

*ANNUAL FINANCIAL REPORT*

of

**BURLESON COUNTY, TEXAS**

For the Year Ended  
September 30, 2010

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# BURLESON COUNTY, TEXAS

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# BURLESON COUNTY, TEXAS

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## *INDEPENDENT AUDITORS' REPORT*

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Burleson County, Texas (the "County"), as of and for the year ended September 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2010, and the respective changes in financial position thereof for the year ended in conformity with generally accepted accounting principles in the United States of America.

The Management's Discussion and Analysis, budgetary comparison information, pension information, and postemployment healthcare benefit information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

*BELT HARRIS PECHACEK, LLLP*

Belt Harris Pechacek, LLLP  
*Certified Public Accountants*  
Houston, Texas  
June 03, 2011

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

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# **BURLESON COUNTY, TEXAS**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

**For the Year Ended September 30, 2010**

The following Management's Discussion and Analysis ("MD&A") provides an overview of the financial activities of Burleson County (the "County") for the year ended September 30, 2010. This overview is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position and its ability to address subsequent year challenges, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

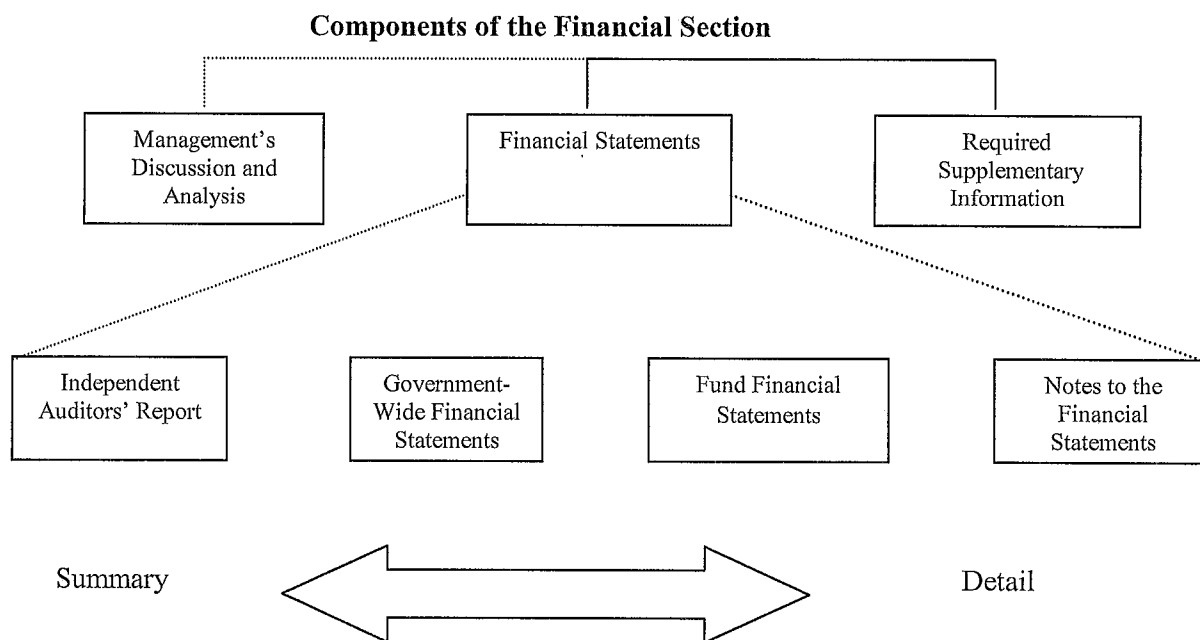
### **FINANCIAL HIGHLIGHTS**

The general fund budgeted expenditures over revenues and other financing sources and uses of \$118,826, as compared to an increase of \$338,457. Total budget variances resulted in a positive variance of \$457,283 after transfers.

On a government-wide basis for governmental activities, the County had expenses net of program revenue of \$7,194,758. General revenues of \$7,750,033 were \$555,275 greater than expenses net of program revenue.

The County's total net assets, on the government-wide basis, totaled \$12,522,618 at September 30, 2010.

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



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

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS, Continued**  
**For the Year Ended September 30, 2010**

**GOVERNMENT-WIDE STATEMENTS**

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

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

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

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

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

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

**FUND FINANCIAL STATEMENTS**

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

The County has two types of funds:

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

# BURLESON COUNTY, TEXAS

## MANAGEMENT DISCUSSION AND ANALYSIS, *Continued*

For the Year Ended September 30, 2010

**Fiduciary Funds** – These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County’s own programs.

**Notes to Financial Statements** – The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found using the table of contents of this report.

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

### FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

In accordance with GASB Statement No. 34, the County is providing comparative information. A comparative analysis of government-wide information is presented below.

#### Statement of Net Assets

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities	
	2010	2009
Current and other assets	\$ 9,750,413	\$ 9,399,261
Capital assets, net	5,181,381	4,518,617
<b>Total Assets</b>	<b>14,931,794</b>	<b>13,917,878</b>
Long-term liabilities	1,527,270	1,160,000
Other liabilities	881,906	790,535
<b>Total Liabilities</b>	<b>2,409,176</b>	<b>1,950,535</b>
Net assets:		
Invested in capital assets,		
net of related debt	3,523,642	2,630,940
Restricted	549,156	1,540
Unrestricted	8,449,820	9,334,863
<b>Total Net Assets</b>	<b>\$ 12,522,618</b>	<b>\$ 11,967,343</b>

The County’s portion of net assets, \$549,156 or six percent, represents resources that are subject to external restriction on how they may be used. The County’s unrestricted net assets, \$8,449,820 or 67 percent, may be used to meet the County’s ongoing obligation to citizens and creditors.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS, Continued**  
For the Year Ended September 30, 2010

The County's net assets increased by \$555,275. Both the expenses and revenue for the County were comparable to the previous year, therefore the overall condition of the County improved.

**Statement of Activities**

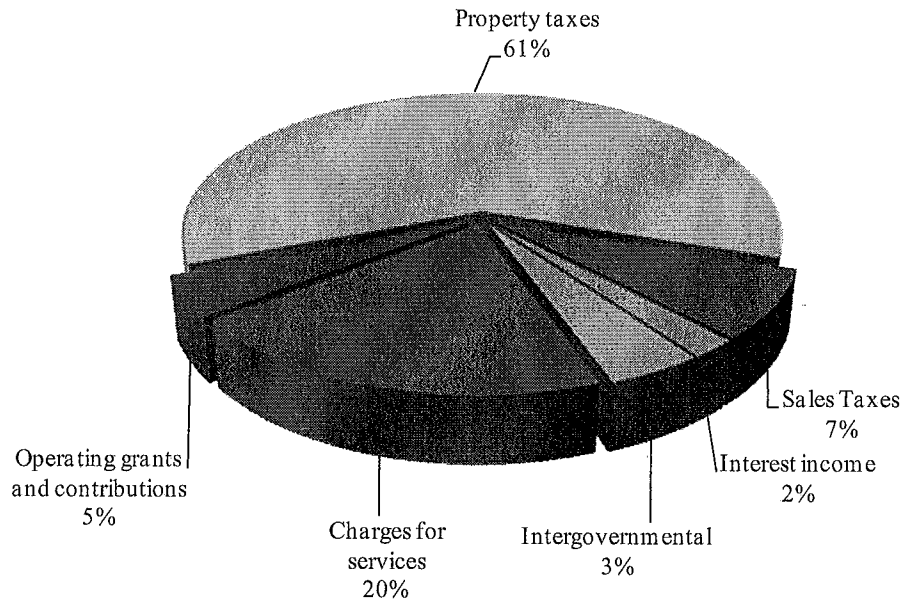
The following table provides a summary of the County's changes in net assets:

		<b>Governmental Activities</b>	
		<b>2010</b>	<b>2009</b>
<b>Revenues</b>			
Program revenues:			
Charges for services	\$	2,061,932	\$ 2,019,662
Operating grants and contributions		461,926	681,707
General revenues:			
Property taxes		6,277,265	6,240,555
Sales taxes		796,200	705,578
Interest income		224,040	300,175
Other revenues		452,528	455,865
<b>Total Revenues</b>		<b>10,273,891</b>	<b>10,403,542</b>
<b>Expenses</b>			
General administration		905,515	811,234
Judicial		1,060,667	998,158
Legal		430,208	406,403
Financial administration		425,230	472,268
Public facilities		168,135	167,900
Public safety		2,247,619	2,179,656
Public transportation		3,261,543	2,999,544
Health and welfare		119,162	122,254
Miscellaneous		1,022,915	822,302
Interest and fiscal agent fees		61,005	61,179
Capital outlay		16,617	242,307
<b>Total Expenses</b>		<b>9,718,616</b>	<b>9,283,205</b>
<b>Change in Net Assets</b>		<b>555,275</b>	<b>1,120,337</b>
Beginning net assets		11,967,343	10,847,006
<b>Ending Net Assets</b>	<b>\$</b>	<b>12,522,618</b>	<b>\$ 11,967,343</b>

