

WALLER COUNTY, TEXAS

*ANNUAL FINANCIAL REPORT*

*FOR THE YEAR ENDED DECEMBER 31, 2013*



**WALLER COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

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*Financial Section*

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**RUTLEDGE CRAIN & COMPANY, PC**  
CERTIFIED PUBLIC ACCOUNTANTS  
2401 Garden Park Court, Suite B  
Arlington, Texas 76013

**INDEPENDENT AUDITORS' REPORT**

To the Honorable County Judge and Commissioners  
Comprising the Commissioners' Court of  
Waller County, Texas

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Waller County, Texas as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Waller County, Texas as of December 31, 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 and budgetary comparison information, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements which collectively comprise Waller County, Texas' financial statements as a whole. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the financial statements as a whole.

*Bretledge Crain & Company, P.C.*

Arlington, Texas  
August 5, 2014

*Management's Discussion and Analysis*

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**WALLER COUNTY, TEXAS**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
*DECEMBER 31, 2013*

As management of Waller County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented herein with the County's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The assets of the County exceeded its liabilities at the close of the fiscal year ended December 31, 2013, by \$23,137,171 (net position). Of this amount, \$8,825,364 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$1,987,570.
- The County's governmental funds reported combined ending fund balances of \$15,357,555 an increase of \$2,424,039 in comparison to the previous year.
- The unassigned portion of the General Fund balance at the end of the year was \$8,018,220 or 50.46% of total General Fund expenditures and transfers out.
- Total General Obligation Debt of the County decreased by \$705,000 during the fiscal year and paid off the 2010 issue.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) fiduciary financial statements, and 4) 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 Waller County's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, deferred inflows of resources and liabilities with the difference between these categories 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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

In addition, the statement of activities highlights government activities supported by taxes and intergovernmental revenues, along with program revenues classified to the corresponding government activity.

The government-wide financial statements can be found on pages 14 - 15 of this report.

**FUND FINANCIAL STATEMENTS:** The County, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. 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 near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains forty-three 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 and Road and Bridge Fund each of which are considered to be major funds. Data from the other forty-one funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

**FIDUCIARY FUNDS:** Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. Private Purpose Trust funds account for assets held by the government under the terms of a formal trust agreement.

**NOTES TO THE FINANCIAL STATEMENTS:** The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements

**OTHER INFORMATION:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found after the notes to the financial statements.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

At the end of fiscal year 2013, the County's net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled \$23,137,171. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).

**NET POSITION:** The largest portion of the County's net position, \$14,072,569 or 61 percent, reflects its investment in capital assets (land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The County uses these assets to provide services to its citizen's, consequently; these assets are not available for future spending. Although the County reports its capital assets net of related debt, 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.

Net assets of \$239,238 in the debt service fund, are restricted for future debt service payments.

**WALLER COUNTY, TEXAS**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
 DECEMBER 31, 2013

The remaining balance of unrestricted net position, \$8,825,364 or 38 percent, may be used to meet the government's ongoing obligations to citizens and creditors.

Table 1  
 Condensed Statement of Net Position

	2013	Restated 2012	Increase (Decrease)
<b>ASSETS</b>			
Current and other assets	\$40,410,257	\$36,142,319	\$4,267,938
Capital assets, net of depreciation	14,182,228	13,263,369	918,859
Total assets	<u>54,592,485</u>	<u>48,05,688</u>	<u>5,186,797</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charges	-	24,830	(24,830)
Total Deferred Outflows of Resources	<u>-</u>	<u>24,830</u>	<u>(24,830)</u>
<b>LIABILITIES</b>			
Other liabilities	2,723,110	1,685,224	1,037,886
Long-term liabilities	9,135,346	8,006,279	1,129,067
Total liabilities	<u>11,858,456</u>	<u>9,691,503</u>	<u>2,166,953</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Unearned revenue	19,596,858	18,589,414	1,007,444
Total Deferred Inflows of Resources	<u>19,596,858</u>	<u>18,589,414</u>	<u>1,007,444</u>
<b>NET POSITION</b>			
Net investment in capital assets	14,072,569	13,110,920	961,649
Restricted for debt service	239,238	331,661	(92,423)
Unrestricted	8,825,364	7,707,020	1,118,344
	<u>\$23,137,171</u>	<u>\$21,149,601</u>	<u>\$1,987,570</u>

**WALLER COUNTY, TEXAS**  
*MANAGEMENT'S DISCUSSION AND ANALYSIS*  
 DECEMBER 31, 2013

**CHANGES IN NET POSITION:** The net position of the County increased by \$1,987,570 for the fiscal year ended December 31, 2013. See page 15 for a detailed list of the items that contributed to current year increase in net position.

Table 2  
 Changes in Net Position

	2013	Restated 2012	Increase (Decrease)
<b>Program Revenues:</b>			
Charges for services	\$3,543,637	\$3,394,495	\$149,142
Operating grants and contributions	581,755	438,765	142,990
Capital grants and contributions	878,275	319,892	558,383
<b>General Revenues:</b>			
Property taxes	19,322,590	18,641,213	681,377
Interest	158,986	187,840	(28,854)
Miscellaneous	417,481	342,760	74,721
<b>Total Revenues</b>	<b>24,902,724</b>	<b>23,324,965</b>	<b>1,577,759</b>
<b>Expenses:</b>			
General government	2,385,123	2,583,029	(197,906)
Financial administration	1,287,456	1,287,416	40
Public safety	5,741,935	5,633,538	108,397
Judicial	2,057,808	2,059,630	(1,822)
Legal	1,027,019	915,438	111,581
Public transportation	4,123,527	4,496,548	(373,021)
Culture and recreation	485,955	334,748	151,207
Nondepartmental	5,780,997	5,235,491	545,506
Interest & Fiscal Charges	25,334	42,655	(17,321)
<b>Total Expenses</b>	<b>22,915,154</b>	<b>22,588,493</b>	<b>326,661</b>
<b>Increase (decrease) in net position</b>	<b>1,987,570</b>	<b>736,472</b>	<b>1,251,098</b>
<b>Net position, January 1</b>	<b>21,149,601</b>	<b>20,413,129</b>	<b>736,472</b>
<b>Net position, December 31</b>	<b>\$23,137,171</b>	<b>\$21,149,601</b>	<b>\$1,987,570</b>

## **REPORTING THE COUNTY'S MOST SIGNIFICANT 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 financing 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.

As of the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$15,357,555.

The General Fund is the main operating fund of the County. The General Fund had an increase in fund balance of \$2,460,060 and at the end of the current fiscal year unassigned fund balance was \$8,018,220. Key factors of the increase are as follows:

- Total governmental revenues increased \$868,395 or 5.05% compared to 2012 and was significantly due to an increase in ad valorem taxes of \$575,943. The increase in ad valorem taxes was the result of the increase of taxable values, and the construction of new improvements.
- Total governmental expenditures increased \$1,071,726 or 7.38% compared to 2012.

The Road and Bridge Fund had an increase in the fund balance of \$10,943 and at the end of the current fiscal year the committed fund balance was \$1,221,976. The total amount of revenues received for the Road & Bridge Fund was \$5,065,105 and the expenditures were \$5,433,068. Key factors of the increase are as follows:

- Total governmental revenues increased \$1,023,839 or 20.21% compared to 2012 and was significantly due to the increase of \$122,729 in tax revenue, and the increase of \$690,829 in miscellaneous.
- Total governmental expenditures increased \$717,985 or 13.22% compared to 2012.

**GENERAL FUND BUDGETARY HIGHLIGHTS.** The Commissioners' Court adopts the annual budget for the County according to State statute. Appropriated budgets are approved and employed as a management control device during the fiscal year. The County maintains strict budgetary controls and sets its appropriations at the department level. Budget amendments and transfers may be made only with the approval of Commissioners' Court. There were no material changes between the original budget and the final amended budget.

Actual revenues were more than the budgeted revenues by \$567,584, the expenditure budget exceeded actual expenses by \$1,997,646, and other financing sources (uses) were less than the budgeted other financing sources (uses) by \$135,170 for an overall positive budget variance of \$2,430,060.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**CAPITAL ASSETS:** The County's investment in capital assets as of December 31, 2013, totals \$14,182,228 (net of accumulated depreciation). Investment in capital assets includes land, buildings, and infrastructure. The total increase in the County's investment in capital assets for the current year was 6.93 percent.

**WALLER COUNTY, TEXAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2013**

Table 3  
 Capital Assets at Year End  
 Net of Accumulated Depreciation

ASSETS	Governmental Activities		Percent Change
	2013	2012	
Land	\$440,813	\$440,813	0.00%
Construction in progress	78,750	-	100.00%
Buildings	561,335	610,433	(8.75)%
Roads	10,822,355	9,823,653	10.17%
Bridges	329,367	402,252	(22.13)%
Machinery and equipment	1,949,608	1,986,218	(1.88)%
Total capital assets	<u>\$14,182,228</u>	<u>\$13,263,369</u>	6.93%

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

*DEBT ADMINISTRATION:* At the end of the current fiscal year, Waller County had total debt outstanding of \$9,135,346. Capital lease obligations for equipment in the amount of \$235,709 are payable from annual appropriations of the General Fund. The remainder of the debt consists of compensated absences payable of \$555,156 and a liability for unfunded other post-employment benefits of \$8,344,481.

Table 4  
 Outstanding Debt at Year End

Type of Debt	Governmental Activities	
	2013	2012
Certificates of obligation	\$ -	\$705,000
Capitalized lease obligations	235,709	248,282
Compensated absences	555,156	570,652
Liability for unfunded OPEB	8,344,481	6,482,345
Total	<u>\$9,135,346</u>	<u>\$8,006,279</u>

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

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

For fiscal year 2014, the Commissioners' Court adopted a budget of \$27,627,141 in estimated revenues and a property tax rate of \$0.686944 per hundred dollars of taxable value. This was the same rate as fiscal year 2013. This is estimated to provide an overall tax increase of \$846,377 over the 2014 budget. Reserves of the Road & Bridge Fund in the amount of \$192,549 were allocated to balance the budget for 2014 and \$1,821,845 reserves were needed to balance the budget for the General Fund.

**Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Waller County Auditor, 836 Austin Street, Suite 221, Hempstead, Texas, 77445.

