

**BOSQUE COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**YEAR ENDED SEPTEMBER 30, 2013**

**BOSQUE COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013**

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## **INTRODUCTORY SECTION**

**BOSQUE COUNTY, TEXAS  
PRINCIPAL COUNTY OFFICIALS  
SEPTEMBER 30, 2013**

COLE WORD

DOUG DAY

DURWOOD KOONSMAN

SAMMY LEACH

JIMMY SCHMIDT

ARLENE SWINEY

B.J. SHEPHERD

NATALIE KOEHLER

JUANITA MILLER

BETTY OUTLAW

DIANA WELLBORN

ANTHONY MALOTT

ELIZABETH DIETERICH

COUNTY JUDGE

COMMISSIONER, PRECINCT 1

COMMISSIONER, PRECINCT 2

COMMISSIONER, PRECINCT 3

COMMISSIONER, PRECINCT 4

TAX ASSESSOR-COLLECTOR

DISTRICT ATTORNEY

COUNTY ATTORNEY

DISTRICT CLERK

COUNTY CLERK

COUNTY TREASURER

COUNTY SHERIFF

COUNTY AUDITOR

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

To the Honorable Members  
of the Commissioners' Court  
Bosque County, Texas

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

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

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

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension funding progress information on page 8 through 14, 48 through 50, and page 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding 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 Bosque County's financial statements as a whole. The introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining nonmajor fund financial statements 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. Such information has been subjected to the auditing procedures applied by us 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.

The introductory section has not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Stephenville, Texas  
November 6, 2014

*Boucher, Morgan & Young*

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**



**BOSQUE COUNTY, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2013**

The management of Bosque County presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2013.

**FINANCIAL HIGHLIGHTS**

- The assets of Bosque County exceed its liabilities at the close of the most recent fiscal year by \$10.4 million. Of this amount, \$2.6 million in unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the County's fiscal policies.
- The County's total net position increased by \$1.14 million.
- As of the close of the current fiscal year, the Bosque County's governmental funds reported an ending fund balance of \$3,143,989 of which \$839,365 is restricted for special purposes and \$778,047 is committed for capital projects.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements** — The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. This includes the Statement of Net Position and the statement of activities.

The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs (accrual basis), regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods such as uncollected taxes and earned but unused compensation absences.

**Fund Financial Statements** — A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities for objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be categorized as governmental funds. The focus of the fund financial statements is on major funds that meet minimum criteria (a percentage of assets, liabilities, revenue or expenditures of fund category and of the governmental funds combined), or those

that the County wishes to report as major.

Nonmajor funds are aggregated and shown in a single column. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

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

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

The County maintains 28 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road and Bridge, and Capital Projects, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages 19-24 of this report.

**Fiduciary Funds** — Fiduciary Funds are used to account for resources held for the benefit of parties outside the government.

The Fiduciary Fund financial statement can be found on page 25 of this report.

**Notes to Financial Statements** — The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-45.

**Required Supplementary Information Other than MD&A** — Accounting standards generally accepted in the United States of America require, in addition to the basic financial statements and accompanying notes, the report present certain required supplementary information. Retirement plan funding progress is included in this section along with schedules of actual and budgetary comparisons of the County's General Fund and major Special Revenue Funds.

**Combining Statements and Schedules** — The combining statements in connection with nonmajor governmental funds are presented immediately following required supplementary information in the County's financials.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS:

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$10.4 million of September 30, 2013.

The largest portion of the County's net position (64%) reflected its investments in capital assets (e.g., land, building, and equipment), less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, the assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

### BOSQUE COUNTY'S NET POSITION

	Governmental Activities	
	2013	2012
Current and other assets	\$ 4,739,270	\$ 2,727,714
Capital assets	7,098,664	7,308,151
Total Assets	<u>\$ 11,837,934</u>	<u>\$ 10,035,865</u>
Current liabilities	\$ 427,064	\$ 470,836
Noncurrent liabilities	271,860	264,903
Total Liabilities	<u>\$ 698,924</u>	<u>\$ 735,739</u>
Net Position:		
Invested in capital assets, net of related debt	\$ 6,828,603	\$ 6,949,681
Restricted	963,725	951,149
Unrestricted	2,644,861	1,399,296
Total Net Position	<u>\$ 10,437,189</u>	<u>\$ 9,300,126</u>

During the current fiscal year, the County's net position increased by \$1.14 million.

## BOSQUE COUNTY'S CHANGES IN NET POSITION

	2013	2012
Revenues:		
Program Revenues		
Charges for Services	\$ 2,232,072	\$ 2,254,901
Operating Grants & Contributions	263,201	366,365
Capital Grants	-	-
General Revenues		
Property Taxes	5,417,944	4,938,263
Other Taxes	549,108	665,905
Investment Earnings	4,309	2,434
Miscellaneous	658,347	46,367
Gain in sale of fixed assets	-	13,623
Total Revenues	9,124,981	8,287,858
Expenses:		
Governmental activities	7,987,918	7,609,818
Change in net position	1,137,063	678,040
Net position-beginning	9,300,126	8,622,086
Net position-ending	\$ 10,437,189	\$ 9,300,126

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS:

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

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, fund balance of the General Fund was \$1,533,360, while total fund balance for all governmental funds was \$3,143,989.

During the current fiscal year, the fund balance of the County's General Fund increased by \$860,052.

**General Fund Budgetary Highlights** - Differences between the original budget and the final amended budget resulted in no effect to the planned change in fund balance. Deficit budgets were adopted by the County for the year ended September 30, 2013.

## CAPITAL ASSETS

The County's investment in capital assets for its governmental activities as of September 30, 2013, amounts to \$7.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, and equipment.

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

- Radio Tower contributed by another governmental entity
- Voting machines
- Vehicles

Capital assets at year-end, net of accumulated depreciation were as follows:

### BOSQUE COUNTY'S CAPITAL ASSETS AT YEAR-END

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Land	\$ 82,479	\$ 82,479
Buildings and improvements	5,226,825	5,418,335
Furniture and equipment	1,739,366	1,750,411
Infrastructure	49,994	56,926
Total	<u>\$7,098,664</u>	<u>\$7,308,151</u>

Additional information on the County's capital assets can be found in the notes to the financial statements.

## LONG-TERM DEBT

At the end of the current fiscal year, the County's total long-term debt outstanding was solely comprised of capital leases payable with maturity dates from 2013 through 2016. Lease balances outstanding for leased equipment, were as follows:

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Vehicles	\$ 105,915	\$ 77,734
Video equipment for cars	41,055	63,195
670D motorgrader	34,727	67,522
NetData software	88,364	143,402
Tractor	-	4,932
Shredder	-	1,685
	<u>\$ 270,061</u>	<u>\$ 358,470</u>

During the current fiscal year, Bosque County's debt related to capital leases decreased by \$88,409. This decrease was due primarily to scheduled repayment of leases.

Additional information on Bosque County's long-term debt can be found in the notes to the financial statements of this report.

## **REQUESTS FOR INFORMATION**

The financial report is designed to provide our citizens, customers, and creditors with a general overview of the County's finances. If you have any questions about this report or need any additional information, contact the County Auditor, P.O. Box 874, Meridian, Texas 76665, or call (254) 435-2611.

## **BASIC FINANCIAL STATEMENTS**

**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2013**

	<u>Primary Government</u>
	Governmental
	Activities
<hr/>	
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,197,079
Investments-current	2,588,670
Taxes receivable (net of allowances for uncollectible)	267,227
Fines receivable	299,555
Due from agency fund	-
Due from other governments	262,379
Prepaid items	124,360
Capital Assets (net of accumulated depreciation):	
Land	82,479
Infrastructure	49,994
Buildings, net	5,226,825
Furniture and equipment, net	1,739,366
Total Assets	<u>11,837,934</u>
<b>LIABILITIES</b>	
Deficit cash	701,821
Accounts payable	262,331
Accrued liabilities	64,347
Due to other funds	-
Noncurrent liabilities:	
Due within one year	100,386
Due in more than one year	271,860
Total Liabilities	<u>1,400,745</u>
<b>NET POSTION:</b>	
Net investment in capital assets	6,828,603
Restricted for:	
Restricted for prepaid items	124,360
Restricted for special revenue funds	839,365
Unrestricted net position	2,644,861
Total Net Position	<u>\$ 10,437,189</u>

The accompanying notes are an integral part of the financial statements.