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
For the Year Ended September 30, 2010

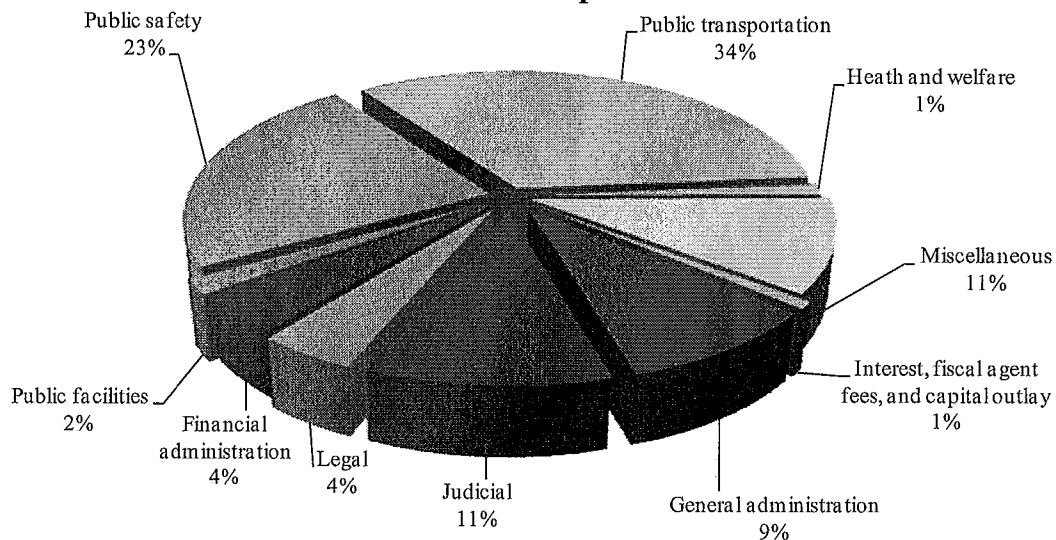
Graphic presentations of selected revenues and expenses provide a visual analysis of the County's activities.

**Governmental Revenues**



Total governmental revenues increased by \$129,651 in comparison to the prior year. Sales tax revenue increased \$90,622 or 13 percent from prior year due to a better economy within the County. Unrestricted investment earnings revenue decreased by \$76,135 or 25 percent from prior year due to a decrease in interest rates.

**Governmental Expenses**



Governmental expenses were comparable to the prior year, increasing \$435,411 or 4 percent.

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, Continued**  
For the Year Ended September 30, 2010

**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, unreserved 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 \$7,917,809. Of this, \$7,361,709 is unreserved and available for day-to-day operations of the County, and \$556,100 is reserved for debt service.

The general fund reported an increase of \$338,457 in fund balance due to the increase in sales tax collected and decreases in actual expenditures.

The road and bridge fund reported a decrease of \$201,704 due to capital outlay expenditures.

The lateral road and bridge fund reported an increase of \$25,846.

The debt service fund reported an increase of \$148,251 due to a decrease in principal and interest payments.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The actual revenues were over the budgeted general fund revenues by \$129,369 during the year. This net increase is largely the result of more sales taxes collected than projected.

General fund expenditures were less than the final budget by \$449,313 as a result of a County-wide effort to keep expenditures at or below budget. The general administration and public safety departments reported significantly less expenditures than budgeted.

**CAPITAL ASSETS**

At the end of the year, the County's governmental activities had invested \$5,181,381 in a variety of capital assets and infrastructure, net of depreciation. Approximately \$500,000 of equipment purchases were financed and budgeted to pay in fiscal year 2011 and 2012. Depreciation is included with the governmental capital assets as required by GASB Statement No. 34.

Major capital asset purchases during the year include the following:

- Chip spreader in the Road and Bridge Fund Precinct 1 for \$202,727.
- 2007 GMC/Durapatcher in the Road and Bridge Fund Precinct 2 for \$156,260
- John Deer Tractor and Alamo Mowers in the Road and Bridge Fund Precinct 3 for \$91,024

**BURLESON COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS, *Continued***  
**For the Year Ended September 30, 2010**

- Two 2008 Durapatcher in the Road and Bridge Fund Precinct 3 and 4 for \$46,500 each

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

**LONG-TERM DEBT**

At the end of the year, the County reported total tax notes of \$1,160,000. The County also reported capital leases and time warrants issued with a depository loan for a total of \$497,739. The County entered into additional capital leases of \$497,739 during the year.

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

**ECONOMIC FACTORS**

The County continues to grow as seen in the increase in assessed property valuations for both residential and commercial entities. The County has continued the permanent road program to solidify the infrastructure of the County.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the County's finances. Questions concerning this report or requests for additional financial information should be directed to the County Auditor's Office, Burleson County, 100 W. Buck Street, Suite 400, Caldwell, Texas 7783.

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## ***FINANCIAL STATEMENTS***

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# BURLESON COUNTY, TEXAS

## STATEMENT OF NET ASSETS

September 30, 2010

	Governmental Activities
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 8,034,402
Receivables, net	980,637
Due from others	182,733
Deferred charges	552,641
	<u>9,750,413</u>
Capital assets, net:	
Nondepreciable	112,514
Depreciable capital assets, net	5,068,867
	<u>5,181,381</u>
<b>Total Assets</b>	<u>14,931,794</u>
<b><u>Liabilities</u></b>	
Accounts payable	238,626
Accrued interest	13,666
Unearned revenue	183,565
Long-term liabilities due within one year	446,049
	<u>881,906</u>
Noncurrent liabilities:	
Long-term debt due in more than one year	1,295,703
Compensated absences	9,335
Net OPEB obligation	222,232
	<u>1,527,270</u>
<b>Total Liabilities</b>	<u>2,409,176</u>
<b><u>Net Assets</u></b>	
Invested in capital assets, net of related debt	3,523,642
Restricted for:	
Debt service	549,156
Unrestricted	8,449,820
<b>Total Net Assets</b>	<u>\$ 12,522,618</u>

See Notes to Financial Statements.

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# BURLESON COUNTY, TEXAS

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2010

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Assets
<b>Primary Government</b>				<b>Governmental Activities</b>
<b>Governmental Activities</b>				
General administration	\$ 905,515	\$ 298,372	\$ 461,926	\$ (145,217)
Judicial	1,060,667	676,639	-	(384,028)
Legal	430,208	6,867	-	(423,341)
Financial administration	425,230	234,486	-	(190,744)
Public facilities	168,135	-	-	(168,135)
Public safety	2,247,619	30,561	-	(2,217,058)
Public transportation	3,261,543	663,694	-	(2,597,849)
Health and welfare	119,162	-	-	(119,162)
Miscellaneous	1,022,915	151,313	-	(871,602)
Interest and fiscal agent fees	61,005	-	-	(61,005)
Capital outlay	16,617	-	-	(16,617)
<b>Total Governmental Activities</b>	<u>9,718,616</u>	<u>2,061,932</u>	<u>461,926</u>	<u>(7,178,141)</u>
<b>Total Primary Government</b>	<u>\$ 9,718,616</u>	<u>\$ 2,061,932</u>	<u>\$ 461,926</u>	<u>(7,194,758)</u>
<b>General Revenues:</b>				
				6,277,265
				796,200
				224,040
				452,528
			<b>Total General Revenues</b>	<u>7,750,033</u>
			<b>Change in Net Assets</b>	555,275
			Beginning net assets	<u>11,967,343</u>
			<b>Ending Net Assets</b>	<u>\$ 12,522,618</u>

See Notes to Financial Statements.

