

ANNUAL FINANCIAL REPORT

of

BURLESON COUNTY, TEXAS

For the Year Ended
September 30, 2014

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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, 2014, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, 2014, 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
July 29, 2015

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

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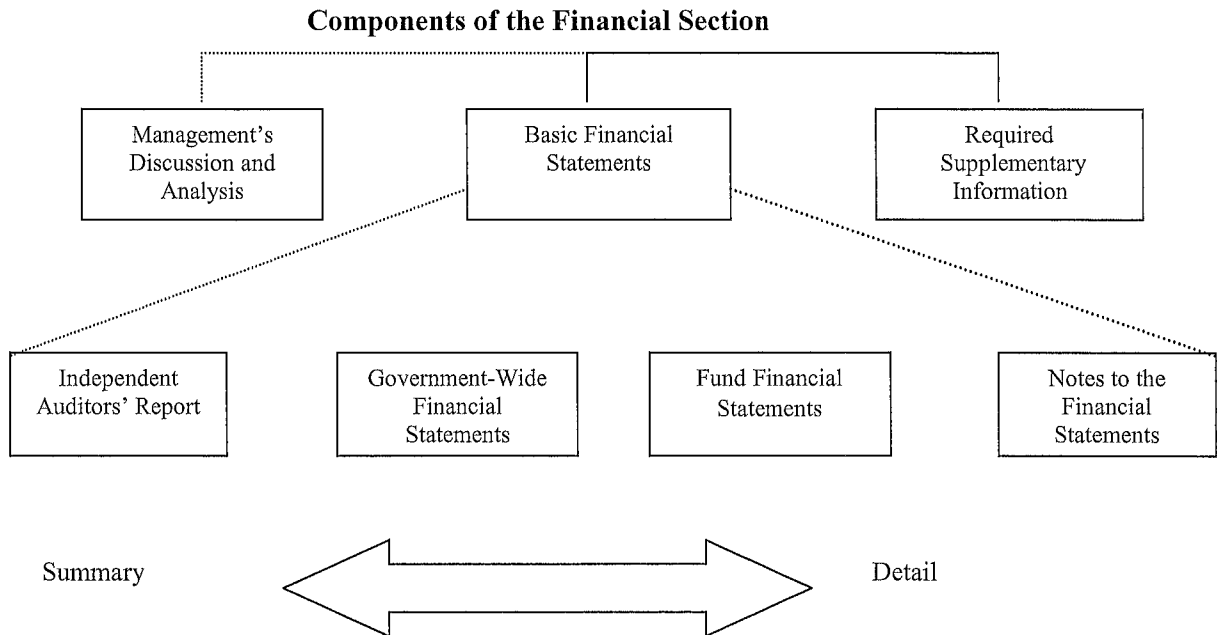
BURLESON COUNTY, TEXAS

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2014

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, 2014. 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, 2014

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 is 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 23 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, capital projects, 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, road and bridge, and lateral road and bridge funds to demonstrate compliance with these budgets. Budgetary comparison schedules have been provided for other nonmajor 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, 2014

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 ten 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, and lateral road and bridge funds, as well as schedules of funding progress for the Texas County and District Retirement System and other post employment healthcare benefits. RSI can be found the notes to the basic financial statements.

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 \$16,071,100 as of September 30, 2014. This compares with \$15,558,379 from the prior fiscal year. A portion of the County's net position, 39 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, 2014

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities	
	2014	2013
Current and other assets	\$ 15,515,245	\$ 11,892,163
Capital assets, net	7,242,018	6,770,351
Total Assets	22,757,263	18,662,514
Long-term liabilities	5,585,934	1,579,145
Other liabilities	1,100,229	1,524,990
Total Liabilities	6,686,163	3,104,135
Net Position:		
Net investment in capital assets	6,321,940	5,727,349
Restricted	4,679,159	4,295,170
Unrestricted	5,070,001	5,535,860
Total Net Position	\$ 16,071,100	\$ 15,558,379

A portion of the County's net position, \$4,679,159 or 29 percent, represents resources that are subject to external restriction on how they may be used. The County's unrestricted net position, \$5,070,001 or 32 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, 2014

Statement of Activities

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

		Governmental Activities	
		2014	2013
Revenues			
Program revenues:			
Charges for services	\$	2,683,944	\$ 2,077,023
Operating grants and contributions		432,088	220,646
General revenues:			
Property taxes		6,748,144	6,817,000
Sales taxes		1,511,868	1,730,828
Interest income		23,852	76,681
Other revenues		862,114	309,586
Total Revenues		12,262,010	11,231,764
Expenses			
General administration		1,245,885	872,039
Judicial		1,346,918	872,294
Legal		509,507	461,010
Financial administration		462,909	430,146
Public facilities		205,124	172,936
Public safety		3,025,592	2,648,433
Public transportation		3,733,289	3,557,341
Health and welfare		91,525	87,436
Miscellaneous		917,382	1,015,823
Interest and fiscal agent fees		211,158	44,148
Total Expenses		11,749,289	10,161,606
Change in Net Position		512,721	1,070,158
Beginning net position		15,558,379	14,488,221
Ending Net Position	\$	16,071,100	\$ 15,558,379

Total governmental revenues were comparable to the prior year, increasing \$1,030,246 or nine percent. Operating grants and contributions revenue increased \$211,442 or 96 percent from prior year mainly due to an increase in grants. Other revenues increased \$552,528 or 178 percent due to grant reimbursement. Sales tax revenue decreased \$218,960 or 13 percent due to less economic activity in the County.

Governmental expenses were comparable to the prior year, increasing \$1,587,683 or 14 percent. General administration expense increased \$373,846 or 33 percent which was primarily due to a disposal of capital asset. Judicial expense increased \$474,624 or 54 percent due to an increase in contracted professional labor. Public safety expense increased \$377,159 or 14% primarily due to expenses to operate the County's jail. Public transportation expense increased \$175,948 or 5% due to more repairs.

BURLESON COUNTY, TEXAS
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2014

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 \$13,446,236. Of this, \$4,739,461 is unassigned and available for day-to-day operations of the County and \$8,706,775 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 \$4,739,461. 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 67 percent of total general fund expenditures. The fund balance of the general fund reported a decrease of \$318,583 mainly due to a substantial transfer of funds to the capital projects fund.

The capital projects fund reported an increase of \$4,020,166 in fund balance due to the issuance of new bonds and one reimbursement from developer. All of the capital projects fund balance, \$4,020,166, is restricted.

The road and bridge fund reported an increase of \$422,414 in fund balance primarily due to donations from companies for future maintenance of the County's roads and bridges. All of the road and bridge fund balance, \$2,221,058, is restricted.

The lateral road and bridge fund reported a restricted fund balance of \$493,618, which is a decrease of \$47,969 in fund balance due to an increase in public transportation expenditures.

The debt service fund reported an increase of \$26,913 in fund balance. The debt service fund balance of \$895,622 is restricted to payments of principal and interest on debt.

GENERAL FUND BUDGETARY HIGHLIGHTS

The general fund actual revenues were more than the final budget by \$862,387 during the year. This net increase is largely the result of more fees collected than projected.

The general fund expenditures were less than the final budget by \$1,338,800 as a result of a County-wide effort to keep expenditures at or below budget. The miscellaneous, judicial, and financial administration departments and capital outlay reported significantly less expenditures than budgeted.