**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions
<b>PRIMARY GOVERNMENT:</b>			
Governmental Activities:			
Public finance	\$ 644,417	\$ 448,007	\$ -
General administration	2,446,637	378,229	72,356
Judicial	1,167,392	811,237	-
Law enforcement	2,142,469	133,680	190,845
Roads	1,572,372	460,919	-
Other - debt interest	14,631	-	-
Total Governmental Activities	<u>\$ 7,987,918</u>	<u>\$ 2,232,072</u>	<u>\$ 263,201</u>

General Revenues:

Property Taxes, levied for general purposes

Sales and other taxes

Miscellaneous revenue

Investment earnings

Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

		<u>Net (Expense) Revenue and Changes in Net Position</u>	
<u>Capital Grants and Contributions</u>		<u>Primary Governmental Activities</u>	
\$	-	\$	(196,410)
	-		(1,996,052)
	-		(356,155)
	-		(1,817,944)
	-		(1,111,453)
	-		(14,631)
<u>\$</u>	<u>-</u>	<u>\$</u>	<u>(5,492,645)</u>

	5,417,944
	549,108
	658,347
	4,309
	<u>6,629,708</u>
	1,137,063
	9,300,126
	<u>\$ 10,437,189</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2013**

	General Fund	Road and Bridge	Capital Projects
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 502,240	\$ 537,014
Investments-current	1,976,276	243,659	241,033
Taxes receivable	244,488	21,098	1,262
Intergovernmental receivables	66,327	196,052	-
Due from other funds	-	-	-
Prepaid items	95,702	25,215	-
Total Assets and Other Debits	<u>\$ 2,382,793</u>	<u>\$ 988,264</u>	<u>\$ 779,309</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Deficit cash	\$ 420,728	\$ 264,167	\$ -
Accounts payable	134,643	106,175	-
Due to other funds	-	-	-
Wages and salaries payable	49,574	10,951	-
Deferred revenues	244,488	21,098	1,262
Total Liabilities	<u>849,433</u>	<u>402,391</u>	<u>1,262</u>
Fund Balances:			
Nonspendable	95,702	-	-
Restricted	-	585,873	-
Committed	-	-	778,047
Unassigned	1,437,658	-	-
Total Fund Balances	<u>1,533,360</u>	<u>585,873</u>	<u>778,047</u>
Total Liabilities and Fund Balances	<u>\$ 2,382,793</u>	<u>\$ 988,264</u>	<u>\$ 779,309</u>

Nonmajor Governmental Funds	Total Governmental Funds
\$ 157,825	\$ 1,197,079
127,702	2,588,670
379	267,227
-	262,379
-	-
3,443	124,360
<u>\$ 289,349</u>	<u>\$ 4,439,715</u>
\$ 16,926	\$ 701,821
21,513	262,331
-	-
3,822	64,347
379	267,227
<u>42,640</u>	<u>1,295,726</u>
-	95,702
253,492	839,365
-	778,047
(6,783)	1,430,875
<u>246,709</u>	<u>3,143,989</u>
<u>\$ 289,349</u>	<u>\$ 4,439,715</u>

The accompanying notes are an integral part of the financial statements.

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

**Total Fund Balances - Governmental Funds** \$ 3,143,989

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$14,209,585 and the accumulated depreciation was \$6,901,434. In addition, long-term liabilities of \$465,111, including capital lease payables, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net postion.

6,843,040

270,223

Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets with reductions in long-term debt in the Statement of Net Postion. Lease proceeds are reported as other financing sources in the fund financial statements but are increases in long-term debt in the government wide financial statements. The net effect of including the 2013 capital outlays, debt principal and lease proceeds is to increase net postion.

Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue and recognizing receivables only recorded in the government-wide financial statements. The net effect of these reclassifications and recognitions is to increase net postion.

566,782

The 2013 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net postion.

(386,845)

**Net Postion of Governmental Activities** \$ 10,437,189

**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	General Fund	Road and Bridge	Capital Projects
<b>REVENUE</b>			
Taxes:			
Property taxes	\$ 5,030,480	\$ 414,714	\$ 24,597
General sales and use taxes	549,108	-	-
Auto registrations	-	369,364	-
Intergovernmental revenue and grants	684,232	30,885	-
Fines and fees	390,173	570,306	-
Forfeitures	3,750	-	-
Investment earnings	3,355	353	41
Other revenue	107,351	522,524	-
Total Revenues	<u>6,768,449</u>	<u>1,908,146</u>	<u>24,638</u>
<b>EXPENDITURES</b>			
Current:			
General Government:			
Public finance	641,367	-	-
General administration	2,073,556	-	26,759
Judicial	863,940	-	-
Law Enforcement	2,016,709	-	-
Roads	-	1,416,392	-
Debt Service:			
Debt principal-capital leases	117,248	39,461	-
Debt interest-capital leases	12,377	2,254	-
Capital Outlay:			
Capital Outlay	251,200	130,354	-
Total Expenditures	<u>5,976,397</u>	<u>1,588,461</u>	<u>26,759</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>792,052</u>	<u>319,685</u>	<u>(2,121)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from capital leases	68,000	-	-
Other revenue	-	-	-
Transfers in	-	343,236	-
Transfers out (use)	-	(343,209)	-
Insurance proceeds	-	-	-
Total Other Financing Sources (Uses)	<u>68,000</u>	<u>27</u>	<u>-</u>
Net Change in Fund Balances	860,052	319,712	(2,121)
Fund Balances - Beginning	673,308	266,161	780,168
Fund Balances - Ending	<u>\$ 1,533,360</u>	<u>\$ 585,873</u>	<u>\$ 778,047</u>

The accompanying notes are an integral part of the financial statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 7,343	\$ 5,477,134
-	549,108
-	369,364
277,386	992,503
100,714	1,061,193
1,444	5,194
560	4,309
-	629,875
<u>387,447</u>	<u>9,088,680</u>
3,050	644,417
62,346	2,162,661
303,452	1,167,392
-	2,016,709
-	1,416,392
-	156,709
-	14,631
-	381,554
<u>368,848</u>	<u>7,960,465</u>
<u>18,599</u>	<u>1,128,215</u>
-	68,000
-	-
-	343,236
-	(343,209)
-	-
<u>-</u>	<u>68,027</u>
18,599	1,196,242
228,110	1,947,747
<u>\$ 246,709</u>	<u>\$ 3,143,989</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

<b>Total Net Change in Fund Balances-Governmental Funds</b>	\$ 1,196,242
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. Proceeds from capital leases are shown as financial resources in fund financial statements but are increases in long-term debt in the government-wide financial statements. The net effect of removing the 2013 capital outlays and changes in long-term debt principal is to increase net position.	470,263
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position.	(565,716)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, net of uncollectible taxes, eliminating interfund transactions, and recognizing the liabilities associated with long-term debt interest. The net effect of these reclassifications and recognitions is to increase net position.	36,274
<b>Change in Net Position of Governmental Activities</b>	<u><u>\$ 1,137,063</u></u>

The accompanying notes are an integral part of the financial statements.



**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2013**

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	Agency Funds
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 1,464,610
Total Assets	<u>\$ 1,464,610</u>
LIABILITIES	
Due to other	\$ 1,464,610
Total Liabilities	<u>\$ 1,464,610</u>

The accompanying notes are an integral part of the financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Bosque County was created in 1854 by the Texas Legislature under the provisions of Article 9, Section 1, of the Texas Constitution. The County operates under a commission form of government in which the Commissioners' Court composed of four County Commissioners, presided over by the County Judge, is the governing body. The Commissioners' Court is a court of limited jurisdiction empowered to do only those things which are specifically authorized by the State Constitution or by statute.

The financial statements of Bosque County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for established governmental accounting and financial reporting principles. The more significant of these accounting policies are described below with subsequent pronouncements referred.

**A. REPORTING ENTITY**

The County is an independent political subdivision of the State of Texas governed by an elected four-member Commissioners' Court and County Judge and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity. Based on these considerations, no other entities have been included in the County's reporting entity. Additionally, as the County is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Consideration regarding the potential for inclusion of other entities, organizations, or functions in the County's financial reporting entity is 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 financially independent of other state and local governments. Additional prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are to be reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County has no business-type activities or any component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Road and Bridge Fund is used to account for the operation, repair and maintenance of roads and bridges.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of general major capital assets.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Agency Funds These funds are used to report funds of the County's fees offices and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, and 2) operating grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenue. Likewise, general revenue includes all taxes.

**D. ASSETS, LIABILITIES AND NET POSITION OR EQUITY**

**Cash and Investments**

The government'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.

Investments for the government are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables**

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

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles.

The County's property taxes are levied annually in October on the basis of the Appraisal District's assessed values as of January 1 of that calendar year. Appraisal values are established by the Appraisal District at market value and assessed at 100% of appraised value less exemptions. The County's property taxes are billed and collected by the Tax Assessor/Collector. Such taxes are applicable to the fiscal year in which they are levied and become delinquent with an enforceable lien on property on February 1 of the subsequent calendar year.