# BURLESON COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

September 30, 2010

	General	Road and Bridge	Lateral Road and Bridge	Debt Service
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 3,688,538	\$ 2,043,651	\$ 629,677	\$ 439,261
Receivables, net	523,123	269,086	114,794	37,925
Due from other funds	215,239	3,861	1,749	117,068
<b>Total Assets</b>	<b>\$ 4,426,900</b>	<b>\$ 2,316,598</b>	<b>\$ 746,220</b>	<b>\$ 594,254</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 85,750	\$ 67,754	\$ 53,955	\$ -
Due to other funds	131,500	-	-	-
Deferred revenue	627,748	258,892	116,543	38,154
<b>Total Liabilities</b>	<b>844,998</b>	<b>326,646</b>	<b>170,498</b>	<b>38,154</b>
<b><u>Fund Balances</u></b>				
Reserved for:				
Debt service	-	-	-	556,100
Unreserved, undesignated reported in:				
General fund	3,581,902	-	-	-
Road and bridge fund	-	1,989,952	-	-
Lateral road and bridge fund	-	-	575,722	-
Other governmental funds	-	-	-	-
<b>Total Fund Balances</b>	<b>3,581,902</b>	<b>1,989,952</b>	<b>575,722</b>	<b>556,100</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,426,900</b>	<b>\$ 2,316,598</b>	<b>\$ 746,220</b>	<b>\$ 594,254</b>

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,233,275	\$ 8,034,402
35,709	980,637
14,662	352,579
<u>\$ 1,283,646</u>	<u>\$ 9,367,618</u>
\$ 31,167	\$ 238,626
38,346	169,846
-	1,041,337
<u>69,513</u>	<u>1,449,809</u>
-	556,100
-	3,581,902
-	1,989,952
-	575,722
1,214,133	1,214,133
<u>1,214,133</u>	<u>7,917,809</u>
<u>\$ 1,283,646</u>	<u>\$ 9,367,618</u>

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**BURLESON COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
September 30, 2010

Total fund balances for governmental funds \$ 7,917,809

**Adjustments for the Statement of Net Assets:**

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

Nondepreciable capital assets	112,514	
Depreciable capital assets	9,000,992	
Accumulated depreciation	<u>(3,932,125)</u>	
<b>Total capital assets</b>		5,181,381

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

Deferred revenue - fines	512,789	
Deferred bond issue costs	39,852	
Deferred revenue - property taxes	<u>857,772</u>	
<b>Total deferred assets</b>		1,410,413

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 liabilities due within one year	(446,049)	
Long-term debt due in more than one year	(1,295,703)	
Accrued interest payable	(13,666)	
Compensated absences	(9,335)	
Net OPEB obligation	<u>(222,232)</u>	
<b>Total long-term debt</b>		<u>(1,986,985)</u>

<b>Net Assets of Governmental Activities</b>	<u><u>\$ 12,522,618</u></u>
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See Notes to Financial Statements.

# BURLESON COUNTY, TEXAS

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

For the Year Ended September 30, 2010

	General	Road and Bridge	Lateral Road and Bridge	Debt Service
<b>Revenues</b>				
Taxes	\$ 3,276,745	\$ 1,856,958	\$ 846,146	\$ 271,456
Sales tax	796,200	-	-	-
Intergovernmental	109,810	-	-	-
Fees	585,405	-	-	-
Fines and forfeitures	676,639	-	-	-
Interest	117,665	53,624	16,126	9,792
Permits and licenses	-	663,694	-	-
Miscellaneous	318,497	71,680	-	-
<b>Total Revenues</b>	<b>5,880,961</b>	<b>2,645,956</b>	<b>862,272</b>	<b>281,248</b>
<b>Expenditures</b>				
<b>Current:</b>				
General administration	678,841	-	-	-
Judicial	1,060,667	-	-	-
Legal	430,208	-	-	-
Financial administration	425,230	-	-	-
Public facilities	168,135	-	-	-
Public safety	2,139,194	-	-	-
Public transportation	-	2,082,294	816,259	-
Health and welfare	119,162	-	-	-
Miscellaneous	413,092	271,855	-	400
<b>Debt service:</b>				
Principal	-	-	18,512	200,000
Interest and fiscal agent fees	-	-	1,655	49,436
<b>Capital outlay</b>	<b>59,012</b>	<b>1,030,448</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>5,493,541</b>	<b>3,384,597</b>	<b>836,426</b>	<b>249,836</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>387,420</b>	<b>(738,641)</b>	<b>25,846</b>	<b>31,412</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	71,631	-	-	116,839
Transfers (out)	(128,610)	-	-	-
Sale of capital assets	8,016	39,198	-	-
Debt proceeds	-	497,739	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(48,963)</b>	<b>536,937</b>	<b>-</b>	<b>116,839</b>
<b>Net Change in Fund Balances</b>	<b>338,457</b>	<b>(201,704)</b>	<b>25,846</b>	<b>148,251</b>
Beginning fund balances	3,243,445	2,191,656	549,876	407,849
<b>Ending Fund Balances</b>	<b>\$ 3,581,902</b>	<b>\$ 1,989,952</b>	<b>\$ 575,722</b>	<b>\$ 556,100</b>

See Notes to Financial Statements.

<b>Other Governmental</b>	<b>Total Governmental Funds</b>
\$ -	\$ 6,251,305
-	796,200
352,116	461,926
151,313	736,718
-	676,639
26,833	224,040
-	663,694
42,589	432,766
<u>572,851</u>	<u>10,243,288</u>
-	678,841
-	1,060,667
-	430,208
-	425,230
-	168,135
-	2,139,194
-	2,898,553
-	119,162
337,568	1,022,915
-	218,512
-	51,091
88,788	1,178,248
<u>426,356</u>	<u>10,390,756</u>
146,495	(147,468)
11,771	200,241
(71,631)	(200,241)
-	47,214
-	497,739
<u>(59,860)</u>	<u>544,953</u>
86,635	397,485
<u>1,127,498</u>	<u>7,520,324</u>
<u>\$ 1,214,133</u>	<u>\$ 7,917,809</u>

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**BURLESON COUNTY, TEXAS**  
***RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,***  
***AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE***  
***STATEMENT OF ACTIVITIES***  
**For the Year Ended September 30, 2010**

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

Net changes in fund balances - total government funds	\$ 397,485
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	1,161,631
Depreciation expense	(471,415)
Asset retirements, net of accumulated depreciation	(27,452)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Changes in deferred revenue - fines and fees	(15,119)
Changes in deferred bond issue costs	(2,970)
Changes in deferred revenue - property taxes	25,960
Long-term debt proceeds and other debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets.	
Debt issued	(497,739)
Principal payment	218,512
Changes in accrual interest expense	(6,944)
Changes in compensated absences	(4,442)
OPEB obligation	(222,232)
	<hr/>
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 555,275</b>

See Notes to Financial Statements.

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# BURLESON COUNTY, TEXAS

## STATEMENT OF FIDUCIARY NET ASSETS

### FIDUCIARY FUNDS

September 30, 2010

		<u>Total Fiduciary Funds</u>
<b><u>Assets</u></b>		
Cash and cash equivalents		\$ 1,454,651
	<b>Total Assets</b>	<u>\$ 1,454,651</u>
<b><u>Liabilities</u></b>		
Accounts Payable		\$ 1,271,918
Due to other funds		182,733
	<b>Total Liabilities</b>	<u>\$ 1,454,651</u>

See Notes to Financial Statements.

# BURLESON COUNTY, TEXAS

## NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2010

### 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. Financial Statement Presentation

These financial statements include Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This statement includes the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the County's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the County's activities.
- A change in the fund financial statements to focus on the major funds.

Statement No. 34 established standards for external financial reporting for all state and local governmental entities, which includes a Statement of Net Assets and a Statement of Activities. It requires the classification of net assets be divided into three components: invested in capital assets, net of related debt; restricted; and unrestricted.

These classifications are defined as follows:

- **Invested in capital assets, net of related debt** – This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the



**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- **Restricted** – This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – This component of net assets consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

**C. Government-Wide and Fund Accounting**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information about the County as a whole, excluding fiduciary activities. These statements include all activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which the County has none.

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

Separate financial statements are provided for governmental and agency funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

In the fund financial statements, the accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Following is a description of the various funds:

**1. Governmental Funds**

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

**General Fund**

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, licenses and permits, fines

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

and forfeitures, and charges for services. Expenditures include general administration, financial administration, public facilities, judicial, public safety, health and welfare, public transportation, and legal.

**Special Revenue Funds**

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

The following special revenue funds are considered major funds for reporting purposes:

**Road and Bridge Fund and Lateral Road and Bridge Fund** – These funds are used to account for revenues of property taxes levied and vehicle registration fees for the road and bridge fund. 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 this fund.

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

**Debt Service Fund**

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

**2. Fiduciary Funds**

The fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The County has the following types of fiduciary funds:

**Agency Funds**

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

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

The government-wide Statements of Net Assets and Statements of Activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, *Continued***  
**For the Year Ended September 30, 2010**

associated with the operations of these activities are either included on the balance sheet or on the statement of fiduciary net assets.

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

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

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

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

The Statements of Net Assets and Statements of Activities are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized in the accounting period in which they are earned and expenses in the accounting period in which they are incurred.

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

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

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

**1. Deposits and Investments**

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

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

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

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

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

**2. Receivables and Payables**

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

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

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

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

**Property Taxes**

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

The property tax calendar dates are:

Levy date and due date – October 1

Collection dates – October 1 through January 31

Lien date – February 1

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

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

**3. Capital Assets**

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

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

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

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. 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 Commissioners' Court upon request by the employee's supervisor. Upon termination, any accumulated vacation time will be paid; however, no accumulated sick leave will be paid. This liability is recorded as long-term debt in the government-wide financial statements.

