various facilities in the County including water/wastewater facilities, medical facilities, and emergency shelters, many of which were without power for several days during Hurricane Ike. The performance period covered April 1, 2010 through March 31, 2012. For fiscal year 2012, TxCDBG expenditures for the grant awarded in March 2010 totaled \$435,007. As of September 30, 2012, total grant expenditures of \$912,041 had been incurred. The remaining \$209,959 expired due to project completions under budget. Total receivable for this grant totaled \$19,617 for fiscal year 2012.

**IV. OTHER INFORMATION**

**A. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County participates along with 338 other entities in the Texas Association of Counties Workers' Compensation Self-Insurance Fund. The Texas Association of Counties created this pool in 1974 to insure the County for workers' compensation related claims. The County also provides employee benefits, including medical and life insurance, which the County obtains through Scott and White for medical and other vendors for life. Coverage's and workers' compensation and unemployment insurance are obtained from Texas Association of Counties pool. This pool purchases commercial insurance at group rates for participants in the pool. The County has no additional risk or responsibility to either of the pools in which it participates, outside of payment of insurance premiums. The County has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three years.

**B. Contingent Liabilities**

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

The County reports liabilities 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 the effects of inflation, recent claim settlement trends including frequency, and amount of payout and other economic and social factors. The liability

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

for claims and judgments is reported in the government-wide financial statements because it is not expected to be liquidated with expendable, available financial resources. However, none are reported at September 30, 2012.

**C. Pension Plan**

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of 586 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-20343.

The plan provisions are adopted by the Commissioners' Court, within the options available in the state statutes governing TCDRS ("TCDRS Act"). Members can retire at ages 60 and above with eight or more years of service, or with 20 years regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years 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 amount contributed by their employer.

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

Funding Policy

The County has elected the annually determined contribution rate (variable rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on covered payroll. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of seven percent.

The contribution rate payable by the employee members is the rate of seven percent as adopted by the Commissioners' Court. The employee contribution rate and the employer contribution rate may be changed by the Commissioners' Court with the options available in the TCDRS Act.

Annual Pension Cost

For the County's accounting year ended September 30, 2012, the annual pension cost for the TCDRS plan was \$264,099 and the actual contributions were \$264,099.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

The required contribution rates for fiscal year 2012 were determined as part of the December 31, 2010 and 2011 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2011, also follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Actuarial Valuation Date	12/31/2011	12/31/2010	12/31/2009
Actuarial Cost Method	Entry age	Entry age	Entry age
Amortization Method	Level % of payroll	Level % of payroll	Level % of payroll
Remaining Amortization Period	20 years, Closed period	20 years, Closed period	20 years, Closed period
Asset Valuation Method	SAF: 10-yrs smoothed value	SAF: 10-yrs smoothed value	SAF: 10-yrs smoothed value
Investment Rate of Return	8.0%	8.0%	8.0%
Projected Salary Increases	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost of Living Adjustments	n/a	n/a	n/a

The funded status as of December 31, 2011, the most recent valuation date, is as follows:

	<u>2012</u>
Actuarial Valuation Date	12/31/2011
Actuarial Value of Assets	\$ 6,675,505
Actuarial Accrued Liability	\$ 8,201,350
Percentage Funded	81.4%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 1,525,845
Annual Covered Payroll	\$ 3,497,174
UAAL as a Percentage of Covered Payroll	43.6%

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

**D. Post Employment Healthcare Plan**

Plan Description

In addition to pension benefits described previously, the County provides other post employment benefit (OPEB) options for health care, life insurance (the "Plan") and dental insurance to eligible retirees, terminated employees, and their dependents. The benefits are provided in accordance with the County's policy manual and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

The criteria to determine eligibility include:

1. The employee must meet the rule of 75 (the sum of age and years of service equals at least 75) to be eligible for retirement; and

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2012

2. The employee must make application for service retirement pension payments with the TCDRS, and be approved for pension payments from TCDRS, prior to retirement.

Funding Policy

The County funds the benefits on pay-as-you-go basis paying 25 percent or 50 percent of qualified retired employee premiums depending on the age attained at retirement.