Property taxes are prorated between operations, road and bridge, and debt service based on rates adopted for the year of the levy. For the current year, the County levied property taxes of \$0.4368 per \$100 of assessed valuation that were prorated between General, Road and Bridge, Capital Projects and Jury Funds. The resulting adjusted tax levies were based on a total adjusted taxable valuation of approximately \$1,261,212,162 for the 2012 tax year.

**Prepaid Expenditures**

When payment is made to a supplier of goods or services prior to the receipt of the goods or realization of the service, then the amount expended in excess of value received is recorded as a prepaid item.

**Capital Assets**

Capital assets, which include land, buildings, furniture and equipment, construction in progress, and infrastructure (e.g. roads, bridges, sidewalks and similar items) are reported in the governmental activities for the government-wide financial statements. The County defines capital assets 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.

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

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property, plant and equipment are depreciated using the straight-line method over the following useful lives:

Assets	Years
Buildings	40
Furniture and Equipment	5-15
Infrastructure	20

**Compensated Absences**

The county's employees earn vacation and compensatory time which may either be taken or accumulated, up to certain amounts, until paid upon resignation or retirement. All vacation leave and compensatory time pay are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The current policy for vacation pay is that vacation pay accrues as of the "annual" anniversary date of each employee. Vacation leave from 10 to 15 days per year may be earned, based on longevity. Compensatory time accrues at 5 days a year up to a maximum paid benefit for entitlement of 10 days.

**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. Bond premiums and discounts, as well as issuance costs, would be deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable would be reported net of the applicable bond premium or discount. There was no bonded debt of the County as of September 30, 2013.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current periods. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. There was no bonded indebtedness payments made by the County during the year ended September 30, 2013.

**Net position and Fund Equity**

In government-wide financial statements net position are reported in three categories: net position invested in capital assets, net of related debt; restricted net position; and unrestricted net position. Net position invested in capital assets, net of related debt represents capital assets less accumulated depreciation less outstanding principal on related debt. Net position invested in capital assets, net of related debt does not include the unspent proceeds of capital debt.

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position are considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the County's policy to use restricted first, then unrestricted resources as they are needed. The government-wide statement of net position reports \$963,725 of restricted assets, primarily restricted for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.

**Fund Balance Classification-** The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Nonspendable** - Resources which cannot be spent because they are either a) not in spendable form or ; b) legally or contractually required to be maintained intact.

**Restricted** – Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – Resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

**Assigned** - Resources neither restricted nor committed for which a government has a stated intended use as established by those charged with governance or an official to which to those charged with governance has delegated the authority to assign amounts for specific purposes.

**Unassigned** – Resources which cannot be properly classified in one of the other four categories. There are no governmental funds that reported a positive unassigned fund balance amount at year end. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.



**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position**

The *Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position* provides a summary of differences in accounting for funds and the total government net position. The primary elements reported differently are capital assets which are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities are not due and payable in the current period and are not reported as liabilities in the funds. Following are details of the summarized reconciliation amounts:

Beginning of year capital assets and debt:	
Capital assets	\$ 14,209,585
Accumulated depreciation	(6,901,434)
Long-term capital leases	(358,470)
Accumulated compensated absences	(106,641)
Total capital asset debt adjustment beginning of year	<u>\$ 6,843,040</u>
Current year capital outlay and debt service:	
Capital outlay	\$ 381,554
Fixed asset disposals	(209,759)
Proceeds capital leases	(68,000)
Decrease in compensated absences	4,455
Debt principal payments	156,709
Other	5,264
Total capital asset debt adjustment current year	<u>\$ 270,223</u>
Other reclassification reconciliation items:	
Record fines receivable	\$ 299,555
Eliminate deferred revenue on taxes	267,227
Total other summarized adjustments	<u>\$ 566,782</u>

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(Continued)**

**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities**

The *Reconciliation of the Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balances to the Statement of Activities* provides summarized reconciliation amounts indicating differences in accounting methods between the net changes in fund balance as shown on the governmental fund statement and the changes in net position of governmental activities as reported on the government-wide statement of activities. The differences are again primarily related to current year capital outlays and debt principal payments presented as expenditures in the fund financial statements, but shown as increases in capital assets and decreases in long-term debt in the government-wide statements. Details of the various summarized amounts from the reconciliation are as follows:

Current year capital outlay and debt service:	
Capital outlay	\$ 381,554
Proceeds capital leases	(68,000)
Debt principal payments	156,709
Total capital asset debt adjustment current year	<u>\$ 470,263</u>
Various other reclassifications current year changes:	
Change in deferred revenue	\$ (60,762)
Change in fines receivable	66,992
Change in compensated absences	4,455
Other	25,589
Total other reclassifications	<u>\$ 36,274</u>

**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGET DATA**

The budget amounts presented in the required supplementary information include the original and final authorized amounts as amended during the year. In accordance with state statutes, an annual budget is adopted for certain governmental funds of the County in accordance with generally accepted accounting principles. The procedures followed by Bosque County in establishing the budgetary data reflected in the financial statements are presented below.

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**Budget Preparation**

The County Judge, as the responsible budget officer, causes budget guidelines to be issued. Upon receiving operating requests from County officials, the County Judge submits a proposed operating budget covering the General, Road and Bridge, Special Revenue, and Debt Service Funds to the Commissioners' Court. The budget includes the proposed expenditures and the means of financing them.

**Public Hearings**

After proper publication of notices in compliance with various state statutes, a budget hearing for the purpose of obtaining public and taxpayer comments is conducted by the Commissioners' Court. Related public hearings are held regarding the proposed tax rates required to finance the proposed budget.

**Budget Adoption**

Following the public hearings, the Commissioners' Court makes such changes as may be warranted in the budget and adopts the budget through the passage of an order at one of its regularly scheduled meetings.

**Budget Amendments**

The Commissioners' Court, at its discretion, can transfer expenditures from one appropriation to another. The total expenditures may not be increased without additional public hearings.

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**A. DEPOSITS AND INVESTMENTS**

**Legal and Contractual Provisions Governing Deposits and Investments**

The funds of the County must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the County's agent bank in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At September 30, 2013, the County's cash deposits were entirely covered by FDIC insurance or by pledged collateral held by the County's bank in the County's name.

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

TexPool is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Texas Comptroller of Public Accounts is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. In addition, the TexPool Advisory Board advises on TexPool’s Investment Policy. This Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool.

TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. In addition, TexPool is subject to review by the State Auditor’s Office and by the Internal Auditor of the Comptroller’s Office.

Investments held by the County at September 30, 2013 consisted of the following:

<u>Investment Type</u>	<u>Historic Cost</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Tex Pool	<u>\$880,492</u>	<u>\$880,492</u>	<u>AAAm</u>

**Policies Governing Deposits and Investments**

In compliance with the Public Funds Investment Act, the County adopted a deposit and investment policy. That policy does address the following risks:

**Custodial Credit Risk – Deposits:** This is the risk that in the event of bank failure, the County’s deposits may not be returned to it. The County was not exposed to custodial credit risk since its deposits at year-end and during the year ended September 30, 2013 were covered by depository insurance or by pledged collateral held by the County’s agent bank in the County’s name.

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Custodial Credit Risk – Investments: This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. The County's securities are all in securities backed by the United States of America and are not exposed to custodial credit risk.

Other Credit Risk - There is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, TexPool's investment policy allows the portfolio's investment manager to only invest in obligations of the U.S. Government, its agencies' repurchase agreements; and no-load AAAM money market mutual funds registered with the SEC. As of September 30, 2013 TexPool's investments credit quality rating was AAAM (Standard & Poor's).

The County's general policy is to report nonparticipating interest-earning investment contracts using a cost-based measure. The term "nonparticipating" means that the investment's value does not vary with the market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest earning investment contracts.

**B. INTERFUND RECEIVABLES AND PAYABLES**

There were no interfund receivables and payables at September 30, 2013 except for agency funds of the County to the respective fund. The interfund receivables have not been eliminated from the statement of net position because agency funds assets and liabilities are not reported as assets owned by the government.

A pooled cash account is used to account for many of the governmental funds cash in bank. Several of the funds have a deficit cash balance included in the pooled cash account. The governmental fund financial statements present the negative cash balances as deficit cash rather than as having temporarily borrowed the cash from other governmental funds with positive cash balances. The government-wide financial statements present the cash at the consolidated balance of cash in the bank at year end.

