

*ANNUAL FINANCIAL REPORT*

of

**BURLESON COUNTY, TEXAS**

For the Year Ended  
September 30, 2013

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# BURLESON COUNTY, TEXAS

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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  
Burlison County, Texas:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Burlison County, Texas (the "County"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2013, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise 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 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

 BELT HARRIS PECHACEK, LLP

Belt Harris Pechacek, LLP  
Certified Public Accountants  
Houston, Texas  
May 21, 2014

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

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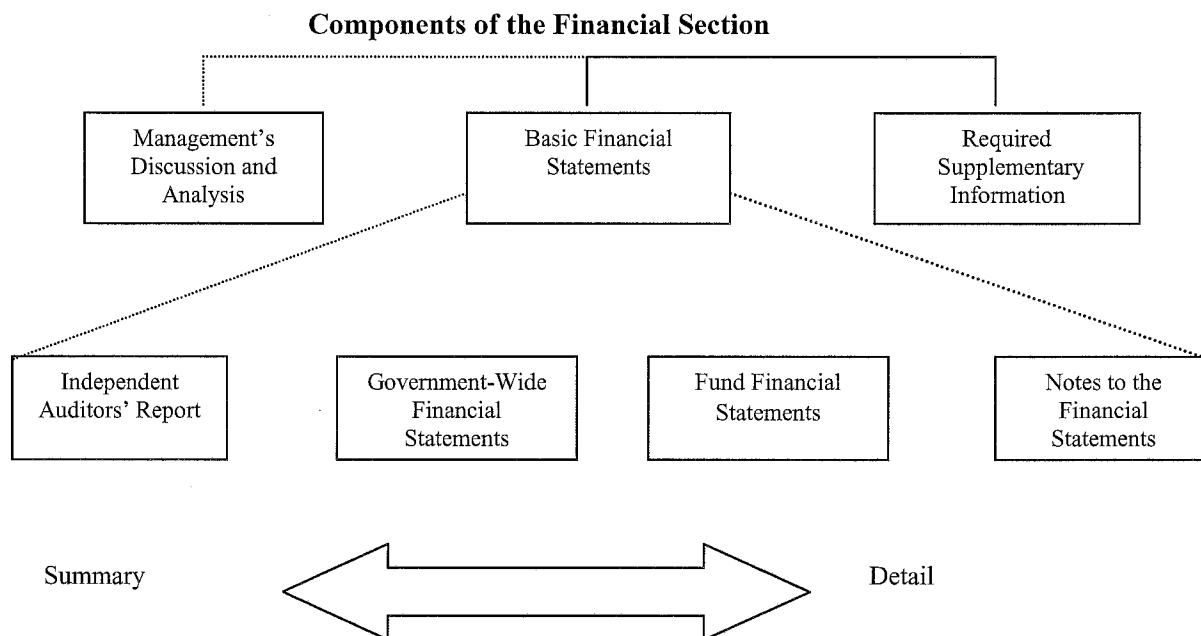
# BURLESON COUNTY, TEXAS

## MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2013

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of Burleson County, Texas (the "County") for the year ending September 30, 2013. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the County's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the County's financial statements, which follow this section.

### THE STRUCTURE OF OUR ANNUAL REPORT



The County's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

### GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information for the County as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the County as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the County's financial statements, report information on the County's activities that enable the reader to understand the financial condition of the County. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

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

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2013

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 position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows, using the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities present the County's one type of activity:

1. 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 after the MD&A.

## **FUND FINANCIAL STATEMENTS**

Funds may be considered as operating companies of the parent corporation, which is the County. They are usually segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The two categories of County funds are governmental and fiduciary.

### **Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general, road and bridge, lateral road and bridge, and debt service funds, which are considered to be major funds.

The County adopts an annual appropriated budget for its general, road and bridge, lateral road and bridge, and debt service funds. Budgetary comparison schedules have been provided for the general and road and bridge funds to demonstrate compliance with these budgets. Budgetary comparison schedules have been provided for other non major funds that had a budget to show that these funds were within appropriations.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
**For the Year Ended September 30, 2013**

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County maintains nine fiduciary funds. The County's fiduciary activities are reported separately in a statement of fiduciary net position.

**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 are the last section of the basic financial statements.

**Other Information**

In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes budgetary comparison schedules for the general, road and bridge, lateral road and bridge funds, as well as schedules of funding progress for the Texas County and District Retirement System and Post Employment healthcare benefits.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. Assets exceed liabilities by \$15,558,379 as of September 30, 2013. This compares with \$14,488,221 from the prior fiscal year. A portion of the County's net position, 37 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.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2013

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

	<b>Governmental Activities</b>	
	<b>2013</b>	<b>2012</b>
Current and other assets	\$ 11,892,163	\$ 11,380,872
Capital assets, net	6,770,351	5,741,720
<b>Total Assets</b>	<b>18,662,514</b>	<b>17,122,592</b>
Long-term liabilities	1,579,145	1,556,166
Other liabilities	1,524,990	1,078,205
<b>Total Liabilities</b>	<b>3,104,135</b>	<b>2,634,371</b>
<b>Net Position:</b>		
Net investment in capital		
assets	5,727,349	4,616,913
Restricted	4,295,170	4,169,861
Unrestricted	5,535,860	5,701,447
<b>Total Net Position</b>	<b>\$ 15,558,379</b>	<b>\$ 14,488,221</b>

A portion of the County's net position, \$4,295,170 or 28 percent, represents resources that are subject to external restriction on how they may be used. The County's unrestricted net position, \$5,535,860 or 36 percent, may be used to meet the County's ongoing obligation to citizens and creditors. The overall net position increased due to higher revenues than expenses.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2013

**Statement of Activities**

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

		<b>Governmental Activities</b>	
		<b>2013</b>	<b>2012</b>
<b>Revenues</b>			
Program revenues:			
Charges for services	\$	2,077,023	\$ 2,102,278
Operating grants and contributions		220,646	702,343
General revenues:			
Property taxes		6,817,000	6,565,516
Sales taxes		1,730,828	1,534,508
Interest income		76,681	93,997
Other revenues		309,586	421,350
<b>Total Revenues</b>		<b>11,231,764</b>	<b>11,419,992</b>
<b>Expenses</b>			
General administration		872,039	972,017
Judicial		872,294	828,370
Legal		461,010	462,058
Financial administration		430,146	451,963
Public facilities		172,936	169,400
Public safety		2,648,433	2,485,156
Public transportation		3,557,341	3,445,486
Health and welfare		87,436	84,895
Miscellaneous		1,015,823	1,343,732
Interest and fiscal agent fees		44,148	49,947
<b>Total Expenses</b>		<b>10,161,606</b>	<b>10,293,024</b>
<b>Change in Net Position</b>		<b>1,070,158</b>	<b>1,126,968</b>
Beginning net position		14,488,221	13,361,253
<b>Ending Net Position</b>	<b>\$</b>	<b>15,558,379</b>	<b>\$ 14,488,221</b>

Total governmental revenues were comparable to the prior year, decreasing \$188,228 or two percent. Operating grants and contributions revenue decreased \$481,697 or 69 percent from prior year mainly due to a decrease in grants. Property tax revenue increased \$251,484 or four percent due to less adjustments made to decrease appraised property values. Sales tax revenue increased \$196,320 or 13 percent due to more economic activity in the County.

Governmental expenses were comparable to the prior year, decreasing \$131,418 or one percent.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**  
For the Year Ended September 30, 2013

**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 \$9,349,937. Of this, \$5,058,044 is unassigned and available for day-to-day operations of the County and \$4,291,893 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 \$5,058,044. 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 75 percent of total general fund expenditures. The fund balance of the general fund reported a decrease of \$59,995 mainly due to a substantial transfer of funds to the debt service fund.