Annual OPEB Cost

The County's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The annual OPEB cost and the net OPEB obligation (asset) are as follows:

Annual required contribution (ARC)	\$ 244,530
Interest on net OPEB obligation (NPO)	17,911
Adjustment to the ARC	(24,900)
Annual OPEB cost (APC)	<u>237,541</u>
Contributions made	<u>(17,786)</u>
Increase in net OPEB obligation	219,755
Net OPEB obligation-beginning of year	447,786
Net OPEB obligation-end of year	<u><u>\$ 667,541</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2012 and the two preceding years are as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost (ARC)</u>	<u>Actual Contribution Made</u>	<u>Percentage of APC Contributed</u>	<u>Net OPEB Obligation</u>
2010	\$ 244,530	\$ 22,298	9.12%	\$ 222,232
2011	\$ 241,062	\$ 15,508	6.43%	\$ 447,786
2012	\$ 237,541	\$ 17,786	7.49%	\$ 667,541

Funded Status and Funding Progress

As of October 1, 2009, the most recent actuarial valuation date, the plan was 0.00 percent funded. The actuarial accrued liability for benefits was \$1,815,382, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,815,382.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as RSI following the notes to the

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2012**

financial statements, presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following is a summary of the actuarial assumptions:

Actuarial Cost Method	Projected unit credit
Amortization Method	Level percent of payroll
Remaining Amortization Period	30 years – Open period
Asset Valuation Method	Market value
Inflation Rate	6.70%
Investment Rate of Return	4.00%

**E. Group Term Life Insurance**

Plan Description

The County participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by TCDRS. This plan is referred to as the Group Term Life Fund (GTLF). This optional plan provides group term life insurance coverage to current eligible employers and, if elected by employers, to retired employees. The coverage provided to retired employees is a postemployment benefit other than pension benefits. Retired employees are insured for \$5,000.

The GTLF is a separate trust administered by the TCDRS board of trustees. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for the GTLF. This report is available at [www.tcdrs.org](http://www.tcdrs.org). TCDRS' CAFR may also be obtained by writing to the Texas County and District Retirement System, P.O. Box 2034, Austin TX 78768-2031, or by calling 800-823-7782.

Funding Policy

Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. The County contributions to the GTLF for the years ended 2010, 2011, and 2012, were \$22,740, \$22,959, and \$23,071, respectively, which equaled the contractually required contribution each year.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**

For the Year Ended September 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Property taxes	\$ 3,545,127	\$ 3,545,127	\$ 3,543,450	\$ (1,677)
Sales tax	953,000	953,000	1,534,508	581,508
Intergovernmental	71,315	71,315	73,265	1,950
Fees	569,790	569,790	606,695	36,905
Fines and forfeitures	715,000	715,000	642,744	(72,256)
Interest	65,000	65,000	54,327	(10,673)
Miscellaneous	121,700	124,050	291,847	167,797
<b>Total Revenues</b>	<b>6,040,932</b>	<b>6,043,282</b>	<b>6,746,836</b>	<b>703,554</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General administration	734,365	736,690	721,819	14,871
Judicial	925,126	939,658	712,199	227,459
Legal	464,695	464,695	462,058	2,637
Financial administration	487,956	487,956	451,963	35,993
Public facilities	172,593	175,593	169,400	6,193
Public safety	2,484,086	2,520,200	2,326,988	193,212
Health and welfare	97,633	100,983	84,895	16,088
Miscellaneous	869,071	830,062	411,233	418,829
Debt service				
Principal	14,682	14,683	14,683	-
Interest and fiscal agent fees	135	135	135	-
<b>Capital outlay</b>	<b>100,500</b>	<b>97,614</b>	<b>87,614</b>	<b>10,000</b>
<b>Total Expenditures</b>	<b>6,350,842</b>	<b>6,368,269</b>	<b>5,442,987</b>	<b>925,282</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(309,910)</b>	<b>(324,987)</b>	<b>1,303,849</b>	<b>1,628,836</b>
<b>OTHER FINANCING (USES)</b>				
Transfers (out)	-	-	(60,709)	(60,709)
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>-</b>	<b>(60,709)</b>	<b>(60,709)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (309,910)</b>	<b>\$ (324,987)</b>	<b>1,243,140</b>	<b>\$ 1,568,127</b>
Beginning fund balance			3,874,899	
<b>Ending Fund Balance</b>			<b>\$ 5,118,039</b>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**