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**C. CAPITAL ASSET ACTIVITY**

Capital asset activity for the County for the year ended September 30, 2013 was as follows:

	September 30, <u>2012</u>	<u>Increase</u>	<u>Decrease</u>	September 30, <u>2013</u>
Government activities capital assets:				
Non-depreciable assets:				
Land	\$ 82,479	\$ -	\$ -	\$ 82,479
Total non-depreciable assets	<u>82,479</u>	<u>-</u>	<u>-</u>	<u>82,479</u>
Depreciable assets:				
Buildings	8,147,589	-	-	8,147,589
Furniture and equipment	5,659,598	381,554	204,196	5,836,956
Infrastructure	319,919	-	-	319,919
Total depreciable assets	<u>14,127,106</u>	<u>381,554</u>	<u>204,196</u>	<u>14,304,464</u>
Totals at historic cost	<u>14,209,585</u>	<u>381,554</u>	<u>204,196</u>	<u>14,386,943</u>
Less accumulated depreciation:				
Buildings	2,729,254	191,510	-	2,920,764
Furniture and equipment	3,909,187	367,274	178,871	4,097,590
Infrastructure	262,993	6,932	-	269,925
Total accumulated depreciation	<u>6,901,434</u>	<u>565,716</u>	<u>178,871</u>	<u>7,288,279</u>
Total capital assets, being depreciated, net	<u>7,225,672</u>	<u>(184,162)</u>	<u>25,325</u>	<u>7,016,185</u>
Governmental capital assets, net	<u>\$ 7,308,151</u>	<u>\$ (184,162)</u>	<u>\$ 25,325</u>	<u>\$ 7,098,664</u>

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Current year depreciation expense was charged to governmental functions as follows:

General administration	\$ 283,976
Law enforcement	125,760
Road and bridge	<u>155,980</u>
Total Depreciation Expense	<u>\$ 565,716</u>

**E. ACCUMULATED UNPAID ANNUAL LEAVE**

Accumulated unpaid annual leave amounts are not accrued in governmental funds using the modified accrual basis of accounting, but are reflected in the Government-Wide Statement of Net Position. At September 30, 2013, accrued employee benefits recorded on the Statement of Net Position were for accumulated vacation pay and amounted to \$102,187 a decrease of \$4,454 from the previous year end.

**F. LONG-TERM DEBT**

During the year ended September 30, 2013, the County entered into new capital lease agreements totaling \$68,300 for vehicles. The monthly principal and interest payments combined will be \$1,537. The terms are from 2013 to 2017.

Capital lease agreements made in previous years are also secured by equipment and continue to require payments expiring between 2014 and 2016. The required payments were made as scheduled for the year that ended September 30, 2013.

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Capital lease debt service requirements are as follows:

<u>Year Ended September 30,</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Requirements</u>
2014	157,885	7,984	165,869
2015	77,177	2,682	79,860
2016	24,133	889	25,022
2017	10,628	123	10,751
Total	<u>\$ 269,823</u>	<u>\$ 11,679</u>	<u>\$ 281,502</u>

Long-term debt activity for the year ended September 30, 2013, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Capital leases payable, secured by equipment	\$ 358,470	\$ 68,300	\$ 156,709	\$ 270,061	\$ 49,294
Other Liabilities:					
Compensated absences	<u>106,641</u>	<u>-</u>	<u>4,455</u>	<u>102,186</u>	<u>51,092</u>
Total governmental activities long-term liabilities	<u>\$ 465,111</u>	<u>\$ 68,300</u>	<u>\$ 161,164</u>	<u>\$ 372,247</u>	<u>\$ 100,386</u>

**G. RISK MANAGEMENT**

*Health Insurance*

During the year ended September 30, 2013 employees of Bosque County were covered by a health insurance plan (the Plan). The County paid annual health insurance premiums of \$538,547. Employees, at their option, authorized payroll to pay any additional cost for dependent coverage. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

*Workers' Compensation*

During the year ended September 30, 2013, employees of Bosque County were covered by a workers' compensation plan administered by the Texas Association of Counties. The County paid a contribution of \$41,831 for the year ended September 30, 2013. These figures are subject to change based upon actual payroll figures.



**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

*Contingencies*

The County participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

*Litigation*

The County's Attorney has indicated that there are various claims and lawsuits filed and pending against the County. The claims are being strongly defended by the County. As of September 30, 2014, the potential liability of the County cannot be reasonably estimated, but are not expected to have a material impact on the County's financial position.

**H. RETIREMENT 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 administration of the statewide agent multiple-employer public employee retirement system consisting of 624 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, TX 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service 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 amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can expect to be adequately financed by

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

*Funding Policy:*

The employer has elected the annually determined contribution rate (Variable Rate) plan provision of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually.

The employer contributed using the actuarially determined rate of 4.36% for the accounting year ending in 2013.

The deposit rate payable by the employee members for calendar year 2013 is the rate of 5% as adopted by the governing body of the employer. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

If a plan has had adverse experience, the TCDRS Act has provisions that allow the employer to contribute a fixed supplemental contribution rate determined by the System's actuary above the regular rate for 30 years or to reduce benefits earned in the future.

*Annual Pension Cost:*

For the employer's accounting year ending September 30, 2013, the annual pension cost for the TCDRS plan was \$141,404 which equaled the actual contributions made by the County.

The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 5.4 percent. Both (a) and (b) included an inflation component of 3.5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at December 31, 2011 was 30 years.

Employee contributions to the retirement plan for the years ended September 30, 2013, 2012 and 2011, amount to approximately \$143,966, \$171,229 and \$177,531, respectively.

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

*Funded Status and Funding Progress:*

As of December 31, 2012, the most recent actuarial valuation date, the plan was 103.78 percent funded. The actuarial accrued liability for benefits was \$5,507,565, and the actuarial value of assets was \$5,715,505, resulting in an overfunded actuarial accrued liability (OAAL) of \$207,940. The covered payroll (annual payroll of active employees covered by the plan) was \$3,405,794, and the ratio of the OAAL to the covered payroll was -6.11 percent.

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

Actuarial Valuation Information:

Actuarial Valuation Date	12/31/10	12/31/11	12/31/12
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, open	level percentage of payroll, open	level percentage of payroll, open
Amortization period	30 years	30 years	30 years
Asset valuation method	SAF: 10 years smoothed value EFS: Fund value	SAF: 10 years smoothed value EFS: Fund value	SAF: 10 years smoothed value EFS: Fund value
Actuarial assumptions			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%
Actuarial value of assets	\$5,093,551	\$5,386,106	\$5,715,505
Actuarial accrued liability (AAL)	\$4,385,300	\$5,101,417	\$5,507,565
Overfunded (OAAL)	\$ (708,251)	\$ (284,689)	\$ (207,940)
Funded ratio	116.15%	105.58%	103.78%
Annual covered payroll	\$3,605,722	\$3,522,655	\$3,405,794
OAAL as % of covered payroll	(19.64)%	(8.08)%	(6.11)%

**BOSQUE COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS**

**4. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Trend Information for the Retirement Plan for the Employees of Bosque County, Texas:

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
9/30/08	\$154,387	100%	\$ -
9/30/09	177,593	100%	-
9/30/10	236,313	100%	-
9/30/11	126,205	100%	-
9/30/12	99,506	100%	-
9/30/13	141,404	100%	-

**5. COMPLIANCE AND ACCOUNYABILITY**

Finance - Related Legal and Contractual Provisions - In accordance with GASB Statement No. 38,

“Certain Financial Statement Note Disclosures,” violations of finance-related legal and contractual provisions are to be disclosed along with actions required to address such violations are to be disclosed. The County did not have any such finance-related violations during fiscal year 2013.

**6. NEW ACCOUNTING PRONOUNCEMENTS**

Effective October 1, 2012, the County implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources, introduced and defined in GASB Concepts Statement No. 4. This Statement amends the net asset reporting requirements in Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net position .

The GASB issued Statement No. 65, Items Previously Reported as Assets and Liabilities, which will be effective the year ending September 30, 2014. The statement reclassifies certain items that were previously reported as assets and liabilities, as deferred outflows or inflows of resources, and recognizes these items as outflows or inflows of resources. This Statement applies to all state and local governmental entities. The County will evaluate the impact of the standard on its financial statements and will take the necessary steps to implement it.

The GASB issued Statement No. 67, Financial Reporting for Pension Plans, which will be effective for the year ending September 30, 2014. The objective of this Statement is to improve financial reporting of state and local governmental pension plans with regard to providing decision -useful information, supporting assessments of accountability and interperiod equity, and

**BOSQUE COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**6. NEW ACCOUNTING PRONOUNCEMENTS (Continued)**

creating additional transparency. This statement applies to all state and governmental entities and amends Statements 25 and 50. The County will evaluate the impact of the standard on its financial statements and will take the necessary steps to implement it.

The GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions, which will be effective for the year ending September 30, 2015. The objective of this Statement is to improve accounting and financial reporting of state and local governmental pension plans. This Statement applies to all state and governmental entities and replaces Statements 27 and 50. The County will evaluate the impact of the standard on its financial statements and will take the necessary steps to implement it.

The GASB issued Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees, which will be effective for the year ending September 30, 2014. This Statement requires a state or local government guarantor that offers a nonexchange financial guarantee to another organization or government to recognize a liability on its financial statements when it is more likely than not that the guarantor will be required to make a payment to the obligation holders under the agreement. The County will evaluate the impact of the standard on its financial statements and will take the necessary steps to implement it.