The road and bridge fund reported an increase of \$72,475 in fund balance due to the sale of capital assets. All of the road and bridge fund balance, \$1,798,644, is restricted.

The lateral road and bridge fund reported a restricted fund balance of \$541,587, which is a decrease of \$32,960 in fund balance due to an increase in public transportation expenditures.

The debt service fund reported an increase of \$220,031 in fund balance mainly due to transfers in from the general fund. The debt service fund balance of \$868,709 is restricted to payments of principal and interest on debt.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The general funds actual revenues were more than the final budget by \$437,989 during the year. This net increase is largely the result of more sales taxes collected than projected. Revenue for fines and forfeitures was \$278,768 less than what was budgeted due to less revenue being collected than expected.

The general fund expenditures were less than the final budget by \$1,595,741 as a result of a County-wide effort to keep expenditures at or below budget. The miscellaneous, judicial, and public safety departments reported significantly less expenditures than budgeted.

**CAPITAL ASSETS**

At the end of the year, the County's governmental activities had invested \$6,770,351 in a variety of capital assets and infrastructure, net of depreciation.

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

- Construction in progress for new court software
- Vehicles and equipment for the public works and public safety department

**BURLESON COUNTY, TEXAS**  
***MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)***  
**For the Year Ended September 30, 2013**

More detailed information about the County's capital assets is presented in note III.C to the financial statements.

**LONG-TERM DEBT**

At the end of the year, the County reported total certificates of obligation of \$750,000. The County also reported capital leases and time warrants issued with a depository loan for a total of \$293,002. The County entered into additional capital leases of \$158,173 during the year.

More detailed information about the County's long-term liabilities is presented in note III.D 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. The County has approved to leave the tax rate at \$0.4990 for the 2013/2014 fiscal year.

**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.

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## ***BASIC FINANCIAL STATEMENTS***

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# BURLESON COUNTY, TEXAS

## STATEMENT OF NET POSITION

September 30, 2013

	Governmental Activities
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 10,150,054
Receivables, net	1,557,999
Due from others	184,110
	<u>11,892,163</u>
Capital assets:	
Nondepreciable	1,096,071
Depreciable capital assets, net	5,674,280
	<u>6,770,351</u>
<b>Total Assets</b>	<u>18,662,514</u>
<b><u>Liabilities</u></b>	
Accounts payable	1,213,253
Accrued interest	4,769
Long-term liabilities due within one year	306,968
	<u>1,524,990</u>
Noncurrent liabilities:	
Long-term debt due in more than one year	824,446
Compensated absences	9,824
Net OPEB obligation	744,875
	<u>1,579,145</u>
<b>Total Liabilities</b>	<u>3,104,135</u>
<b><u>Net Position</u></b>	
Net investment in capital assets	5,727,349
Restricted for:	
Road and bridge	1,798,644
Lateral road and bridge	541,587
Debt service	871,986
Other governmental funds	1,082,953
Unrestricted	5,535,860
<b>Total Net Position</b>	<u>\$ 15,558,379</u>

See Notes to Financial Statements.

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# BURLESON COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General administration	\$ 872,039	\$ 303,996	\$ 220,646	\$ (347,397)
Judicial	872,294	436,232	-	(436,062)
Legal	461,010	3,868	-	(457,142)
Financial administration	430,146	437,575	-	7,429
Public facilities	172,936	-	-	(172,936)
Public safety	2,648,433	28,983	-	(2,619,450)
Public transportation	3,557,341	684,300	-	(2,873,041)
Health and welfare	87,436	-	-	(87,436)
Miscellaneous	1,015,823	182,069	-	(833,754)
Interest and fiscal agent fees	44,148	-	-	(44,148)
<b>Total Governmental Activities</b>	<u>10,161,606</u>	<u>2,077,023</u>	<u>220,646</u>	<u>(7,863,937)</u>
<b>Total Primary Government</b>	<u>\$ 10,161,606</u>	<u>\$ 2,077,023</u>	<u>\$ 220,646</u>	<u>(7,863,937)</u>
<b>General Revenues:</b>				
				6,817,000
				1,730,828
				76,681
				309,586
			<b>Total General Revenues</b>	<u>8,934,095</u>
			<b>Change in Net Position</b>	1,070,158
			Beginning net position	<u>14,488,221</u>
			<b>Ending Net Position</b>	<u>\$ 15,558,379</u>

See Notes to Financial Statements.

# BURLESON COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

September 30, 2013

	General	Road and Bridge	Lateral Road and Bridge	Debt Service
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 5,851,530	\$ 1,848,063	\$ 592,961	\$ 673,280
Receivables, net	611,987	268,098	110,501	25,637
Due from other funds	207,452	10,528	4,287	195,884
<b>Total Assets</b>	<b>\$ 6,670,969</b>	<b>\$ 2,126,689</b>	<b>\$ 707,749</b>	<b>\$ 894,801</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 992,210	\$ 87,244	\$ 53,685	\$ 455
Due to other funds	195,429	-	1,976	-
<b>Total Liabilities</b>	<b>1,187,639</b>	<b>87,244</b>	<b>55,661</b>	<b>455</b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - property taxes	425,286	240,801	110,501	25,637
<b><u>Fund Balances</u></b>				
Restricted:				
Debt service fund	-	-	-	868,709
Road and bridge fund	-	1,798,644	-	-
Lateral road and bridge fund	-	-	541,587	-
Other governmental funds	-	-	-	-
Unassigned:				
General fund	5,058,044	-	-	-
<b>Total Fund Balances</b>	<b>5,058,044</b>	<b>1,798,644</b>	<b>541,587</b>	<b>868,709</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 6,670,969</b>	<b>\$ 2,126,689</b>	<b>\$ 707,749</b>	<b>\$ 894,801</b>

See Notes to Financial Statements.

<b>Non Major Governmental</b>	<b>Total Governmental Funds</b>
\$ 1,184,220	\$ 10,150,054
15,028	1,031,251
1,267	419,418
<u>\$ 1,200,515</u>	<u>\$ 11,600,723</u>
\$ 79,659	\$ 1,213,253
37,903	235,308
<u>117,562</u>	<u>1,448,561</u>
-	802,225
-	868,709
-	1,798,644
-	541,587
1,082,953	1,082,953
-	5,058,044
<u>1,082,953</u>	<u>9,349,937</u>
<u>\$ 1,200,515</u>	<u>\$ 11,600,723</u>

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**BURLESON COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
September 30, 2013

Total fund balances for Governmental funds	\$	9,349,937
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**Adjustments for the Statement of Net Position:**

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

Nondepreciable capital assets	1,096,071	
Depreciable capital assets	10,740,896	
Accumulated depreciation	<u>(5,066,616)</u>	
		6,770,351

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	526,748	
Unavailable revenue - property taxes	<u>802,225</u>	
		1,328,973

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	(218,556)	
Long-term debt due in more than one year	(824,446)	
Accrued interest payable	(4,769)	
Compensated absences	(98,236)	
Net OPEB obligation	<u>(744,875)</u>	
		<u>(1,890,882)</u>

<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u><u>15,558,379</u></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, 2013