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*Basic Financial Statements*

**WALLER COUNTY, TEXAS**

## STATEMENT OF NET POSITION

DECEMBER 31, 2013

	Governmental Activities
<b>ASSETS</b>	
<i>Cash and cash equivalents</i>	\$ 15,953,845
<i>Investments</i>	6,538,466
Receivables (net of allowances for uncollectibles)	17,687,577
<i>Inventories</i>	87,240
<i>Prepaid items</i>	143,129
<i>Capital assets (net of accumulated depreciation)</i>	
<i>Land</i>	440,813
<i>Buildings</i>	561,335
<i>Roads</i>	10,822,355
<i>Bridges</i>	329,367
<i>Machinery and equipment</i>	1,949,608
<i>Construction in progress</i>	78,750
Total Assets	<u>54,592,485</u>
<b>LIABILITIES</b>	
<i>Accounts payable</i>	390,777
<i>Other payables and accruals</i>	1,243,084
<i>Due to other governments</i>	1,000,354
<i>Due to others</i>	88,895
Noncurrent liabilities:	
<i>Due within one year</i>	264,839
<i>Due in more than one year</i>	8,870,507
Total Liabilities	<u>11,858,456</u>
<b>DEFERRED INFLOW OF RESOURCES</b>	
<i>Unearned revenue</i>	19,596,858
Total Deferred Inflows of Resources	<u>19,596,858</u>
<b>NET POSITION</b>	
<i>Net Investment in Capital Assets</i>	14,072,569
Restricted For:	
<i>Debt Service</i>	239,238
<i>Unrestricted</i>	8,825,364
Total Net Position	<u>\$ 23,137,171</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					Governmental Activities
Governmental activities:					
<i>General government</i>	\$ 2,385,123	\$ 438,124	\$ --	\$ --	\$ (1,946,999)
<i>Financial administration</i>	1,287,456	87,452	--	--	(1,200,004)
<i>Public Safety</i>	5,741,935	79,743	335,000	149,920	(5,177,272)
<i>Judicial</i>	2,057,808	1,369,240	--	--	(688,568)
<i>Legal</i>	1,027,019	29,761	117,666	--	(879,592)
<i>Public transportation</i>	4,123,527	1,364,276	--	657,972	(2,101,279)
<i>Culture and recreation</i>	485,955	1,950	115,000	--	(369,005)
<i>Nondepartmental</i>	5,780,997	173,091	14,089	70,383	(5,523,434)
<i>Interest on long-term debt</i>	25,334	--	--	--	(25,334)
Total governmental activities	<u>22,915,154</u>	<u>3,543,637</u>	<u>581,755</u>	<u>878,275</u>	<u>(17,911,487)</u>
Total Primary Government	<u>\$ 22,915,154</u>	<u>\$ 3,543,637</u>	<u>\$ 581,755</u>	<u>\$ 878,275</u>	<u>(17,911,487)</u>
General Revenues:					
<i>Taxes</i>					19,322,590
<i>Unrestricted Investment Earnings</i>					158,986
<i>Miscellaneous</i>					417,481
Total General Revenues and Transfers					<u>19,899,057</u>
Change in Net Position					1,987,570
Net Position - Beginning (restated)					21,149,601
Net Position - Ending					<u>\$ 23,137,171</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**  
 BALANCE SHEET - GOVERNMENTAL FUNDS  
 DECEMBER 31, 2013

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 13,505,425	\$ 2,215,045	\$ 233,374	\$ 15,953,844
<i>Investments</i>	4,337,684	133,507	2,067,275	6,538,466
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	12,855,108	2,400,389	63,877	15,319,374
<i>Fines</i>	1,503,638	359,266	37,762	1,900,666
<i>Accounts</i>	15,612	--	--	15,612
<i>Intergovernmental</i>	259,064	13,000	179,861	451,925
<i>Due from other funds</i>	295,276	--	--	295,276
<i>Prepaid items</i>	99,203	--	--	99,203
Total Assets	<u>\$ 32,871,010</u>	<u>\$ 5,121,207</u>	<u>\$ 2,582,149</u>	<u>\$ 40,574,366</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
<i>Accounts payable</i>	\$ 5,229	\$ 181,472	\$ 204,076	\$ 390,777
<i>Other payables and accruals</i>	1,183,099	50,029	5,662	1,238,790
<i>Due to other funds</i>	--	--	295,276	295,276
<i>Due to other governments</i>	1,000,354	--	--	1,000,354
<i>Due to others</i>	88,895	--	--	88,895
Total Liabilities	<u>2,277,577</u>	<u>231,501</u>	<u>505,014</u>	<u>3,014,092</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	13,314,867	2,738,515	96,733	16,150,115
<i>Taxes collected in advance</i>	5,123,389	929,215	--	6,052,604
Total Deferred Inflows of Resources	<u>18,438,256</u>	<u>3,667,730</u>	<u>96,733</u>	<u>22,202,719</u>
Fund balances:				
<i>Nonspendable</i>	99,203	--	--	99,203
<i>Restricted</i>	37,754	--	1,981,544	2,019,298
<i>Committed to OPEB funding</i>	500,000	--	--	500,000
<i>Committed to construction</i>	3,500,000	--	--	3,500,000
<i>Committed to road and bridge maintenance</i>	--	1,221,976	--	1,221,976
<i>Committed to justice administration</i>	--	--	10,958	10,958
<i>Unassigned</i>	8,018,220	--	(12,100)	8,006,120
Total fund balances	<u>12,155,177</u>	<u>1,221,976</u>	<u>1,980,402</u>	<u>15,357,555</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 32,871,010</u>	<u>\$ 5,121,207</u>	<u>\$ 2,582,149</u>	<u>\$ 40,574,366</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 DECEMBER 31, 2013

Total fund balances - governmental funds balance sheet \$ 15,357,555

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

Capital assets used in governmental activities are not reported in the funds.	14,182,228
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	1,640,321
Payables for capital leases which are not due in the current period are not reported in the funds.	(235,709)
Payables for bond interest which are not due in the current period are not reported in the funds.	(4,293)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(555,156)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	131,165
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	965,541
Liability for unfunded retiree insurance benefits which is not due in current period is not reported in the funds.	<u>(8,344,481)</u>

Net position of governmental activities - Statement of Net Position \$ 23,137,171

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
<i>Taxes</i>	\$ 15,684,445	\$ 3,006,960	\$ 766,002	\$ 19,457,407
<i>Licenses and permits</i>	69,012	1,126,097	--	1,195,109
<i>Intergovernmental</i>	444,116	35,068	690,099	1,169,283
<i>Charges for services</i>	483,548	--	11,824	495,372
<i>Fines</i>	928,456	144,001	155,503	1,227,960
<i>Interest</i>	151,755	4,702	2,529	158,986
<i>Miscellaneous</i>	286,978	748,277	232,692	1,267,947
<b>Total revenues</b>	<u>18,048,310</u>	<u>5,065,105</u>	<u>1,858,649</u>	<u>24,972,064</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General government</i>	2,291,856	--	48,630	2,340,486
<i>Financial administration</i>	1,283,137	--	--	1,283,137
<i>Public safety</i>	5,314,559	--	519,629	5,834,188
<i>Judicial</i>	2,016,166	--	11,325	2,027,491
<i>Legal</i>	843,446	--	174,242	1,017,688
<i>Public transportation</i>	--	5,005,299	--	5,005,299
<i>Culture and recreation</i>	336,756	--	146,091	482,847
<i>Nondepartmental</i>	3,504,552	427,769	70,659	4,002,980
<b>Debt service:</b>				
<i>Principal</i>	--	--	705,000	705,000
<i>Interest and fiscal charges</i>	--	--	8,108	8,108
<b>Total expenditures</b>	<u>15,590,472</u>	<u>5,433,068</u>	<u>1,683,684</u>	<u>22,707,224</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>2,457,838</u>	<u>(367,963)</u>	<u>174,965</u>	<u>2,264,840</u>
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	256,438	265,646	51,502	573,586
<i>Transfers out</i>	(300,155)	--	(273,431)	(573,586)
<i>Proceeds from capital lease</i>	--	113,260	--	113,260
<i>Proceeds from insurance</i>	45,939	--	--	45,939
<b>Total other financing sources (uses)</b>	<u>2,222</u>	<u>378,906</u>	<u>(221,929)</u>	<u>159,199</u>
<b>Net change in fund balances</b>	<u>2,460,060</u>	<u>10,943</u>	<u>(46,964)</u>	<u>2,424,039</u>
<b>Fund balances, January 1 (restated)</b>	<u>9,695,117</u>	<u>1,211,033</u>	<u>2,027,366</u>	<u>12,933,516</u>
<b>Fund balances, December 31</b>	<u>\$ 12,155,177</u>	<u>\$ 1,221,976</u>	<u>\$ 1,980,402</u>	<u>\$ 15,357,555</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013*

Net change in fund balances - total governmental funds	\$ 2,424,039
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	2,553,889
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,635,029)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(134,814)
Expenses not requiring the use of current financial resources are not reported as expenditures in the funds.	(139,727)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	705,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	125,833
(Increase) decrease in accrued interest from beginning of period to end of period.	(17,226)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	15,496
Special termination benefits are reported as the amount earned in the SOA but as the amount paid in the funds.	(1,862,136)
Certain fine revenues are deferred in the funds. This is the change in these amounts this year.	65,505
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	<u>(113,260)</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 1,987,570</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 DECEMBER 31, 2013

	Private-purpose Trust Funds	Agency Funds
<b>ASSETS</b>		
<i>Cash and cash equivalents</i>	\$ 5	\$ 6,468,488
<i>Investments</i>	113,752	--
<i>Capital assets</i>	1	--
Total Assets	<u>\$ 113,758</u>	<u>\$ 6,468,488</u>
<b>LIABILITIES</b>		
<i>Due to other governments</i>	\$ --	\$ 2,646,620
<i>Due to others</i>	--	3,821,868
Total Liabilities	<u>--</u>	<u>6,468,488</u>
<b>NET POSITION</b>		
<i>Held in trust</i>	<u>\$ 113,758</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Private- Purpose Trusts
<b>Additions:</b>	
<i>Interest</i>	\$ 104
<i>Miscellaneous</i>	5,930
Total Additions	<u>6,034</u>
<b>Deductions:</b>	
<i>Administrative expenses</i>	1,109
<i>Payments to schools</i>	11,270
Total Deductions	<u>12,379</u>
<b>Change in Net Position</b>	(6,345)
<i>Net Position-Beginning of the Year</i>	120,103
Net Position-End of the Year	<u>\$ 113,758</u>

The accompanying notes are an integral part of this statement.

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The County, a political subdivision of the State of Texas is governed by an elected judge and four county commissioners which comprise the commissioner's court. The County's operational activities include general government, financial administration, public safety, judicial, legal, public transportation, culture and recreation, and nondepartmental expenditures.

The accounting policies of Waller County, Texas, conform to generally accepted accounting principals issued by the Governmental Accounting Standards Board which is the recognized financial accounting standard setting body for governmental entities. The notes to the financial statements are an integral part of the County's basic financial statements.

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "The Financial Reporting Entity," in that the financial statements include all organizations, activities, functions and component units for which the County (the "primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the County's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the County.

There are no component units which satisfy requirements for blending or discrete presentation within the County's financial statements. Accordingly, the basic financial statements present the County only.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions 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 revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide 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*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

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

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fines and permits, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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* accounts for the activities of the Road and Bridge department.

Additionally, the County reports the following fund types:

Special Revenue Funds account for specific revenue sources that are legally restricted to expenditures for specified purposes (not including expendable trusts or major capital projects).

The Debt Service Fund accounts for the accumulation of resources to be used for the payment of principal and interest.

Private Purpose Trust Funds are used to account for resources legally held in trust for use of other governmental entities. All resources of the funds, including any earnings on invested resources, may be used.