**REQUIRED SUPPLEMENTARY INFORMATION**

**BOSQUE COUNTY, TEXAS**

Required Supplementary Information

**TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM  
ANALYSIS OF FUNDING PROGRESS - RETIREMENT PLAN  
FOR THE EMPLOYEES OF THE COUNTY**

**(Unaudited)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (OAAL) (b- a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	OAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2006	3,788,116	3,156,236	-631,880	120.02%	2,812,073	-22.47%
12/31/2007	4,275,571	3,546,063	-729,508	120.57%	2,946,780	-24.76%
12/31/2008	3,984,238	3,479,924	-504,314	114.49%	3,182,250	-15.85%
12/31/2009	4,615,238	3,983,763	-631,475	115.85%	3,517,872	-17.95%
12/31/2010	5,093,551	4,385,300	-708,251	116.15%	3,605,722	-19.64%
12/31/2011	5,386,106	5,101,417	-284,689	105.58%	3,522,655	-8.08%
12/31/2012	5,715,505	5,507,565	-207,940	103.78%	3,405,794	-6.11%

Historical trend information designed to illustrate the Government's progress made in accumulating sufficient assets to pay benefits when due is available for plan years 2006 through 2012.

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 5,058,080	\$ 5,058,080	\$ 5,030,480	\$ (27,600)
General sales and use taxes	513,000	513,000	549,108	36,108
Intergovernmental revenue and grants	687,190	687,190	684,232	(2,958)
Fines and fees	533,550	533,550	390,173	(143,377)
Forfeitures	8,000	8,000	3,750	(4,250)
Investment earnings	1,300	1,300	3,355	2,055
Other revenue	48,676	48,676	107,351	58,675
Total Revenues	<u>6,849,796</u>	<u>6,849,796</u>	<u>6,768,449</u>	<u>(81,347)</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Public finance	436,423	753,901	641,367	112,534
General administration	2,678,460	2,358,870	2,073,556	285,314
Judicial	1,116,828	1,117,448	863,940	253,508
Law enforcement	2,448,885	2,443,007	2,016,709	426,298
Debt Service:				
Debt principal-capital leases	168,200	177,200	117,248	59,952
Debt interest-capital leases	-	-	12,377	(12,377)
Capital Outlay:				
Capital outlay	81,000	79,370	251,200	(171,830)
Total Expenditures	<u>6,929,796</u>	<u>6,929,796</u>	<u>5,976,397</u>	<u>953,399</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(80,000)</u>	<u>(80,000)</u>	<u>792,052</u>	<u>872,052</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from capital leases	80,000	80,000	68,000	(12,000)
Insurance proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>80,000</u>	<u>68,000</u>	<u>(12,000)</u>
Change in Fund Balance	-	-	860,052	860,052
Fund Balance-Beginning	<u>673,308</u>	<u>673,308</u>	<u>673,308</u>	-
Fund Balance-Ending	<u>\$ 673,308</u>	<u>\$ 673,308</u>	<u>\$ 1,533,360</u>	<u>\$ 860,052</u>

The accompanying notes are an integral part of the financial statements.



**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ROAD AND BRIDGE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 418,000	\$ 418,000	\$ 414,714	\$ (3,286)
Auto registrations	400,000	400,000	369,364	(30,636)
Intergovernmental revenue and grants	30,000	30,000	30,885	885
Fines and fees	556,000	556,000	570,306	14,306
Investment earnings	150	150	353	203
Total Revenues	<u>1,404,150</u>	<u>1,404,150</u>	<u>1,385,622</u>	<u>(18,528)</u>
<b>EXPENDITURES:</b>				
Current:				
Roads	2,059,186	2,069,591	1,416,392	653,199
Debt Service:				
Debt principal-capital leases	64,000	49,271	39,461	9,810
Debt interest-capital leases	-	-	2,254	(2,254)
Capital Outlay:				
Capital outlay	46,700	51,024	130,354	(79,330)
Total Expenditures	<u>2,169,886</u>	<u>2,169,886</u>	<u>1,588,461</u>	<u>581,425</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(765,736)</u>	<u>(765,736)</u>	<u>(202,839)</u>	<u>562,897</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Other revenue	32,500	32,500	522,524	490,024
Proceeds from capital leases	-	-	-	-
Transfers in	336,000	336,000	343,236	7,236
Transfers out (use)	-	-	(343,209)	(343,209)
Total Other Financing Sources (Uses)	<u>368,500</u>	<u>368,500</u>	<u>522,551</u>	<u>154,051</u>
Change in Fund Balance	(397,236)	(397,236)	319,712	716,948
Fund Balance-Beginning	266,161	266,161	266,161	-
Fund Balance-Ending	<u>\$ (131,075)</u>	<u>\$ (131,075)</u>	<u>\$ 585,873</u>	<u>\$ 716,948</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - CAPITAL PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 5,000	\$ 5,000	\$ 24,597	\$ 19,597
Investment earnings	300	300	41	(259)
Total Revenues	<u>5,300</u>	<u>5,300</u>	<u>24,638</u>	<u>19,338</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Major repairs	51,000	51,000	26,759	24,241
Capital Outlay:				
Capital outlay	<u>80,000</u>	<u>80,000</u>	-	(80,000)
Total Expenditures	<u>131,000</u>	<u>131,000</u>	<u>26,759</u>	<u>(55,759)</u>
Change in Fund Balance	(125,700)	(125,700)	(2,121)	(36,421)
Fund Balance-Beginning	<u>780,168</u>	<u>780,168</u>	<u>780,168</u>	-
Fund Balance-Ending	<u>\$ 654,468</u>	<u>\$ 654,468</u>	<u>\$ 778,047</u>	<u>\$ (36,421)</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

**GENERAL BUDGET POLICIES**

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- The County Judge, as budget officer, with the assistance of the County Auditor, prepares a budget to cover all proposed expenditures and the means for financing them for the fiscal year beginning October 1, and submits the proposed budget to the Commissioners' Court. The budget is prepared on the modified accrual basis, which is consistent with the fund financial statements.
- The Commissioners' Court holds budget hearings for the public to make comments.
- The Commissioners' Court, prior to October 1, formally adopts the budget in an open court meeting.
- The adopted budget becomes the authorization for all legal expenditures for the County for the fiscal year. Appropriations lapse at the end of the fiscal year.

The formally adopted budget may be legally amended by commissioners in accordance with Article 689A-11 or 689A-20 of Vernon's Annotated Civil Statutes.

The County maintains its legal level of budgetary control at the department level. Amendments to the 2013 budget were approved by the Commissioners' Court as provided by law throughout the year. All departmental expenditures remained within the appropriations budgets for the year.

**ENCUMBRANCES**

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30, and encumbrances outstanding at the time are to be either canceled or appropriately provided for in the subsequent year's budget. There were no end-of year outstanding encumbrances that were provided for in the subsequent year's budget.

## **COMBINING STATEMENTS**

### **NONMAJOR GOVERNMENTAL FUNDS**

Special Revenue Funds are used to account for specific revenue that is legally restricted to expenditures for particular purposes.

**BOSQUE COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2013**

	Probation	Record Preservation	Jury	Law Library
<b>ASSETS</b>				
Cash and cash equivalents	20	27	10,426	8,566
Investments-current	309	18,473	16,738	43,994
Taxes receivable	-	-	379	-
Due from other government	-	-	-	-
Prepaid items	-	2	3	-
<b>Total Assets</b>	<u>329</u>	<u>18,502</u>	<u>27,546</u>	<u>52,560</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Deficit cash	-	-	-	-
Accounts payable	-	4,290	2,496	275
Due to other funds	-	-	-	-
Wages and salaries payable	-	320	-	-
Deferred revenues	-	-	379	-
<b>Total Liabilities</b>	<u>-</u>	<u>4,610</u>	<u>2,875</u>	<u>275</u>
<b>Fund Balances:</b>				
Restricted	329	13,892	24,671	52,285
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<u>329</u>	<u>13,892</u>	<u>24,671</u>	<u>52,285</u>
<b>Total Liabilities and Fund Balances</b>	<u>329</u>	<u>18,502</u>	<u>27,546</u>	<u>52,560</u>