CAPITAL ASSETS

At the end of the year, the County's governmental activities had invested \$7,242,018 in a variety of capital assets and infrastructure, net of depreciation.

BURLESON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2014

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

- Construction in progress for the new County office building
- Vehicles and equipment for the public works and public safety department

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 \$4,000,000. The County also reported capital leases and time warrants issued with a depository loan for a total of \$230,244. The County issued refunding bonds of \$710,000 this year.

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

ECONOMIC FACTORS ABND THE NEXT YEAR'S BUDGET

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 2014/2015 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

For the Year Ended September 30, 2014

	Governmental Activities
<u>Assets</u>	
Cash and cash equivalents	\$ 13,880,949
Receivables, net	1,445,742
Due from others	188,554
	<u>15,515,245</u>
Capital assets:	
Nondepreciable	618,127
Depreciable capital assets, net	6,623,891
	<u>7,242,018</u>
Total Assets	<u>22,757,263</u>
<u>Liabilities</u>	
Accounts payable	681,927
Accrued interest	12,219
Long-term liabilities due within one year	406,083
	<u>1,100,229</u>
Noncurrent liabilities:	
Long-term debt due in more than one year	4,755,767
Compensated absences	9,373
Net OPEB obligation	820,794
	<u>5,585,934</u>
Total Liabilities	<u>6,686,163</u>
<u>Net Position</u>	
Net investment in capital assets	6,321,940
Restricted for:	
Road and bridge	2,221,058
Lateral road and bridge	493,618
Debt service	888,172
Other governmental funds	1,076,311
Unrestricted	5,070,001
Total Net Position	<u>\$ 16,071,100</u>

See Notes to Financial Statements

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BURLESON COUNTY, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2014

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary Government				
Governmental Activities				
General administration	\$ 1,245,885	\$ 475,562	\$ 432,088	\$ (338,235)
Judicial	1,346,918	432,269	-	(914,649)
Legal	509,507	4,081	-	(505,426)
Financial administration	462,909	760,922	-	298,013
Public facilities	205,124	-	-	(205,124)
Public safety	3,025,592	26,356	-	(2,999,236)
Public transportation	3,733,289	674,924	-	(3,058,365)
Health and welfare	91,525	-	-	(91,525)
Miscellaneous	917,382	309,830	-	(607,552)
Interest and fiscal agent fees	211,158	-	-	(211,158)
Total Governmental Activities	<u>11,749,289</u>	<u>2,683,944</u>	<u>432,088</u>	<u>(8,633,257)</u>
Total Primary Government	<u>\$ 11,749,289</u>	<u>\$ 2,683,944</u>	<u>\$ 432,088</u>	<u>(8,633,257)</u>
General Revenues:				
				6,748,144
				1,511,868
				23,852
				862,114
			Total General Revenues	<u>9,145,978</u>
			Change in Net Position	512,721
			Beginning net position	<u>15,558,379</u>
			Ending Net Position	<u>\$ 16,071,100</u>

See Notes to Financial Statements.

BURLESON COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2014

	General	Capital Projects	Road and Bridge	Lateral Road and Bridge
<u>Assets</u>				
Cash and cash equivalents	\$ 4,856,345	\$ 4,026,868	\$ 2,323,771	\$ 557,910
Receivables, net	423,205	-	273,374	111,525
Due from other funds	274,819	-	130,262	8,870
Total Assets	\$ 5,554,369	\$ 4,026,868	\$ 2,727,407	678,305
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 315,384	\$ -	\$ 238,797	\$ 28,493
Due to other funds	64,000	6,702	21,000	40,800
Total Liabilities	379,384	6,702	259,797	69,293
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - property taxes	435,524	-	246,552	115,394
<u>Fund Balances</u>				
Restricted:				
Capital Projects	-	4,020,166	-	-
Debt service	-	-	-	-
Road and bridge	-	-	2,221,058	-
Lateral road and bridge	-	-	-	493,618
Other governmental funds	-	-	-	-
Unassigned:				
General	4,739,461	-	-	-
Total Fund Balances	4,739,461	4,020,166	2,221,058	493,618
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,554,369	\$ 4,026,868	\$ 2,727,407	\$ 678,305

See Notes to Financial Statements.

Debt Service	Non Major Governmental	Total Governmental Funds
\$ 895,622	\$ 1,220,433	\$ 13,880,949
23,788	48,875	880,767
849	2,032	416,832
<u>\$ 920,259</u>	<u>\$ 1,271,340</u>	<u>\$ 15,178,548</u>
\$ -	\$ 99,253	\$ 681,927
-	95,776	228,278
-	195,029	910,205
<u>24,637</u>	<u>-</u>	<u>822,107</u>
-	-	4,020,166
895,622	-	895,622
-	-	2,221,058
-	-	493,618
-	1,076,311	1,076,311
-	-	4,739,461
<u>895,622</u>	<u>1,076,311</u>	<u>13,446,236</u>
<u>\$ 920,259</u>	<u>\$ 1,271,340</u>	<u>\$ 15,178,548</u>

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BURLESON COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2014

Total fund balances for governmental funds		\$ 13,446,236
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	618,127	
Depreciable capital assets	12,226,080	
Accumulated depreciation	<u>(5,602,189)</u>	
		7,242,018
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	564,975	
Unavailable revenue - property taxes	<u>822,107</u>	
		1,387,082
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	(321,728)	
Long-term debt due in more than one year	(4,755,767)	
Accrued interest payable	(12,219)	
Compensated absences	(93,728)	
Net OPEB obligation	<u>(820,794)</u>	
		<u>(6,004,236)</u>
Net Position of Governmental Activities		\$ <u>16,071,100</u>

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, 2014

	General	Capital Projects	Road and Bridge	Lateral Road and Bridge
Revenues				
Property taxes	\$ 3,576,729	\$ -	\$ 2,016,726	\$ 1,014,018
Sales tax	1,511,868	-	-	-
Intergovernmental	53,272	-	-	-
Fees	1,228,694	-	-	-
Fines and forfeitures	432,269	-	-	-
Interest	11,755	382	3,367	1,087
Permits and licenses	-	-	674,924	-
Miscellaneous	237,956	-	407,727	-
Total Revenues	7,052,543	382	3,102,744	1,015,105
Expenditures				
Current:				
General administration	755,627	-	-	-
Judicial	1,004,578	-	-	-
Legal	509,507	-	-	-
Financial administration	462,909	-	-	-
Public facilities	205,124	-	-	-
Public safety	2,637,889	-	-	-
Public transportation	-	-	2,151,033	1,063,074
Health and welfare	91,525	-	-	-
Miscellaneous	558,000	-	288,878	-
Debt service:				
Issuance cost	-	144,114	-	-
Payment to escrow agent	-	-	-	-
Principal	-	-	147,868	-
Interest and fiscal agent fees	-	-	7,807	-
Capital outlay	804,289	423,514	259,258	-
Total Expenditures	7,029,448	567,628	2,854,844	1,063,074
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,095	(567,246)	247,900	(47,969)
Other Financing Sources (Uses)				
Bond proceeds	-	4,000,000	-	-
Bond premium	-	144,114	-	-
Transfers in	101,620	443,298	-	-
Transfers (out)	(443,298)	-	-	-
Sale of capital assets	-	-	88,514	-
Capital leases	-	-	86,000	-
Total Other Financing Sources (Uses)	(341,678)	4,587,412	174,514	-
Net Change in Fund Balances	(318,583)	4,020,166	422,414	(47,969)
Beginning fund balances	5,058,044	-	1,798,644	541,587
Ending Fund Balances	\$ 4,739,461	\$ 4,020,166	\$ 2,221,058	\$ 493,618

See Notes to Financial Statements.