For the Year Ended September 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Property taxes	\$ 2,006,075	\$ 2,006,075	\$ 2,005,085	\$ (990)
Interest	18,705	18,705	18,087	(618)
Permits and licenses	679,100	679,100	685,143	6,043
Miscellaneous	52,500	50,424	98,639	48,215
<b>Total Revenues</b>	<u>2,756,380</u>	<u>2,754,304</u>	<u>2,806,954</u>	<u>52,650</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Public transportation	2,563,016	2,502,401	2,169,039	333,362
Miscellaneous	390,782	390,782	318,259	72,523
<b>Debt service:</b>				
Principal	222,996	222,996	206,378	16,618
Interest and fiscal agent fees	14,253	14,253	12,022	2,231
<b>Capital outlay</b>	<u>285,000</u>	<u>512,756</u>	<u>394,600</u>	<u>118,156</u>
<b>Total Expenditures</b>	<u>3,476,047</u>	<u>3,643,188</u>	<u>3,100,298</u>	<u>542,890</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>(719,667)</u>	<u>(888,884)</u>	<u>(293,344)</u>	<u>595,540</u>
<b>OTHER FINANCING SOURCES</b>				
<b>(USES)</b>				
Transfers (out)	(200,000)	(200,000)	-	200,000
Sale of capital assets	-	71,017	71,017	-
Capital leases	-	90,200	90,200	-
<b>Total Other Financing</b>				
<b>Sources (Uses)</b>	<u>(200,000)</u>	<u>(38,783)</u>	<u>161,217</u>	<u>200,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ (919,667)</u>	<u>\$ (927,667)</u>	<u>(132,127)</u>	<u>\$ 795,540</u>
Beginning fund balance			<u>1,858,296</u>	
<b>Ending Fund Balance</b>			<u>\$ 1,726,169</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**LATERAL ROAD AND BRIDGE FUND**  
For the Year Ended September 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Property taxes	\$ 689,300	\$ 689,300	\$ 914,717	\$ 225,417
Interest income	5,700	5,700	5,582	(118)
<b>Total Revenues</b>	<u>695,000</u>	<u>695,000</u>	<u>920,299</u>	<u>225,299</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Public transportation	1,063,758	1,060,165	840,876	219,289
<b>Capital outlay</b>	<u>15,000</u>	<u>18,593</u>	<u>18,593</u>	<u>-</u>
<b>Total Expenditures</b>	<u>1,078,758</u>	<u>1,078,758</u>	<u>859,469</u>	<u>219,289</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>(383,758)</u>	<u>(383,758)</u>	<u>60,830</u>	<u>444,588</u>
<b>Net Change in Fund Balance</b>	<u>\$ (383,758)</u>	<u>\$ (383,758)</u>	<u>60,830</u>	<u>\$ 444,588</u>
Beginning fund balance			<u>513,717</u>	
<b>Ending Fund Balance</b>			<u>\$ 574,547</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF FUNDING PROGRESS**  
**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**  
For the Year Ended September 30, 2012

The County's annual covered payroll and pension costs are actuarially valued on a calendar year basis. Because the County makes all the annually required contributions, no net pension obligation (NPO) exists. The information presented below represents the County's schedule of funding progress.

Fiscal Year	2012	2011	2010
Actuarial Valuation Date	12/31/2011	12/31/2010	12/31/2009
Actuarial Value of Assets	\$ 6,675,505	\$ 6,431,724	\$ 5,799,653
Actuarial Accrued Liability	\$ 8,201,350	\$ 7,882,096	\$ 7,089,696
Percentage Funded	81.4%	81.6%	81.8%
Unfunded Actuarial			
Accrued Liability	\$ 1,525,845	\$ 1,450,372	\$ 1,290,043
Annual Covered Payroll	\$ 3,497,174	\$ 3,343,112	\$ 3,317,083
Unfunded Actuarial			
Accrued Liability			
(UAAL) % of Covered Payroll	43.63%	43.38%	38.89%
Net Pension Obligation (NPO)			
at the Beginning of Period	\$ -	\$ -	\$ -
Annual Req. Contrib. (ARC)	264,099	266,846	250,616
Contributions Made	264,099	266,846	250,616
<b>NPO at the End of Period</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF FUNDING PROGRESS**  
**POST EMPLOYMENT HEALTHCARE BENEFITS<sup>1</sup>**  
For the Year Ended September 30, 2012

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
10/01/09	\$ -	\$ 1,815,382	\$ 1,815,382	0%	N/A	N/A

<sup>1</sup> 2009 is the first year the County is required to implement GASB Statement No. 45. The next valuation will be performed in accordance with GASB Statement No. 45 parameters by October 1, 2012.

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***COMBINING STATEMENTS  
AND SCHEDULES***

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**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**

For the Year Ended September 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Property taxes	\$ 122,375	\$ 122,375	\$ 121,557	\$ (818)
Interest	4,505	4,505	4,408	(97)
<b>Total Revenues</b>	<u>126,880</u>	<u>126,880</u>	<u>125,965</u>	<u>(915)</u>
<b>EXPENDITURES</b>				
<b>Debt service:</b>				
Principal	70,000	70,000	70,000	-
Interest and fiscal agent fees	44,763	44,763	33,950	10,813
<b>Total Expenditures</b>	<u>114,763</u>	<u>114,763</u>	<u>103,950</u>	<u>10,813</u>
<b>Revenues Over (Under) Expenditures</b>	<u>12,117</u>	<u>12,117</u>	<u>22,015</u>	<u>9,898</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	132,714	132,714
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>132,714</u>	<u>132,714</u>
<b>Net Change in Fund Balance</b>	<u>\$ 12,117</u>	<u>\$ 12,117</u>	<u>154,729</u>	<u>\$ 142,612</u>
Beginning fund balance			<u>493,949</u>	
<b>Ending Fund Balance</b>			<u>\$ 648,678</u>	