#### **5. Long-Term Obligations**

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

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

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

#### **6. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

**7. Estimates**

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

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

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

**A. Excess of Expenditures Over Appropriations**

For the year ended, expenditures exceeded appropriations at the legal level of control for the general fund transfers by \$128,610 because of the excess sales tax collections which is required by statute to transfer to the debt service fund.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

*Credit risk.* State law and the County's investment policy limits investments to obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent. Further, commercial paper must be rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2010, the County's investments in TexPool, TexSTAR, or TexClass were rated AAAm by Standard & Poor's and AAA/V1+ by Fitch Ratings.

*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, 2010, market values of pledged securities and FDIC insurance exceeded bank balances.

**TexClass**

TexClass was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexClass. Pursuant to the

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

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 Acts. TexClass uses amortized costs rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexClass is the same as the value of TexClass shares. The custodial bank for these funds is Wells Fargo. These investments are reported as cash on the financial statements as of September 30, 2010, in the amount of \$9,957.

TexClass operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexClass use amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexClass are the same as the value of TexClass shares.

**B. Receivables**

The following comprise receivable balances at year end:

	<u>General</u>	<u>Road and Bridge</u>	<u>Lateral Road and Bridge</u>	<u>Debt Service Fund</u>	<u>Nonmajor and Other Funds</u>
Accounts Receivable:					
Intergovernmental	\$ 2,648	\$ 14,056	\$ -	\$ -	\$ 35,709
Taxes receivable	529,659	260,235	117,137	38,699	-
Less: allowance for uncollectible	(9,184)	(5,205)	(2,343)	(774)	-
	<u>\$ 523,123</u>	<u>\$ 269,086</u>	<u>\$ 114,794</u>	<u>\$ 37,925</u>	<u>\$ 35,709</u>

A receivable of \$512,789 for fees and fines is reported within the Statement of Net Assets for governmental activities.



**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

**C. Capital Assets**

A summary of changes in capital assets for the year ended September 30, 2010, follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases / Reclassifications</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 112,514	\$ -	\$ -	\$ 112,514
Total capital assets not being depreciated	<u>112,514</u>	<u>-</u>	<u>-</u>	<u>112,514</u>
Other capital assets:				
Buildings and improvements	3,545,826	49,210	-	3,595,036
Infrastructure	53,009	-	-	53,009
Equipment	4,364,822	1,112,421	(124,296)	5,352,947
Total other capital assets	<u>7,963,657</u>	<u>1,161,631</u>	<u>(124,296)</u>	<u>9,000,992</u>
Less accumulated depreciation for:				
Buildings and improvements	(989,187)	(90,212)	-	(1,079,399)
Infrastructure	(5,053)	(1,601)	-	(6,654)
Equipment	(2,563,314)	(379,602)	96,844	(2,846,072)
Total accumulated depreciation	<u>(3,557,554)</u>	<u>(471,415)</u>	<u>96,844</u>	<u>(3,932,125)</u>
Other capital assets, net	<u>4,406,103</u>	<u>690,216</u>	<u>(27,452)</u>	<u>5,068,867</u>
<b>Totals</b>	<u>\$ 4,518,617</u>	<u>\$ 690,216</u>	<u>\$ (27,452)</u>	<u>5,181,381</u>
			Less associated debt	<u>(1,657,739)</u>
			<b>Invested in Capital Assets, Net of Related Debt</b>	<u>\$ 3,523,642</u>

Depreciation was charged to governmental functions as follows:

Public safety	\$ 108,425
Public transportation	<u>362,990</u>
	<u>\$ 471,415</u>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

**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, 2010. The County issues tax notes payable and capital lease obligations to provide funds for the acquisition or construction of major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
<b>Governmental Activities:</b>					
General obligation bonds	\$ 135,000	\$ -	\$ (135,000)	\$ -	\$ -
Certificates of obligations	1,225,000	-	(65,000)	1,160,000 *	65,000
Capitalized lease obligations	18,512	497,739	(18,512)	497,739 *	297,036
OPEB obligation	-	244,530	(22,298)	222,232	-
Compensated absences	88,906	124,408	(119,966)	93,348	84,013
<b>Total Governmental Activities</b>	<u>\$ 1,467,418</u>	<u>\$ 866,677</u>	<u>\$ (360,776)</u>	<u>\$ 1,973,319</u>	<u>\$ 446,049</u>
<b>Long-term debt due in more than one year</b>				<u>\$ 1,527,270</u>	
<b>*Debt associated with governmental activity capital assets</b>				<u>\$ 1,657,739</u>	

Compensated absences and other postemployment benefits obligation are generally liquidated in the general fund. Capital lease obligations and tax notes of the County as of September 30, 2010, are as follows:

	<u>Percentage Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>
<b>Certificates of Obligation</b>			
2004 Tax and Revenue Certificates of Obligation	3.0-4.25%	\$ 1,500,000	\$ 1,160,000
<b>Total Certificates of Obligation</b>			<u>\$ 1,160,000</u>

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

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

Fiscal Year	Governmental Activities		
	Certificates of Obligation		
	Principal	Interest	Total
2011	\$ 65,000	\$ 44,213	\$ 109,213
2012	70,000	42,262	112,262
2013	70,000	40,058	110,058
2014	70,000	37,854	107,854
2015	70,000	37,854	107,854
2016-2020	415,000	133,693	548,693
2020-2024	400,000	40,874	440,874
<b>Total</b>	<b>\$ 1,160,000</b>	<b>\$ 376,808</b>	<b>\$ 1,536,808</b>

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

Fiscal Year	Governmental Activities		
	Capital Leases		
	Principal	Interest	Total
2011	\$ 297,036	\$ 23,319	\$ 320,355
2012	114,394	11,681	126,075
2013	86,309	5,463	91,772
<b>Total</b>	<b>\$ 497,739</b>	<b>\$ 40,463</b>	<b>\$ 538,202</b>

**E. Interfund Transactions**

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

	Due From	Due To
General fund	\$ 215,239	\$ 131,500
Road and bridge fund	3,861	-
Lateral road and bridge fund	1,749	-
Debt service fund	117,068	-
Other governmental funds	14,662	38,346
Fiduciary funds	-	182,733
	<b>\$ 352,579</b>	<b>\$ 352,579</b>

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

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

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

	<u>Transfer Out</u>	<u>Transfer In</u>
General fund	\$ 128,610	\$ 71,631
Debt service fund	-	116,839
Other governmental funds	71,631	11,771
	<u>\$ 200,241</u>	<u>\$ 200,241</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)**

SSBG Disaster Relief Funds

For FY2010, the County received \$72,827 of reimbursement funding for qualifying program expenses of the Burleson County Health Resource Center as provided to BVCOG by the Health and Human Services Commission (HHSC). This funding was then passed through to the Burleson County Hospital District which originally funded the project during FY2010.

**Texas VINE Annual Maintenance Grant**

The County was awarded \$6,739 in June 2009 for the continued maintenance and support of the statewide crime victim notification service for fiscal year 2010 covering September 1, 2009 to August 31, 2010. These funds were expended in November 2009 and reimbursement was received in December 2009. In August 2010, an additional \$5,843 was awarded for FY2011, all of which was expended in September 2010 with reimbursement being received in October 2010.

**Indigent Defense Formula Grant**

A grant was awarded to the County in the amount of \$13,087 in January 2010 from the Texas Task Force on Indigent Defense (TFID) to assist the County in implementing the provisions of the Indigent Defense Act and the improvement of the indigent criminal defense services in the County. As of the year end, \$9,815 had been received and expended in compliance with grant requirements with the remaining \$3,272 processed in December 2010. An additional \$3,301 was noted as expended from the remaining FY2009 funding received in January 2010. For Fiscal Year 2010, TFID expenditures totaled \$13,116.

In addition, the County was awarded Equalization Funding in the amount of \$15,267 for improvements in indigent defense services. As of September 30, 2010, all funds had been received but none had been

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

expended. Total Equalization funds held at year-end for future expenditures totaled \$24,351.

**Texas Community Development Program (TCDP)**

The County was awarded a pass-through grant of \$250,000 during September 2008 from the Office of Rural Community Affairs (ORCA), now known as the Texas Department of Rural Affairs (TDRA) to assist the Lyons Community Water System in improving their water system. During FY2009, expenditures and reimbursements totaled \$230,024. As of September 30, 2010 the remaining balance of \$19,976 of funds had been expended and received after project completion.