<u>Debt Service</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ 109,501	\$ -	\$ 6,716,974
-	-	1,511,868
-	378,816	432,088
-	309,830	1,538,524
-	-	432,269
5,664	1,597	23,852
-	-	674,924
-	140,548	786,231
<u>126,453</u>	<u>830,791</u>	<u>12,128,018</u>
-	24,589	780,216
-	342,340	1,346,918
-	-	509,507
-	-	462,909
-	-	205,124
-	16,022	2,653,911
-	-	3,214,107
-	-	91,525
-	70,504	917,382
29,110	-	173,224
680,890	-	680,890
70,000	-	217,868
29,540	-	37,347
-	282,358	1,769,419
<u>809,540</u>	<u>735,813</u>	<u>13,060,347</u>
<u>(683,087)</u>	<u>94,978</u>	<u>(932,329)</u>
710,000	-	4,710,000
-	-	144,114
-	-	544,918
-	(101,620)	(544,918)
-	-	88,514
-	-	86,000
<u>710,000</u>	<u>(101,620)</u>	<u>5,028,628</u>
26,913	(6,642)	4,096,299
<u>868,709</u>	<u>1,082,953</u>	<u>9,349,937</u>
<u>\$ 895,622</u>	<u>\$ 1,076,311</u>	<u>\$ 13,446,236</u>

BURLESON COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2014

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

Net changes in fund balances - total government funds	\$ 4,096,299
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	1,375,161
Depreciation expense	(674,262)
Disposal of capital assets net of accumulated depreciation	(229,232)
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	38,227
Changes in unavailable revenue - property taxes	19,882
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	
The issuance of long-term debt	(4,796,000)
Changes in premium on bonds	(137,251)
Principal payments	898,758
Changes in accrued interest expense	(7,450)
Changes in compensated absences	4,508
Changes in OPEB	(75,919)
Change in Net Position of Governmental Activities	\$ 512,721

See Notes to Financial Statements.

BURLESON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2014

	<u>Total Fiduciary Funds</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 1,263,037
Receivables	1,661
Total Assets	<u><u>\$ 1,264,698</u></u>
<u>Liabilities</u>	
Accounts payable	\$ 1,076,144
Due to other funds	188,554
Total Liabilities	<u><u>\$ 1,264,698</u></u>

See Notes to Financial Statements.

BURLESON COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2014

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, 2014

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.

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

Capital Projects Fund, 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 used to account for resources held for the benefit of parties outside the government. 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 financial statements. Transfers between the funds included in governmental activities are eliminated so

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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, balances in statewide investment pools (Texas CLASS) and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

In accordance with GASB 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, 2014

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 Texas Class, 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 County 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, 2014

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 the employee's supervisor. Upon termination, any accumulated vacation time will be paid; however, no accumulated sick leave will be paid. The estimated amount of compensation for services provided that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

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, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method, if material. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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 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.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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 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 adopt a project construction budget. All annual appropriations lapse at

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of September 30, 2014, the county had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Texas CLASS	\$ 5,208,410	0.00
Total fair value	\$ 5,208,410	
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, 2014, the County's investments in Texas CLASS were rated "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, 2014, 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.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

B. Receivables

The following comprise receivable balances at year end:

	General	Road and Bridge	Lateral Road and Bridge	Debt Service	Nonmajor	Total
Intergovernmental	\$ 45,028	\$ 36,199	\$ -	\$ -	\$ 48,875	\$ 130,102
Taxes receivable	387,065	242,205	113,879	24,289	-	767,438
Less: allowance for uncollectible	(8,888)	(5,030)	(2,354)	(501)	-	(16,773)
	<u>\$ 423,205</u>	<u>\$ 273,374</u>	<u>\$ 111,525</u>	<u>\$ 23,788</u>	<u>\$ 48,875</u>	<u>\$ 880,767</u>

A receivable of \$564,975 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, 2014 is as follows:

	Beginning Balance	Increases	Decreases / Reclassifications	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 273,894	\$ 34,017	\$ -	\$ 307,911
Construction in process	822,177	310,216	822,177	310,216
Total capital assets not being depreciated	<u>1,096,071</u>	<u>344,233</u>	<u>822,177</u>	<u>618,127</u>
Other capital assets:				
Buildings and improvements	4,095,308	846,938	-	4,942,246
Infrastructure	53,009	-	-	53,009
Equipment	6,592,578	789,567	151,320	7,230,825
Total other capital assets	<u>10,740,895</u>	<u>1,636,505</u>	<u>151,320</u>	<u>12,226,080</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,374,302)	(126,087)	-	(1,500,389)
Infrastructure	(11,458)	(1,601)	-	(13,059)
Equipment	(3,680,856)	(546,574)	(138,689)	(4,088,741)
Total accumulated depreciation	<u>(5,066,616)</u>	<u>(674,262)</u>	<u>(138,689)</u>	<u>(5,602,189)</u>
Other capital assets, net	<u>5,674,280</u>	<u>962,243</u>	<u>12,631</u>	<u>6,623,891</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 6,770,351</u>	<u>\$ 1,306,476</u>	<u>\$ 834,808</u>	<u>7,242,018</u>
		Add unspent Bond proceeds		4,020,166
		Less associated debt		(4,940,244)
		Net Investment in Capital Assets		<u>\$ 6,321,940</u>

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

Depreciation was charged to governmental functions as follows:

Public safety	\$ 155,080
Public transportation	519,182
	<u>\$ 674,262</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, 2014. 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.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Certificates of obligation 2004	\$ 750,000	\$ -	\$ (750,000)	\$ -	\$ -
Refunding bonds series 2014	-	710,000	-	710,000	*
Certificates of obligations 2014	-	4,000,000	-	4,000,000	*
Premiums	-	144,114	(6,863)	137,251	-
Capitalized lease obligations	293,002	86,000	(148,758)	230,244	*
OPEB obligation	744,875	117,861	(41,942)	820,794	-
Compensated absences	98,236	99,604	(104,112)	93,728	84,355
Total Governmental Activities	<u>\$ 1,886,113</u>	<u>\$ 5,157,579</u>	<u>\$ (1,051,675)</u>	<u>\$ 5,992,017</u>	<u>\$ 406,083</u>
Long-term debt due in more than one year				<u>\$ 5,585,934</u>	
*Debt associated with governmental activity capital assets				<u>\$ 4,940,244</u>	

In July 2014, the County issued Tax Exempt Bonds, Certificates of obligation, series 2014, in the amount of \$4,000,000. The bonds were issued to reimburse a developer for constructing a courthouse annex project costs and pay the costs of issuance. The bonds are direct obligation of the County payable from and secured by an annual ad valorem tax levied, within the limits prescribed by law, against all taxable property located within the County. The bonds will mature in year 2034.