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

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, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes, miscellaneous revenue, and interest income.

**D. Assets, liabilities, and net assets or equity**

**1. Deposits and investments**

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

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (B) secured by obligations that are described by (1) - (4); or, (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the County, and placed through a primary government securities dealer.

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

2. 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 inter fund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Waller County Central Appraisal District. Taxes are due without penalty until January 31, of the next calendar year. After January 31 the County has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the County.

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. 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 asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Buildings	20 - 30 years
Infrastructure	20 - 45 years
Machinery and Equipment	5 - 10 years

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

5. Compensated absences

Employees accumulate earned but unused vacation and compensatory time. All vacation and compensatory pay is accrued when incurred in the government-wide funds. A liability is reported for these amounts in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are paid in the general, road and bridge, and grant fund.

6. Long-term obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as bond insurance, are deferred and amortized over the life of the bonds using the straight line method which approximate the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

7. Fund equity

Nonspendable Fund Balance Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the Commissioners Court through legislation, resolution or court order, unless the Commissioners Court removes or changes the specified use by taking the same type of action used to commit the amounts.

Assigned Fund Balance - Amounts that are constrained by the Commissioners Court, or by another County official or the finance division to which the Commissioners Court has delegated authority, that are to be used for specific purposes but are neither restricted nor committed.

Unassigned Fund Balance - Amounts that are available for any purpose; these amounts can be reported only in the County's General Fund.

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The County fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the County incurs an expenditure and both restricted and unrestricted amounts are available, the County considers restricted amounts to have been spent. When the County incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

**WALLER COUNTY, TEXAS**  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended December 31, 2013

	General Fund	Road & Bridge	Other Funds	Total
<b>Fund Balances</b>				
Nonspendable for:				
Prepays	\$99,203	\$ --	\$ --	\$99,203
Restricted for:				
Debt service	--	--	180,266	180,266
Justice administration	22,060	--	1,054,707	1,076,767
Grants	--	--	710,603	710,603
Construction	14,334	--	--	14,334
Other	1,360	--	35,968	37,328
	<u>37,754</u>	<u>--</u>	<u>1,981,544</u>	<u>2,019,298</u>
Committed to:				
Construction	3,500,000	--	--	3,500,000
Road and bridge maintenance	--	1,221,976	--	1,221,976
Justice administration	--	--	10,958	10,958
OPEB funding	500,000	--	--	500,000
	<u>4,000,000</u>	<u>1,221,976</u>	<u>10,958</u>	<u>5,232,934</u>
Unassigned	8,018,220	--	(12,100)	11,006,120
	<u>\$15,155,177</u>	<u>\$1,221,976</u>	<u>\$1,980,402</u>	<u>\$18,357,555</u>

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

- A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "Other long-term assets are not available to pay for current-period expenditures and are deferred in the funds." The details of this \$131,165 difference are as follows:

Prepaid expense	\$ 43,925
Inventory	<u>87,240</u>
	<u>\$ 131,165</u>

**WALLER COUNTY, TEXAS**  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended December 31, 2013

- 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 governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Expenses in the Statement of Activities not requiring the use of current financial resources are not reported as expenditures in the funds." The details of this \$(139,726) difference are as follows:

Change in inventory balances	\$(123,365)
Change in prepaid insurance balances	<u>( 16,361)</u>
	<u>\$ (139,726)</u>

**III. DETAILED NOTES ON ALL FUNDS**

- A. Deposits and investments

Cash

At year end, the carrying amount of the County's cash on hand and deposits was \$22,422,338. All of the bank balance of \$23,112,026 was covered by federal deposit insurance or collateralized by the pledging financial institution with marketable securities held by the depository's agent in the County's name. At year end, the County's depository had pledged securities, with a par value of \$22,937,800 and fair value \$22,250,434.

Investments

As of December 31, 2013, the County had the following investments:

Investment type	Fair Value	Years to Maturity
Government sponsored investment pool (TexPool)	\$1,207,126	<60 days
MBIA Private Investment Pool	<u>5,445,092</u>	<60 days
Total Fair Value	<u><u>\$6,652,218</u></u>	

*Interest Rate Risk.* In accordance with its investment policy, the County manages its exposure to declines in fair value by limiting the weighted average maturity of its portfolio to less than three years.

*Credit Risk.* State law limits investments as described previously in Note I, D. 1.

*Concentration of Credit Risk.* The County's investment policy does not allow for an investment in any one issuer (other than investment pools) that is in excess of five percent of the fair value of the County's total investments.

*Custodial Credit Risk – Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the County's depository in the County's name and held by the depository's agent.

*Custodial Credit Risk – Investments.* For an investment, 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.

TexPool and MBIA are external investment pools and are not SEC registered. The Texas Interlocal Cooperation Act and the Texas Public Funds Investment Act provide for creation of public funds investments pools and permit eligible governmental entities to jointly invest their funds in authorized investments. The fair value of investments in the pools are independently reviewed monthly. At December 31, 2013 the fair value of the County's positions in the pools approximate the fair value of the shares.

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor, and internal service fund in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Road and Bridge	NonMajor Other Funds	Total
Taxes receivable	\$13,203,356	\$2,479,951	\$79,846	\$15,763,153
Less allowance	(348,248)	(79,562)	(15,969)	(443,779)
	<u>\$12,855,108</u>	<u>\$2,400,389</u>	<u>\$63,877</u>	<u>\$15,319,374</u>
Fines receivable	\$2,082,609	\$800,713	\$82,244	\$2,965,566
Less allowance	(578,971)	(441,447)	(44,482)	(1,064,900)
	<u>\$1,503,638</u>	<u>\$359,266</u>	<u>\$37,762</u>	<u>\$1,900,666</u>
Account receivable	<u>\$15,612</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$15,612</u>
Intergovernmental	<u>\$259,064</u>	<u>\$13,000</u>	<u>\$179,861</u>	<u>\$451,925</u>

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Total
Fines receivable (General Fund)	\$568,513	\$ --	\$568,513
Fines receivable (Road & Bridge Fund)	359,266	--	359,266
Fines Receivable (Nonmajor Special Revenue Funds)	37,762	--	37,762
Current tax levy receivable (2012) (General Fund)	--	11,462,116	11,462,116
Current tax levy receivable (2012) (Road & Bridge Fund)	--	2,082,137	2,082,137
Current tax levy receivable (2012) (Debt Service Fund)	--	--	--
Taxes collected in advance (General Fund)	--	5,123,389	5,123,389
Taxes collected in advance (Road & Bridge Fund)	--	929,215	929,215
Taxes collected in advance (Debt Service Fund)	--	--	--
Delinquent property taxes receivable (General Fund)	1,284,238	--	1,284,238
Delinquent property taxes receivable (Road & Bridge Fund)	297,112	--	297,112
Delinquent property taxes receivable (Debt Service Fund)	58,971	--	58,971
Total deferred/unearned revenue for governmental funds	<u>\$2,605,862</u>	<u>\$19,596,857</u>	<u>\$22,202,719</u>

Reported in financial statements as:  
Deferred revenue  
Taxes collected in advance  
Total

\$16,150,115  
6,052,604  
\$22,202,719

**WALLER COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2013**

C. Capital assets

Capital asset activity for the year ended December 31, 2013:

	Balance 12/31/12	Additions	Retirements	Completed Construction	Balance 12/31/13
<b>GOVERNMENTAL ACTIVITIES:</b>					
Capital assets, not being depreciated:					
Land	\$440,813	\$ --	--	\$ --	\$440,813
Construction in progress	--	78,750	--	--	78,750
<b>Total capital assets not being depreciated</b>	<b>440,813</b>	<b>78,750</b>	<b>--</b>	<b>--</b>	<b>519,563</b>
Capital assets, being depreciated:					
Buildings and improvements	4,980,073	9,253	--	--	4,989,326
Roads	15,975,138	1,904,937	(1,054,252)	--	16,825,823
Bridges	3,522,705	--	--	--	3,522,705
Machinery and equipment	8,006,374	560,949	(544,367)	--	8,022,956
<b>Total capital assets being depreciated</b>	<b>32,484,290</b>	<b>2,475,139</b>	<b>(1,598,619)</b>	<b>--</b>	<b>33,360,810</b>
Less accumulated depreciation for:					
Buildings	(4,369,640)	(58,351)	--	--	(4,427,991)
Roads	(6,151,485)	(906,235)	1,054,252	--	(6,003,468)
Bridges	(3,120,454)	(72,884)	--	--	(3,193,338)
Machinery and equipment	(6,020,156)	(597,559)	544,367	--	(6,073,348)
<b>Total accumulated depreciation</b>	<b>(19,661,735)</b>	<b>(1,635,029)</b>	<b>1,598,619</b>	<b>--</b>	<b>(19,698,145)</b>
<b>Total capital assets being depreciated, net</b>	<b>12,822,555</b>	<b>840,110</b>	<b>--</b>	<b>--</b>	<b>13,662,665</b>
<b>Governmental activities capital assets, net</b>	<b>\$13,263,368</b>	<b>\$918,860</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$14,182,228</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$33,289
Financial administration	11,047
Public safety	239,704
Judicial	27,011
Legal	8,938
Public transportation	1,301,286
Culture and recreation	1,614
Nondepartmental	12,140
<b>Total depreciation expense - governmental activities</b>	<b>\$1,635,029</b>

**WALLER COUNTY, TEXAS**  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended December 31, 2013

D. Interfund Transfers

Interfund transfers:

Fund	Transfer In	Transfer Out
Major Governmental Funds		
General Fund	\$256,438	\$300,155
Road and Bridge	265,646	--
Total Major Funds	522,084	300,155
Nonmajor Governmental Funds		
Elections	--	94,221
DA Pre Trial	--	15,000
State Criminal Alien Program	--	10,111
Juvenile Case Manager	--	6,883
Grant	6,883	--
SCAAP	10,110	--
TWBD	34,509	--
Debt Service	--	147,216
Total Nonmajor governmental funds	51,502	273,431
Totals	\$573,586	\$573,586

Interfund transfers arise because of the subsidy of the Grant Fund by the General Fund and Road and Bridge Fund, a transfer of excess operating funds from the Elections Fund to the General Fund, and a transfer from the General Fund to the Debt Service Fund in order to close the Debt Service Fund.

E. Long-term debt

The County issues general obligation bonds, certificates of obligation bonds, notes payable and capital lease obligations to provide funds for the acquisition and construction of major capital facilities. These issues are direct obligations and pledge the full faith and credit of the County.