Notes to Other Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**BURLESON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 1 of 2)**  
September 30, 2012

Special Revenue Funds				
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt and Preservation Dist. & Co.
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 79,526	\$ 64,990	\$ 517,210	\$ 242,032
Receivables, net	-	-	-	-
<b>Total Assets</b>	<b>\$ 79,526</b>	<b>\$ 64,990</b>	<b>\$ 517,210</b>	<b>\$ 242,032</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ 100	\$ -	\$ 275
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>275</b>
<b><u>Fund Balances</u></b>				
Restricted	79,526	64,890	517,210	241,757
<b>Total Fund Balances</b>	<b>79,526</b>	<b>64,890</b>	<b>517,210</b>	<b>241,757</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 79,526</b>	<b>\$ 64,990</b>	<b>\$ 517,210</b>	<b>\$ 242,032</b>

**Special Revenue Funds**

<b>Jail Commissary</b>	<b>Attorney Fee Account</b>	<b>Sheriff's Office Donation Equipment</b>	<b>Sheriff's Forfeiture</b>	<b>State Salary Supplement</b>	<b>Sheriff's Office Awarded Restitution</b>
\$ 1,824	\$ 442	\$ 13,120	\$ 21,034	\$ 38,912	\$ 24,098
-	-	-	-	-	-
<u>\$ 1,824</u>	<u>\$ 442</u>	<u>\$ 13,120</u>	<u>\$ 21,034</u>	<u>\$ 38,912</u>	<u>\$ 24,098</u>
\$ 241	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,583	442	13,120	21,034	38,912	24,098
<u>1,583</u>	<u>442</u>	<u>13,120</u>	<u>21,034</u>	<u>38,912</u>	<u>24,098</u>
<u>\$ 1,824</u>	<u>\$ 442</u>	<u>\$ 13,120</u>	<u>\$ 21,034</u>	<u>\$ 38,912</u>	<u>\$ 24,098</u>

**BURLESON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 2)**  
September 30, 2012

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payments
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 21,054	\$ 19,348	\$ 100,856	\$ 10,033
Receivables, net	-	-	112,380	-
<b>Total Assets</b>	<b>\$ 21,054</b>	<b>\$ 19,348</b>	<b>\$ 213,236</b>	<b>\$ 10,033</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 1,457	\$ -	\$ -	\$ 247
Due to other funds	-	-	112,380	-
<b>Total Liabilities</b>	<b>1,457</b>	<b>-</b>	<b>112,380</b>	<b>247</b>
<b><u>Fund Balances</u></b>				
Restricted	19,597	19,348	100,856	9,786
<b>Total Fund Balances</b>	<b>19,597</b>	<b>19,348</b>	<b>100,856</b>	<b>9,786</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 21,054</b>	<b>\$ 19,348</b>	<b>\$ 213,236</b>	<b>\$ 10,033</b>

Special Revenue Funds				
Economic Development	Election Services	County and District Technology	Vehicle Inventory	Total Nonmajor Governmental Funds
\$ 26,081	\$ 700	\$ 2,000	\$ 103,896	\$ 1,287,156
7,542	14,297	-	5,536	139,755
<u>\$ 33,623</u>	<u>\$ 14,997</u>	<u>\$ 2,000</u>	<u>\$ 109,432</u>	<u>\$ 1,426,911</u>
\$ -	\$ -	\$ -	\$ 65,119	\$ 67,439
-	4,304	-	21,453	138,137
<u>-</u>	<u>4,304</u>	<u>-</u>	<u>86,572</u>	<u>205,576</u>
33,623	10,693	2,000	22,860	1,221,335
33,623	10,693	2,000	22,860	1,221,335
<u>\$ 33,623</u>	<u>\$ 14,997</u>	<u>\$ 2,000</u>	<u>\$ 109,432</u>	<u>\$ 1,426,911</u>