Refunded Debt

During the year, the County sold general obligation and refunding bonds, series 2014 for \$710,000, of which \$680,890 provided resources for a current and advanced refunding of long-term debt. The current refunding portion provided debt service payments of \$680,000 to refund bond series 2004. As a result, the refunded portion of the bonds is considered to be defeased and the pro-rata portion of the liability has been removed from the applicable governmental activities columns in the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$890. The refunding bonds

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

reduced total debt service payments by \$42,872 over the next eight years and resulted in an economic gain of \$40,075. At September 30, 2014, \$680,000 of general obligation bonds series 2004 is considered defeased.

Compensated absences and the other post employment benefits obligation are generally liquidated in the general fund. New capital lease obligations and certificates of obligation of the County as of September 30, 2014, are as follows:

	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>
Certificates of Obligation			
2014 Certificates of Obligation	3.00-3.50%	\$ 4,000,000	\$ 4,000,000
Total Certificates of Obligation			<u>\$ 4,000,000</u>
General Obligation Refunding Bonds			
General Obligation Refunding Bonds Series 2014	0.50-2.25%	\$ 710,000	\$ 710,000
Total Certificates of Obligation			<u>\$ 710,000</u>
Capital Leases			
Caterpillar motor grader	2.00-4.00%	\$ 160,850	\$ 102,541
CAT 120M2 Motorgrader	2.00-4.00%	\$ 86,000	86,000
BOMAG Wheel Roller	1.00-3.00%	\$ 62,740	41,703
Total Capital Leases			<u>\$ 230,244</u>

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

Fiscal Year	Governmental Activities		
	General Certificates of Obligation 2014		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 155,000	\$ 125,600	\$ 280,600
2016	155,000	120,950	275,950
2017	160,000	116,300	276,300
2018	160,000	111,500	271,500
2019	165,000	106,700	271,700
2020-2034	3,205,000	898,775	4,103,775
Total	<u>\$ 4,000,000</u>	<u>\$ 1,479,825</u>	<u>\$ 5,479,825</u>

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

Fiscal Year	Governmental Activities		
	Refunding Bonds Series 2014		
	Principal	Interest	Total
2015	\$ 85,000	\$ 9,906	\$ 94,906
2016	85,000	9,823	94,823
2017	85,000	9,185	94,185
2018	90,000	8,293	98,293
2019	90,000	7,078	97,078
2020-2022	275,000	11,635	286,635
Total	\$ 710,000	\$ 55,918	\$ 765,918

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

Fiscal Year	Governmental Activities		
	Capital Leases		
	Principal	Interest	Total
2015	\$ 81,728	\$ 5,346	\$ 87,074
2016	83,931	3,029	86,960
2017	64,585	828	65,413
Total	\$ 230,244	\$ 9,203	\$ 239,447

The assets acquired through capital leases are as follows:

	Governmental
	Activities
Equipment	\$ 405,023
Less: Accumulated depreciation	(59,100)
	\$ 345,923

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, a substantial liability to the County could result. The County periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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	\$ 274,819	\$ 64,000
Capita projects fund	-	6,702
Road and bridge fund	130,262	21,000
Lateral road and bridge fund	8,870	40,800
Debt service fund	849	-
Other governmental funds	2,032	95,776
Fiduciary funds	-	188,554
	<u>\$ 416,832</u>	<u>\$ 416,832</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	\$ 443,298	\$ 101,620
Capital projects fund	-	443,298
Other governmental funds	101,620	-
	<u>\$ 544,918</u>	<u>\$ 544,918</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 2014, 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 2014, expenditures totaled \$13,581. During September 2014, the County was awarded an additional \$15,000 from fiscal year 2015 funding applying to the same fiscal year 2014 grant.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

Texas Indigent Defense Commission

Indigent Defense Formula Grant

A grant was awarded to the County in the amount of \$33,064 in January 2014 from the Texas Task Force on Indigent Defense (TFID) to assist the County in continued implementation of the provisions of the Indigent Defense Act and the improvement of the indigent criminal defense services in the County. As of the year end, \$28,149 had been received and expended in compliance with grant requirements with the remaining \$4,915 processed in December 2014. An additional \$4,648 was noted as expended from the remaining fiscal year 2013 funding received in November 2013. For fiscal year 2014, TFID expenditures totaled \$32,797.

Homeland Security Grant Program (HSGP)

The County received two new grants for fiscal years 2014 through 2016 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 2013, and the Department of Homeland Security Appropriation Act of 2014, 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.

2013 HSGP

During 2014, the County received grant awards totaling \$27,946 for further communications and emergency enhancements. These awards represent funding available from September 1, 2013 to May 31, 2015. For fiscal year 2014, HSGP expenditures for 2013 grants totaled \$24,373. For fiscal year 2015, the remaining grant balance of \$3,573 was not expended and was adjusted out of the total grant award. As of September 30, 2014, \$24,373 of receivables was due and funds were received in December 2014.

2014 HSGP

During September 2014, the County received a grant award of \$250,201 for further communications and emergency enhancements. This award represents funding available from September 1, 2014 to January 31, 2016. For fiscal year 2014, no grant funds were expended.

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 were paid by the water supply corporation. The performance period covered November 1, 2012 through October 31, 2014. For fiscal year 2014, TxCDBG expenditures totaled \$252,975. As of September 30, 2014, total grant expenditures of \$243,975 had been reimbursed. Total receivable for this grant totaled \$9,000 at year end.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

Texas Department of Transportation (TxDOT)

2014 County Transportation Fund Grant(CTIF)

During May 2014, the County was awarded the CTIF in the amount of \$429,658 requiring minimum County matching funds of \$107,414 (20 percent of project totals). Grant funds were offered statewide in an effort to assist counties suffering road and infrastructure damages due to oilfield related activities. As of fiscal year 2014, no grant funds had been expended. It is anticipated most grant funds will be used during fiscal year 2015 with the remainder to be expended during fiscal year 2016.

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 Pool 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. 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 year end.

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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 statewide 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, 2014

Annual Pension Cost

For the County's accounting year ended September 30, 2014, the annual pension cost for the TCDRS plan was \$311,031 and the actual contributions were \$311,031.

The required contribution rates for fiscal year 2014 were determined as part of the December 31, 2011 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2013, also follows:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarial Valuation Date	12/31/2013	12/31/2012	12/31/2011
Actuarial Cost Method	Entry age	Entry age	Entry age
Amortization Method	Level % of payroll	Level % of payroll	Level % of payroll
Remaining Amortization Period	20 years, Closed period	20 years, Closed period	20 years, Closed period
Asset Valuation Method	SAF: 10-yrs smoothed value	SAF: 10-yrs smoothed value	SAF: 10-yrs smoothed value
Investment Rate of Return	8.0%	8.0%	8.0%
Projected Salary Increases	4.9%	5.4%	5.4%
Inflation	3.0%	3.5%	3.5%
Cost of Living Adjustments	n/a	n/a	n/a

The funded status as of December 31, 2013, the most recent valuation date, is as follows:

	<u>2014</u>
Actuarial Valuation Date	12/31/2013
Actuarial Value of Assets	\$ 7,690,139
Actuarial Accrued Liability (AAL)	\$ 9,282,904
Percentage Funded	82.8%
Unfunded AAL(UAAL)	\$ 1,592,765
Annual Covered Payroll	\$ 3,531,162
UAAL as a Percentage of Covered Payroll	45.1%

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, 2014

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)	29,795
Adjustment to the ARC	<u>(42,239)</u>
Annual OPEB cost (APC)	117,861
Contributions made	<u>(41,942)</u>
Increase in net OPEB obligation	75,919
Net OPEB obligation-beginning of year	<u>744,875</u>
Net OPEB obligation-end of year	<u><u>\$ 820,794</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation estimate for 2014 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>
2012	\$ 237,541	\$ 17,786	7.49%	\$ 667,541
2013	\$ 119,153	\$ 41,819	35.10%	\$ 744,875
2014	\$ 117,861	\$ 41,942	35.59%	\$ 820,794

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 assumptions about the probability of occurrence of events far into the future. Examples include

BURLESON COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2014

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 post employment 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. 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 2012, 2013, and 2014, were \$23,071, \$24,406, and \$23,769, respectively, which equaled the contractually required contribution each year.