County Attorney's Hot Check	District Attorney	Districts Attorney's Hot Check	D.A. Drug Forfeiture	Court Reporter	Security
8,199	-	9,044	22,844	6,209	-
-	2,885	-	-	10,535	11,524
-	-	-	-	-	-
-	-	-	-	-	-
-	3,297	-	-	-	141
<u>8,199</u>	<u>6,182</u>	<u>9,044</u>	<u>22,844</u>	<u>16,744</u>	<u>11,665</u>
-	774	-	-	-	13,682
-	6,672	45	-	7,493	-
-	-	-	-	-	-
-	3,000	-	-	-	502
-	-	-	-	-	-
<u>-</u>	<u>10,446</u>	<u>45</u>	<u>-</u>	<u>7,493</u>	<u>14,184</u>
8,199	-	8,999	22,844	9,251	-
-	(4,264)	-	-	-	(2,519)
<u>8,199</u>	<u>(4,264)</u>	<u>8,999</u>	<u>22,844</u>	<u>9,251</u>	<u>(2,519)</u>
<u>8,199</u>	<u>6,182</u>	<u>9,044</u>	<u>22,844</u>	<u>16,744</u>	<u>11,665</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2013**

	Special Forfeiture	Constable 1 Education	Constable 2 Education	Law Enforcement Education
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,552	\$ 3,802	\$ 1,224	\$ -
Investments-current	-	-	-	-
Taxes receivable	-	-	-	-
Due from other government	-	-	-	-
Prepaid items	-	-	-	-
<b>Total Assets</b>	<u><u>\$ 4,552</u></u>	<u><u>\$ 3,802</u></u>	<u><u>\$ 1,224</u></u>	<u><u>\$ -</u></u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Deficit cash	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-
Due to other funds	-	-	-	-
Wages and salaries payable	-	-	-	-
Deferred revenues	-	-	-	-
<b>Total Liabilities</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Fund Balances:</b>				
Restricted	4,552	3,802	1,224	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<u><u>4,552</u></u>	<u><u>3,802</u></u>	<u><u>1,224</u></u>	<u><u>-</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 4,552</u></u>	<u><u>\$ 3,802</u></u>	<u><u>\$ 1,224</u></u>	<u><u>\$ -</u></u>



Constable 1 Special Forfeiture	D.A. Art 18 Special Forfeiture	JP 1 & 2 & District Clerk Tech Fees	Voting Machines	Pre-Trial Fees	Total Nonmajor Governmental Funds
\$ 21,680	\$ 44,247	\$ -	\$ -	\$ 16,985	\$ 157,825
-	-	23,244	-	-	127,702
-	-	-	-	-	379
-	-	-	-	-	-
-	-	-	-	-	3,443
<u>\$ 21,680</u>	<u>\$ 44,247</u>	<u>\$ 23,244</u>	<u>\$ -</u>	<u>\$ 16,985</u>	<u>\$ 289,349</u>
\$ -	\$ -	\$ 2,470	\$ -	\$ -	\$ 16,926
-	242	-	-	-	21,513
-	-	-	-	-	-
-	-	-	-	-	3,822
-	-	-	-	-	379
<u>-</u>	<u>242</u>	<u>2,470</u>	<u>-</u>	<u>-</u>	<u>42,640</u>
21,680	44,005	20,774	-	16,985	253,492
-	-	-	-	-	(6,783)
<u>21,680</u>	<u>44,005</u>	<u>20,774</u>	<u>-</u>	<u>16,985</u>	<u>246,709</u>
<u>\$ 21,680</u>	<u>\$ 44,247</u>	<u>\$ 23,244</u>	<u>\$ -</u>	<u>\$ 16,985</u>	<u>\$ 289,349</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Probation	Record Preservation	Jury	Law Library
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ 7,343	\$ -
Intergovernmental revenue and grants	-	-	5,496	-
Fines and fees	-	55,985	-	10,270
Forfeitures	-	-	1,444	-
Investment earnings	-	19	18	25
Total Revenues	<u>-</u>	<u>56,004</u>	<u>14,301</u>	<u>10,295</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Public finance	-	-	-	-
General administration	-	48,572	-	-
Judicial	-	-	13,733	4,952
Capital Outlay:				
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>48,572</u>	<u>13,733</u>	<u>4,952</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>7,432</u>	<u>568</u>	<u>5,343</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Other revenue	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	7,432	568	5,343
Fund Balance-Beginning	<u>329</u>	<u>6,460</u>	<u>24,103</u>	<u>46,942</u>
Fund Balance-Ending	<u>\$ 329</u>	<u>\$ 13,892</u>	<u>\$ 24,671</u>	<u>\$ 52,285</u>

County Attorney's Hot Check	District Attorney	Districts Attorney's Hot Check	D.A. Drug Forfeiture	Court Reporter	Security
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	271,872	-	-	-	-
4,461	-	481	-	3,060	13,811
-	-	-	-	-	-
<u>4</u>	<u>3</u>	<u>3</u>	<u>12</u>	<u>12</u>	<u>15</u>
<u>4,465</u>	<u>271,875</u>	<u>484</u>	<u>12</u>	<u>3,072</u>	<u>13,826</u>
-	-	-	3,050	-	-
-	-	-	-	-	13,774
348	264,189	-	-	7,492	-
-	-	-	-	-	-
<u>348</u>	<u>264,189</u>	<u>-</u>	<u>3,050</u>	<u>7,492</u>	<u>13,774</u>
<u>4,117</u>	<u>7,686</u>	<u>484</u>	<u>(3,038)</u>	<u>(4,420)</u>	<u>52</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,117	7,686	484	(3,038)	(4,420)	52
<u>4,082</u>	<u>(11,950)</u>	<u>8,515</u>	<u>25,882</u>	<u>13,671</u>	<u>(2,571)</u>
<u>\$ 8,199</u>	<u>\$ (4,264)</u>	<u>\$ 8,999</u>	<u>\$ 22,844</u>	<u>\$ 9,251</u>	<u>\$ (2,519)</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Special Forfeiture	Constable 1 Education	Constable 2 Education	Constable 1 Special Forfeiture
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue and grants	-	-	-	18
Fines and fees	-	-	-	-
Forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>18</u>
<b>EXPENDITURES:</b>				
Current:				
General Government:				
Public finance	-	-	-	-
General administration	-	-	-	-
Judicial	-	-	-	2,655
Capital Outlay:				
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,655</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,637)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Other revenue				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	(2,637)
Fund Balance-Beginning	<u>4,552</u>	<u>3,802</u>	<u>1,224</u>	<u>24,317</u>
Fund Balance-Ending	<u>\$ 4,552</u>	<u>\$ 3,802</u>	<u>\$ 1,224</u>	<u>\$ 21,680</u>

D.A. Art 18 Special Forfeiture	JP 1 & 2 & District Clerk Tech Fees	Pre-Trial Fees	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 7,343
-	-	-	277,386
-	9,546	3,100	100,714
-	-	-	1,444
333	24	92	560
333	9,570	3,192	387,447
-	-	-	3,050
-	-	-	62,346
-	9,594	489	303,452
-	-	-	-
-	9,594	489	368,848
333	(24)	2,703	18,599
-	-	-	-
-	-	-	-
-	-	-	-
333	(24)	2,703	18,599
43,672	20,798	14,282	228,110
\$ 44,005	\$ 20,774	\$ 16,985	\$ 246,709

The accompanying notes are an integral part of the financial statements.

**ROAD AND BRIDGE FUND**

**BOSQUE COUNTY, TEXAS  
COMBINING BALANCE SHEET  
ROAD AND BRIDGE FUNDS  
SEPTEMBER 30, 2013**

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 328,670	\$ -
Investments-current	-	126,901	-
Taxes receivable	4,453	5,970	5,970
Intergovernmental receivables	7,721	7,721	139,686
Prepaid items	6,354	7,000	6,148
Total Assets	<u>\$ 18,528</u>	<u>\$ 476,262</u>	<u>\$ 151,804</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Deficit cash	\$ 152,765	\$ -	\$ 111,402
Accounts payable	8,762	57,412	12,756
Wages and salaries payable	2,040	3,035	3,229
Deferred revenues	4,453	5,970	5,970
Total Liabilities	<u>168,020</u>	<u>66,417</u>	<u>133,357</u>
Fund Balances:			
Restricted	-	409,845	-
Unassigned	<u>(149,492)</u>	<u>-</u>	<u>18,447</u>
Total Fund Balances	<u>(149,492)</u>	<u>409,845</u>	<u>18,447</u>
Total Liabilities and Fund Balances	<u>\$ 18,528</u>	<u>\$ 476,262</u>	<u>\$ 151,804</u>

Road and Bridge #4	Road and Bridge Maintenance	Fema Funds	ORCA Funds	Total Road and Bridge Funds
\$ 44,372	\$ 122,087	\$ 7,111	\$ -	\$ 502,240
1,011	115,747	-	-	243,659
4,453	252	-	-	21,098
7,722	33,202	-	-	196,052
5,713	-	-	-	25,215
<u>\$ 63,271</u>	<u>\$ 271,288</u>	<u>\$ 7,111</u>	<u>\$ -</u>	<u>\$ 988,264</u>
\$ -	\$ -	\$ -	\$ -	\$ 264,167
6,345	20,559	341	-	106,175
2,647	-	-	-	10,951
4,453	252	-	-	21,098
<u>13,445</u>	<u>20,811</u>	<u>341</u>	<u>-</u>	<u>402,391</u>
-	250,477	6,770	-	667,092
49,826	-	-	-	(81,219)
<u>49,826</u>	<u>250,477</u>	<u>6,770</u>	<u>-</u>	<u>585,873</u>
<u>\$ 63,271</u>	<u>\$ 271,288</u>	<u>\$ 7,111</u>	<u>\$ -</u>	<u>\$ 988,264</u>

The accompanying notes are an integral part of the financial statements.