**Homeland Security Grant Program (HSGP)**

The County received no new grants for FY2010. However the County was awarded one new grant for FY2011 (noted below) from the Texas Department of Public Safety (DPS) as the pass-through agency for the Grant Programs Directorate of the Federal Emergency Management Agency under the Department of Homeland Security Appropriation Act of 2010. Grant funding was designed to enhance the County's communication interoperability, information sharing, and emergency response due to acts of terrorism and catastrophic events. During FY2010, the county continued processing of two grants awarded in 2008 and 2009 as noted.

2008 HSGP

\$96,325 was awarded to the County in 2008 for the purchase of approved communication equipment. This award represented funding available from September 1, 2008 to January 15, 2011. During FY2009, the County expended and received \$84,229 for equipment purchases. As of FY2010 year-end, \$12,067 of the remaining funds was expended and received. The unused balance of \$29 was de-obligated to the state.

2009 HSGP

A total of \$148,710 was awarded to the County for the purchase of approved communications and emergency equipment during October 2009 covering a performance period of August 1, 2009 to April 15, 2012. For FY2010, \$93,118 was expended in compliance with grant requirements. Due to changes in the TDEM electronic grant management system, a receivable balance of \$12,314 remained due from the grantor at year-end with funding received at various times during FY2011.

2010 HSGP

During October 2010, the County received grant awards of \$70,800 and \$17,434 for further communications and emergency enhancements. No reimbursements or expenditures were applicable to FY2010.

**US Department of Justice/Office of Justice Programs (DOJ/OJP)**

During June 2009, the County received a \$12,201 grant award from the FY2009 Recovery Act Justice Assistance Grant (JAG) Program for the purchase of equipment to enhance investigative patrol and

**BURLESON COUNTY, TEXAS**  
***NOTES TO FINANCIAL STATEMENTS, Continued***  
**For the Year Ended September 30, 2010**

surveillance capabilities covering a performance period of March 1, 2009 to February 28, 2013. As of the fiscal year end, all funds had been expended and received.

**Help America Vote Act Grants (HAVA)**

During FY2010, the funding categories were restructured and additional funding was awarded with an extension of the grant period as noted below.

TEAM

Effective January 1, 2006, "TEAM" became the new state maintained voter registration database required for counties to use as the official voter registration list. The funding purpose of the TEAM grant is to acquire equipment, software, supplies, and contractual services to integrate with the TEAM system. A total of \$8,000 was awarded in 2006 for eligible reimbursements for periods of January 1, 2006 through December 31, 2009. During prior years, \$7,821 had been received and expended. For FY2010, the remaining grant balance of \$179 had been expended and received.

General HAVA Compliance

A total of \$26,514 was awarded in additional funding to the County during FY2010. Extensions of the original grant period covered HAVA compliant Voting Equipment for November 8, 2000 through December 31, 2010, while Voter and Election Worker Education covered September 1, 2004 through December 31, 2011. As of the FY2010 year-end, \$14,085 had been expended with \$11,200 of a receivable balance received in October 2010.

**Office of the Governor – Criminal Justice Division (CJD)**

The Office of the Governor (OOG) awarded the County three grants during FY2010 through CJD. Two of these grants represented pass-through funds from the American Recovery and Reinvestment Act (ARRA) of 2009.

County Essentials Grant, Special Prosecution – Capital Case #11,136

The County received a total of \$58,517 for reimbursement of a portion of special prosecution expenses related to a Capital Murder case during fiscal year 2010. Funding is only available in unusual cases through the state's County Essentials Grant program.

Edward Bryne Memorial Justice Administration Grant – 2009 JAG ARRA

During December 2009, the County was awarded \$105,000 of Stimulus funding to perform certain project tasks involving interoperability and the purchase of radio equipment and mobile data terminals. As of the fiscal year end, all funds had been expended and received in accordance with grant requirements.

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

Violence Against Women Act Grant – 2009 VAWA ARRA

In May 2010, the County received another Stimulus award in the amount of \$30,180 in order to improve responsiveness to victims with specific training and enhanced communications equipment from April 1, 2010 through March 31, 2011. As of September 30, 2010, a total of \$2,550 had been expended and received. A majority of the funding balance was expended in FY2011.

Disaster Recovery Texas Community Development Block Grant Program (TxCDBG)

During March 2010, the County received a partial contract award from the Texas Department of Rural Affairs (TDRA) in the amount of \$1,122,000 to improve emergency power needs to various facilities in the county including water/wastewater facilities, medical facilities, and emergency shelters. Many of which were without power for several days during Hurricane Ike. The performance period covers April 1, 2010 through March 31, 2012. As of September 30, 2010, no expenditures had been incurred.

Energy Efficiency and Conservation Block Grant, SECO Stimulus

In June 2010, the County was awarded \$57,576 in State Energy Conservation Office (SECO) Stimulus ARRA funds from the Texas Comptroller of Public Accounts to install solar panels at the county jail and replace some existing HVAC units with high efficiency models. As of the FY2010 year-end, no expenditures had been incurred or receipts of funds processed. The performance period covers June 13, 2010 through June 30, 2012.

**IV. OTHER INFORMATION**

**A. Risk Management**

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

The County reports liabilities when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency, and amount of payout and other economic and social factors. The liability for claims and judgments is reported in the government-wide financial statements because it is not

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**For the Year Ended September 30, 2010**

expected to be liquidated with expendable, available financial resources. However, none are reported at September 30, 2010.

**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.

**C. Pension Plan**

Plan Description

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

The plan provisions are adopted by the Commissioners' Court, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with eight or more years of service, or with 20 years regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any amount contributed by their employer.

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

Funding Policy

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



**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

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

Annual Pension Cost

For the County's accounting year ended September 30, 2010, the annual pension cost for the TCDRS plan was \$250,616 and the actual contributions were \$250,616.

The required contribution rates for fiscal year 2010 were determined as part of the December 31, 2008 and 2009 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2009, also follows:

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarial Valuation Date	12/31/2009	12/31/2008	12/31/2007
Actuarial Cost Method	Entry age	Entry age	Entry age
Amortization Method	Level % of payroll,	Level % of payroll,	Level % of payroll,
Remaining Amortization	20 years, Closed	20 years, Closed	15 years, Closed
Period	period	period	period
Asset Valuation Method	SAF: 10-yrs smoothed value	SAF: 10-yrs smoothed value	SAF: 10-yrs smoothed value
Investment Rate of Return	8.0%	8.0%	8.0%
Projected Salary Increases	5.4%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost of Living Adjustments	n/a	n/a	n/a

The funded status as of December 31, 2009, the most recent valuation date, is as follows:

	<u>2010</u>
Actuarial Valuation Date	12/31/2009
Actuarial Value of Assets	\$ 5,799,653
Actuarial Accrued Liability	\$ 7,089,696
Percentage Funded	81.8%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 1,290,043
Annual Covered Payroll	\$ 3,317,083
UAAL as a Percentage of Covered Payroll	38.9%

The schedule of funding progress, presented as 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. Postemployment Healthcare Plan**

Plan Description

In addition to pension benefits described previously, the County provides postemployment benefit options for health care, life insurance and dental insurance to eligible retirees, terminated employees,

**BURLESON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
For the Year Ended September 30, 2010

and their dependents. The benefits are provided in accordance with the County's policy manual and the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The criteria to determine eligibility include:

1. The employee must meet the rule of 75 (the sum of age and 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 of the employer "ARC", an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

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

Annual required contribution (ARC)	\$ 244,530
Interest on net OPEB obligation (NPO)	-
Adjustment to the ARC	-
Annual OPEB cost (APC)	<u>244,530</u>
Contributions made	<u>(22,298)</u>
Increase in net OPEB obligation	222,232
Net OPEB obligation-beginning of year	-
Net OPEB obligation-end of year	<u><u>\$ 222,232</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2010 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>
2008	\$ N/A	N/A	N/A	\$ N/A
2009	\$ N/A	N/A	N/A	\$ N/A
2010	\$ 244,530	22,298	9.12%	\$ 222,232

Funded Status and Funding Progress

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

**BURLESON COUNTY, TEXAS**  
***NOTES TO FINANCIAL STATEMENTS, Continued***  
**For the Year Ended September 30, 2010**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as Required Supplementary Information 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
Investment Rate of Return	4.00%

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***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, 2010