	General	Road and Bridge	Lateral Road and Bridge	Debt Service
<b><u>Revenues</u></b>				
Property taxes	\$ 3,629,250	\$ 2,052,043	\$ 1,029,318	\$ 122,047
Sales tax	1,730,828	-	-	-
Intergovernmental	54,324	-	-	-
Fees	790,173	-	-	-
Fines and forfeitures	436,232	-	-	-
Interest	47,860	12,114	5,029	4,300
Permits and licenses	-	684,300	-	-
Miscellaneous	133,072	94,486	-	-
<b>Total Revenues</b>	<u>6,821,739</u>	<u>2,842,943</u>	<u>1,034,347</u>	<u>126,347</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
General administration	770,990	-	-	-
Judicial	796,957	-	-	-
Legal	461,010	-	-	-
Financial administration	430,146	-	-	-
Public facilities	172,936	-	-	-
Public safety	2,492,123	-	-	-
Public transportation	-	2,074,917	1,031,807	-
Health and welfare	87,436	-	-	-
Miscellaneous	435,778	315,767	-	-
<b>Debt service:</b>				
Principal	-	170,328	-	70,000
Interest and fiscal agent fees	-	15,330	-	31,745
<b>Capital outlay</b>	1,131,000	519,110	35,500	-
<b>Total Expenditures</b>	<u>6,778,376</u>	<u>3,095,452</u>	<u>1,067,307</u>	<u>101,745</u>
<b>Excess (Deficiency) of</b>				
<b>Revenues Over (Under) Expenditures</b>	<u>43,363</u>	<u>(252,509)</u>	<u>(32,960)</u>	<u>24,602</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	92,071	-	-	195,429
Transfers (out)	(195,429)	-	-	-
Sale of capital assets	-	166,811	-	-
Capital leases	-	158,173	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(103,358)</u>	<u>324,984</u>	<u>-</u>	<u>195,429</u>
<b>Net Change in Fund Balances</b>	(59,995)	72,475	(32,960)	220,031
Beginning fund balances	5,118,039	1,726,169	574,547	648,678
<b>Ending Fund Balances</b>	<u>\$ 5,058,044</u>	<u>\$ 1,798,644</u>	<u>\$ 541,587</u>	<u>\$ 868,709</u>

See Notes to Financial Statements.

<b>Non Major Governmental</b>	<b>Total Governmental Funds</b>
\$ -	\$ 6,832,658
-	1,730,828
166,322	220,646
182,069	972,242
-	436,232
7,378	76,681
-	684,300
26,412	253,970
<u>382,181</u>	<u>11,207,557</u>
27,734	798,724
75,337	872,294
-	461,010
-	430,146
-	172,936
21,710	2,513,833
-	3,106,724
-	87,436
264,278	1,015,823
-	240,328
-	47,075
39,433	1,725,043
<u>428,492</u>	<u>11,471,372</u>
<u>(46,311)</u>	<u>(263,815)</u>
-	287,500
(92,071)	(287,500)
-	166,811
-	158,173
<u>(92,071)</u>	<u>324,984</u>
(138,382)	61,169
1,221,335	9,288,768
<u>\$ 1,082,953</u>	<u>\$ 9,349,937</u>

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**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, 2013**

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

Net changes in fund balances - total government funds	\$ 61,169
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	1,725,043
Depreciation expense	(585,217)
Disposal of capital assets net of accumulated depreciation	(111,195)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Changes in unavailable revenue - fines and fees	(15,751)
Changes in unavailable revenue - property taxes	(15,658)
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 Position.	
Debt issued	(158,173)
Principal payments	239,978
Changes in accrued interest expense	3,277
Changes in compensated absences	4,019
OPEB obligation	(77,334)
	<hr/>
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 1,070,158</b>

See Notes to Financial Statements.

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**BURLESON COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
September 30, 2013

	<u>Total Fiduciary Funds</u>
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 1,282,892
<b>Total Assets</b>	<u><u>\$ 1,282,892</u></u>
<b><u>Liabilities</u></b>	
Accounts payable	\$ 1,098,782
Due to other funds	184,110
<b>Total Liabilities</b>	<u><u>\$ 1,282,892</u></u>

See Notes to Financial Statements.

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# **BURLESON COUNTY, TEXAS**

## **NOTES TO FINANCIAL STATEMENTS**

For the Year Ended September 30, 2013

### **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 Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The County has no business-type activities.

#### **C. Basis of Presentation – Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

**D. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following governmental funds:

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.

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.

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.

Additionally, the County reports the following fund types:

*Fiduciary funds* are custodial in nature and do not present results of operations or have a measurement focus. Fiduciary 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.

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the County.

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

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.

**2. Investments**

In accordance with GAS Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, 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

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

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 TexPool, are reported using the pools' share price.

The County has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the City is authorized to invest in the following:

- Direct obligations of U.S. Government or U.S. Government agencies
- Fully collateralized certificates of deposit
- Fully collateralized repurchase agreements
- Securities Lending Program that meets requirements of 2256.0115
- Money market mutual funds that meet certain criteria
- Bankers' acceptances
- Commercial paper that meets certain criteria
- Guaranteed investment contracts that meet the requirements of 2256.015 for bond proceeds
- Statewide investment pools

**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

**4. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has no items that qualify for reporting in this category.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2013**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**5. 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.

**6. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. The long-term debt consists primarily of bonds payable.

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, including any premium or discount, and payments of principal and interest are 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 paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable, available financial resources.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with interest earned in the debt service fund.

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 applicable 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.

**7. Net Position Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**8. Fund Balance Flow Assumptions**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**9. Fund Balance Policies**

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. The Commissioners' Court is the highest level of decision-making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The Commissioners' Court may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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 percent of budgeted fund expenditures. The road and bridge funds have a target level of 18 to 25 percent of budgeted fund expenditures, but will be subject to a 50 percent unrestricted fund balance ceiling.

**10. 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

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

could differ from those estimates.

**G. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**2. 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 inflow. 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.

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles, except the capital projects funds, which adapt a project construction budget. 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.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Risk</u>
Texas Class	510,467	0.00	AAAm
<b>Total fair value</b>	<b>\$ 510,467</b>		
Portfolio weighted average maturity		0.00	

*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, 2013, the County's investments in TexPool, TexSTAR, or TexClass were rated "AAAm" by Standard & Poor's and "AAA/V1" by Fitch.

*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, 2013, market values of pledged securities and FDIC insurance exceeded bank balances.

**Texas Class**

The Texas Cooperative Liquid Assets Securities System (Class) 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 Class. 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. Class uses amortized costs rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in Class is the same as the value of Class shares. Class 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 equivalents on the financial statements in the amount of \$510,467 as of September 30, 2013.



**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

**B. Receivables**

The following comprise receivable balances at year end:

	General	Road and Bridge	Lateral Road and Bridge	Debt Service	Nonmajor
Intergovernmental	\$ 1,924	\$ 27,296	\$ -	\$ -	\$ 15,028
Taxes receivable	618,742	245,716	112,756	26,160	-
Less: allowance for uncollectible	(8,679)	(4,914)	(2,255)	(523)	-
	<u>\$ 611,987</u>	<u>\$ 268,098</u>	<u>\$ 110,501</u>	<u>\$ 25,637</u>	<u>\$ 15,028</u>

A receivable of \$526,748 for fees and fines is reported within the Statement of Net Position for governmental activities.

**C. Capital Assets**

A summary of changes in capital assets for the year ended September 30, 2013, follows:

	Beginning Balance	Increases	Decreases / Reclassifications	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 112,514	\$ 161,380	\$ -	\$ 273,894
Construction in process	-	822,177	-	822,177
Total capital assets not being depreciated	<u>112,514</u>	<u>983,557</u>	<u>-</u>	<u>1,096,071</u>
Other capital assets:				
Buildings and improvements	4,085,197	10,111	-	4,095,308
Infrastructure	53,009	-	-	53,009
Equipment	6,222,992	731,375	(361,788)	6,592,579
Total other capital assets	<u>10,361,198</u>	<u>741,486</u>	<u>(361,788)</u>	<u>10,740,896</u>
Less accumulated depreciation for:				
	(1,272,910)	(101,392)	-	(1,374,302)
	(9,857)	(1,601)	-	(11,458)
	<u>(3,449,225)</u>	<u>(482,224)</u>	<u>250,593</u>	<u>(3,680,856)</u>
Total accumulated depreciation	<u>(4,731,992)</u>	<u>(585,217)</u>	<u>250,593</u>	<u>(5,066,616)</u>
Other capital assets, net	<u>5,629,206</u>	<u>156,269</u>	<u>(111,195)</u>	<u>5,674,280</u>
<b>Governmental Activities</b>				
<b>Capital Assets, Net</b>	<u>\$ 5,741,720</u>	<u>\$ 1,139,826</u>	<u>\$ (111,195)</u>	<u>6,770,351</u>
			Less associated debt	<u>(1,043,002)</u>
			<b>Net Investment in Capital Assets</b>	<u>\$ 5,727,349</u>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

Depreciation was charged to governmental functions as follows:

Public safety	\$ 134,600
Public transportation	450,617
	<u>\$ 585,217</u>

**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, 2013. The County issues tax notes payable 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.