**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - ROAD AND BRIDGE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3
<b>REVENUES:</b>			
Taxes:			
Property taxes	\$ 87,722	\$ 117,140	\$ 117,140
Auto registrations	92,341	92,341	92,341
Intergovernmental revenue and grants	7,721	7,721	7,721
Fines and fees	44,784	44,784	44,784
Investment earnings	28	156	66
Total Revenues	<u>232,596</u>	<u>262,142</u>	<u>262,052</u>
<b>EXPENDITURES:</b>			
Current:			
Roads	316,960	256,777	396,717
Debt Service:			
Debt principal - capital leases	-	-	6,617
Debt interest - capital leases	-	-	48
Capital Outlay:			
Capital outlay	-	96,354	34,000
Total Expenditures	<u>316,960</u>	<u>353,131</u>	<u>437,382</u>
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	<u>(84,364)</u>	<u>(90,989)</u>	<u>(175,330)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Other revenue	22,856	244,949	254,719
Proceeds from capital leases	-	-	-
Transfers in	85,809	85,809	85,809
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>108,665</u>	<u>330,758</u>	<u>340,528</u>
Net Change in Fund Balance	24,301	239,769	165,198
Fund Balance-Beginning	<u>(173,793)</u>	<u>170,076</u>	<u>(146,751)</u>
Fund Balance-Ending	<u>\$ (149,492)</u>	<u>\$ 409,845</u>	<u>\$ 18,447</u>

Road and Bridge #4	Road ad Bridge Maintenance	Fema Funds	Total Road and Bridge Funds
\$ 87,722	\$ 4,990	\$ -	\$ 414,714
92,341	-	-	369,364
7,722	-	-	30,885
44,784	391,170	-	570,306
55	48	-	353
<u>232,624</u>	<u>396,208</u>	<u>-</u>	<u>1,385,622</u>
251,354	66,424	128,160	1,416,392
32,844	-	-	39,461
2,206	-	-	2,254
-	-	-	130,354
<u>286,404</u>	<u>66,424</u>	<u>128,160</u>	<u>1,588,461</u>
<u>(53,780)</u>	<u>329,784</u>	<u>(128,160)</u>	<u>(202,839)</u>
-	-	-	522,524
-	-	-	-
85,809	-	-	343,236
-	(343,209)	-	(343,209)
<u>85,809</u>	<u>(343,209)</u>	<u>-</u>	<u>522,551</u>
32,029	(13,425)	(128,160)	319,712
17,797	263,902	134,930	266,161
<u>\$ 49,826</u>	<u>\$ 250,477</u>	<u>\$ 6,770</u>	<u>\$ 585,873</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 1**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 88,225	\$ 88,225	\$ 87,722	\$ (503)
Auto registrations	100,000	100,000	92,341	(7,659)
Intergovernmental revenue and grants	7,500	7,500	7,721	221
Fines and fees	45,000	45,000	44,784	(216)
Investment earnings	-	-	28	28
Total Revenues	<u>240,725</u>	<u>240,725</u>	<u>232,596</u>	<u>(8,129)</u>
<b>EXPENDITURES:</b>				
Current:				
Roads	309,725	310,290	316,960	(6,670)
Debt Service:				
Debt principal-capital leases	10,000	2,221	-	2,221
Debt interest-capital leases	-	-	-	-
Capital Outlay:				
Capital outlay	10,000	17,214	17,141	73
Total Expenditures	<u>329,725</u>	<u>329,725</u>	<u>334,101</u>	<u>(4,376)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(89,000)</u>	<u>(89,000)</u>	<u>(101,505)</u>	<u>(12,505)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Other revenue	-	-	22,856	22,856
Sale of real and personal property	5,000	5,000	-	(5,000)
Transfers in	84,000	84,000	85,809	1,809
Total Other Financing Sources (Uses)	<u>89,000</u>	<u>89,000</u>	<u>108,665</u>	<u>19,665</u>
Change in Fund Balance	-	-	7,160	7,160
Fund Balance-Beginning	<u>(210,177)</u>	<u>(210,177)</u>	<u>(173,793)</u>	<u>36,384</u>
Fund Balance-Ending	<u>\$ (210,177)</u>	<u>\$ (210,177)</u>	<u>\$ (166,633)</u>	<u>\$ 43,544</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 2**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 118,275	\$ 118,275	\$ 117,140	\$ (1,135)
Auto registrations	100,000	100,000	92,341	(7,659)
Intergovernmental revenue and grants	7,500	7,500	7,721	221
Fines and fees	45,000	45,000	44,784	(216)
Investment earnings	50	50	156	106
Total Revenues	<u>270,825</u>	<u>270,825</u>	<u>262,142</u>	<u>(8,683)</u>
<b>EXPENDITURES:</b>				
Current:				
Roads	402,521	397,511	256,777	140,734
Debt Service:				
Debt principal-capital leases	-	-	-	-
Capital Outlay:				
Capital outlay	2,000	7,010	50,405	(43,395)
Total Expenditures	<u>404,521</u>	<u>404,521</u>	<u>307,182</u>	<u>97,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(133,696)</u>	<u>(133,696)</u>	<u>(45,040)</u>	<u>88,656</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Other revenue	-	-	244,949	244,949
Sale of real and personal property	4,000	4,000	-	(4,000)
Proceeds from capital leases	-	-	-	-
Transfers in	84,000	84,000	85,809	1,809
Transfers out (use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>88,000</u>	<u>88,000</u>	<u>330,758</u>	<u>242,758</u>
Change in Fund Balance	(45,696)	(45,696)	285,718	331,414
Fund Balance-Beginning	8,622	8,622	170,076	161,454
Fund Balance-Ending	<u>\$ (37,074)</u>	<u>\$ (37,074)</u>	<u>\$ 455,794</u>	<u>\$ 492,868</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 3**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 118,275	\$ 118,275	\$ 117,140	\$ (1,135)
Auto registrations	100,000	100,000	92,341	(7,659)
Intergovernmental revenue and grants	7,500	7,500	7,721	221
Fines and fees	45,000	45,000	44,784	(216)
Investment earnings	-	-	66	66
Total Revenues	<u>270,775</u>	<u>270,775</u>	<u>262,052</u>	<u>(8,723)</u>
<b>EXPENDITURES:</b>				
Current:				
Roads	508,307	523,157	396,717	126,440
Debt Service:				
Debt principal-capital leases	16,000	9,050	6,617	2,433
Debt interest-capital leases	-	-	48	(48)
Capital Outlay:				
Capital outlay	11,200	3,300	2,100	1,200
Total Expenditures	<u>535,507</u>	<u>535,507</u>	<u>405,482</u>	<u>130,025</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(264,732)</u>	<u>(264,732)</u>	<u>(143,430)</u>	<u>121,302</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Other revenue	183,000	183,000	254,719	(71,719)
Sale of real and personal property	15,000	15,000	-	(15,000)
Proceeds from capital leases	-	-	-	-
Transfers in	84,000	84,000	85,809	1,809
Total Other Financing Sources (Uses)	<u>282,000</u>	<u>282,000</u>	<u>340,528</u>	<u>(84,910)</u>
Change in Fund Balance	17,268	17,268	197,098	36,392
Fund Balance-Beginning	<u>(170,937)</u>	<u>(170,937)</u>	<u>(146,751)</u>	<u>24,186</u>
Fund Balance-Ending	<u>\$ (153,669)</u>	<u>\$ (153,669)</u>	<u>\$ 50,347</u>	<u>\$ 60,578</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ROAD AND BRIDGE PRECINCT 4**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 88,225	\$ 88,225	\$ 87,722	\$ (503)
Auto registrations	100,000	100,000	92,341	(7,659)
Intergovernmental revenue and grants	7,500	7,500	7,722	222
Fines and fees	45,000	45,000	44,784	(216)
Investment earnings	-	-	55	55
Total Revenues	<u>240,725</u>	<u>240,725</u>	<u>232,624</u>	<u>(8,101)</u>
<b>EXPENDITURES:</b>				
Current:				
Roads	342,633	342,633	251,354	91,279
Debt Service:				
Debt principal-capital leases	38,000	38,000	32,147	5,853
Debt interest-capital leases	-	-	3,989	(3,989)
Capital Outlay:				
Capital outlay	13,500	13,500	-	13,500
Total Expenditures	<u>394,133</u>	<u>394,133</u>	<u>287,490</u>	<u>106,643</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(153,408)</u>	<u>(153,408)</u>	<u>(54,866)</u>	<u>98,542</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of real and personal property	7,500	7,500	-	(7,500)
Transfers in	84,000	84,000	85,809	1,809
Total Other Financing Sources (Uses)	<u>91,500</u>	<u>91,500</u>	<u>85,809</u>	<u>(5,691)</u>
Change in Fund Balance	(61,908)	(61,908)	30,943	92,851
Fund Balance-Beginning	<u>(84,278)</u>	<u>(84,278)</u>	<u>17,797</u>	<u>102,075</u>
Fund Balance-Ending	<u>\$ (146,186)</u>	<u>\$ (146,186)</u>	<u>\$ 48,740</u>	<u>\$ 194,926</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ROAD AND BRIDGE MAINTENANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes:				
Property taxes	\$ 5,000	\$ 5,000	\$ 4,990	\$ (10)
Fines and fees	376,000	376,000	391,170	15,170
Investment earnings	100	100	48	(52)
Total Revenues	<u>381,100</u>	<u>381,100</u>	<u>396,208</u>	<u>15,108</u>
<b>EXPENDITURES:</b>				
Current:				
Roads	496,000	496,000	66,424	429,576
Debt Service:				
Debt principal-capital leases	-	-	-	-
Debt interest-capital leases	-	-	-	-
Capital Outlay:				
Capital outlay	10,000	10,000	-	(10,000)
Total Expenditures	<u>506,000</u>	<u>506,000</u>	<u>66,424</u>	<u>419,576</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(124,900)</u>	<u>(124,900)</u>	<u>329,784</u>	<u>434,684</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of real and personal property	1,000	1,000	-	(1,000)
Transfers out (use)	-	-	(343,209)	(343,209)
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>1,000</u>	<u>(343,209)</u>	<u>(344,209)</u>
Change in Fund Balance	(123,900)	(123,900)	(13,425)	90,475
Fund Balance-Beginning	<u>132,097</u>	<u>132,097</u>	<u>263,902</u>	<u>131,805</u>
Fund Balance-Ending	<u>\$ 8,197</u>	<u>\$ 8,197</u>	<u>\$ 250,477</u>	<u>\$ 222,280</u>