Capital Lease Obligations Currently Outstanding:

Purpose	Original Amount	Date of Lease	Final Maturity	Interest Rate	Balance 12/31/13
Construction	\$217,965	2/05/09	2/25/14	3.650%	\$46,827
Chipper/spreader	156,304	3/25/12	3/25/15	2.740%	105,622
Kubota tractor/mower	113,260	9/15/13	9/15/16	2.240%	83,260
					\$235,709

**WALLER COUNTY, TEXAS**  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended December 31, 2013

Capital lease obligation debt service requirements to maturity are as follows:

Year	Total
2014	\$132,603
2015	84,038
2016	29,019
Total payments	245,660
Less imputed interest	(9,951)
Total Capital Lease Obligations	<u>\$235,709</u>

**CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended December 31, 2013 was as follows:

	Balance 12/31/12	Additions	Retirements	Balance 12/31/13	Due Within One Year
<b>Governmental activities:</b>					
Certificates of obligation	\$705,000	\$ --	(\$705,000)	\$ --	\$ --
Capital lease obligations	248,282	113,260	(125,833)	235,709	126,050
Compensated absences	570,652	442,626	(458,122)	555,156	138,789
Liability for unfunded OPEB	6,482,345	1,862,136	--	8,344,481	--
Governmental activity Long-Term Liabilities	<u>\$8,006,279</u>	<u>\$2,418,022</u>	<u>(\$1,288,955)</u>	<u>\$9,135,346</u>	<u>\$264,839</u>

For the governmental activities, claims and judgements are generally liquidated by the General Fund. Compensated absences are liquidated by the General Fund, Road and Bridge Fund, and Grant Fund.

**V. OTHER INFORMATION**

**A. Risk management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

**B. Contingent Liabilities and Commitments**

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

The County is defendant in various lawsuits which normally occur in governmental operations. At December 31, 2013 after consultation with the County's attorney, it appears that these legal proceedings are not likely to have a material adverse impact on the County.

The District Clerk has invested trust funds at various financial institutions in accordance with court orders. The County has a fiduciary responsibility over these funds until their final disposition.

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

C. Employee Retirement Systems and Pension Plans

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit plan in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of 641 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-20343.

The plan provisions are adopted by the County commissioners' court, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any 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 County commissioners' court within the constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contribution and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Funding Policy

The County has elected the annually determined contribution rate (Variable Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 8.12% for calendar year 2013.

The contribution rate payable by the employee members is the rate of 7% as adopted by the Commissioners' Court. The employee contribution rate and the employer contribution rate may be changed by the Commissioners' Court with the options available in the TCDRS Act.

3. Annual Pension Cost

For the County's accounting year ended December 31, 2013, the annual pension cost for the TCDRS plan for its employees was \$725,031 and the actual contributions were \$725,031.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuations as of December 31, 2011, the basis for determining the contribution rates for calendar year 2013. The December 31, 2012 actuarial valuation is the most recent valuation.

**WALLER COUNTY, TEXAS**  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended December 31, 2013

**Actuarial Valuation Information**

Actuarial valuation date	12/31/12	12/31/11	12/31/10
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization period in years	20.0	20.0	20.0
Actuarial valuation method	SAF: 10-yr smoothed value. ESF: Fund Value	SAF: 10-yr smoothed value. ESF: Fund Value	SAF: 10-yr smoothed value. ESF: Fund Value
Actuarial assumptions:			
Investment return	8.00%	8.00%	8.00%
Projected salary increases	5.40%	5.40%	5.40%
Inflation	3.50%	3.50%	3.50%
Cost-of-living adjustments	0.00%	0.00%	0.00%

**Trend Information**

Accounting year ended	12/31/13	12/31/12	12/31/11
Annual Pension Cost (APC)	\$725,031	\$674,424	\$661,855
Percentage of APC Contributed	100.00%	100.00%	100.00%
Net Pension Obligation	\$ --	\$ --	\$ --

D. Other Post-Employment Benefits (OPEB)

1. Plan Description

General

The Waller County Retiree Health Care Plan is not a formal document detailing the specific terms of the plan, but is a *substantive* plan - loosely defined as the benefits covered by the plan as understood by the employer and plan members at the time of each actuarial valuation.

Beginning in FY 2008, the County implemented GASB Statement No. 45 "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions". In connection with such implementation, the County has commissioned a biennial actuarial study from an outside consultant to quantify the amount of the County's OPEB obligations. This study indicates an unfunded actuarial accrued liability as of December 31, 2012 of approximately \$22,016,364.

OPEB Plan Eligibility

The OPEB Plan provides retiree health-care benefits for all employees (except temporary staff) who must participate in TCDRS and are eligible to receive full retiree health care benefits. Members are eligible for retirement at age 60 with 8 years of service credit or at any age with 20 or 30 years of service credit or when member's age plus service credit totals 75 or 80. Members retiring under early retirement conditions are eligible for retiree health care benefits. Members who terminate employment are not eligible for retiree health care benefits until they retire and they must have left their deposits in the retirement system. Survivors of employees who die while actively employed are not eligible for coverage.

Employees who retire under a disability retirement are immediately eligible for retiree health care benefits. Employees who are not vested in the TCDRS plan cannot apply for disability retirement unless the injury was a result of their job duties. Vested members can apply for disability retirement whether the disability is job related or not. These members do not have to meet the age requirement for service retirement, but must have eight years of service. The injury or illness must keep the member from working in any job, not just his or her current job. Doctors must confirm that the employee's condition will not improve.

Spouses of retired employees are eligible to receive retiree health care benefits for a fee. Coverage continues to non-medicare eligible surviving spouses of deceased retirees for three years. Coverage becomes secondary when the spouse becomes eligible for Medicare.

Retirees are required to enroll in Medicare once eligible. Retiree pays full Medicare premiums. The County coverage becomes secondary when the retiree becomes eligible for Medicare coverage.

Retirees who decide to opt out of the health care plan will be eligible to opt back in when coverage from another entity ceases. There is no additional stipend provided for those who opt out of retiree health care.

Health Care Benefit

The health care coverage offered to active employees is available to retirees under 65 and their eligible dependents. The benefit includes medical and prescription drug. Dental coverage is offered for retirees and dependents, but retirees must pay 100% of the premium. Life insurance is offered for retirees, but retirees must pay 100% of the premium.

2. Funding Policies

The County has elected to fund the plan on a current pay as you go (PAYGO), i.e., the annual employer contributions each year are equal to the benefits that are paid on behalf of the retirees. Under this funding policy, GASB 45 requires the use of a discount rate consistent with the investment return on the employer's general assets. In the valuation, the discount rate is 4.5%.

The actuarially determined contribution requirement for the County's fiscal year is computed through an actuarial valuation performed as of December 31. The actuarial valuation is performed to determine the adequacy of the contribution rate, to describe the current financial condition of OPEB and to analyze changes in conditions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the plan and include the types of benefits in force at the valuations date and the pattern of sharing benefit costs between the County and the plan

**WALLER COUNTY, TEXAS**  
 NOTES TO THE FINANCIAL STATEMENTS  
 Year Ended December 31, 2013

members to that point. Actuarial calculations reflect a long term perspective and employ methods and assumptions that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

Significant Actuarial Assumptions

Actuarially assumed investment rate	4.5% per annum compounded annually net after investment expense.
Mortality rates for males and females	Retirement Plans 2000 Healthy Mortality Table
Retirement, disablement and separation rates	Graduated rates based on age (detailed in actuary's report).
Actuarial Cost Method	The projected unit credit cost method
General inflation	3.0% per annum
Payroll growth rate	3.0% per annum
Health cost increase	Graduated rates based on age (detailed in actuary report)
Method used for determining actuarial value of assets	Market value of assets
Amortization method	Level percent, closed
Remaining amortization	25 years

3. Annual OPEB Cost

The County's annual other post employment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB Statement No. 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The County's annual OPEB costs, contributions, percent contributed, and net OPEB cost are as follows:

<u>Year Ended</u>	<u>OPEB Plan</u>			
	<u>Annual OPEB Cost</u>	<u>County Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2011	\$1,985,504	\$390,987	19.7%	\$1,594,517
December 31, 2012	\$2,348,045	\$485,909	20.8%	\$1,862,136
December 31, 2013	\$2,348,045	\$485,909	20.8%	\$1,862,136

**WALLER COUNTY, TEXAS**  
NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2013

4. Net OPEB Liability

The County's net OPEB liability for fiscal years ended December 31, 2013, 2012, and 2011 follows:

	12/31/13	12/31/12	12/31/11
Annual Required Contribution (ARC)	\$2,332,777	\$2,332,777	\$1,986,746
Interest on net OPEB (NOPEB)	291,706	207,909	136,156
Adjustment to ARC	(276,438)	(192,641)	(137,398)
Annual OPEB cost	2,348,045	2,348,045	1,985,504
Employer contributions	(485,909)	(485,909)	(390,988)
Change in OPEB	1,862,136	1,862,136	1,594,516
NOPEB - January 1	6,482,345	4,620,209	3,025,693
NOPEB - December 31	<u>\$8,344,481</u>	<u>\$6,482,345</u>	<u>\$4,620,209</u>

E. Concentrations of Credit Risk

Taxes receivable are due from citizens and businesses within the County's boundaries. Risk of loss is immaterial due to wide dispersion of receivables and because of policies which address procedures for filing property tax liens.

F. Prior Period Adjustment

An audit in the current year determined that the tax assessor's office had not remitted amounts of fees earned to the Road and Bridge Fund after the percentage increased, but had retained the additional fees in a bank account in the tax assessor collector's office. This audit resulted in the transfer of \$1,023,849 to the Road and Bridge Fund. Of this amount, \$834,677 pertained to prior years.

G. Subsequent Event

February 2014, the County issued Certificates of Obligation in the amount of \$5,000,000, with interest at 2.38%, payable semiannually through February 15, 2024.