REQUIRED SUPPLEMENTARY INFORMATION

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

For the Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenue				
Property taxes	\$ 3,551,382	\$ 3,551,382	\$ 3,576,729	\$ 25,347
Sales tax	1,253,000	1,253,000	1,511,868	258,868
Intergovernmental	53,271	53,271	53,272	1
Fines and forfeitures	535,000	535,000	432,269	(102,731)
Interest	6,000	6,000	11,755	5,755
Miscellaneous	127,300	133,333	237,956	104,623
Total Revenues	6,184,123	6,190,156	7,052,543	862,387
Expenditures				
Current:				
General administration	889,267	882,536	755,627	126,909
Judicial	1,013,849	1,086,255	1,004,578	81,677
Legal	512,648	512,148	509,507	2,641
Financial administration	575,384	555,872	462,909	92,963
Public facilities	191,473	214,683	205,124	9,559
Public safety	2,899,898	2,914,050	2,637,889	276,161
Health and welfare	120,589	124,443	91,525	32,918
Miscellaneous	1,580,463	681,450	558,000	123,450
Capital outlay	986,200	1,396,811	804,289	592,522
Total Expenditures	8,769,771	8,368,248	7,029,448	1,338,800
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,585,648)	(2,178,092)	23,095	2,201,187
Other Financing Sources (Uses)				
Transfers in	65,250	92,071	101,620	9,549
Transfers (out)	(70,000)	(741,524)	(443,298)	298,226
Total Other Financing Sources (Uses)	(4,750)	(649,453)	(341,678)	307,775
Net Change in Fund Balance	\$ (2,590,398)	\$ (2,827,545)	(318,583)	\$ 2,508,962
Beginning fund balance			5,058,044	
Ending Fund Balance			\$ 4,739,461	

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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Property taxes	\$ 2,002,781	\$ 2,002,781	\$ 2,016,726	\$ 13,945
Interest	1,850	1,850	3,367	1,517
Permits and licenses	670,900	670,900	674,924	4,024
Total Revenues	<u>2,743,131</u>	<u>2,942,031</u>	<u>3,102,744</u>	<u>160,713</u>
Expenditures				
Current:				
Public transportation	2,479,384	2,581,048	2,151,033	430,015
Miscellaneous	362,125	369,953	288,878	81,075
Debt service:				
Principal	243,203	288,636	147,868	140,768
Interest and fiscal agent fees	19,682	20,750	7,807	12,943
Capital outlay	<u>190,000</u>	<u>529,089</u>	<u>259,258</u>	<u>269,831</u>
Total Expenditures	<u>3,294,394</u>	<u>3,789,476</u>	<u>2,854,844</u>	<u>934,632</u>
Excess				
(Deficiency) of Revenues				
Over (Under) Expenditures	<u>(551,263)</u>	<u>(847,445)</u>	<u>247,900</u>	<u>1,095,345</u>
Other Financing Sources (Uses)				
Transfers (out)	(4,781,700)	-	-	-
Sale of capital assets	-	88,514	88,514	-
Capital leases	-	9,433	86,000	76,567
Total Other Financing				
Sources (uses)	<u>(4,781,700)</u>	<u>97,947</u>	<u>174,514</u>	<u>76,567</u>
Net Change in Fund Balance	<u>\$ (5,332,963)</u>	<u>\$ (749,498)</u>	<u>422,414</u>	<u>\$ 1,171,912</u>
Beginning fund balance			<u>1,798,644</u>	
Ending Fund Balance			<u>\$ 2,221,058</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Property taxes	\$ 995,477	\$ 995,477	\$ 1,014,018	\$ 18,541
Interest income	620	620	1,087	467
Total Revenues	<u>996,097</u>	<u>996,097</u>	<u>1,015,105</u>	<u>19,008</u>
Expenditures				
Current:				
Public transportation	1,184,500	1,179,500	1,063,074	116,426
Capital outlay	<u>25,000</u>	<u>36,000</u>	<u>-</u>	<u>36,000</u>
Total Expenditures	<u>1,209,500</u>	<u>1,215,500</u>	<u>1,063,074</u>	<u>152,426</u>
Net Change in Fund Balance	<u>\$ (213,403)</u>	<u>\$ (219,403)</u>	<u>(47,969)</u>	<u>\$ 171,434</u>
Beginning fund balance			<u>541,587</u>	
Ending Fund Balance			<u>\$ 493,618</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, 2014

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	2014	2013	2012
Actuarial Valuation Date	12/31/2013	12/31/2012	12/31/2011
Actuarial Value of Assets	\$ 7,690,139	\$ 7,261,096	\$ 6,675,505
Percentage Funded	82.8%	81.6%	81.4%
Unfunded AAL (UAAL)	\$ 1,592,765	\$ 1,632,757	\$ 1,525,845
Annual Covered Payroll	\$ 3,531,162	\$ 3,548,455	\$ 3,497,174
UAAL % of Covered Payroll	45.11%	46.01%	43.63%
Net Pension Obligation (NPO)			
at the Beginning of Period	\$ -	\$ -	\$ -
Annual Req. Contrib. (ARC)	311,031	289,480	264,099
Contributions Made	311,031	289,480	264,099
NPO at the End of Period	\$ -	\$ -	\$ -

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BURLESON COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT HEALTHCARE BENEFITS
For the Year Ended September 30, 2014

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%

***COMBINING STATEMENTS
AND SCHEDULES***

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

For the Year Ended September 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenue				
Property taxes	\$ 109,859	\$ 109,859	\$ 109,501	\$ (358)
Miscellaneous	-	-	11,288	11,288
Interest	250	250	5,664	5,414
Total Revenues	<u>110,109</u>	<u>110,109</u>	<u>126,453</u>	<u>16,344</u>
Expenditures				
Current:				
Bond issuance cost	-	29,110	29,110	-
Paid to escrow	-	680,890	680,890	-
Debt service:				
Principal	70,000	70,000	70,000	-
Interest and fiscal agent fees	31,540	31,540	29,540	2,000
Total Expenditures	<u>101,540</u>	<u>811,540</u>	<u>809,540</u>	<u>2,000</u>
Revenues Over Expenditures	<u>8,569</u>	<u>(701,431)</u>	<u>(683,087)</u>	<u>18,344</u>
Other Financing Sources (uses)				
Financing proceeds	-	905,429	710,000	(195,429)
Total Other Financing Sources	<u>-</u>	<u>905,429</u>	<u>710,000</u>	<u>(195,429)</u>
Net Change in Fund Balance	<u>\$ 8,569</u>	<u>\$ 203,998</u>	<u>26,913</u>	<u>\$ (177,085)</u>
Beginning fund balance			<u>868,709</u>	
Ending Fund Balance			<u>\$ 895,622</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)
For the Year Ended September 30, 2014