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - FEMA FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	<u>Budgeted Amounts</u>		Actual	Variance With
	Original	Final	GAAP BASIS	Final Budget
			(See Note)	Positive
				(Negative)
<b>REVENUES:</b>				
Taxes:				
Administration Fees	\$ 60,840	\$ 60,840	\$ -	\$ (60,840)
Total Revenues	<u>60,840</u>	<u>60,840</u>	<u>-</u>	<u>\$ (60,840)</u>
<b>EXPENDITURES:</b>				
Current:				
FEMA Expense	<u>134,929</u>	<u>134,929</u>	<u>128,160</u>	<u>\$ 6,769</u>
Total Expenditures	<u>134,929</u>	<u>134,929</u>	<u>128,160</u>	<u>\$ 6,769</u>
Net Change in Fund Balance	(74,089)	(74,089)	(128,160)	\$ (67,609)
Fund Balance-Beginning	<u>-</u>	<u>-</u>	<u>134,930</u>	<u>-</u>
Fund Balance-Ending	<u>\$ (74,089)</u>	<u>\$ (74,089)</u>	<u>\$ 6,770</u>	<u>\$ (67,609)</u>

The accompanying notes are an integral part of the financial statements.



### **FIDUCIARY FUNDS**

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	BALANCE OCTOBER 1 2012	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2013
<b>SHERIFF'S DEPARTMENT</b>				
Assets:				
Cash and cash equivalents	\$ 4,823	\$ 63,686	\$ 56,800	\$ 11,709
Liabilities:				
Due to others	\$ 4,823	\$ 63,686	\$ 56,800	\$ 11,709
<b>COUNTY ATTORNEY</b>				
Assets:				
Cash and cash equivalents	\$ 28,545	\$ 27,590	\$ 38,951	\$ 17,184
Liabilities:				
Due to others	\$ 28,545	\$ 27,590	\$ 38,951	\$ 17,184
<b>COUNTY CASH BOND</b>				
Assets:				
Cash and cash equivalents	\$ 25,833	\$ -	\$ 5,979	\$ 19,854
Liabilities:				
Due to others	\$ 25,833	\$ -	\$ 5,979	\$ 19,854
<b>DISTRICT CASH BOND</b>				
Assets:				
Cash and cash equivalents	\$ 350	\$ 20,918	\$ -	\$ 21,268
Liabilities:				
Due to others	\$ 350	\$ 20,918	\$ -	\$ 21,268
<b>DISTRICT CLERK</b>				
Assets:				
Cash and cash equivalents	\$ 225,413	\$ 7,086,475	\$ 6,463,636	\$ 848,252
Liabilities:				
Due to others	\$ 225,413	\$ 7,086,475	\$ 6,463,636	\$ 848,252
<b>COUNTY CLERK</b>				
Assets:				
Cash and cash equivalents	\$ 37,553	\$ 436,322	\$ 421,952	\$ 51,923
Liabilities:				
Due to others	\$ 37,553	\$ 436,322	\$ 421,952	\$ 51,923

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	BALANCE OCTOBER 1 2012	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2013
<b>TAX ASSESSOR/COLLECTOR</b>				
Assets:				
Cash and cash equivalents	\$ 397,792	\$ 23,740,577	\$ 23,732,682	\$ 405,687
Liabilities:				
Due to others	\$ 397,792	\$ 23,740,577	\$ 23,732,682	\$ 405,687
<b>HISTORICAL COMMISSION</b>				
Assets:				
Cash and cash equivalents	\$ 10,330	\$ 5,429	\$ 4,924	\$ 10,835
Liabilities:				
Due to others	\$ 10,330	\$ 5,429	\$ 4,924	\$ 10,835
<b>JUSTICE OF THE PEACE #1</b>				
Assets:				
Cash and cash equivalents	\$ 2,065	\$ 274,112	\$ 254,598	\$ 21,579
Liabilities:				
Due to others	\$ 2,065	\$ 274,112	\$ 254,598	\$ 21,579
<b>JUSTICE OF THE PEACE #2</b>				
Assets:				
Cash and cash equivalents	\$ 18,295	\$ 172,092	\$ 171,425	\$ 18,962
Liabilities:				
Due to others	\$ 18,295	\$ 172,092	\$ 171,425	\$ 18,962
<b>DISTRICT ATTORNEY</b>				
Assets:				
Cash and cash equivalents	\$ 1,031	\$ -	\$ -	\$ 1,031
Liabilities:				
Due to others	\$ 1,031	\$ -	\$ -	\$ 1,031
<b>TREASURER'S COURT COSTS</b>				
Assets:				
Cash and cash equivalents	\$ 41,254	\$ 28,810	\$ 41,254	\$ 28,810
Investments	36,067	-	36,067	-
Total Assets	\$ 77,321	\$ 28,810	\$ 77,321	\$ 28,810
Liabilities:				
Due to others	\$ 77,321	\$ 28,810	\$ 77,321	\$ 28,810

The accompanying notes are an integral part of the financial statements.

**BOSQUE COUNTY, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	BALANCE OCTOBER 1 2012	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30 2013
<b>CONSTABLE #1</b>				
Assets:				
Cash and cash equivalents	\$ 2,003	\$ -	\$ -	\$ 2,003
Liabilities:				
Due to others	\$ 2,003	\$ -	\$ -	\$ 2,003
<b>BOSQUE CO. AGRICULTURE</b>				
Assets:				
Cash and cash equivalents	\$ 3,984	\$ 4,507	\$ 3,859	\$ 4,632
Liabilities:				
Due to others	\$ 3,984	\$ 4,507	\$ 3,859	\$ 4,632
<b>EXTENSION PROGRAM COUNCIL</b>				
Assets:				
Cash and cash equivalents	\$ 720	\$ 2,475	\$ 2,314	\$ 881
Liabilities:				
Due to others	\$ 720	\$ 2,475	\$ 2,314	\$ 881
<b>TOTAL AGENCY FUNDS</b>				
Assets:				
Cash and cash equivalents	\$ 799,991	\$ 31,862,993	\$ 31,198,374	\$ 1,464,610
Investments	36,067	-	36,067	-
Total Assets	\$ 836,058	\$ 31,862,993	\$ 31,234,441	\$ 1,464,610
Liabilities:				
Due to others	836,058	31,862,993	31,234,441	1,464,610
Total Liabilities	\$ 836,058	\$ 31,862,993	\$ 31,234,441	\$ 1,464,610

The accompanying notes are an integral part of the financial statements.