### *Required Supplementary Information*

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

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**WALLER COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**EXHIBIT B-1**  
Page 1 of 2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<i>Taxes</i>	\$ 15,279,173	\$ 15,279,173	\$ 15,684,445	\$ 405,272
<i>Licenses and permits</i>	76,145	76,145	69,012	(7,133)
<i>Intergovernmental</i>	390,757	390,757	444,116	53,359
<i>Charges for services</i>	434,601	434,601	483,548	48,947
<i>Fines</i>	933,444	933,444	928,456	(4,988)
<i>Interest</i>	74,156	74,156	151,755	77,599
<i>Miscellaneous</i>	290,878	292,450	286,978	(5,472)
<b>Total revenues</b>	<u>17,479,154</u>	<u>17,480,726</u>	<u>18,048,310</u>	<u>567,584</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General Government</i>				
<i>Commissioners' Court</i>	297,260	351,760	346,049	5,711
<i>County Clerk</i>	654,538	397,172	368,329	28,843
<i>Veterans Services</i>	23,154	23,154	20,740	2,414
<i>All Others</i>	1,771,252	1,527,661	1,361,517	166,144
<i>County Court</i>	5,000	5,000	3,040	1,960
<i>County Judge</i>	200,242	200,242	192,181	8,061
<b>Total General Government</b>	<u>2,951,446</u>	<u>2,504,989</u>	<u>2,291,856</u>	<u>213,133</u>
<i>Financial Administration</i>				
<i>County Auditor</i>	292,178	292,178	284,496	7,682
<i>County Treasurer</i>	213,154	213,154	205,204	7,950
<i>Central Appraisal District</i>	370,000	370,000	330,588	39,412
<i>Tax Assessor Collector</i>	538,361	459,776	462,849	(3,073)
<b>Total Financial Administration</b>	<u>1,413,693</u>	<u>1,335,108</u>	<u>1,283,137</u>	<u>51,971</u>
<i>Public Safety</i>				
<i>Short Term Detention</i>	208,000	252,000	238,599	13,401
<i>Jail</i>	1,545,842	1,546,243	1,532,918	13,325
<i>Juvenile Probation</i>	125,747	130,747	128,958	1,789
<i>Domestic Violence Grant</i>	69,500	64,500	45,867	18,633
<i>CSEC 911 Addressing Grant</i>	57,071	57,071	--	57,071
<i>Constable Precinct Number One</i>	56,049	56,049	53,869	2,180
<i>Constable Precinct Number Two</i>	67,210	67,210	64,759	2,451
<i>Constable Precinct Number Three</i>	50,759	50,759	48,969	1,790
<i>Constable Precinct Number Four</i>	96,038	96,038	138,831	(42,793)
<i>Health and Wellness Grant</i>	89,643	91,708	84,422	7,286
<i>Sheriff Administration</i>	2,222,228	2,223,800	2,254,321	(30,521)
<i>Sheriff Communication</i>	456,353	473,973	462,460	11,513
<i>Law Enforcement Vehicle Maintenance</i>	90,000	95,000	92,908	2,092
<i>Community Supervision Corrections</i>	9,000	9,000	8,841	159
<i>Juvenile Board</i>	5,579	5,579	5,423	156
<i>Department of Public Safety</i>	11,500	109,000	55,038	53,962
<i>911 Grant</i>	108,282	111,282	98,376	12,906
<b>Total Public Safety</b>	<u>5,268,801</u>	<u>5,439,958</u>	<u>5,314,559</u>	<u>125,399</u>

**WALLER COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**EXHIBIT B-1**  
Page 2 of 2

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Judicial</i>				
District Judge - 506th District	\$ 144,513	\$ 144,513	\$ 136,887	\$ 7,626
District Judge - 155th District	82,961	82,961	81,266	1,695
County Court at Law	299,958	299,958	292,858	7,100
District Court	21,200	21,200	16,598	4,602
Justice Court	2,000	2,000	1,620	380
District Clerk	352,914	352,914	344,780	8,134
Justice of the Peace Precinct Number One	168,577	168,577	166,803	1,774
Justice of the Peace Precinct Number Two	137,616	137,616	130,682	6,934
Justice of the Peace Precinct Number Three	137,976	137,976	128,313	9,663
Justice of the Peace Precinct Number Four	210,699	210,699	207,704	2,995
Court Expense	506,000	506,000	409,135	96,865
Judicial Order	102,000	102,000	99,520	2,480
<b>Total Judicial</b>	<b>2,166,414</b>	<b>2,166,414</b>	<b>2,016,166</b>	<b>150,248</b>
<i>Legal</i>				
Criminal D.A.	886,850	886,850	843,446	43,404
<b>Total Legal</b>	<b>886,850</b>	<b>886,850</b>	<b>843,446</b>	<b>43,404</b>
<i>Public Transportation</i>				
<i>Culture and Recreation</i>				
County Library	322,054	322,054	304,756	17,298
Waller County Historical Commission	15,000	15,000	15,000	--
County Museum	17,000	17,000	17,000	--
<b>Total Culture and Recreation</b>	<b>354,054</b>	<b>354,054</b>	<b>336,756</b>	<b>17,298</b>
<i>Nondepartmental</i>				
Elections Administration	--	382,701	333,326	49,375
Maintenance of buildings	288,663	355,760	356,213	(453)
Texas Capital Grant	135,649	135,649	130,208	5,441
Indigent Health	1,390,066	1,242,566	159,158	1,083,408
Extension Service	149,398	149,398	131,628	17,770
Capital Outlay	300,000	350,000	316,900	33,100
Employee Benefits	2,284,512	2,284,670	2,077,119	207,551
<b>Total Nondepartmental</b>	<b>4,548,288</b>	<b>4,900,744</b>	<b>3,504,552</b>	<b>1,396,192</b>
<b>Total expenditures</b>	<b>17,589,546</b>	<b>17,588,118</b>	<b>15,590,472</b>	<b>1,997,646</b>
Excess (deficiency) of revenues over (under) expenditures	(110,392)	(107,392)	2,457,838	2,565,230
Other financing sources (uses):				
Transfers in	967,997	994,997	256,438	(738,559)
Transfers out	(857,605)	(857,605)	(300,155)	557,450
Proceeds from insurance	--	--	45,939	45,939
<b>Total other financing sources (uses)</b>	<b>110,392</b>	<b>137,392</b>	<b>2,222</b>	<b>135,170</b>
<b>Net change in fund balances</b>	<b>--</b>	<b>30,000</b>	<b>2,460,060</b>	<b>2,430,060</b>
Fund balance, January 1	9,695,117	9,695,117	9,695,117	--
<b>Fund balance, December 31</b>	<b>\$ 9,695,117</b>	<b>\$ 9,725,117</b>	<b>\$ 12,155,177</b>	<b>\$ 2,430,060</b>

**WALLER COUNTY, TEXAS**  
**ROAD AND BRIDGE**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**EXHIBIT B-2**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<i>Taxes</i>	\$ 2,927,652	\$ 2,927,652	\$ 3,006,960	\$ 79,308
<i>Licenses and permits</i>	970,929	970,929	1,126,097	155,168
<i>Intergovernmental</i>	34,314	34,314	35,068	754
<i>Fines</i>	145,014	145,014	144,001	(1,013)
<i>Interest</i>	26,300	26,300	4,702	(21,598)
<i>Miscellaneous</i>	40,175	745,533	748,277	2,744
<b>Total revenues</b>	<u>4,144,384</u>	<u>4,849,742</u>	<u>5,065,105</u>	<u>215,363</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>Public Transportation</i>				
<i>Road and Bridge Administration</i>	484,806	490,205	457,316	32,889
<i>Road and Bridge Maintenance</i>	4,251,166	5,064,385	4,547,983	516,402
<b>Total Public Transportation</b>	<u>4,735,972</u>	<u>5,554,590</u>	<u>5,005,299</u>	<u>549,291</u>
<i>Nondepartmental</i>				
<i>Employee Benefits</i>	449,825	449,825	427,769	22,056
<b>Total Nondepartmental</b>	<u>449,825</u>	<u>449,825</u>	<u>427,769</u>	<u>22,056</u>
<b>Total expenditures</b>	<u>5,185,797</u>	<u>6,004,415</u>	<u>5,433,068</u>	<u>571,347</u>
Excess (deficiency) of revenues over (under) expenditures	(1,041,413)	(1,154,673)	(367,963)	786,710
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	1,041,413	1,041,413	265,646	(775,767)
<i>Proceeds from capital lease</i>	--	83,260	113,260	30,000
<b>Total other financing sources (uses)</b>	<u>1,041,413</u>	<u>1,124,673</u>	<u>378,906</u>	<u>745,767</u>
<b>Net change in fund balances</b>	--	(30,000)	10,943	40,943
Fund balance, January 1 (restated)	1,211,033	1,211,033	1,211,033	--
<b>Fund balance, December 31</b>	<u>\$ 1,211,033</u>	<u>\$ 1,181,033</u>	<u>\$ 1,221,976</u>	<u>\$ 40,943</u>

# WALLER COUNTY, TEXAS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Year Ended December 31, 2013

### STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. Budgetary Information

Annual budgets are adopted on the modified accrual basis of accounting for the General Fund; certain Special Revenue Funds (Road and Bridge, Law Library, RPF District Clerk, RMPF County Clerk/District Clerk, RPF County Clerk, Courthouse Security, JP Technology Fund, Justice Court Security Fund, DA Pretrial Diversion, and the Grant Fund); and the Debt Service Fund.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available fund balance.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the conditions of the various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. The General Fund appropriations were decreased by \$1,428 during the year, while the Road and Bridge Fund appropriations were increased by \$818,618. The additional appropriations were budgeted to be paid by additional revenues.

Encumbrance accounting is not employed by the County because it is not considered necessary to assure effective budgetary control.

#### B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2013, no funds had expenditures exceeding appropriations.

#### C. Deficit Fund Balances

For the year ended December 31, 2013, the following funds had deficit fund balances:

##### Special Revenue Funds

Victims Assistance	\$6,445
JCM 2013-2014#SF-14-J20-24946-03	5,655

A. Pension Plan

	Actuarial Valuation Information		
Actuarial valuation date	12/31/12	12/31/11	12/31/10
Actuarial value of assets	\$20,327,503	\$19,275,966	\$18,069,427
Actuarial Accrued Liability (AAL)	\$23,398,957	\$21,880,304	\$20,328,878
Unfunded AAL (UAAL)	\$3,071,454	\$2,604,338	\$2,259,451
Funded Ratio	86.87%	88.10%	88.89%
Annual Covered Payroll (actuarial)	\$8,624,341	\$8,594,368	\$8,640,090
UAAL as a Percentage of Covered Payroll	35.61%	30.30%	26.15%

B. Other Post-Employment Benefits (OPEB)

	Actuarial Valuation Information		
Actuarial valuation date	12/31/13	12/31/12	12/31/11
Actuarial value of assets	N/A	N/A	N/A
Actuarial Accrued Liability (AAL)	\$22,016,364	\$22,016,364	\$18,647,035
Unfunded AAL (UAAL)	\$22,016,364	\$22,016,364	\$18,647,035
Funded Ratio	0.00%	0.00%	0.00%
Annual Covered Payroll (actuarial)	\$8,928,955	\$8,624,341	\$8,594,368
UAAL as a Percentage of Covered Payroll	246.57%	255.28%	216.97%

A. The plan receives an actuarial valuation biennially.

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*Combining Statements and Budget Comparisons  
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

**WALLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2013**

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit A-3)
<b>ASSETS</b>			
<i>Cash and cash equivalents</i>	\$ 229,274	\$ 4,100	\$ 233,374
<i>Investments</i>	1,751,282	315,993	2,067,275
Receivables (net of allowances for uncollectibles):			
<i>Taxes</i>	--	63,877	63,877
<i>Fines</i>	37,762	--	37,762
<i>Intergovernmental</i>	179,861	--	179,861
<b>Total Assets</b>	<u>\$ 2,198,179</u>	<u>\$ 383,970</u>	<u>\$ 2,582,149</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
<i>Accounts payable</i>	\$ 204,076	\$ --	\$ 204,076
<i>Other payables and accruals</i>	5,662	--	5,662
<i>Due to other funds</i>	150,544	144,732	295,276
<b>Total Liabilities</b>	<u>360,282</u>	<u>144,732</u>	<u>505,014</u>
Deferred Inflows of Resources			
<i>Deferred revenue</i>	37,761	58,972	96,733
<b>Total Deferred Inflows of Resources</b>	<u>37,761</u>	<u>58,972</u>	<u>96,733</u>
Fund balances:			
<i>Restricted</i>	1,801,278	180,266	1,981,544
<i>Committed</i>	10,958	--	10,958
<i>Unassigned</i>	(12,100)	--	(12,100)
<b>Total fund balances</b>	<u>1,800,136</u>	<u>180,266</u>	<u>1,980,402</u>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balances</b>	<u>\$ 2,198,179</u>	<u>\$ 383,970</u>	<u>\$ 2,582,149</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:			
<i>Taxes</i>	\$ --	\$ 766,002	\$ 766,002
<i>Intergovernmental</i>	690,099	--	690,099
<i>Charges for services</i>	11,824	--	11,824
<i>Fines</i>	155,503	--	155,503
<i>Interest</i>	2,264	265	2,529
<i>Miscellaneous</i>	232,692	--	232,692
Total revenues	<u>1,092,382</u>	<u>766,267</u>	<u>1,858,649</u>
Expenditures:			
Current:			
<i>General government</i>	48,630	--	48,630
<i>Public safety</i>	519,629	--	519,629
<i>Judicial</i>	11,325	--	11,325
<i>Legal</i>	174,242	--	174,242
<i>Culture and recreation</i>	146,091	--	146,091
<i>Nondepartmental</i>	70,659	--	70,659
Debt service:			
<i>Principal</i>	--	705,000	705,000
<i>Interest and fiscal charges</i>	--	8,108	8,108
Total expenditures	<u>970,576</u>	<u>713,108</u>	<u>1,683,684</u>
Excess (deficiency) of revenues over (under) expenditures	121,806	53,159	174,965
Other financing sources (uses):			
<i>Transfers in</i>	51,502	--	51,502
<i>Transfers out</i>	(126,215)	(147,216)	(273,431)
Total other financing sources (uses)	<u>(74,713)</u>	<u>(147,216)</u>	<u>(221,929)</u>
Net change in fund balances	47,093	(94,057)	(46,964)
Fund balances, January 1 (restated)	1,753,043	274,323	2,027,366
Fund balances, December 31	<u>\$ 1,800,136</u>	<u>\$ 180,266</u>	<u>\$ 1,980,402</u>

**WALLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2013**

	D.A. Warrant Seizure	District Attorney Apportionment	Sheriff Forfeiture	D.A. Warrant Forfeiture
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 5,456	\$ 180	\$ 9,732	\$ 154
<i>Investments</i>	--	--	--	--
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 5,456</u>	<u>\$ 180</u>	<u>\$ 9,732</u>	<u>\$ 154</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Other payables and accruals</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	--
<b>Total Deferred Inflows of Resources</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances (deficits):				
<i>Restricted</i>	5,456	180	9,732	154
<i>Committed to justice administration</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total fund balances (deficits)</b>	<u>5,456</u>	<u>180</u>	<u>9,732</u>	<u>154</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 5,456</u>	<u>\$ 180</u>	<u>\$ 9,732</u>	<u>\$ 154</u>

D.A. Worthless Check	Elections	District Attorney Forfeiture	Law Library	Title IV Juvenile Justice
\$ 965	\$ --	\$ 38,056	\$ 3,457	\$ --
--	95,044	--	81,511	139,880
--	--	--	228	--
--	--	--	--	--
<u>\$ 965</u>	<u>\$ 95,044</u>	<u>\$ 38,056</u>	<u>\$ 85,196</u>	<u>\$ 139,880</u>
\$ --	\$ --	\$ --	\$ 1,662	\$ --
--	--	--	--	--
--	95,044	--	--	--
--	<u>95,044</u>	--	<u>1,662</u>	--
--	--	--	228	--
--	--	--	<u>228</u>	--
965	--	38,056	83,306	139,880
--	--	--	--	--
--	--	--	--	--
<u>965</u>	<u>--</u>	<u>38,056</u>	<u>83,306</u>	<u>139,880</u>
<u>\$ 965</u>	<u>\$ 95,044</u>	<u>\$ 38,056</u>	<u>\$ 85,196</u>	<u>\$ 139,880</u>

**WALLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2013**

	RPF District Clerk	RMPF County Clerk District Clerk	RPF County Clerk	Preservation Fee Birth Death County Clerk
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 2,456	\$ --	\$ 255	\$ 1,207
<i>Investments</i>	7,462	53,948	228,576	12,763
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	291	22,270	1,956	--
<i>Intergovernmental</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 10,209</u>	<u>\$ 76,218</u>	<u>\$ 230,787</u>	<u>\$ 13,970</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ 44	\$ --
<i>Other payables and accruals</i>	--	--	933	--
<i>Due to other funds</i>	--	14,707	30,321	--
<b>Total Liabilities</b>	<u>--</u>	<u>14,707</u>	<u>31,298</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	291	22,270	1,956	--
<b>Total Deferred Inflows of Resources</b>	<u>291</u>	<u>22,270</u>	<u>1,956</u>	<u>--</u>
Fund balances (deficits):				
<i>Restricted</i>	9,918	39,241	197,533	13,970
<i>Committed to justice administration</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total fund balances (deficits)</b>	<u>9,918</u>	<u>39,241</u>	<u>197,533</u>	<u>13,970</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 10,209</u>	<u>\$ 76,218</u>	<u>\$ 230,787</u>	<u>\$ 13,970</u>

Courthouse Security	Graffiti Eradication	JP Technology Fee	Family Protection Fee	Court Initiated Guardianship
\$ 5,108	\$ --	\$ 9,162	\$ 2,137	\$ 2,466
64,151	591	186,904	12,173	11,081
9,056	7	2,544	84	85
--	--	--	--	--
<u>\$ 78,315</u>	<u>\$ 598</u>	<u>\$ 198,610</u>	<u>\$ 14,394</u>	<u>\$ 13,632</u>
\$ 1,365	\$ --	\$ 522	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
<u>1,365</u>	<u>--</u>	<u>522</u>	<u>--</u>	<u>--</u>
9,055	8	2,543	84	85
<u>9,055</u>	<u>8</u>	<u>2,543</u>	<u>84</u>	<u>85</u>
67,895	590	195,545	14,310	13,547
--	--	--	--	--
--	--	--	--	--
<u>67,895</u>	<u>590</u>	<u>195,545</u>	<u>14,310</u>	<u>13,547</u>
<u>\$ 78,315</u>	<u>\$ 598</u>	<u>\$ 198,610</u>	<u>\$ 14,394</u>	<u>\$ 13,632</u>

**WALLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2013**

	Justice Court Security	County Clerk Technology	District Clerk Technology	CC Records Preservation Digitization
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 3,747	\$ 349	\$ 574	\$ 2,348
<i>Investments</i>	41,744	1,488	--	8,137
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	553	--	612	--
<i>Intergovernmental</i>	--	--	--	--
<b>Total Assets</b>	<b>\$ 46,044</b>	<b>\$ 1,837</b>	<b>\$ 1,186</b>	<b>\$ 10,485</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Other payables and accruals</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	553	--	612	--
<b>Total Deferred Inflows of Resources</b>	<b>553</b>	<b>--</b>	<b>612</b>	<b>--</b>
Fund balances (deficits):				
<i>Restricted</i>	45,491	1,837	574	10,485
<i>Committed to justice administration</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total fund balances (deficits)</b>	<b>45,491</b>	<b>1,837</b>	<b>574</b>	<b>10,485</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 46,044</b>	<b>\$ 1,837</b>	<b>\$ 1,186</b>	<b>\$ 10,485</b>

DC Records Preservation Digitization	DA Pre Trial Diversion	Juvenile Case Manager	D.A. Worthless Check Trust	Hospital Trust
\$ 4,346	\$ 7,076	\$ 10,958	\$ 5,504	\$ --
17,692	89,414	--	--	2,870
76	--	--	--	--
--	--	--	--	--
<u>\$ 22,114</u>	<u>\$ 96,490</u>	<u>\$ 10,958</u>	<u>\$ 5,504</u>	<u>\$ 2,870</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
76	--	--	--	--
76	--	--	--	--
22,038	96,490	--	5,504	2,870
--	--	10,958	--	--
--	--	--	--	--
<u>22,038</u>	<u>96,490</u>	<u>10,958</u>	<u>5,504</u>	<u>2,870</u>
<u>\$ 22,114</u>	<u>\$ 96,490</u>	<u>\$ 10,958</u>	<u>\$ 5,504</u>	<u>\$ 2,870</u>

**WALLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2013**

	<u>Grant</u>	<u>Narc Program</u>	<u>Federal Forfeiture</u>	<u>Imprest</u>
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 17,002	\$ 489	\$ --	\$ 6,637
<i>Investments</i>	657,913	34,623	3,317	--
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	--	--	--	--
<i>Intergovernmental</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 674,915</u>	<u>\$ 35,112</u>	<u>\$ 3,317</u>	<u>\$ 6,637</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
<i>Accounts payable</i>	\$ 8,890	\$ --	\$ --	\$ --
<i>Other payables and accruals</i>	--	--	--	--
<i>Due to other funds</i>	--	--	488	--
<b>Total Liabilities</b>	<u>8,890</u>	<u>--</u>	<u>488</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	--
<b>Total Deferred Inflows of Resources</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances (deficits):				
<i>Restricted</i>	666,025	35,112	2,829	6,637
<i>Committed to justice administration</i>	--	--	--	--
<i>Unassigned</i>	--	--	--	--
<b>Total fund balances (deficits)</b>	<u>666,025</u>	<u>35,112</u>	<u>2,829</u>	<u>6,637</u>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balances</b>	<u>\$ 674,915</u>	<u>\$ 35,112</u>	<u>\$ 3,317</u>	<u>\$ 6,637</u>

Victim's Assistance	SCAAP	Homeland Security Communications	TWBD 8/31/12 4/30/14	TJJD Grant 2014
\$ --	\$ 23,943	\$ --	\$ 8,414	\$ 43,007
--	--	--	--	--
--	--	--	--	--
--	--	149,920	29,941	--
<u>\$ --</u>	<u>\$ 23,943</u>	<u>\$ 149,920</u>	<u>\$ 38,355</u>	<u>\$ 43,007</u>
\$ --	\$ --	\$ 149,920	\$ 38,355	\$ 2,742
966	--	--	--	2,613
5,479	--	--	--	--
<u>6,445</u>	<u>--</u>	<u>149,920</u>	<u>38,355</u>	<u>5,355</u>
--	--	--	--	--
--	--	--	--	--
--	23,943	--	--	37,652
--	--	--	--	--
(6,445)	--	--	--	--
<u>(6,445)</u>	<u>23,943</u>	<u>--</u>	<u>--</u>	<u>37,652</u>
<u>\$ --</u>	<u>\$ 23,943</u>	<u>\$ 149,920</u>	<u>\$ 38,355</u>	<u>\$ 43,007</u>