Special Revenue Funds				
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt. and Preservation Dist. & Co.
<u>Assets</u>				
Cash and cash equivalents	\$ 102,625	\$ 70,123	\$ 102,573	\$ 342,937
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Total Assets	\$ 102,625	\$ 70,123	\$ 102,573	\$ 342,937
<u>Liabilities</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ 651
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	651
<u>Fund Balances</u>				
Restricted	102,625	70,123	102,573	342,286
Total Fund Balances	102,625	70,123	102,573	342,286
Total Liabilities and Fund Balances	\$ 102,625	\$ 70,123	\$ 102,573	\$ 342,937

Special Revenue Funds					
Jail Commissary	Attorney Fee Account	Sheriff's Office Donation Equipment	Sheriff's Forfeiture	State Salary Supplement	Sheriff's Office Awarded Restitution
\$ 16,646	\$ 446	\$ 15,625	\$ 107,747	\$ 42,111	\$ 24,282
-	-	-	-	-	-
2,032	-	-	-	-	-
<u>\$ 18,678</u>	<u>\$ 446</u>	<u>\$ 15,625</u>	<u>\$ 107,747</u>	<u>\$ 42,111</u>	<u>\$ 24,282</u>
\$ 2,768	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>2,768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
15,910	446	15,625	107,747	42,111	24,282
15,910	446	15,625	107,747	42,111	24,282
<u>\$ 18,678</u>	<u>\$ 446</u>	<u>\$ 15,625</u>	<u>\$ 107,747</u>	<u>\$ 42,111</u>	<u>\$ 24,282</u>

BURLESON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 2)
For the Year Ended September 30, 2014

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payment
<u>Assets</u>				
Cash and cash equivalents	\$ 3,540	\$ 20,308	\$ 161,303	\$ -
Receivables, net	-	-	35,698	-
Due from other funds	-	-	-	-
Total Assets	\$ 3,540	\$ 20,308	\$ 197,001	\$ -
<u>Liabilities</u>				
Accounts payable	\$ 616	\$ -	\$ 10,173	\$ -
Due to other funds	-	-	70,000	-
Total Liabilities	616	-	80,173	-
<u>Fund Balances</u>				
Restricted	2,924	20,308	116,828	-
Total Fund Balances	2,924	20,308	116,828	-
Total Liabilities and Fund Balances	\$ 3,540	\$ 20,308	\$ 197,001	\$ -

Special Revenue Funds

Economic Development	Election Services	County and District Technology	Vehicle Inventory	Total Nonmajor Governmental Funds
\$ 75,193	\$ 7,940	\$ 3,590	\$ 123,444	\$ 1,220,433
64	6,756	-	6,357	48,875
-	-	-	-	2,032
<u>\$ 75,257</u>	<u>\$ 14,696</u>	<u>\$ 3,590</u>	<u>\$ 129,801</u>	<u>\$ 1,271,340</u>
\$ 5,000	\$ -	\$ -	\$ 80,045	\$ 99,253
40.00	-	-	25,736	95,776
<u>5,040</u>	<u>-</u>	<u>-</u>	<u>105,781</u>	<u>195,029</u>
70,217	14,696	3,590	24,020	1,076,311
70,217	14,696	3,590	24,020	1,076,311
<u>\$ 75,257</u>	<u>\$ 14,696</u>	<u>\$ 3,590</u>	<u>\$ 129,801</u>	<u>\$ 1,271,340</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, 2014

Special Revenue Funds				
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt and Preservation Dist. & Co.
<u>Revenues</u>				
Fees	\$ 12,040	\$ 20,449	\$ -	\$ 205,369
Intergovernmental	-	-	-	-
Investment income	143	114	307	290
Miscellaneous	-	-	-	-
Total Revenues	12,183	20,563	307	205,659
<u>Expenditures</u>				
Current:				
General administration	769	-	-	-
Judicial	-	-	342,340	-
Public safety	-	-	-	-
Miscellaneous	-	-	-	8,132
Capital outlay	-	-	-	17,510
Total Expenditures	769	-	342,340	25,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,414	20,563	(342,033)	180,017
<u>Other Financing Sources (Uses)</u>				
Transfers (out)	-	(18,823)	-	-
Total Other Financing (Uses)	-	(18,823)	-	-
Net Change in Fund Balances	11,414	1,740	(342,033)	180,017
Beginning fund balances	91,211	68,383	444,606	162,269
Ending Fund Balances	\$ 102,625	\$ 70,123	\$ 102,573	\$ 342,286

Special Revenue Funds

Jail Commissary	Attorney Fee Account	Sheriff's Office Donation Equipment	Sheriff's Forfeiture	State Salary Supplement	Sheriff's Office Awarded Restitution
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	50,495	-
18	1	23	77	70	36
18,010	-	400	93,887	-	-
<u>18,028</u>	<u>1</u>	<u>423</u>	<u>93,964</u>	<u>50,565</u>	<u>36</u>
-	-	-	-	70	-
-	-	-	-	-	-
-	-	-	1,070	-	-
9,613	-	-	-	-	-
-	-	-	-	-	-
<u>9,613</u>	<u>-</u>	<u>-</u>	<u>1,070</u>	<u>70</u>	<u>-</u>
8,415	1	423	92,894	50,495	36
-	-	-	-	(50,000)	-
-	-	-	-	(50,000)	-
8,415	1	423	92,894	495	36
<u>7,495</u>	<u>445</u>	<u>15,202</u>	<u>14,853</u>	<u>41,616</u>	<u>24,246</u>
<u>\$ 15,910</u>	<u>\$ 446</u>	<u>\$ 15,625</u>	<u>\$ 107,747</u>	<u>\$ 42,111</u>	<u>\$ 24,282</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, 2014

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payment
<u>Revenues</u>				
Fees	\$ 7,150	\$ -	\$ -	\$ -
Intergovernmental	-	4,595	323,726	-
Investment income	8	27	167	-
Miscellaneous	-	-	28,251	-
Total Revenues	7,158	4,622	352,144	-
<u>Expenditures</u>				
Current:				
General administration	-	-	-	-
Judicial	-	-	-	-
Public safety	14,082	870	-	-
Miscellaneous	-	-	39,517	-
Capital outlay	-	-	264,848	-
Total Expenditures	14,082	870	304,365	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,924)	3,752	47,779	-
<u>Other Financing Sources (Uses)</u>				
Transfers (out)	-	-	(32,797)	-
Total Other Financing (Uses)	-	-	(32,797)	-
Net Change in Fund Balances	(6,924)	3,752	14,982	-
Beginning fund balances	9,848	16,556	101,846	-
Ending Fund Balances	\$ 2,924	\$ 20,308	\$ 116,828	\$ -