	Beginning Balance	Additions	(Reductions)	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Certificates of obligations	\$ 820,000	\$ -	\$ (70,000)	\$ 750,000	* \$ 70,000
Capitalized lease obligations	304,807	158,173	(169,978)	293,002	* 148,556
OPEB obligation	667,541	119,153	(41,819)	744,875	-
Compensated absences	102,255	109,594	(113,613)	98,236	88,412
<b>Total Governmental Activities</b>	<u>\$ 1,894,603</u>	<u>\$ 386,920</u>	<u>\$ (395,410)</u>	<u>\$ 1,886,113</u>	<u>\$ 306,968</u>
<b>Long-term debt due in more than one year</b>				<u>\$ 1,579,145</u>	
<b>*Debt associated with governmental activity capital assets</b>				<u>\$ 1,043,002</u>	

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, 2013, are as follows:

	Percentage Interest Rate	Original Amount	Balance
<b>Certificates of Obligation</b>			
2005 Tax and Revenue Certificates of Obligation	3.0-4.25%	\$ 1,500,000	\$ 750,000
<b>Total Certificates of Obligation</b>			<u>\$ 750,000</u>
<b>Capital Leases</b>			
Caterpillar motor grader	2.00-4.00%	\$ 160,850	\$ 134,829
Sprinkler system	1.00-3.00%	\$ 62,740	62,740
Various vehicles	3.00%	\$ 95,433	95,433
<b>Total Capital Leases</b>			<u>\$ 293,002</u>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

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

Fiscal Year	Governmental Activities		
	Certificates of Obligation		
	Principal	Interest	Total
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	85,000	18,253	103,253
2019-2022	365,000	38,530	403,530
<b>Total</b>	<b>\$ 750,000</b>	<b>\$ 157,931</b>	<b>\$ 907,931</b>

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

Fiscal Year	Governmental Activities		
	Capital Leases		
	Principal	Interest	Total
2014	\$ 148,555	\$ 4,079	\$ 152,634
2015	53,786	3,128	56,914
2016	55,445	1,369	56,814
2017	35,216	100	35,316
<b>Total</b>	<b>\$ 293,002</b>	<b>\$ 8,676</b>	<b>\$ 301,678</b>

The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment	\$ 319,023
Less: Accumulated depreciation	(25,250)
	<b>\$ 293,773</b>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

**E. Interfund Transactions**

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

	<u>Due From</u>	<u>Due To</u>
General fund	\$ 207,452	\$ 195,429
Road and bridge fund	10,528	-
Lateral road and bridge fund	4,287	1,976
Debt service fund	195,884	-
Other governmental funds	1,267	37,903
Fiduciary funds	-	184,110
	<u>\$ 419,418</u>	<u>\$ 419,418</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:

	<u>Transfer Out</u>	<u>Transfer In</u>
General fund	\$ 195,429	\$ 92,071
Debt service fund	-	195,429
Other governmental funds	92,071	-
	<u>\$ 287,500</u>	<u>\$ 287,500</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 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)**

Regional Solid Waste Grant

For fiscal year 2013, the County received funding from the Texas Commission on Environmental Quality through the BVCOG for \$15,000 to support community clean-up efforts and tire disposals. For fiscal year 2013, expenditures totaled \$15,000.

**Texas Indigent Defense Commission (TIDC)**

Indigent Defense Formula Grant

A grant was awarded to the County in the amount of \$18,592 in January 2013 from the Texas Task Force on Indigent Defense (TFID) to assist the County in continued implementation of the provisions of the

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2013**

Indigent Defense Act and the improvement of the indigent criminal defense services in the County. As of year end, \$13,944 had been received and expended in compliance with grant requirements with the remaining \$4,648 processed in November 2013. An additional \$3,122 was noted as expended from the remaining fiscal year 2012 funding received in January 2013. For fiscal year 2013, TFID expenditures totaled \$17,066.

**Homeland Security Grant Program (HSGP)**

The County received no new grants for fiscal year 2013 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.

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. For fiscal year 2013, the remaining grant balance of \$23,672 was expended and reimbursed. No receivables for these grants were due as of year end 2013.

**Department of Housing and Urban Development**

Texas Department of Agriculture Community Development Block Grant Program (TxCDBG)

During November 2012, the County accepted a grant award from the Texas Department of Agriculture in the amount of \$275,000 to improve water supply infrastructure on behalf of the Cade Lakes Water Supply Corporation. Matching funds totaling \$13,750 will be paid by the water supply corporation. The performance period covers November 1, 2012 through October 31, 2014. For fiscal year 2013, TxCDBG expenditures totaled \$22,025. As of September 30, 2013, total grant expenditures of \$22,025 had been reimbursed. All reimbursement was received in fiscal year 2013.

Help America Vote Act Grants (HAVA)

During January 2013, the County accepted two new HAVA grant awards for the following each with a grant period of August 1, 2012 to July 31, 2013 provided by the United States Election Commission through the Texas Secretary of State.

Opportunity for Access 2012

The maximum grant of \$25,000 was allocated to the County for the purchase of certain approved equipment used during federal elections of which \$6,180 was budgeted during fiscal year 2013. As of the year end, \$5,836 had been received and expended in compliance with grant requirements.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

Polling Place Accessibility 2012

The maximum grant of \$50,000 was allocated to the County for the purchase of certain equipment, construction, or other permanent improvements to increase accessibility for persons with limited mobility to polling places used during a federal election of which \$42,570 was budgeted during fiscal year 2013. As of the year end, \$31,532 had been received and expended in compliance with grant requirements.

**G. Restatement of Beginning Net Position**

During the fiscal year ending September 30, 2013, the County implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities (GASB 65). GASB 65 reclassified costs associated with bond issuance as expenses of the current period. Consequently, the County is restating net position by a decrease of \$33,912 for fiscal year 2012 to reflect the write-off of unamortized bond issuance costs.

	<u><b>Governmental Net Position</b></u>
Prior year ending net position/ fund balance as reported	\$ 14,522,133
Bond issuance costs	(33,912)
Beginning net position	<u><u>\$ 14,488,221</u></u>

**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. Coverages and workers' compensation and unemployment insurance are obtained from Texas Association of Counties (the "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.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2013**

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 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. No claim liabilities are reported at yearend.

**C. Pension Plan**

**Texas County and District Retirement System**

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.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

Annual Pension Cost

For the County's accounting year ended September 30, 2013, the annual pension cost for the TCDRS plan was \$289,480 and the actual contributions were \$289,480.

The required contribution rates for fiscal year 2013 were determined as part of the December 31, 2011 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2012, also follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial Valuation Date	12/31/2012	12/31/2011	12/31/2010
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-yr smoothed value	SAF: 10-yr smoothed value	SAF: 10-yr 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, 2012, the most recent valuation date, is as follows:

	<u>2013</u>
Actuarial Valuation Date	12/31/2012
Actuarial Value of Assets	\$ 7,261,096
Actuarial Accrued Liability	\$ 8,893,853
Percentage Funded	81.6%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 1,632,757
Annual Covered Payroll	\$ 3,548,455
UAAL as a Percentage of Covered Payroll	46.0%

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 and dental insurance (the "Plan") 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).