**WALLER COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2013**

	TJJD Grant C 2014	TJJD Grant N 2014	JCM 2013-2014 #SF-14-J20- 24946-03	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 5,209	\$ 8,880	\$ --	\$ 229,274
<i>Investments</i>	--	--	--	1,751,282
Receivables (net of allowances for uncollectibles):				
<i>Fines</i>	--	--	--	37,762
<i>Intergovernmental</i>	--	--	--	179,861
<b>Total Assets</b>	<b>\$ 5,209</b>	<b>\$ 8,880</b>	<b>\$ --</b>	<b>\$ 2,198,179</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
<i>Accounts payable</i>	\$ 576	\$ --	\$ --	\$ 204,076
<i>Other payables and accruals</i>	--	--	1,150	5,662
<i>Due to other funds</i>	--	--	4,505	150,544
<b>Total Liabilities</b>	<b>576</b>	<b>--</b>	<b>5,655</b>	<b>360,282</b>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	37,761
<b>Total Deferred Inflows of Resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>37,761</b>
Fund balances (deficits):				
<i>Restricted</i>	4,633	8,880	--	1,801,278
<i>Committed to justice administration</i>	--	--	--	10,958
<i>Unassigned</i>	--	--	(5,655)	(12,100)
<b>Total fund balances (deficits)</b>	<b>4,633</b>	<b>8,880</b>	<b>(5,655)</b>	<b>1,800,136</b>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balances</b>	<b>\$ 5,209</b>	<b>\$ 8,880</b>	<b>\$ --</b>	<b>\$ 2,198,179</b>

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**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	D.A. Warrant Seizure	District Attorney Apportionment	Sheriff Forfeiture	D.A. Warrant Forfeiture
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ 28,462	\$ --	\$ --
<i>Charges for services</i>	--	--	--	--
<i>Fines</i>	6,855	--	1,689	--
<i>Interest</i>	37	84	65	1
<i>Miscellaneous</i>	--	--	--	--
Total revenues	<u>6,892</u>	<u>28,546</u>	<u>1,754</u>	<u>1</u>
Expenditures:				
Current:				
<i>General government</i>	--	--	--	--
<i>Public safety</i>	--	--	800	--
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	6,313	28,635	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>6,313</u>	<u>28,635</u>	<u>800</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	579	(89)	954	1
Other financing sources (uses):				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	579	(89)	954	1
Fund balances, January 1	4,877	269	8,778	153
Fund balances (deficits), December 31	<u>\$ 5,456</u>	<u>\$ 180</u>	<u>\$ 9,732</u>	<u>\$ 154</u>

D.A. Worthless Check	Elections	District Attorney Forfeiture	Law Library	Title IV Juvenile Justice
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
3,576	--	--	11,396	--
11	44	291	52	92
392	141,917	7,934	--	--
<u>3,979</u>	<u>141,961</u>	<u>8,225</u>	<u>11,448</u>	<u>92</u>
--	--	--	--	--
--	--	--	--	--
3,423	--	13,911	6,062	--
--	--	--	--	--
--	47,740	--	--	--
<u>3,423</u>	<u>47,740</u>	<u>13,911</u>	<u>6,062</u>	<u>--</u>
556	94,221	(5,686)	5,386	92
--	--	--	--	--
--	(94,221)	--	--	--
--	<u>(94,221)</u>	--	--	--
<u>556</u>	--	<u>(5,686)</u>	<u>5,386</u>	<u>92</u>
409	--	43,742	77,920	139,788
<u>\$ 965</u>	<u>\$ --</u>	<u>\$ 38,056</u>	<u>\$ 83,306</u>	<u>\$ 139,880</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	RPF District Clerk	RMPF County Clerk District Clerk	RPF County Clerk	Preservation Fee Birth Death County Clerk
Revenues:				
Intergovernmental	\$ --	\$ --	\$ --	\$ --
Charges for services	--	--	--	--
Fines	4,200	7,756	46,716	1,248
Interest	5	35	154	8
Miscellaneous	--	--	--	--
Total revenues	<u>4,205</u>	<u>7,791</u>	<u>46,870</u>	<u>1,256</u>
Expenditures:				
Current:				
General government	--	--	48,630	--
Public safety	--	--	--	--
Judicial	1,465	--	--	--
Legal	--	--	--	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Total expenditures	<u>1,465</u>	<u>--</u>	<u>48,630</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	2,740	7,791	(1,760)	1,256
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	<u>2,740</u>	<u>7,791</u>	<u>(1,760)</u>	<u>1,256</u>
Fund balances, January 1	7,178	31,450	199,293	12,714
Fund balances (deficits), December 31	<u>\$ 9,918</u>	<u>\$ 39,241</u>	<u>\$ 197,533</u>	<u>\$ 13,970</u>

Courthouse Security	Graffiti Eradication	JP Technology Fee	Family Protection Fee	Court Initiated Guardianship
\$ --	\$ --	\$ --	\$ --	\$ 2,685
--	--	--	--	--
31,330	--	22,943	2,265	--
40	--	123	8	7
--	--	--	--	--
<u>31,370</u>	<u>--</u>	<u>23,066</u>	<u>2,273</u>	<u>2,692</u>
--	--	--	--	--
--	--	9,860	--	--
--	--	--	--	--
--	--	--	--	--
22,919	--	--	--	--
<u>22,919</u>	<u>--</u>	<u>9,860</u>	<u>--</u>	<u>--</u>
8,451	--	13,206	2,273	2,692
--	--	--	--	--
--	--	--	--	--
<u>8,451</u>	<u>--</u>	<u>13,206</u>	<u>2,273</u>	<u>2,692</u>
59,444	590	182,339	12,037	10,855
<u>\$ 67,895</u>	<u>\$ 590</u>	<u>\$ 195,545</u>	<u>\$ 14,310</u>	<u>\$ 13,547</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Justice Court Security	County Clerk Technology	District Clerk Technology	CC Records Preservation Digitization
Revenues:				
Intergovernmental	\$ --	\$ --	\$ --	\$ --
Charges for services	--	--	--	--
Fines	5,640	480	291	2,458
Interest	27	--	--	5
Miscellaneous	--	--	--	--
Total revenues	<u>5,667</u>	<u>480</u>	<u>291</u>	<u>2,463</u>
Expenditures:				
Current:				
General government	--	--	--	--
Public safety	--	--	--	--
Judicial	--	--	--	--
Legal	--	--	--	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	5,667	480	291	2,463
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	5,667	480	291	2,463
Fund balances, January 1	39,824	1,357	283	8,022
Fund balances (deficits), December 31	<u>\$ 45,491</u>	<u>\$ 1,837</u>	<u>\$ 574</u>	<u>\$ 10,485</u>

DC Records Preservation Digitization	DA Pre Trial Diversion	State Criminal Alien Program	Juvenile Case Manager	D.A. Worthless Check Trust
\$ --	\$ 47,500	\$ --	\$ --	\$ --
--	--	--	11,824	--
6,660	--	--	--	--
11	56	--	--	90
--	--	--	--	49,098
<u>6,671</u>	<u>47,556</u>	<u>--</u>	<u>11,824</u>	<u>49,188</u>
--	--	--	--	--
--	--	3,750	--	--
--	--	--	--	--
--	20,000	--	--	78,746
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>20,000</u>	<u>3,750</u>	<u>--</u>	<u>78,746</u>
6,671	27,556	(3,750)	11,824	(29,558)
--	--	--	--	--
--	(15,000)	(10,111)	(6,883)	--
--	(15,000)	(10,111)	(6,883)	--
<u>6,671</u>	<u>12,556</u>	<u>(13,861)</u>	<u>4,941</u>	<u>(29,558)</u>
15,367	83,934	13,861	6,017	35,062
<u>\$ 22,038</u>	<u>\$ 96,490</u>	<u>\$ --</u>	<u>\$ 10,958</u>	<u>\$ 5,504</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Hospital Trust	Grant	Narc Program	Federal Forfeiture
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ 249,727	\$ --	\$ --
<i>Charges for services</i>	--	--	--	--
<i>Fines</i>	--	--	--	--
<i>Interest</i>	1	900	26	1
<i>Miscellaneous</i>	--	101	--	--
<b>Total revenues</b>	<u>1</u>	<u>250,728</u>	<u>26</u>	<u>1</u>
Expenditures:				
Current:				
<i>General government</i>	--	--	--	--
<i>Public safety</i>	--	242,081	19,088	488
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	--	--	--
<i>Culture and recreation</i>	--	41,199	--	--
<i>Nondepartmental</i>	--	--	--	--
<b>Total expenditures</b>	<u>--</u>	<u>283,280</u>	<u>19,088</u>	<u>488</u>
Excess (deficiency) of revenues over (under) expenditures	1	(32,552)	(19,062)	(487)
Other financing sources (uses):				
<i>Transfers in</i>	--	6,883	--	--
<i>Transfers out</i>	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>6,883</u>	<u>--</u>	<u>--</u>
<b>Net change in fund balances</b>	<u>1</u>	<u>(25,669)</u>	<u>(19,062)</u>	<u>(487)</u>
Fund balances, January 1	2,869	691,694	54,174	3,316
<b>Fund balances (deficits), December 31</b>	<u>\$ 2,870</u>	<u>\$ 666,025</u>	<u>\$ 35,112</u>	<u>\$ 2,829</u>

<u>Imprest</u>	<u>Victim's Assistance</u>	<u>SCAAP</u>	<u>Homeland Security Communications</u>	<u>TWBD 8/31/12 4/30/14</u>
\$ 20,118	\$ 7,654	\$ 17,734	\$ 149,920	\$ 37,133
--	--	--	--	--
--	--	--	--	--
90	--	--	--	--
--	--	--	--	33,250
<u>20,208</u>	<u>7,654</u>	<u>17,734</u>	<u>149,920</u>	<u>70,383</u>
--	--	--	--	--
18,998	14,099	3,901	149,920	--
--	--	--	--	--
--	--	--	--	104,892
--	--	--	--	--
<u>18,998</u>	<u>14,099</u>	<u>3,901</u>	<u>149,920</u>	<u>104,892</u>
1,210	(6,445)	13,833	--	(34,509)
--	--	10,110	--	34,509
--	--	--	--	--
--	--	10,110	--	34,509
<u>1,210</u>	<u>(6,445)</u>	<u>23,943</u>	<u>--</u>	<u>--</u>
5,427	--	--	--	--
<u>\$ 6,637</u>	<u>\$ (6,445)</u>	<u>\$ 23,943</u>	<u>\$ --</u>	<u>\$ --</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	TJJD Grant 2014	TJJD Grant C 2014
Revenues:		
<i>Intergovernmental</i>	\$ 85,853	\$ 5,209
<i>Charges for services</i>	--	--
<i>Fines</i>	--	--
<i>Interest</i>	--	--
<i>Miscellaneous</i>	--	--
Total revenues	<u>85,853</u>	<u>5,209</u>
Expenditures:		
Current:		
<i>General government</i>	--	--
<i>Public safety</i>	48,201	576
<i>Judicial</i>	--	--
<i>Legal</i>	--	--
<i>Culture and recreation</i>	--	--
<i>Nondepartmental</i>	--	--
Total expenditures	<u>48,201</u>	<u>576</u>
Excess (deficiency) of revenues over (under) expenditures	37,652	4,633
Other financing sources (uses):		
<i>Transfers in</i>	--	--
<i>Transfers out</i>	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>
Net change in fund balances	<u>37,652</u>	<u>4,633</u>
Fund balances, January 1	--	--
Fund balances (deficits), December 31	<u>\$ 37,652</u>	<u>\$ 4,633</u>