Special Revenue Funds

Economic Development	Election Services	County and District Technology	Vehicle Inventory	Total Nonmajor Governmental Funds
\$ 47,064	\$ 16,919	\$ 839	\$ -	\$ 309,830
-	-	-	-	378,816
68	-	5	243	1,597
-	-	-	-	140,548
<u>47,132</u>	<u>16,919</u>	<u>844</u>	<u>243</u>	<u>830,791</u>
23,750	-	-	-	24,589
-	-	-	-	342,340
-	-	-	-	16,022
-	13,242	-	-	70,504
-	-	-	-	282,358
<u>23,750</u>	<u>13,242</u>	<u>-</u>	<u>-</u>	<u>735,813</u>
<u>23,382</u>	<u>3,677</u>	<u>844</u>	<u>243</u>	<u>94,978</u>
-	-	-	-	(101,620)
-	-	-	-	(101,620)
23,382	3,677	844	243	(6,642)
<u>46,835</u>	<u>11,019</u>	<u>2,746</u>	<u>23,777</u>	<u>1,082,953</u>
<u>\$ 70,217</u>	<u>\$ 14,696</u>	<u>\$ 3,590</u>	<u>\$ 24,020</u>	<u>\$ 1,076,311</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, 2014

COUNTY LAW LIBRARY

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Fees	\$ 15,000	\$ 12,040	\$ (2,960)
Investment income	75	143	68
Total Revenues	<u>15,075</u>	<u>12,183</u>	<u>(2,892)</u>
Expenditures			
Current:			
General administration	3,500	769	2,731
Total Expenditures	<u>3,500</u>	<u>769</u>	<u>2,731</u>
Net Change in Fund Balance	<u>\$ 11,575</u>	<u>11,414</u>	<u>\$ (161)</u>
Beginning fund balance		<u>91,211</u>	
Ending Fund Balance		<u>\$ 102,625</u>	

COURTHOUSE SECURITY

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 75	\$ 114	\$ 39
Fees	18,800	20,449	1,649
Total Revenues	<u>18,875</u>	<u>20,563</u>	<u>1,688</u>
Expenditures			
Current:			
Judicial	34,426	-	34,426
Capital outlay	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total Expenditures	<u>35,426</u>	<u>-</u>	<u>35,426</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,551)	20,563	37,114
Transfers in (out)	<u>20,000</u>	<u>(18,823)</u>	<u>(38,823)</u>
Net Change in Fund Balance	<u>\$ 3,449</u>	<u>1,740</u>	<u>\$ (1,709)</u>
Beginning fund balance		<u>68,383</u>	
Ending Fund Balance		<u>\$ 70,123</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, 2014

RIGHT OF WAY ACQUISITION

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 400	\$ 307	\$ (93)
Total Revenues	<u>400</u>	<u>307</u>	<u>(93)</u>
Expenditures			
Current:			
Judicial	342,340	342,340	-
Total Expenditures	<u>342,340</u>	<u>342,340</u>	<u>-</u>
 Net Change in Fund Balance	 <u>\$ (341,940)</u>	 (342,033)	 <u>\$ (93)</u>
Beginning fund balance		<u>444,606</u>	
Ending Fund Balance		<u>\$ 102,573</u>	

RECORD MANAGEMENT AND PRESERVATION DISTRICT AND COUNTY

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Fees	\$ 86,700	\$ 205,369	\$ 118,669
Investment income	280	290	10
Total Revenues	<u>86,980</u>	<u>205,659</u>	<u>118,679</u>
Expenditures			
Current:			
Miscellaneous	149,540	25,642	123,898
Total Expenditures	<u>149,540</u>	<u>25,642</u>	<u>123,898</u>
 Net Change in Fund Balance	 <u>\$ (62,560)</u>	 180,017	 <u>\$ 242,577</u>
Beginning fund balance		<u>162,269</u>	
Ending Fund Balance		<u>\$ 342,286</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, 2014

SHERIFF'S OFFICE DONATION - EQUIPMENT

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 10	\$ 23	\$ 13
Miscellaneous	-	400	400
Total Revenues	<u>10</u>	<u>423</u>	<u>413</u>
Expenditures			
Current:			
Public safety	7,500	-	7,500
Total Expenditures	<u>7,500</u>	<u>-</u>	<u>7,500</u>
Net Change in Fund Balance	<u>\$ (7,490)</u>	423	<u>\$ 7,913</u>
Beginning fund balance		<u>15,202</u>	
Ending Fund Balance		<u>\$ 15,625</u>	

SHERIFF'S FORFEITURE

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 20	\$ 77	\$ 57
Miscellaneous	-	93,887	93,887
Total Revenues	<u>20</u>	<u>93,964</u>	<u>93,944</u>
Expenditures			
Current:			
Public safety	11,000	1,070	9,930
Capital outlay	5,650	-	5,650
Total Expenditures	<u>16,650</u>	<u>1,070</u>	<u>15,580</u>
Net Change in Fund Balance	<u>\$ (16,630)</u>	92,894	<u>\$ 109,524</u>
Beginning fund balance		<u>14,853</u>	
Ending Fund Balance		<u>\$ 107,747</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, 2014

STATE SALARY SUPPLEMENT

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 51,500	\$ 50,495	\$ (1,005)
Investment income	45	70	25
Total Revenues	<u>51,545</u>	<u>50,565</u>	<u>(980)</u>
Expenditures			
Current:			
General administration	4,050	70	3,980
Total Expenditures	<u>4,050</u>	<u>70</u>	<u>3,980</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	47,495	50,495	3,000
Transfers (out)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (2,505)</u>	495	<u>\$ 3,000</u>
Beginning fund balance		<u>41,616</u>	
Ending Fund Balance		<u>\$ 42,111</u>	

SHERIFF'S OFFICE AWARDED RESTITUTION

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 30	\$ 36	\$ 6
Total Revenues	<u>30</u>	<u>36</u>	<u>6</u>
Expenditures			
Current:			
Health and welfare	7,000	-	7,000
Total Expenditures	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Net Change in Fund Balance	<u>\$ (6,970)</u>	36	<u>\$ 7,006</u>
Beginning fund balance		<u>24,246</u>	
Ending Fund Balance		<u>\$ 24,282</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, 2014

JUSTICE COURT TECHNOLOGY

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 15	\$ 8	\$ (7)
Fees	9,200	7,150	(2,050)
Total Revenues	<u>9,215</u>	<u>7,158</u>	<u>(2,057)</u>
Expenditures			
Current:			
Public safety	22,500	14,082	8,418
Total Expenditures	<u>22,500</u>	<u>14,082</u>	<u>8,418</u>
Net Change in Fund Balance	<u>\$ (13,285)</u>	<u>(6,924)</u>	<u>\$ 6,361</u>
Beginning fund balance		<u>9,848</u>	
Ending Fund Balance		<u>\$ 2,924</u>	

LEOSE GRANT

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ 10	\$ 27	\$ 17
Intergovernmental	-	4,595	4,595
Total Revenues	<u>10</u>	<u>4,622</u>	<u>4,612</u>
Expenditures			
Current:			
Public safety	23,388	870	22,518
Total Expenditures	<u>23,388</u>	<u>870</u>	<u>22,518</u>
Net Change in Fund Balance	<u>\$ (23,378)</u>	<u>3,752</u>	<u>\$ 27,130</u>
Beginning fund balance		<u>16,556</u>	
Ending Fund Balance		<u>\$ 20,308</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, 2014