**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
For the Year Ended September 30, 2013

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
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)	\$ 130,305
Interest on net OPEB obligation (NPO)	26,702
Adjustment to the ARC	(37,853)
Annual OPEB cost (APC)	<u>119,153</u>
Contributions made	(41,819)
Increase in net OPEB obligation	<u>77,334</u>
Net OPEB obligation-beginning of year	<u>667,541</u>
Net OPEB obligation-end of year	<u><u>\$ 744,875</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2013 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>
2011	\$ 241,062	\$ 15,508	6.43%	\$ 447,786
2012	\$ 237,541	\$ 17,786	7.49%	\$ 667,541
2013	\$ 119,153	\$ 41,819	35.10%	\$ 744,875

Funded Status and Funding Progress

As of October 1, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$1,220,436, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,220,436.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended September 30, 2013**

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 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 2011, 2012, and 2013, were 22,959, \$23,071, and \$24,406, respectively, which equaled the contractually required contribution each year.

***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, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>Revenue</b>				
Property taxes	\$ 3,585,137	\$ 3,585,137	\$ 3,629,250	\$ 44,113
Sales tax	1,253,000	1,253,000	1,730,828	477,828
Intergovernmental	53,271	53,271	54,324	1,053
Fees	583,270	583,270	790,173	206,903
Fines and forfeitures	715,000	715,000	436,232	(278,768)
Interest	50,000	50,000	47,860	(2,140)
Miscellaneous	132,300	144,072	133,072	(11,000)
<b>Total Revenues</b>	<b>6,371,978</b>	<b>6,383,750</b>	<b>6,821,739</b>	<b>437,989</b>
<b>Expenditures</b>				
<b>Current:</b>				
General administration	819,833	824,702	770,990	53,712
Judicial	976,259	993,393	796,957	196,436
Legal	461,205	461,205	461,010	195
Financial administration	513,578	513,640	430,146	83,494
Public facilities	181,102	189,502	172,936	16,566
Public safety	2,671,156	2,705,756	2,492,123	213,633
Health and welfare	107,975	111,236	87,436	23,800
Miscellaneous	1,983,171	1,061,226	435,778	625,448
<b>Capital outlay</b>	<b>631,200</b>	<b>1,513,457</b>	<b>1,131,000</b>	<b>382,457</b>
<b>Total Expenditures</b>	<b>8,345,479</b>	<b>8,374,117</b>	<b>6,778,376</b>	<b>1,595,741</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(1,973,501)</b>	<b>(1,990,367)</b>	<b>43,363</b>	<b>2,033,730</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	65,250	92,071	92,071	-
Transfers (out)	-	(195,429)	(195,429)	-
<b>Total Other Financing Sources (Uses)</b>	<b>65,250</b>	<b>(103,358)</b>	<b>(103,358)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,908,251)</b>	<b>\$ (2,093,725)</b>	<b>(59,995)</b>	<b>\$ 2,033,730</b>
Beginning fund balance			5,118,039	
<b>Ending Fund Balance</b>			<b>\$ 5,058,044</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, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>Revenues</b>				
Property taxes	\$ 2,026,708	\$ 2,026,708	\$ 2,052,043	\$ 25,335
Interest	15,105	15,105	12,114	(2,991)
Permits and licenses	671,100	671,100	684,300	13,200
Miscellaneous	52,500	63,200	94,486	31,286
<b>Total Revenues</b>	<u>2,765,413</u>	<u>2,776,113</u>	<u>2,842,943</u>	<u>66,830</u>
<b>Expenditures</b>				
<b>Current:</b>				
Public transportation	2,379,169	2,404,404	2,074,917	329,487
Miscellaneous	364,216	366,078	315,767	50,311
<b>Debt service:</b>				
Principal	170,368	170,368	170,328	40
Interest and fiscal agent fees	15,205	15,330	15,330	-
<b>Capital outlay</b>	<u>336,000</u>	<u>576,551</u>	<u>519,110</u>	<u>57,441</u>
<b>Total Expenditures</b>	<u>3,264,958</u>	<u>3,532,731</u>	<u>3,095,452</u>	<u>437,279</u>
<b>(Deficiency) of Revenues</b>				
<b>(Under) Expenditures</b>	<u>(499,545)</u>	<u>(756,618)</u>	<u>(252,509)</u>	<u>504,109</u>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	-	166,811	166,811	-
Capital leases	-	158,173	158,173	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>324,984</u>	<u>324,984</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (499,545)</u>	<u>\$ (431,634)</u>	<u>72,475</u>	<u>\$ 504,109</u>
Beginning fund balance			<u>1,726,169</u>	
<b>Ending Fund Balance</b>			<u>\$ 1,798,644</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, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>Revenues</b>				
Property taxes	\$ 1,006,288	\$ 1,006,288	\$ 1,029,318	\$ 23,030
Interest income	5,100	5,100	5,029	(71)
<b>Total Revenues</b>	<u>1,011,388</u>	<u>1,011,388</u>	<u>1,034,347</u>	<u>22,959</u>
<b>Expenditures</b>				
<b>Current:</b>				
Public transportation	1,134,900	1,123,900	1,031,807	92,093
<b>Capital outlay</b>	<u>25,000</u>	<u>36,000</u>	<u>35,500</u>	<u>500</u>
<b>Total Expenditures</b>	<u>1,159,900</u>	<u>1,159,900</u>	<u>1,067,307</u>	<u>92,593</u>
<b>Net Change in Fund Balance</b>	<u>\$ (148,512)</u>	<u>\$ (140,440)</u>	<u>(32,960)</u>	<u>\$ 107,480</u>
Beginning fund balance			<u>574,547</u>	
<b>Ending Fund Balance</b>			<u>\$ 541,587</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, 2013

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	2013	2012	2011
Actuarial Valuation Date	12/31/2012	12/31/2011	12/31/2010
Actuarial Value of Assets	\$ 7,261,096	\$ 6,675,505	\$ 6,431,724
Actuarial Accrued Liability	\$ 8,893,853	\$ 8,201,350	\$ 7,882,096
Percentage Funded	81.6%	81.4%	81.6%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 1,632,757	\$ 1,525,845	\$ 1,450,372
Annual Covered Payroll	\$ 3,548,455	\$ 3,497,174	\$ 3,343,112
UAAL % of Covered Payroll	46.01%	43.63%	43.38%
Net Pension Obligation (NPO)			
at the Beginning of Period	\$ -	\$ -	\$ -
Annual Req. Contrib. (ARC)	289,480	264,099	266,846
Contributions Made	289,480	264,099	266,846
<b>NPO at the End of Period</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF FUNDING PROGRESS**  
**POST EMPLOYMENT HEALTHCARE BENEFITS<sup>1</sup>**  
For the Year Ended September 30, 2013

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
10/01/12	\$ -	\$ 1,220,436	\$ 1,220,436	0%	\$ 3,082,373	39.59%

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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, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>Revenue</b>				
Property taxes	\$ 122,289	\$ 122,289	\$ 122,047	\$ (242)
Interest	4,400	4,400	4,300	(100)
<b>Total Revenues</b>	<u>126,689</u>	<u>126,689</u>	<u>126,347</u>	<u>(342)</u>
<b>Expenditures</b>				
<b>Debt service:</b>				
Principal	70,000	70,000	70,000	-
Interest and fiscal agent fees	42,558	42,558	31,745	10,813
<b>Total Expenditures</b>	<u>112,558</u>	<u>112,558</u>	<u>101,745</u>	<u>10,813</u>
<b>Revenues Over Expenditures</b>	<u>14,131</u>	<u>14,131</u>	<u>24,602</u>	<u>10,471</u>
<b>Other Financing Sources</b>				
Transfers in	-	195,429	195,429	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>195,429</u>	<u>195,429</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 14,131</u>	<u>\$ 209,560</u>	<u>220,031</u>	<u>\$ 10,471</u>
Beginning fund balance			<u>648,678</u>	
<b>Ending Fund Balance</b>			<u>\$ 868,709</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, 2013