**BURLESON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 1 of 2)**  
For the Year Ended September 30, 2012

	Special Revenue Funds			
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt and Preservation Dist. & Co.
<b><u>Revenues</u></b>				
Fees	\$ 13,580	\$ 23,941	\$ -	\$ 73,948
Intergovernmental	-	-	-	-
Investment income	601	572	4,811	1,775
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>14,181</b>	<b>24,513</b>	<b>4,811</b>	<b>75,723</b>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
General administration	803	-	-	-
Judicial	-	6,318	109,853	-
Public safety	-	-	-	-
Miscellaneous	-	-	-	34,178
<b>Total Expenditures</b>	<b>803</b>	<b>6,318</b>	<b>109,853</b>	<b>34,178</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>13,378</b>	<b>18,195</b>	<b>(105,042)</b>	<b>41,545</b>
<b><u>Other Financing (Uses)</u></b>				
Transfers (out)	-	(11,500)	-	(198)
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>(11,500)</b>	<b>-</b>	<b>(198)</b>
<b>Net Change in Fund Balances</b>	<b>13,378</b>	<b>6,695</b>	<b>(105,042)</b>	<b>41,347</b>
Beginning fund balances	66,148	58,195	622,252	200,410
<b>Ending Fund Balances</b>	<b>\$ 79,526</b>	<b>\$ 64,890</b>	<b>\$ 517,210</b>	<b>\$ 241,757</b>

Special Revenue Funds					
Jail Commissary	Attorney Fee Account	Sheriff's Office Donation Equipment	Sheriff's Forfeiture	State Salary Supplement	Sheriff's Office Awarded Restitution
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	47,353	-
31	3	108	164	378	201
13,809	-	1,400	-	-	-
13,840	3	1,508	164	47,731	201
-	-	-	-	1,487	-
-	-	-	-	-	-
-	-	-	290	-	-
17,842	-	-	-	-	-
17,842	-	-	290	1,487	-
(4,002)	3	1,508	(126)	46,244	201
-	-	-	-	(46,250)	-
-	-	-	-	(46,250)	-
(4,002)	3	1,508	(126)	(6)	201
5,585	439	11,612	21,160	38,918	23,897
\$ 1,583	\$ 442	\$ 13,120	\$ 21,034	\$ 38,912	\$ 24,098

**BURLESON COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 2)**  
For the Year Ended September 30, 2012

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payments
<b><u>Revenues</u></b>				
Fees	\$ 15,470	\$ -	\$ -	\$ 5,753
Intergovernmental	-	-	581,725	-
Investment income	173	178	1,691	-
Miscellaneous	-	-	15,372	279
<b>Total Revenues</b>	<b>15,643</b>	<b>178</b>	<b>598,788</b>	<b>6,032</b>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
General administration	-	-	-	5,052
Judicial	-	-	-	-
Public safety	18,524	9,249	-	-
Miscellaneous	-	-	573,229	-
<b>Total Expenditures</b>	<b>18,524</b>	<b>9,249</b>	<b>573,229</b>	<b>5,052</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,881)</b>	<b>(9,071)</b>	<b>25,559</b>	<b>980</b>
<b><u>Other Financing (Uses)</u></b>				
Transfers (out)	-	-	(14,057)	-
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>-</b>	<b>(14,057)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(2,881)</b>	<b>(9,071)</b>	<b>11,502</b>	<b>980</b>
Beginning fund balances	22,478	28,419	89,354	8,806
<b>Ending Fund Balances</b>	<b>\$ 19,597</b>	<b>\$ 19,348</b>	<b>\$ 100,856</b>	<b>\$ 9,786</b>

Special Revenue Funds					
Economic Development	Election Services	County and District Technology	Vehicle Inventory	Total Nonmajor Governmental Funds	
\$ 33,192	\$ 16,509	\$ 1,054	\$ -	\$ 183,447	
-	-	-	-	629,078	
169	-	11	727	11,593	
-	-	-	4	30,864	
<u>33,361</u>	<u>16,509</u>	<u>1,065</u>	<u>731</u>	<u>854,982</u>	
20,959	-	-	-	28,301	
-	-	-	-	116,171	
-	-	-	-	28,063	
-	22,326	-	-	647,575	
<u>20,959</u>	<u>22,326</u>	<u>-</u>	<u>-</u>	<u>820,110</u>	
12,402	(5,817)	1,065	731	34,872	
-	-	-	-	(72,005)	
-	-	-	-	(72,005)	
12,402	(5,817)	1,065	731	(37,133)	
<u>21,221</u>	<u>16,510</u>	<u>935</u>	<u>22,129</u>	<u>1,258,468</u>	
<u>\$ 33,623</u>	<u>\$ 10,693</u>	<u>\$ 2,000</u>	<u>\$ 22,860</u>	<u>\$ 1,221,335</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 1 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2012

**COUNTY LAW LIBRARY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 14,000	\$ 13,580	\$ (420)
Investment income	601	601	-
<b>Total Revenues</b>	<u>14,601</u>	<u>14,181</u>	<u>(420)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General administration	3,000	803	2,197
<b>Total Expenditures</b>	<u>3,000</u>	<u>803</u>	<u>2,197</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ 11,601</u>	 13,378	 <u>\$ 1,777</u>
Beginning fund balance		<u>66,148</u>	
<b>Ending Fund Balance</b>		<u>\$ 79,526</u>	