MISCELLANEOUS GRANTS

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 323,726	\$ 323,726	\$ -
Investment income	150	167	17
Miscellaneous	9,807	28,251	18,444
Total Revenues	<u>333,683</u>	<u>352,144</u>	<u>18,461</u>
Expenditures			
Current:			
Miscellaneous	138,373	39,517	98,856
Capital outlay	<u>264,848</u>	<u>264,848</u>	<u>-</u>
Total Expenditures	<u>403,221</u>	<u>304,365</u>	<u>98,856</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,538)	47,779	117,317
Transfers (out)	<u>(32,797)</u>	<u>(32,797)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (102,335)</u>	14,982	<u>\$ 117,317</u>
Beginning fund balance		<u>101,846</u>	
Ending Fund Balance		<u>\$ 116,828</u>	

ECONOMIC DEVELOPMENT

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Fees	\$ 30,000	\$ 47,064	\$ 17,064
Interest income	15	68	53
Total Revenues	<u>30,015</u>	<u>47,132</u>	<u>17,117</u>
Expenditures			
Current:			
General administration	<u>27,000</u>	<u>23,750</u>	<u>3,250</u>
Total Expenditures	<u>27,000</u>	<u>23,750</u>	<u>3,250</u>
Net Change in Fund Balance	<u>\$ 3,015</u>	23,382	<u>\$ 20,367</u>
Beginning fund balance		<u>46,835</u>	
Ending Fund Balance		<u>\$ 70,217</u>	

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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, 2014

COUNTY AND DISTRICT TECHNOLOGY

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Fees	\$ 1,100	\$ 839	\$ (261)
Investment income	5	5	-
Total Revenues	<u>1,105</u>	<u>844</u>	<u>(261)</u>
Expenditures			
Current:			
General administration	2,500	-	2,500
Total Expenditures	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Net Change in Fund Balance	<u>\$ 1,395</u>	<u>844</u>	<u>\$ 2,239</u>
Beginning fund balance		<u>2,746</u>	
Ending Fund Balance		<u>\$ 3,590</u>	

VEHICLE INVENTORY

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Investment income	\$ -	\$ 243	\$ 243
Miscellaneous	-	-	-
Total Revenues	<u>-</u>	<u>243</u>	<u>243</u>
Expenditures			
Economic development			
General expenditures	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>243</u>	<u>\$ 243</u>
Beginning fund balance		<u>23,777</u>	
Ending Fund Balance		<u>\$ 24,020</u>	

BURLESON COUNTY, TEXAS
COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2014

	Tax Assessor/ Collector	District Clerk	County Clerk	Jail Inmate
<u>Assets</u>				
Cash and cash equivalents	\$ 379,413	\$ 642,056	\$ 35,303	\$ 4,515
Receivables	1,621	-	-	-
Total Assets	\$ 381,034	\$ 642,056	\$ 35,303	\$ 4,515
<u>Liabilities</u>				
Accounts payable	\$ 374,506	\$ 466,392	\$ 35,303	\$ 1,575
Due to other funds	6,528	175,664	-	2,940
Total Liabilities	\$ 381,034	\$ 642,056	\$ 35,303	\$ 4,515

See Notes to Financial Statements.

State of Texas Transfer Accounts	County Attorney	County Sheriff	Sheriff Seizure	Unclaimed Money	Total Fiduciary Funds
\$ 66,092	\$ 11,619	\$ 59,010	\$ 51,666	\$ 13,363	\$ 1,263,037
40	-	-	-	-	1,661
<u>\$ 66,132</u>	<u>\$ 11,619</u>	<u>\$ 59,010</u>	<u>\$ 51,666</u>	<u>\$ 13,363</u>	<u>\$ 1,264,698</u>
\$ 62,720	\$ 11,619	\$ 59,000	\$ 51,666	\$ 13,363	\$ 1,076,144
3,412	-	10	-	-	188,554
<u>\$ 66,132</u>	<u>\$ 11,619</u>	<u>\$ 59,010</u>	<u>\$ 51,666</u>	<u>\$ 13,363</u>	<u>\$ 1,264,698</u>

BURLESON COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
For the Year Ended September 30, 2014

		Beginning Balance	Additions	(Deductions)	Ending Balance
Tax Assessor/Collector					
Assets	Cash and cash equivalents	\$ 513,111	\$ -	\$ (133,698)	\$ 379,413
Assets	Receivables	\$ -	\$ 1,621	\$ -	\$ 1,621
Liabilities	Accounts payable	\$ 509,379	\$ -	\$ (134,873)	\$ 374,506
Liabilities	Due to other funds	\$ 3,714	\$ 2,814	\$ -	\$ 6,528
District Clerk					
Assets	Cash and cash equivalents	\$ 599,898	\$ 42,158	\$ -	\$ 642,056
Liabilities	Accounts payable	\$ 424,383	\$ 42,009	\$ -	\$ 466,392
Liabilities	Due to other funds	\$ 175,515	\$ 149	\$ -	\$ 175,664
County Clerk					
Assets	Cash and cash equivalents	\$ 33,903	\$ 1,400	\$ -	\$ 35,303
Liabilities	Accounts payable	\$ 33,903	\$ 1,400	\$ -	\$ 35,303
Jail Inmate					
Assets	Cash and cash equivalents	\$ 3,033	\$ 1,482	\$ -	\$ 4,515
Liabilities	Accounts payable	\$ 1,272	\$ 303	\$ -	\$ 1,575
Liabilities	Due to other funds	\$ 1,761	\$ 1,179	\$ -	\$ 2,940
State of Texas Transfer Accounts					
Assets	Cash and cash equivalents	\$ 56,131	\$ 9,961	\$ -	\$ 66,092
Assets	Receivables	\$ -	\$ 40	\$ -	\$ 40
Liabilities	Accounts payable	\$ 53,019	\$ 9,701	\$ -	\$ 62,720
Liabilities	Due to other funds	\$ 3,112	\$ 300	\$ -	\$ 3,412
County Attorney					
Assets	Cash and cash equivalents	\$ 11,749	\$ -	\$ (130)	\$ 11,619
Liabilities	Accounts payable	\$ 11,749	\$ -	\$ (130)	\$ 11,619
County Sheriff					
Assets	Cash and cash equivalents	\$ 36,308	\$ 22,702	\$ -	\$ 59,010
Liabilities	Accounts payable	\$ 36,300	\$ 22,700	\$ -	\$ 59,000
Liabilities	Due to other funds	\$ 8	\$ 2	\$ -	\$ 10
Sheriff Seizure					
Assets	Cash and cash equivalents	\$ 15,146	\$ 36,520	\$ -	\$ 51,666
Liabilities	Accounts payable	\$ 15,146	\$ 36,520	\$ -	\$ 51,666
Unclaimed Money					
Assets	Cash and cash equivalents	\$ 13,343	\$ 20	\$ -	\$ 13,363
Liabilities	Accounts payable	\$ 13,343	\$ 20	\$ -	\$ 13,363
Total Fiduciary Funds					
Assets	Cash and cash equivalents	\$ 122,892	\$ 114,243	\$ (133,828)	\$ 1,263,037
Assets	Receivables	\$ -	\$ 1,661	\$ -	\$ 1,661
Liabilities	Accounts payable	\$ 1,098,782	\$ 112,653	\$ (135,003)	\$ 1,076,144
Liabilities	Due to other funds	\$ 184,110	\$ 4,444	\$ -	\$ 188,554