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	\$ 91,211	\$ 68,383	\$ 444,606	\$ 162,923
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 91,211</b>	<b>\$ 68,383</b>	<b>\$ 444,606</b>	<b>\$ 162,923</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 654
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654</b>
<b><u>Fund Balances</u></b>				
Restricted	91,211	68,383	444,606	162,269
<b>Total Fund Balances</b>	<b>91,211</b>	<b>68,383</b>	<b>444,606</b>	<b>162,269</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 91,211</b>	<b>\$ 68,383</b>	<b>\$ 444,606</b>	<b>\$ 162,923</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>
\$ 6,805	\$ 445	\$ 15,202	\$ 14,853	\$ 40,426	\$ 24,246
-	-	-	-	1,190	-
1,267	-	-	-	-	-
<u>\$ 8,072</u>	<u>\$ 445</u>	<u>\$ 15,202</u>	<u>\$ 14,853</u>	<u>\$ 41,616</u>	<u>\$ 24,246</u>
\$ 577	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>577</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7,495	445	15,202	14,853	41,616	24,246
7,495	445	15,202	14,853	41,616	24,246
<u>\$ 8,072</u>	<u>\$ 445</u>	<u>\$ 15,202</u>	<u>\$ 14,853</u>	<u>\$ 41,616</u>	<u>\$ 24,246</u>

**BURLESON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 2)**  
September 30, 2013

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payments
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 10,889	\$ 16,556	\$ 101,993	\$ 12,337
Receivables, net	-	-	-	-
	-	-	-	-
<b>Total Assets</b>	<b>\$ 10,889</b>	<b>\$ 16,556</b>	<b>\$ 101,993</b>	<b>\$ 12,337</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 1,041	\$ -	\$ 147	\$ 28
Due to other funds	-	-	-	12,309
<b>Total Liabilities</b>	<b>1,041</b>	<b>-</b>	<b>147</b>	<b>12,337</b>
<b><u>Fund Balances</u></b>				
Restricted	9,848	16,556	101,846	-
<b>Total Fund Balances</b>	<b>9,848</b>	<b>16,556</b>	<b>101,846</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,889</b>	<b>\$ 16,556</b>	<b>\$ 101,993</b>	<b>\$ 12,337</b>

Special Revenue Funds					
Economic Development	Election Services	County and District Technology	Vehicle Inventory	Total Nonmajor Governmental Funds	
\$ 38,510	\$ 11,019	\$ 2,746	\$ 121,070	\$ 1,184,220	
8,325	-	-	5,513	15,028	
-	-	-	-	1,267	
<u>\$ 46,835</u>	<u>\$ 11,019</u>	<u>\$ 2,746</u>	<u>\$ 126,583</u>	<u>\$ 1,200,515</u>	
\$ -	\$ -	\$ -	\$ 77,212	\$ 79,659	
-	-	-	25,594	37,903	
-	-	-	102,806	117,562	
46,835	11,019	2,746	23,777	1,082,953	
46,835	11,019	2,746	23,777	1,082,953	
<u>\$ 46,835</u>	<u>\$ 11,019</u>	<u>\$ 2,746</u>	<u>\$ 126,583</u>	<u>\$ 1,200,515</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, 2013**

Special Revenue Funds				
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt and Preservation Dist. & Co.
<b>Revenues</b>				
Fees	\$ 12,100	\$ 19,506	\$ -	\$ 100,145
Intergovernmental	-	-	-	-
Investment income	510	432	2,733	1,198
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>12,610</u>	<u>19,938</u>	<u>2,733</u>	<u>101,343</u>
<b>Expenditures</b>				
<b>Current:</b>				
General administration	925	-	-	-
Judicial	-	-	75,337	-
Public safety	-	-	-	-
Miscellaneous	-	-	-	180,831
<b>Capital outlay</b>	-	-	-	-
<b>Total Expenditures</b>	<u>925</u>	<u>-</u>	<u>75,337</u>	<u>180,831</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>11,685</u>	<u>19,938</u>	<u>(72,604)</u>	<u>(79,488)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	-	(16,445)	-	-
<b>Total Other Financing (Uses)</b>	<u>-</u>	<u>(16,445)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>11,685</u>	<u>3,493</u>	<u>(72,604)</u>	<u>(79,488)</u>
Beginning fund balances	<u>79,526</u>	<u>64,890</u>	<u>517,210</u>	<u>241,757</u>
<b>Ending Fund Balances</b>	<u>\$ 91,211</u>	<u>\$ 68,383</u>	<u>\$ 444,606</u>	<u>\$ 162,269</u>

**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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	51,190	-
23	3	82	119	295	148
13,712	-	2,000	-	-	-
<u>13,735</u>	<u>3</u>	<u>2,082</u>	<u>119</u>	<u>51,485</u>	<u>148</u>
-	-	-	-	2,531	-
-	-	-	-	-	-
-	-	-	650	-	-
7,823	-	-	-	-	-
-	-	-	5,650	-	-
<u>7,823</u>	<u>-</u>	<u>-</u>	<u>6,300</u>	<u>2,531</u>	<u>-</u>
5,912	3	2,082	(6,181)	48,954	148
-	-	-	-	(46,250)	-
-	-	-	-	(46,250)	-
5,912	3	2,082	(6,181)	2,704	148
1,583	442	13,120	21,034	38,912	24,098
<u>\$ 7,495</u>	<u>\$ 445</u>	<u>\$ 15,202</u>	<u>\$ 14,853</u>	<u>\$ 41,616</u>	<u>\$ 24,246</u>

**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, 2013**

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payments
<b>Revenues</b>				
Fees	\$ 8,317	\$ -	\$ -	\$ 4,428
Intergovernmental	-	-	115,132	-
Investment income	92	110	805	-
Miscellaneous	-	-	10,361	65
<b>Total Revenues</b>	<b>8,409</b>	<b>110</b>	<b>126,298</b>	<b>4,493</b>
<b>Expenditures</b>				
<b>Current:</b>				
General administration	-	-	-	1,969
Judicial	-	-	-	-
Public safety	18,158	2,902	-	-
Miscellaneous	-	-	74,459	-
<b>Capital outlay</b>	<b>-</b>	<b>-</b>	<b>33,783</b>	<b>-</b>
<b>Total Expenditures</b>	<b>18,158</b>	<b>2,902</b>	<b>108,242</b>	<b>1,969</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(9,749)</b>	<b>(2,792)</b>	<b>18,056</b>	<b>2,524</b>
<b>Other Financing Sources (Uses)</b>				
Transfers (out)	-	-	(17,066)	(12,310)
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>-</b>	<b>(17,066)</b>	<b>(12,310)</b>
<b>Net Change in Fund Balances</b>	<b>(9,749)</b>	<b>(2,792)</b>	<b>990</b>	<b>(9,786)</b>
Beginning fund balances	19,597	19,348	100,856	9,786
<b>Ending Fund Balances</b>	<b>\$ 9,848</b>	<b>\$ 16,556</b>	<b>\$ 101,846</b>	<b>\$ -</b>