	2010			Variance with Final Budget
	Budgeted Amounts		Actual	Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property Taxes	\$ 3,287,708	\$ 3,287,708	\$ 3,276,745	\$ (10,963)
Sales tax	653,000	653,000	796,200	143,200
Intergovernmental	48,555	107,251	109,810	2,559
Fees	558,020	558,020	585,405	27,385
Fines and forfeitures	785,000	785,000	676,639	(108,361)
Interest	100,050	100,050	117,665	17,615
Miscellaneous	260,057	260,563	318,497	57,934
Total Revenues	5,692,390	5,751,592	5,880,961	129,369
EXPENDITURES				
Current:				
General administration	698,656	704,849	678,841	26,008
Judicial	951,407	1,093,791	1,060,667	33,124
Legal	442,023	442,013	430,208	11,805
Financial administration	456,816	448,023	425,230	22,793
Public facilities	176,747	176,747	168,135	8,612
Public safety	2,351,726	2,413,716	2,139,194	274,522
Health and welfare	127,874	138,315	119,162	19,153
Miscellaneous	530,632	465,391	413,092	52,299
Capital outlay	60,009	60,009	59,012	997
Total Expenditures	5,795,890	5,942,854	5,493,541	449,313
Revenues Over (Under)				
Expenditures	(103,500)	(191,262)	387,420	578,682

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

For the Year Ended September 30, 2010

**OTHER FINANCING SOURCES**

**(USES)**

Transfers in	57,500	72,436	71,631	(805)
Transfers (out)	-	-	(128,610)	(128,610) *
Sale of asset	-	-	8,016	8,016
<b>Total Other Financing</b>				
<b>Sources (Uses)</b>	<u>57,500</u>	<u>72,436</u>	<u>(48,963)</u>	<u>(121,399)</u>
<b>Net Change in</b>				
<b>Fund Balance</b>	<u>\$ (46,000)</u>	<u>\$ (118,826)</u>	338,457	<u>\$ 457,283</u>
Beginning fund balance			<u>3,243,445</u>	
<b>Ending Fund Balance</b>			<u>\$ 3,581,902</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. \*Expenditures exceeded appropriations at the legal level of control.

**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, 2010**

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Property taxes	\$ 1,863,128	\$ 1,863,128	\$ 1,856,958	\$ (6,170)
Interest	37,108	37,108	53,624	16,516
Permits and licenses	680,400	680,400	663,694	(16,706)
Miscellaneous	54,600	55,363	71,680	16,317
Total Revenues	2,635,236	2,635,999	2,645,956	9,957
EXPENDITURES				
Current				
Public transportation	2,005,376	2,186,819	2,082,294	104,525
Miscellaneous	291,525	291,525	271,855	19,670
Capital outlay	231,559	1,030,879	1,030,448	431
Total Expenditures	2,528,460	3,509,223	3,384,597	124,626
Revenues Over (Under)				
Expenditures	106,776	(873,224)	(738,641)	134,583
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	39,198	39,198	-
Financing proceeds	-	497,739	497,739	-
Total Other Financing Sources (Uses)	-	536,937	536,937	-
Net Change in Fund Balance				
	\$ 106,776	\$ (336,287)	(201,704)	\$ 134,583
Beginning fund balance			2,191,656	
Ending Fund Balance			\$ 1,989,952	

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, 2010

	2010			Variance with Final Budget
	Budgeted Amounts		Actual Amounts	Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 846,428	\$ 846,428	\$ 846,146	\$ (282)
Interest income	10,863	10,863	16,126	5,263
Total Revenues	857,291	857,291	862,272	4,981
EXPENDITURES				
Current:				
Public transportation	845,432	845,432	816,259	29,173
Debt service				
Principal	19,259	18,512	18,512	-
Interest and fiscal agent fees	908	1,655	1,655	-
Total Expenditures	865,599	865,599	836,426	29,173
Revenues Over (Under)				
Expenditures	(8,308)	(8,308)	25,846	34,154
Net Change in				
Fund Balance	\$ (8,308)	\$ (8,308)	25,846	\$ 34,154
Beginning fund balance			549,876	
Ending Fund Balance			\$ 575,722	

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, 2010**

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	2010	2009	2008	2007
Actuarial Valuation Date	12/31/2009	12/31/2008	12/31/2007	12/31/2006
Actuarial Value of Assets	\$ 5,799,653	\$ 5,214,331	\$ 5,261,174	\$ 4,736,715
Actuarial Accrued Liability	\$ 7,089,696	\$ 6,534,109	\$ 6,172,293	\$ 5,649,824
Percentage Funded	81.8%	79.8%	85.2%	83.8%
Unfunded Actuarial				
Accrued Liability	\$ 1,290,043	\$ 1,319,778	\$ 911,119	\$ 913,109
Annual Covered Payroll	\$ 3,317,083	\$ 3,162,960	\$ 2,848,681	\$ 2,635,799
Unfunded Actuarial				
Accrued Liability				
(UAAL) % of Covered Payroll	38.89%	41.73%	31.98%	34.64%
Net Pension Obligation (NPO)				
at the Beginning of Period	\$ -	\$ -	\$ -	\$ -
Annual Req. Contrib. (ARC)	250,616	251,881	174,317	211,087
Contributions Made	250,616	251,881	174,317	211,087
NPO at the End of Period	\$ -	\$ -	\$ -	\$ -

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**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF FUNDING PROGRESS**  
**POSTEMPLOYMENT HEALTHCARE BENEFITS<sup>1</sup>**  
For the Year Ended September 30, 2010

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

<sup>1</sup> 2009 is the first year the County is required to implement GASB Statement No. 45. The next valuation will be performed in accordance with GASB Statement No. 45 parameters by October 1, 2010.

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***COMBINING STATEMENTS  
AND SCHEDULES***

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

For the Year Ended September 30, 2010

	2010			Variance with Final Budget
	Budgeted Amounts		Actual	Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Property taxes	\$ 270,539	\$ 270,539	\$ 271,456	\$ 917
Interest	6,200	6,200	9,792	3,592
Total Revenues	276,739	276,739	281,248	4,509
EXPENDITURES				
Current:				
Miscellaneous	1,400	1,400	400	1,000
Debt service:				
Principal	200,000	200,000	200,000	-
Interest and fiscal agent fees	49,437	49,437	49,436	1
Total Expenditures	250,837	250,837	249,836	1,001
Revenues Over				
Expenditures	25,902	25,902	31,412	5,510
OTHER FINANCING SOURCES				
Transfers in	-	-	116,839	116,839
Total Other Financing				
Sources	-	-	116,839	116,839
Net Change in				
Fund Balance	\$ 25,902	\$ 25,902	148,251	\$ 122,349
Beginning fund balance			407,849	
Ending Fund Balance			\$ 556,100	

Notes to Required Supplementary Information:

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

**BURLESON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 1 of 2)**  
September 30, 2010

Special Revenue Funds				
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt and Preservation Dist. & Co.
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 52,780	\$ 50,272	\$ 611,704	\$ 239,336
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 52,780</b>	<b>\$ 50,272</b>	<b>\$ 611,704</b>	<b>\$ 239,336</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ 100	\$ -	\$ 225
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>225</b>
<b><u>Fund Balances</u></b>				
Unreserved	52,780	50,172	611,704	239,111
<b>Total Fund Balances</b>	<b>52,780</b>	<b>50,172</b>	<b>611,704</b>	<b>239,111</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 52,780</b>	<b>\$ 50,272</b>	<b>\$ 611,704</b>	<b>\$ 239,336</b>

Special Revenue Funds					
Jail Commissary	Attorney Fee Account	Sheriff's Office Donation Equipment	Sheriff's Forfeiture	State Salary Supplement	Sheriff's Office Awarded Restitution
\$ 10,925	\$ 718	\$ 9,769	\$ 21,333	\$ 40,410	\$ 26,012
761	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 11,686</u>	<u>\$ 718</u>	<u>\$ 9,769</u>	<u>\$ 21,333</u>	<u>\$ 40,410</u>	<u>\$ 26,012</u>
\$ 389	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>389</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
11,297	718	9,769	21,333	40,410	26,012
<u>11,297</u>	<u>718</u>	<u>9,769</u>	<u>21,333</u>	<u>40,410</u>	<u>26,012</u>
<u>\$ 11,686</u>	<u>\$ 718</u>	<u>\$ 9,769</u>	<u>\$ 21,333</u>	<u>\$ 40,410</u>	<u>\$ 26,012</u>

**BURLESON COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 2)**  
September 30, 2010

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payments
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 26,678	\$ 26,478	\$ 29,214	\$ 12,921
Receivables, net	-	-	29,357	-
Due from other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 26,678</b>	<b>\$ 26,478</b>	<b>\$ 58,571</b>	<b>\$ 12,921</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 1,287	\$ -	\$ 934	\$ 737
Due to other funds	-	-	29,357	-
<b>Total Liabilities</b>	<b>1,287</b>	<b>-</b>	<b>30,291</b>	<b>737</b>
<b><u>Fund Balances</u></b>				
Unreserved	25,391	26,478	28,280	12,184
<b>Total Fund Balances</b>	<b>25,391</b>	<b>26,478</b>	<b>28,280</b>	<b>12,184</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 26,678</b>	<b>\$ 26,478</b>	<b>\$ 58,571</b>	<b>\$ 12,921</b>