**COURTHOUSE SECURITY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 400	\$ 572	\$ 172
Fees	26,400	23,941	(2,459)
<b>Total Revenues</b>	<u>26,800</u>	<u>24,513</u>	<u>(2,287)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Judicial	34,426	6,318	28,108
Capital outlay	1,000	-	1,000
<b>Total Expenditures</b>	<u>35,426</u>	<u>6,318</u>	<u>29,108</u>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	 (8,626)	 18,195	 26,821
Transfers (out)	<u>(11,500)</u>	<u>(11,500)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (20,126)</u>	<u>6,695</u>	<u>\$ 26,821</u>
Beginning fund balance		<u>58,195</u>	
<b>Ending Fund Balance</b>		<u>\$ 64,890</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 2 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2012

**RIGHT OF WAY ACQUISITION**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 4,500	\$ 4,811	\$ 311
<b>Total Revenues</b>	<u>4,500</u>	<u>4,811</u>	<u>311</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Judicial	200,000	109,853	90,147
<b>Total Expenditures</b>	<u>200,000</u>	<u>109,853</u>	<u>90,147</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ (195,500)</u>	 (105,042)	 <u>\$ 90,458</u>
Beginning fund balance		<u>622,252</u>	
<b>Ending Fund Balance</b>		<u>\$ 517,210</u>	

**RECORD MANAGEMENT AND PRESERVATION DISTRICT AND COUNTY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 58,600	\$ 73,948	\$ 15,348
Investment income	1,980	1,775	(205)
<b>Total Revenues</b>	<u>60,580</u>	<u>75,723</u>	<u>15,143</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Miscellaneous	185,711	34,178	151,533
<b>Total Expenditures</b>	<u>185,711</u>	<u>34,178</u>	<u>151,533</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ (125,131)</u>	 41,347	 <u>\$ 166,676</u>
Beginning fund balance		<u>200,410</u>	
<b>Ending Fund Balance</b>		<u>\$ 241,757</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 3 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2012

**SHERIFF'S OFFICE DONATION - EQUIPMENT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 75	\$ 108	\$ 33
Miscellaneous	-	1,400	1,400
<b>Total Revenues</b>	<u>75</u>	<u>1,508</u>	<u>1,433</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety	7,500	-	7,500
<b>Total Expenditures</b>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
<b>Net Change in Fund Balance</b>	<u>\$ (7,425)</u>	<u>1,508</u>	<u>\$ 8,933</u>
Beginning fund balance		<u>11,612</u>	
<b>Ending Fund Balance</b>		<u>\$ 13,120</u>	

**SHERIFF'S FORFEITURE**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 180	\$ 164	\$ (16)
<b>Total Revenues</b>	<u>180</u>	<u>164</u>	<u>(16)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety	11,000	290	10,710
<b>Total Expenditures</b>	<u>11,000</u>	<u>290</u>	<u>10,710</u>
<b>Net Change in Fund Balance</b>	<u>\$ (10,820)</u>	<u>(126)</u>	<u>\$ 10,694</u>
Beginning fund balance		<u>21,160</u>	
<b>Ending Fund Balance</b>		<u>\$ 21,034</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 4 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2012

**STATE SALARY SUPPLEMENT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 47,750	\$ 47,353	\$ (397)
Investment income	400	378	(22)
<b>Total Revenues</b>	<u>48,150</u>	<u>47,731</u>	<u>(419)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General administration	4,400	1,487	2,913
<b>Total Expenditures</b>	<u>4,400</u>	<u>1,487</u>	<u>2,913</u>
<b>Excess of Revenues over Expenditures</b>	43,750	46,244	2,494
Transfers (out)	(46,250)	(46,250)	-
<b>Net Change in Fund Balance</b>	<u>\$ (2,500)</u>	<u>(6)</u>	<u>\$ 2,494</u>
Beginning fund balance		38,918	
<b>Ending Fund Balance</b>		<u>\$ 38,912</u>	

**SHERIFF'S OFFICE AWARDED RESTITUTION**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 240	\$ 201	\$ (39)
<b>Total Revenues</b>	<u>240</u>	<u>201</u>	<u>(39)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Health and welfare	7,000	-	7,000
<b>Total Expenditures</b>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ (6,760)</u>	<u>201</u>	<u>\$ 6,961</u>
Beginning fund balance		23,897	
<b>Ending Fund Balance</b>		<u>\$ 24,098</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 5 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2012