Special Revenue Funds					
Economic Development	Election Services	County and District Technology	Vehicle Inventory	Total Nonmajor Governmental Funds	
\$ 35,350	\$ 1,491	\$ 732	\$ -	\$ 182,069	
-	-	-	-	166,322	
171	-	14	643	7,378	
-	-	-	274	26,412	
<u>35,521</u>	<u>1,491</u>	<u>746</u>	<u>917</u>	<u>382,181</u>	
22,309	-	-	-	27,734	
-	-	-	-	75,337	
-	-	-	-	21,710	
-	1,165	-	-	264,278	
-	-	-	-	39,433	
<u>22,309</u>	<u>1,165</u>	<u>-</u>	<u>-</u>	<u>428,492</u>	
<u>13,212</u>	<u>326</u>	<u>746</u>	<u>917</u>	<u>(46,311)</u>	
-	-	-	-	(92,071)	
-	-	-	-	(92,071)	
13,212	326	746	917	(138,382)	
<u>33,623</u>	<u>10,693</u>	<u>2,000</u>	<u>22,860</u>	<u>1,221,335</u>	
<u>\$ 46,835</u>	<u>\$ 11,019</u>	<u>\$ 2,746</u>	<u>\$ 23,777</u>	<u>\$ 1,082,953</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, 2013

**COUNTY LAW LIBRARY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fees	\$ 15,000	\$ 12,100	\$ (2,900)
Investment income	600	510	(90)
<b>Total Revenues</b>	<u>15,600</u>	<u>12,610</u>	<u>(2,990)</u>
<b>Expenditures</b>			
<b>Current:</b>			
General administration	3,500	925	2,575
<b>Total Expenditures</b>	<u>3,500</u>	<u>925</u>	<u>2,575</u>
<b>Net Change in Fund Balance</b>	<u>\$ 12,100</u>	<u>11,685</u>	<u>\$ (415)</u>
Beginning fund balance		<u>79,526</u>	
<b>Ending Fund Balance</b>		<u>\$ 91,211</u>	

**COURTHOUSE SECURITY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 600	\$ 432	\$ (168)
Fees	25,300	19,506	(5,794)
<b>Total Revenues</b>	<u>25,900</u>	<u>19,938</u>	<u>(5,962)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Judicial	34,426	-	34,426
<b>Capital outlay</b>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<b>Total Expenditures</b>	<u>35,426</u>	<u>-</u>	<u>35,426</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(9,526)	19,938	29,464
Transfers (out)	<u>(19,000)</u>	<u>(16,445)</u>	<u>2,555</u>
<b>Net Change in Fund Balance</b>	<u>\$ (28,526)</u>	<u>3,493</u>	<u>\$ 32,019</u>
Beginning fund balance		<u>64,890</u>	
<b>Ending Fund Balance</b>		<u>\$ 68,383</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, 2013

**RIGHT OF WAY ACQUISITION**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 3,000	\$ 2,733	\$ (267)
<b>Total Revenues</b>	<u>3,000</u>	<u>2,733</u>	<u>(267)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Judicial	200,000	75,337	124,663
<b>Total Expenditures</b>	<u>200,000</u>	<u>75,337</u>	<u>124,663</u>
<b>Net Change in Fund Balance</b>	<u>\$ (197,000)</u>	<u>(72,604)</u>	<u>\$ 124,396</u>
Beginning fund balance		517,210	
<b>Ending Fund Balance</b>		<u>\$ 444,606</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	\$ 72,700	\$ 100,145	\$ 27,445
Investment income	2,300	1,198	(1,102)
<b>Total Revenues</b>	<u>75,000</u>	<u>101,343</u>	<u>26,343</u>
<b>Expenditures</b>			
<b>Current:</b>			
Miscellaneous	219,641	180,831	38,810
<b>Total Expenditures</b>	<u>219,641</u>	<u>180,831</u>	<u>38,810</u>
<b>Net Change in Fund Balance</b>	<u>\$ (144,641)</u>	<u>(79,488)</u>	<u>\$ 65,153</u>
Beginning fund balance		241,757	
<b>Ending Fund Balance</b>		<u>\$ 162,269</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, 2013

**SHERIFF'S OFFICE DONATION - EQUIPMENT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 100	\$ 82	\$ (18)
Miscellaneous	-	2,000	2,000
<b>Total Revenues</b>	<u>100</u>	<u>2,082</u>	<u>1,982</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>\$ (7,400)</u>	<u>2,082</u>	<u>\$ 9,482</u>
Beginning fund balance		<u>13,120</u>	
<b>Ending Fund Balance</b>		<u>\$ 15,202</u>	

**SHERIFF'S FORFEITURE**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 150	\$ 119	\$ (31)
<b>Total Revenues</b>	<u>150</u>	<u>119</u>	<u>(31)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public safety	5,350	650	4,700
<b>Capital outlay</b>	<u>5,650</u>	<u>5,650</u>	<u>-</u>
<b>Total Expenditures</b>	<u>11,000</u>	<u>6,300</u>	<u>4,700</u>
<b>Net Change in Fund Balance</b>	<u>\$ (10,850)</u>	<u>(6,181)</u>	<u>\$ 4,669</u>
Beginning fund balance		<u>21,034</u>	
<b>Ending Fund Balance</b>		<u>\$ 14,853</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, 2013

**STATE SALARY SUPPLEMENT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 47,750	\$ 51,190	\$ 3,440
Investment income	375	295	(80)
<b>Total Revenues</b>	<u>48,125</u>	<u>51,485</u>	<u>3,360</u>
<b>Expenditures</b>			
<b>Current:</b>			
General administration	4,375	2,531	1,844
<b>Total Expenditures</b>	<u>4,375</u>	<u>2,531</u>	<u>1,844</u>
<b>Excess of Revenues over Expenditures</b>	43,750	48,954	5,204
Transfers (out)	(46,250)	(46,250)	-
<b>Net Change in Fund Balance</b>	<u>\$ (2,500)</u>	2,704	<u>\$ 5,204</u>
Beginning fund balance		38,912	
<b>Ending Fund Balance</b>		<u>\$ 41,616</u>	

**SHERIFF'S OFFICE AWARDED RESTITUTION**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 200	\$ 148	\$ (52)
<b>Total Revenues</b>	<u>200</u>	<u>148</u>	<u>(52)</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>\$ (6,800)</u>	148	<u>\$ 6,948</u>
Beginning fund balance		24,098	
<b>Ending Fund Balance</b>		<u>\$ 24,246</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, 2013

**JUSTICE COURT TECHNOLOGY**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 100	\$ 92	\$ (8)
Fees	17,000	8,317	(8,683)
<b>Total Revenues</b>	<u>17,100</u>	<u>8,409</u>	<u>(8,691)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public safety	35,500	18,158	17,342
<b>Total Expenditures</b>	<u>35,500</u>	<u>18,158</u>	<u>17,342</u>
<b>Net Change in Fund Balance</b>	<u>\$ (18,400)</u>	<u>(9,749)</u>	<u>\$ 8,651</u>
Beginning fund balance		19,597	
<b>Ending Fund Balance</b>		<u>\$ 9,848</u>	

**LEOSE GRANT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Investment income	\$ 100	\$ 110	\$ 10
<b>Total Revenues</b>	<u>100</u>	<u>110</u>	<u>10</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public safety	20,518	2,902	17,616
<b>Total Expenditures</b>	<u>20,518</u>	<u>2,902</u>	<u>17,616</u>
<b>Net Change in Fund Balance</b>	<u>\$ (20,418)</u>	<u>(2,792)</u>	<u>\$ 17,626</u>
Beginning fund balance		19,348	
<b>Ending Fund Balance</b>		<u>\$ 16,556</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, 2013