**Special Revenue Funds**

<b>Alternative CSR</b>	<b>Economic Development</b>	<b>Election Services</b>	<b>County and District Technology</b>	<b>Vehicle Inventory</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 17,121	\$ -	\$ 170	\$ 57,434	\$ 1,233,275
-	5,493	-	-	98	35,709
-	-	14,662	-	-	14,662
<u>\$ -</u>	<u>\$ 22,614</u>	<u>\$ 14,662</u>	<u>\$ 170</u>	<u>\$ 57,532</u>	<u>\$ 1,283,646</u>
\$ -	\$ -	\$ -	\$ -	\$ 27,495	\$ 31,167
-	-	-	-	8,989	38,346
-	-	-	-	36,484	69,513
-	22,614	14,662	170	21,048	1,214,133
-	22,614	14,662	170	21,048	1,214,133
<u>\$ -</u>	<u>\$ 22,614</u>	<u>\$ 14,662</u>	<u>\$ 170</u>	<u>\$ 57,532</u>	<u>\$ 1,283,646</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, 2010

Special Revenue Funds				
	County Law Library	Courthouse Security	Right of Way Acquisition	Record Mgmt and Preservation Dist. & Co.
<b><u>Revenues</u></b>				
Fees	\$ 13,960	\$ 21,782	\$ -	\$ 72,751
Intergovernmental	-	-	-	-
Investment income	961	1,071	12,957	4,776
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>14,921</u>	<u>22,853</u>	<u>12,957</u>	<u>77,527</u>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
Miscellaneous	1,204	7,119	-	49,185
<b>Capital outlay</b>	-	-	-	-
<b>Total Expenditures</b>	<u>1,204</u>	<u>7,119</u>	<u>-</u>	<u>49,185</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>13,717</u>	<u>15,734</u>	<u>12,957</u>	<u>28,342</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	-	-	-
Transfers (out)	-	(10,445)	-	(1,820)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(10,445)</u>	<u>-</u>	<u>(1,820)</u>
<b>Net Change in Fund Balances</b>	<u>13,717</u>	<u>5,289</u>	<u>12,957</u>	<u>26,522</u>
Beginning fund balances	<u>39,063</u>	<u>44,883</u>	<u>598,747</u>	<u>212,589</u>
<b>Ending Fund Balances</b>	<u>\$ 52,780</u>	<u>\$ 50,172</u>	<u>\$ 611,704</u>	<u>\$ 239,111</u>

Special Revenue Funds					
Jail Commissary	Attorney Fee Account	Sheriff's Office Donation Equipment	Sheriff's Forfeiture	State Salary Supplement	Sheriff's Office Awarded Restitution
\$ -	\$ 230	\$ -	\$ -	\$ -	\$ -
-	-	-	-	47,832	-
270	21	195	319	1,143	553
27,403	-	400	7,911	-	-
27,673	251	595	8,230	48,975	553
24,426	749	-	1,557	1,143	-
-	-	-	-	-	-
24,426	749	-	1,557	1,143	-
3,247	(498)	595	6,673	47,832	553
-	-	-	-	-	-
-	-	-	-	(46,250)	-
-	-	-	-	(46,250)	-
3,247	(498)	595	6,673	1,582	553
8,050	1,216	9,174	14,660	38,828	25,459
\$ 11,297	\$ 718	\$ 9,769	\$ 21,333	\$ 40,410	\$ 26,012

**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, 2010

Special Revenue Funds				
	Justice Court Technology	LEOSE	Miscellaneous Grants	Time Payments
<b>Revenues</b>				
Fees	\$ 12,857	\$ -	\$ -	\$ 7,077
Intergovernmental	-	4,323	299,961	-
Investment income	596	586	2,016	-
Miscellaneous	-	-	6,576	290
<b>Total Revenues</b>	<b>13,453</b>	<b>4,909</b>	<b>308,553</b>	<b>7,367</b>
<b>Expenditures</b>				
<b>Current:</b>				
Miscellaneous	19,339	5,344	191,178	12,054
<b>Capital outlay</b>	-	-	88,788	-
<b>Total Expenditures</b>	<b>19,339</b>	<b>5,344</b>	<b>279,966</b>	<b>12,054</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(5,886)</b>	<b>(435)</b>	<b>28,587</b>	<b>(4,687)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	(13,116)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(13,116)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(5,886)</b>	<b>(435)</b>	<b>15,471</b>	<b>(4,687)</b>
Beginning fund balances	31,277	26,913	12,809	16,871
<b>Ending Fund Balances</b>	<b>\$ 25,391</b>	<b>\$ 26,478</b>	<b>\$ 28,280</b>	<b>\$ 12,184</b>



**Special Revenue Funds**

<b>Alternative CSR</b>	<b>Economic Development</b>	<b>Election Services</b>	<b>County and District Technology</b>	<b>Vehicle Inventory</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 19,596	\$ 2,891	\$ 169	\$ -	\$ 151,313
-		-	-	-	352,116
-	386	-	1	982	26,833
-	-	-	-	9	42,589
-	19,982	2,891	170	991	572,851
1,428	22,842	-	-	-	337,568
-	-	-	-	-	88,788
1,428	22,842	-	-	-	426,356
(1,428)	(2,860)	2,891	170	991	146,495
-	-	11,771	-	-	11,771
-	-	-	-	-	(71,631)
-	-	11,771	-	-	(71,631)
(1,428)	(2,860)	14,662	170	991	86,635
1,428	25,474	-	-	20,057	1,127,498
\$ -	\$ 22,614	\$ 14,662	\$ 170	\$ 21,048	\$ 1,214,133

**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, 2010

**COUNTY LAW LIBRARY**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 9,600	\$ 13,960	\$ 4,360
Investment income	450	961	511
<b>Total Revenues</b>	<u>10,050</u>	<u>14,921</u>	<u>4,871</u>
<b>EXPENDITURES</b>			
<b>General administration:</b>			
Miscellaneous	5,500	1,204	4,296
<b>Total Expenditures</b>	<u>5,500</u>	<u>1,204</u>	<u>4,296</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ 4,550</u>	 13,717	 <u>\$ 9,167</u>
Beginning fund balance		<u>39,063</u>	
<b>Ending Fund Balance</b>		<u>\$ 52,780</u>	

**COURTHOUSE SECURITY**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 800	\$ 1,071	\$ 271
Fees	24,400	21,782	(2,618)
<b>Total Revenues</b>	<u>25,200</u>	<u>22,853</u>	<u>(2,347)</u>
<b>EXPENDITURES</b>			
<b>Judicial:</b>			
District Court	26,500	7,119	19,381
Capital outlay	5,000	-	5,000
<b>Total Expenditures</b>	<u>31,500</u>	<u>7,119</u>	<u>24,381</u>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	 (6,300)	 15,734	 22,034
Transfers (out)	(11,500)	(10,445)	1,055
<b>Net Change in Fund Balance</b>	<u>\$ (17,800)</u>	<u>5,289</u>	<u>\$ 23,089</u>
Beginning fund balance		<u>44,883</u>	
<b>Ending Fund Balance</b>		<u>\$ 50,172</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, 2010

**RIGHT OF WAY ACQUISITION**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 12,000	\$ 12,957	\$ 957
<b>Total Revenues</b>	<u>12,000</u>	<u>12,957</u>	<u>957</u>
<b>Net Change in Fund Balance</b>	<u>\$ 12,000</u>	12,957	<u>\$ 957</u>
Beginning fund balance		<u>598,747</u>	
<b>Ending Fund Balance</b>		<u>\$ 611,704</u>	

**RECORD MANAGEMENT AND PRESERVATION DISTRICT AND COUNTY**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 67,700	\$ 72,751	\$ 5,051
Investment income	3,790	4,776	986
<b>Total Revenues</b>	<u>71,490</u>	<u>77,527</u>	<u>6,037</u>
<b>EXPENDITURES</b>			
Miscellaneous	<u>127,217</u>	<u>49,185</u>	<u>78,032</u>
<b>Total Expenditures</b>	<u>127,217</u>	<u>49,185</u>	<u>78,032</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(55,727)	28,342	84,069
Transfers (out)	<u>(1,820)</u>	<u>(1,820)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (55,727)</u>	26,522	<u>\$ 84,069</u>
Beginning fund balance		<u>212,589</u>	
<b>Ending Fund Balance</b>		<u>\$ 239,111</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, 2010

***SHERIFF'S OFFICE DONATION - EQUIPMENT***

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 110	\$ 195	\$ 85
Miscellaneous	-	400	400
<b>Total Revenues</b>	<u>110</u>	<u>595</u>	<u>485</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ 110</u>	 <u>595</u>	 <u>\$ 485</u>
 Beginning fund balance		<u>9,174</u>	
 <b>Ending Fund Balance</b>		<u><u>\$ 9,769</u></u>	