**JUSTICE COURT TECHNOLOGY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 200	\$ 173	\$ (27)
Fees	16,000	15,470	(530)
<b>Total Revenues</b>	<u>16,200</u>	<u>15,643</u>	<u>(557)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety	33,500	18,524	14,976
<b>Total Expenditures</b>	<u>33,500</u>	<u>18,524</u>	<u>14,976</u>
<b>Net Change in Fund Balance</b>	<u>\$ (17,300)</u>	<u>(2,881)</u>	<u>\$ 14,419</u>
Beginning fund balance		<u>22,478</u>	
<b>Ending Fund Balance</b>		<u>\$ 19,597</u>	

**LEOSE GRANT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ -	\$ 178	\$ 178
<b>Total Revenues</b>	<u>-</u>	<u>178</u>	<u>178</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Public safety	20,000	9,249	10,751
<b>Total Expenditures</b>	<u>20,000</u>	<u>9,249</u>	<u>10,751</u>
<b>Net Change in Fund Balance</b>	<u>\$ (20,000)</u>	<u>(9,071)</u>	<u>\$ 10,929</u>
Beginning fund balance		<u>28,419</u>	
<b>Ending Fund Balance</b>		<u>\$ 19,348</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 6 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2012

**MISCELLANEOUS GRANTS**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 581,725	\$ 581,725	\$ -
Investment income	-	1,691	1,691
Miscellaneous	5,150	15,372	10,222
<b>Total Revenues</b>	<u>586,875</u>	<u>598,788</u>	<u>11,913</u>
<b>EXPENDITURES</b>			
Current:			
Miscellaneous	573,477	573,229	248
Capital outlay	1,880	-	1,880
<b>Total Expenditures</b>	<u>575,357</u>	<u>573,229</u>	<u>2,128</u>
<b>Excess of Revenues Over Expenditures</b>	11,518	25,559	14,041
Transfers (out)	<u>(14,057)</u>	<u>(14,057)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,539)</u>	11,502	<u>\$ 14,041</u>
Beginning fund balance		<u>89,354</u>	
<b>Ending Fund Balance</b>		<u>\$ 100,856</u>	

**TIME PAYMENT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 6,800	\$ 5,753	\$ (1,047)
Miscellaneous	75	279	204
<b>Total Revenues</b>	<u>6,875</u>	<u>6,032</u>	<u>(843)</u>
<b>EXPENDITURES</b>			
Current:			
General Administration	11,000	5,052	5,948
<b>Total Expenditures</b>	<u>11,000</u>	<u>5,052</u>	<u>5,948</u>
<b>Net Change in Fund Balance</b>	<u>\$ (4,125)</u>	980	<u>\$ 5,105</u>
Beginning fund balance		<u>8,806</u>	
<b>Ending Fund Balance</b>		<u>\$ 9,786</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 7 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2012

***ECONOMIC DEVELOPMENT***

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 25,000	\$ 33,192	\$ 8,192
Investment income	50	169	119
<b>Total Revenues</b>	<u>25,050</u>	<u>33,361</u>	<u>8,311</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General administration	28,500	20,959	7,541
<b>Total Expenditures</b>	<u>28,500</u>	<u>20,959</u>	<u>7,541</u>
<b>Net Change in Fund Balance</b>	<u>\$ (3,450)</u>	12,402	<u>\$ 15,852</u>
Beginning fund balance		<u>21,221</u>	
<b>Ending Fund Balance</b>		<u>\$ 33,623</u>	

***COUNTY & DISTRICT TECHNOLOGY***

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 2,400	\$ 1,054	\$ (1,346)
Investment income	11	11	-
<b>Total Revenues</b>	<u>2,411</u>	<u>1,065</u>	<u>(1,346)</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General administration	2,000	-	2,000
<b>Total Expenditures</b>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ 411</u>	1,065	<u>\$ 654</u>
Beginning fund balance		<u>935</u>	
<b>Ending Fund Balance</b>		<u>\$ 2,000</u>	

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# BURLESON COUNTY, TEXAS

## COMBINING STATEMENT OF NET ASSETS

### FIDUCIARY FUNDS

September 30, 2012

	<u>Tax Assessor/ Collector</u>	<u>District Clerk</u>	<u>County Clerk</u>	<u>Jail Inmate</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 380,239	\$ 1,456,031	\$ 33,245	\$ 1,679
Receivables	78,685	13,997	-	-
<b>Total Assets</b>	<b>\$ 458,924</b>	<b>\$ 1,470,028</b>	<b>\$ 33,245</b>	<b>\$ 1,679</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 376,946	\$ 1,284,969	\$ 32,703	\$ 1,679
Due to other funds	81,978	185,059	542	-
<b>Total Liabilities</b>	<b>\$ 458,924</b>	<b>\$ 1,470,028</b>	<b>\$ 33,245</b>	<b>\$ 1,679</b>

See Notes to Financial Statements.