**MISCELLANEOUS GRANTS**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 115,132	\$ 115,132	\$ -
Investment income	800	805	5
Miscellaneous	-	10,361	10,361
<b>Total Revenues</b>	<u>115,932</u>	<u>126,298</u>	<u>10,366</u>
<b>Expenditures</b>			
<b>Current:</b>			
Miscellaneous	164,939	74,459	90,480
<b>Capital outlay</b>	<u>33,783</u>	<u>33,783</u>	<u>-</u>
<b>Total Expenditures</b>	<u>198,722</u>	<u>108,242</u>	<u>90,480</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(82,790)	18,056	100,846
Transfers (out)	<u>(17,066)</u>	<u>(17,066)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (99,856)</u>	990	<u>\$ 100,846</u>
Beginning fund balance		<u>100,856</u>	
<b>Ending Fund Balance</b>		<u>\$ 101,846</u>	

**TIME PAYMENT**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fees	\$ 6,000	\$ 4,428	\$ (1,572)
Miscellaneous	<u>50</u>	<u>65</u>	<u>15</u>
<b>Total Revenues</b>	<u>6,050</u>	<u>4,493</u>	<u>(1,557)</u>
<b>Expenditures</b>			
<b>Current:</b>			
General administration	<u>12,100</u>	<u>1,969</u>	<u>10,131</u>
<b>Total Expenditures</b>	<u>12,100</u>	<u>1,969</u>	<u>10,131</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(6,050)	2,524	(11,688)
Transfers (out)	<u>(12,310)</u>	<u>(12,310)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (6,050)</u>	(9,786)	<u>\$ 8,574</u>
Beginning fund balance		<u>9,786</u>	
<b>Ending Fund Balance</b>		<u>\$ -</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, 2013

***ECONOMIC DEVELOPMENT***

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fees	\$ 30,000	\$ 35,350	\$ 5,350
Investment income	100	171	71
<b>Total Revenues</b>	<u>30,100</u>	<u>35,521</u>	<u>5,421</u>
<b>Expenditures</b>			
<b>Current:</b>			
General administration	27,000	22,309	4,691
<b>Total Expenditures</b>	<u>27,000</u>	<u>22,309</u>	<u>4,691</u>
<b>Net Change in Fund Balance</b>	<u>\$ 3,100</u>	<u>13,212</u>	<u>\$ 10,112</u>
Beginning fund balance		<u>33,623</u>	
<b>Ending Fund Balance</b>		<u>\$ 46,835</u>	

***COUNTY AND DISTRICT TECHNOLOGY***

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fees	\$ 1,100	\$ 732	\$ (368)
Investment income	10	14	4
<b>Total Revenues</b>	<u>1,110</u>	<u>746</u>	<u>(364)</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>\$ (890)</u>	<u>746</u>	<u>\$ 1,636</u>
Beginning fund balance		<u>2,000</u>	
<b>Ending Fund Balance</b>		<u>\$ 2,746</u>	

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**BURLESON COUNTY, TEXAS**  
**COMBINING STATEMENT OF NET POSITION**  
**FIDUCIARY FUNDS**  
September 30, 2013

	<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	\$ 513,111	\$ 599,898	\$ 33,903	\$ 3,033
<b>Total Assets</b>	<u><u>\$ 513,111</u></u>	<u><u>\$ 599,898</u></u>	<u><u>\$ 33,903</u></u>	<u><u>\$ 3,033</u></u>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 509,397	\$ 424,383	\$ 33,903	\$ 1,272
Due to other funds	3,714	175,515	-	1,761
<b>Total Liabilities</b>	<u><u>\$ 513,111</u></u>	<u><u>\$ 599,898</u></u>	<u><u>\$ 33,903</u></u>	<u><u>\$ 3,033</u></u>

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>
\$ 56,131	\$ 11,749	\$ 36,308	\$ 15,416	\$ 13,343	\$ 1,282,892
<u>\$ 56,131</u>	<u>\$ 11,749</u>	<u>\$ 36,308</u>	<u>\$ 15,416</u>	<u>\$ 13,343</u>	<u>\$ 1,282,892</u>
\$ 53,019	\$ 11,749	\$ 36,300	\$ 15,416	\$ 13,343	\$ 1,098,782
3,112	-	8	-	-	184,110
<u>\$ 56,131</u>	<u>\$ 11,749</u>	<u>\$ 36,308</u>	<u>\$ 15,416</u>	<u>\$ 13,343</u>	<u>\$ 1,282,892</u>

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**BURLESON COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
For the Year Ended September 30, 2013

		Beginning Balance	Additions	(Deductions)	Ending Balance
<b>Tax Assessor/Collector</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 380,239	\$ 132,872	\$ -	\$ 513,111
<u>Assets</u>	Receivables	\$ 78,685	\$ -	\$ (78,685)	\$ -
<u>Liabilities</u>	Accounts payable	\$ 376,946	\$ 132,451	\$ -	\$ 509,397
<u>Liabilities</u>	Due to other funds	\$ 81,978	\$ -	\$ (78,264)	\$ 3,714
<b>District Clerk</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 1,456,031	\$ -	\$ (856,133)	\$ 599,898
<u>Assets</u>	Receivables	\$ 13,997	\$ -	\$ (13,997)	\$ -
<u>Liabilities</u>	Accounts payable	\$ 1,284,969	\$ -	\$ (860,586)	\$ 424,383
<u>Liabilities</u>	Due to other funds	\$ 185,059	\$ -	\$ (9,544)	\$ 175,515
<b>County Clerk</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 33,245	\$ 658	\$ -	\$ 33,903
<u>Liabilities</u>	Accounts payable	\$ 32,703	\$ 1,200	\$ -	\$ 33,903
<u>Liabilities</u>	Due to other funds	\$ 542	\$ -	\$ (542)	\$ -
<b>Jail Inmate</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 1,679	\$ 1,354	\$ -	\$ 3,033
<u>Liabilities</u>	Accounts payable	\$ 1,679	\$ -	\$ (407)	\$ 1,272
<u>Liabilities</u>	Due to other funds	\$ -	\$ 1,761	\$ -	\$ 1,761
<b>State of Texas Transfer Accounts</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 105,502	\$ -	\$ (49,371)	\$ 56,131
<u>Liabilities</u>	Accounts payable	\$ 99,419	\$ -	\$ (46,400)	\$ 53,019
<u>Liabilities</u>	Due to other funds	\$ 6,083	\$ -	\$ (2,971)	\$ 3,112
<b>County Attorney</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 9,991	\$ 1,758	\$ -	\$ 11,749
<u>Liabilities</u>	Accounts payable	\$ 9,917	\$ 1,832	\$ -	\$ 11,749
<u>Liabilities</u>	Due to other funds	\$ 74	\$ -	\$ (74)	\$ -
<b>County Sheriff</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 28,350	\$ 7,958	\$ -	\$ 36,308
<u>Liabilities</u>	Accounts payable	\$ 27,050	\$ 9,250	\$ -	\$ 36,300
<u>Liabilities</u>	Due to other funds	\$ 1,300	\$ -	\$ (1,292)	\$ 8
<b>Sheriff Seizure</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 17,005	\$ -	\$ (1,589)	\$ 15,416
<u>Liabilities</u>	Accounts payable	\$ 17,005	\$ -	\$ (1,589)	\$ 15,416
<b>Unclaimed Money</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 13,262	\$ 81	\$ -	\$ 13,343
<u>Liabilities</u>	Accounts payable	\$ 13,262	\$ 81	\$ -	\$ 13,343
<b>Total Fiduciary Funds</b>					
<u>Assets</u>	Cash and cash equivalents	\$ 2,045,304	\$ 144,681	\$ (907,093)	\$ 1,282,892
<u>Assets</u>	Receivables	\$ 92,682	\$ -	\$ (92,682)	\$ -
<u>Liabilities</u>	Accounts payable	\$ 1,862,950	\$ 144,814	\$ (908,982)	\$ 1,098,782
<u>Liabilities</u>	Due to other funds	\$ 275,036	\$ 1,761	\$ (92,687)	\$ 184,110

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