***SHERIFF'S FORFEITURE***

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 250	\$ 319	\$ 69
Miscellaneous	-	7,911	7,911
<b>Total Revenues</b>	<u>250</u>	<u>8,230</u>	<u>7,980</u>
 <b>EXPENDITURES</b>			
<b>Public safety:</b>			
Sheriff's office	<u>6,000</u>	<u>1,557</u>	<u>4,443</u>
<b>Total Expenditures</b>	<u>6,000</u>	<u>1,557</u>	<u>4,443</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ (5,750)</u>	 <u>6,673</u>	 <u>\$ 3,537</u>
 Beginning fund balance		<u>14,660</u>	
 <b>Ending Fund Balance</b>		<u><u>\$ 21,333</u></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, 2010

**STATE SALARY SUPPLEMENT**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 47,750	\$ 47,832	\$ 82
Investment income	800	1,143	343
<b>Total Revenues</b>	<u>48,550</u>	<u>48,975</u>	<u>425</u>
<b>EXPENDITURES</b>			
<b>Public Safety:</b>			
Miscellaneous	2,800	1,143	1,657
<b>Total Expenditures</b>	<u>2,800</u>	<u>1,143</u>	<u>1,657</u>
<b>Excess of Revenues over Expenditures</b>	45,750	47,832	2,082
Transfers (out)	<u>(46,250)</u>	<u>(46,250)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (500)</u>	1,582	<u>\$ 2,082</u>
Beginning fund balance		<u>38,828</u>	
<b>Ending Fund Balance</b>		<u>\$ 40,410</u>	

**SHERIFF'S OFFICE AWARDED RESTITUTION**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 500	\$ 553	\$ 53
<b>Total Revenues</b>	<u>500</u>	<u>553</u>	<u>53</u>
<b>Net Change in Fund Balance</b>	<u>\$ 500</u>	553	<u>\$ 53</u>
Beginning fund balance		<u>25,459</u>	
<b>Ending Fund Balance</b>		<u>\$ 26,012</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, 2010

**JUSTICE COURT TECHNOLOGY**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 680	\$ 596	\$ (84)
Fees	15,100	12,857	(2,243)
<b>Total Revenues</b>	<u>15,780</u>	<u>13,453</u>	<u>(2,327)</u>
<b>EXPENDITURES</b>			
<b>Public safety:</b>			
Justice court expense	24,000	19,339	4,661
<b>Total Expenditures</b>	<u>24,000</u>	<u>19,339</u>	<u>4,661</u>
 <b>Net Change in Fund Balance</b>	 <u><u>\$ (8,220)</u></u>	 <u><u>(5,886)</u></u>	 <u><u>\$ 2,334</u></u>
 Beginning fund balance		<u>31,277</u>	
 <b>Ending Fund Balance</b>		<u><u>\$ 25,391</u></u>	

**LEOSE**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income	\$ 4,410	\$ 586	\$ (3,824)
Intergovernmental	500	4,323	3,823
<b>Total Revenues</b>	<u>4,910</u>	<u>4,909</u>	<u>(1)</u>
<b>EXPENDITURES</b>			
<b>Public safety:</b>			
LEOSE	13,600	5,344	8,256
<b>Total Expenditures</b>	<u>13,600</u>	<u>5,344</u>	<u>8,256</u>
 <b>Net Change in Fund Balance</b>	 <u><u>\$ (8,690)</u></u>	 <u><u>(435)</u></u>	 <u><u>\$ 8,255</u></u>
 Beginning fund balance		<u>26,913</u>	
 <b>Ending Fund Balance</b>		<u><u>\$ 26,478</u></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, 2010

**TIME PAYMENT**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 7,900	\$ 7,077	\$ (823)
Miscellaneous	380	290	(90)
<b>Total Revenues</b>	<u>8,280</u>	<u>7,367</u>	<u>(913)</u>
<b>EXPENDITURES</b>			
<b>General government</b>			
Administration	22,000	12,054	9,946
<b>Total Expenditures</b>	<u>22,000</u>	<u>12,054</u>	<u>9,946</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ (13,720)</u>	 (4,687)	 <u>\$ 9,033</u>
Beginning fund balance		<u>16,871</u>	
<b>Ending Fund Balance</b>		<u>\$ 12,184</u>	

**ALTERNATIVE COMMUNITY SERVICE RESITUATION**

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES</b>			
<b>General government</b>			
Administrative	\$ 1,428	\$ 1,428	\$ -
<b>Total Expenditures</b>	<u>1,428</u>	<u>1,428</u>	<u>-</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ (1,428)</u>	 (1,428)	 <u>\$ -</u>
Beginning fund balance		<u>1,428</u>	
<b>Ending Fund Balance</b>		<u>\$ -</u>	

**BURLESON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Page 7 of 7)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended September 30, 2010

***ECONOMIC DEVELOPMENT***

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 26,000	\$ 19,596	\$ (6,404)
Investment income	500	386	(114)
<b>Total Revenues</b>	<u>26,500</u>	<u>19,982</u>	<u>(6,518)</u>
<b>EXPENDITURES</b>			
<b>Economic development</b>			
General expenditures	23,900	22,842	1,058
<b>Total Expenditures</b>	<u>23,900</u>	<u>22,842</u>	<u>1,058</u>
 <b>Net Change in Fund Balance</b>	 <u>\$ 2,600</u>	 (2,860)	 <u>\$ (7,576)</u>
Beginning fund balance		<u>25,474</u>	
<b>Ending Fund Balance</b>		<u><u>\$ 22,614</u></u>	

***COUNTY & DISTRICT TECHNOLOGY***

	Original and Final Budgeted Amounts	2010 Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 2,400	\$ 169	\$ (2,231)
Investment income	20	1	(19)
<b>Total Revenues</b>	<u>2,420</u>	<u>170</u>	<u>(2,250)</u>
<b>EXPENDITURES</b>			
<b>Economic development</b>			
General expenditures	1,000	-	1,000
<b>Total Expenditures</b>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
 <b>Excess (Deficiency) of     Revenues Over Expenditures</b>	 1,420	 170	 (3,250)
Beginning fund balance		<u>-</u>	
<b>Ending Fund Balance</b>		<u><u>\$ 170</u></u>	



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# BURLESON COUNTY, TEXAS

## COMBINING STATEMENT OF NET ASSETS

### FIDUCIARY FUNDS (page 1 of 2)

September 30, 2010

	<u>Tax Assessor Collector</u>	<u>District Clerk</u>	<u>County Clerk</u>	<u>Jail Inmate</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 399,545	\$ 867,101	\$ 8,950	\$ 1,745
<b>Total Assets</b>	<u>\$ 399,545</u>	<u>\$ 867,101</u>	<u>\$ 8,950</u>	<u>\$ 1,745</u>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 395,674	\$ 696,396	\$ 8,950	\$ 1,745
Due to others	3,871	170,705	-	-
<b>Total Liabilities</b>	<u>\$ 399,545</u>	<u>\$ 867,101</u>	<u>\$ 8,950</u>	<u>\$ 1,745</u>

See Notes to Financial Statements.

<u>State of Texas Transfer Accounts</u>	<u>County Attorney</u>	<u>County Sheriff</u>	<u>Sheriff Seizure</u>	<u>Unclaimed Money</u>	<u>Insurance</u>
\$ 98,908	\$ 13,046	\$ 40,750	\$ 15,416	\$ 7,196	\$ 1,994
<u>\$ 98,908</u>	<u>\$ 13,046</u>	<u>\$ 40,750</u>	<u>\$ 15,416</u>	<u>\$ 7,196</u>	<u>\$ 1,994</u>
\$ 92,607	\$ 13,046	\$ 40,750	\$ 15,416	\$ 7,196	\$ 138
6,301	-	-	-	-	1,856
<u>\$ 98,908</u>	<u>\$ 13,046</u>	<u>\$ 40,750</u>	<u>\$ 15,416</u>	<u>\$ 7,196</u>	<u>\$ 1,994</u>

# BURLESON COUNTY, TEXAS

## COMBINING STATEMENT OF NET ASSETS

### FIDUCIARY FUNDS (page 2 of 2)

September 30, 2010

	<u>Total Agency Funds</u>
<b><u>Assets</u></b>	
Cash and cash equivalents	\$ 1,454,651
<b>Total Assets</b>	<u><u>\$ 1,454,651</u></u>
<b><u>Liabilities</u></b>	
Accounts payable	\$ 1,271,918
Due to others	182,733
<b>Total Liabilities</b>	<u><u>\$ 1,454,651</u></u>

See Notes to Financial Statements.