<u>State of Texas Transfer Accounts</u>	<u>County Attorney</u>	<u>County Sheriff</u>	<u>Sheriff Seizure</u>	<u>Unclaimed Money</u>	<u>Total Fiduciary Funds</u>
\$ 105,502	\$ 9,991	\$ 28,350	\$ 17,005	\$ 13,262	\$ 2,045,304
-	-	-	-	-	92,682
<u>\$ 105,502</u>	<u>\$ 9,991</u>	<u>\$ 28,350</u>	<u>\$ 17,005</u>	<u>\$ 13,262</u>	<u>\$ 2,137,986</u>
\$ 99,419	\$ 9,917	\$ 27,050	\$ 17,005	\$ 13,262	\$ 1,862,950
6,083	74	1,300	-	-	275,036
<u>\$ 105,502</u>	<u>\$ 9,991</u>	<u>\$ 28,350</u>	<u>\$ 17,005</u>	<u>\$ 13,262</u>	<u>\$ 2,137,986</u>

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**BURLESON COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
For the Year Ended September 30, 2012

		Beginning Balance	Additions	(Deductions)	Ending Balance
<b>Tax Assessor/Collector</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 288,337	\$ 91,902	\$ -	\$ 380,239
<u>Assets</u>	Receivables	\$ -	\$ 78,685	\$ -	\$ 78,685
<u>Liabilities</u>	Accounts payable	\$ 283,390	\$ 93,556	\$ -	\$ 376,946
<u>Liabilities</u>	Due to other funds	\$ 4,947	\$ 77,031	\$ -	\$ 81,978
<b>District Clerk</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 1,000,217	\$ 455,814	\$ -	\$ 1,456,031
<u>Assets</u>	Receivables	\$ -	\$ 13,997	\$ -	\$ 13,997
<u>Liabilities</u>	Accounts payable	\$ 826,243	\$ 458,726	\$ -	\$ 1,284,969
<u>Liabilities</u>	Due to other funds	\$ 173,974	\$ 11,085	\$ -	\$ 185,059
<b>County Clerk</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 36,769	\$ -	\$ (3,524)	\$ 33,245
<u>Liabilities</u>	Accounts payable	\$ 36,703	\$ -	\$ (4,000)	\$ 32,703
<u>Liabilities</u>	Due to other funds	\$ 66	\$ 476	\$ -	\$ 542
<b>Jail Inmate</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 2,248	\$ -	\$ (569)	\$ 1,679
<u>Liabilities</u>	Accounts payable	\$ 1,149	\$ 530	\$ -	\$ 1,679
<u>Liabilities</u>	Due to other funds	\$ 1,099	\$ -	\$ (1,099)	\$ -
<b>State of Texas Transfer Accounts</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 120,049	\$ -	\$ (14,547)	\$ 105,502
<u>Liabilities</u>	Accounts payable	\$ 112,483	\$ -	\$ (13,064)	\$ 99,419
<u>Liabilities</u>	Due to other funds	\$ 7,566	\$ -	\$ (1,483)	\$ 6,083
<b>County Attorney</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 12,266	\$ -	\$ (2,275)	\$ 9,991
<u>Liabilities</u>	Accounts payable	\$ 12,243	\$ -	\$ (2,326)	\$ 9,917
<u>Liabilities</u>	Due to other funds	\$ 23	\$ 51	\$ -	\$ 74
<b>County Sheriff</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 29,850	\$ -	\$ (1,500)	\$ 28,350
<u>Liabilities</u>	Accounts payable	\$ 29,850	\$ -	\$ (2,800)	\$ 27,050
<u>Liabilities</u>	Due to other funds	\$ -	\$ 1,300	\$ -	\$ 1,300
<b>Sheriff Seizure</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 15,416	\$ 1,589	\$ -	\$ 17,005
<u>Liabilities</u>	Accounts payable	\$ 15,416	\$ 1,589	\$ -	\$ 17,005
<b>Unclaimed Money</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 9,429	\$ 3,833	\$ -	\$ 13,262
<u>Liabilities</u>	Accounts payable	\$ 9,429	\$ 3,833	\$ -	\$ 13,262
<b>Total Fiduciary Funds</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 1,514,581	\$ 553,138	\$ (22,415)	\$ 2,045,304
<u>Assets</u>	Receivables	\$ -	\$ 92,682	\$ -	\$ 92,682
<u>Liabilities</u>	Accounts payable	\$ 1,326,906	\$ 558,234	\$ (19,390)	\$ 1,862,950
<u>Liabilities</u>	Due to other funds	\$ 187,675	\$ 93,776	\$ (5,382)	\$ 275,036