TJJD Grant N 2014	JCM 2013-2014 #SF-14-J20- 24946-03	SAVNS Grant #1446517 2013-2014	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ 8,880	\$ 12,072	\$ 17,152	\$ 690,099
--	--	--	11,824
--	--	--	155,503
--	--	--	2,264
--	--	--	232,692
<u>8,880</u>	<u>12,072</u>	<u>17,152</u>	<u>1,092,382</u>
--	--	--	48,630
--	17,727	--	519,629
--	--	--	11,325
--	--	17,152	174,242
--	--	--	146,091
--	--	--	70,659
<u>--</u>	<u>17,727</u>	<u>17,152</u>	<u>970,576</u>
8,880	(5,655)	--	121,806
--	--	--	51,502
<u>--</u>	<u>--</u>	<u>--</u>	<u>(126,215)</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(74,713)</u>
8,880	(5,655)	--	47,093
--	--	--	1,753,043
<u>\$ 8,880</u>	<u>\$ (5,655)</u>	<u>\$ --</u>	<u>\$ 1,800,136</u>

**WALLER COUNTY, TEXAS**  
 LAW LIBRARY  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-5

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 66,162	\$ 11,396	\$ (54,766)
<i>Interest</i>	--	52	52
Total revenues	<u>66,162</u>	<u>11,448</u>	<u>(54,714)</u>
Expenditures:			
Current:			
<i>Legal</i>			
<i>Law Library</i>	66,162	6,062	60,100
Total Legal	<u>66,162</u>	<u>6,062</u>	<u>60,100</u>
Total expenditures	<u>66,162</u>	<u>6,062</u>	<u>60,100</u>
Net change in fund balances	--	5,386	5,386
Fund balance, January 1	77,920	77,920	--
Fund balance, December 31	<u>\$ 77,920</u>	<u>\$ 83,306</u>	<u>\$ 5,386</u>

**WALLER COUNTY, TEXAS**  
 RPF DISTRICT CLERK  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 5,599	\$ 4,200	\$ (1,399)
<i>Interest</i>	--	5	5
Total revenues	<u>5,599</u>	<u>4,205</u>	<u>(1,394)</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>District Clerk Records Preservation</i>	5,599	1,465	4,134
Total Judicial	<u>5,599</u>	<u>1,465</u>	<u>4,134</u>
Total expenditures	<u>5,599</u>	<u>1,465</u>	<u>4,134</u>
Net change in fund balances	--	2,740	2,740
Fund balance, January 1	7,178	7,178	--
Fund balance, December 31	<u>\$ 7,178</u>	<u>\$ 9,918</u>	<u>\$ 2,740</u>

**WALLER COUNTY, TEXAS**  
 RMPF COUNTY CLERK/DISTRICT CLERK  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 54,225	\$ 7,756	\$ (46,469)
<i>Interest</i>	--	35	35
Total revenues	<u>54,225</u>	<u>7,791</u>	<u>(46,434)</u>
Expenditures:			
Current:			
<i>General Government</i>			
<i>Records Management</i>	54,225	--	54,225
Total General Government	<u>54,225</u>	<u>--</u>	<u>54,225</u>
Total expenditures	<u>54,225</u>	<u>--</u>	<u>54,225</u>
Net change in fund balances	--	7,791	7,791
Fund balance, January 1	31,450	31,450	--
Fund balance, December 31	<u>\$ 31,450</u>	<u>\$ 39,241</u>	<u>\$ 7,791</u>

**WALLER COUNTY, TEXAS**  
 RPF COUNTY CLERK  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-8

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 239,179	\$ 46,716	\$ (192,463)
<i>Interest</i>	--	154	154
Total revenues	<u>239,179</u>	<u>46,870</u>	<u>(192,309)</u>
Expenditures:			
Current:			
<i>General Government</i>			
<i>Records Preservation</i>	239,179	48,630	190,549
Total General Government	<u>239,179</u>	<u>48,630</u>	<u>190,549</u>
Total expenditures	<u>239,179</u>	<u>48,630</u>	<u>190,549</u>
Net change in fund balances	--	(1,760)	(1,760)
Fund balance, January 1	199,293	199,293	--
Fund balance, December 31	<u>\$ 199,293</u>	<u>\$ 197,533</u>	<u>\$ (1,760)</u>

**WALLER COUNTY, TEXAS**  
 COURTHOUSE SECURITY  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-9

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 45,463	\$ 31,330	\$ (14,133)
<i>Interest</i>	--	40	40
Total revenues	<u>45,463</u>	<u>31,370</u>	<u>(14,093)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>			
<i>Courthouse Security</i>	45,463	22,919	22,544
Total Nondepartmental	<u>45,463</u>	<u>22,919</u>	<u>22,544</u>
Total expenditures	<u>45,463</u>	<u>22,919</u>	<u>22,544</u>
Net change in fund balances	--	8,451	8,451
Fund balance, January 1	59,444	59,444	--
Fund balance, December 31	<u>\$ 59,444</u>	<u>\$ 67,895</u>	<u>\$ 8,451</u>

**WALLER COUNTY, TEXAS**  
 JP TECHNOLOGY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-10

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 205,878	\$ 22,943	\$ (182,935)
<i>Interest</i>	--	123	123
Total revenues	<u>205,878</u>	<u>23,066</u>	<u>(182,812)</u>
Expenditures:			
Current:			
<i>Judicial</i>			
<i>Justice Court Technology</i>	205,878	9,860	196,018
Total Judicial	<u>205,878</u>	<u>9,860</u>	<u>196,018</u>
Total expenditures	<u>205,878</u>	<u>9,860</u>	<u>196,018</u>
Net change in fund balances	--	13,206	13,206
Fund balance, January 1	182,339	182,339	--
Fund balance, December 31	<u>\$ 182,339</u>	<u>\$ 195,545</u>	<u>\$ 13,206</u>

**WALLER COUNTY, TEXAS**  
 JUSTICE COURT SECURITY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-11

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines</i>	\$ 33,680	\$ 5,640	\$ (28,040)
<i>Interest</i>	--	27	27
Total revenues	<u>33,680</u>	<u>5,667</u>	<u>(28,013)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Juvenile Probation Grants</i>	33,680	--	33,680
Total Public Safety	<u>33,680</u>	<u>--</u>	<u>33,680</u>
Total expenditures	<u>33,680</u>	<u>--</u>	<u>33,680</u>
Net change in fund balances	--	5,667	5,667
Fund balance, January 1	39,824	39,824	--
Fund balance, December 31	<u>\$ 39,824</u>	<u>\$ 45,491</u>	<u>\$ 5,667</u>

**WALLER COUNTY, TEXAS**  
 DA PRETRIAL DIVERSION  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-12

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 35,000	\$ 47,500	\$ 12,500
<i>Interest</i>	--	56	56
Total revenues	<u>35,000</u>	<u>47,556</u>	<u>12,556</u>
Expenditures:			
Current:			
<i>Legal</i>			
<i>D.A. Prosecutor</i>	20,000	20,000	--
Total Legal	<u>20,000</u>	<u>20,000</u>	<u>--</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	15,000	27,556	12,556
Other financing sources (uses):			
<i>Transfers out</i>	(15,000)	(15,000)	--
Total other financing sources (uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>--</u>
Net change in fund balances	--	12,556	12,556
Fund balance, January 1	83,934	83,934	--
Fund balance, December 31	<u>\$ 83,934</u>	<u>\$ 96,490</u>	<u>\$ 12,556</u>

**WALLER COUNTY, TEXAS**  
 STATE CRIMINAL ALIEN PROGRAM  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-13

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 13,860	\$ --	\$ (13,860)
Total revenues	<u>13,860</u>	<u>--</u>	<u>(13,860)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>WSNTF Grant</i>	13,860	3,750	10,110
Total Public Safety	<u>13,860</u>	<u>3,750</u>	<u>10,110</u>
Total expenditures	<u>13,860</u>	<u>3,750</u>	<u>10,110</u>
Excess (deficiency) of revenues over (under) expenditures	--	(3,750)	(3,750)
Other financing sources (uses):			
<i>Transfers out</i>	--	(10,111)	(10,111)
Total other financing sources (uses)	<u>--</u>	<u>(10,111)</u>	<u>(10,111)</u>
Net change in fund balances	--	(13,861)	(13,861)
Fund balance, January 1	13,861	13,861	--
Fund balance, December 31	<u>\$ 13,861</u>	<u>\$ --</u>	<u>\$ (13,861)</u>

**WALLER COUNTY, TEXAS**  
 GRANT  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 267,114	\$ 249,727	\$ (17,387)
Interest	--	900	900
Miscellaneous	--	101	101
Total revenues	<u>267,114</u>	<u>250,728</u>	<u>(16,386)</u>
Expenditures:			
Current:			
Public Safety			
Victims Assistance Grant	30,711	29,056	1,655
Juvenile Case Manager	36,159	37,096	(937)
TJJD Grant1	191,915	175,929	15,986
Total Public Safety	<u>258,785</u>	<u>242,081</u>	<u>16,704</u>
Culture and Recreation			
Lone Star Library Grant	41,199	41,199	--
Total Culture and Recreation	<u>41,199</u>	<u>41,199</u>	<u>--</u>
Total expenditures	<u>299,984</u>	<u>283,280</u>	<u>16,704</u>
Excess (deficiency) of revenues over (under) expenditures	(32,870)	(32,552)	318
Other financing sources (uses):			
Transfers in	32,870	6,883	(25,987)
Total other financing sources (uses)	<u>32,870</u>	<u>6,883</u>	<u>(25,987)</u>
Net change in fund balances	--	(25,669)	(25,669)
Fund balance, January 1	691,694	691,694	--
Fund balance, December 31	<u>\$ 691,694</u>	<u>\$ 666,025</u>	<u>\$ (25,669)</u>

**WALLER COUNTY, TEXAS**

VICTIMS' ASSIST. (VOCA) 2013-2014 #1888607

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-15

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 37,136	\$ 7,654	\$ (29,482)
Total revenues	<u>37,136</u>	<u>7,654</u>	<u>(29,482)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Victims Assistance Grant</i>	46,420	14,099	32,321
Total Public Safety	<u>46,420</u>	<u>14,099</u>	<u>32,321</u>
Total expenditures	<u>46,420</u>	<u>14,099</u>	<u>32,321</u>
Excess (deficiency) of revenues over (under) expenditures	(9,284)	(6,445)	2,839
Other financing sources (uses):			
<i>Transfers in</i>	9,284	--	(9,284)
Total other financing sources (uses)	<u>9,284</u>	<u>--</u>	<u>(9,284)</u>
Net change in fund balances	--	(6,445)	(6,445)
Fund balance, January 1	--	--	--
Fund balance (deficit), December 31	<u>\$ --</u>	<u>\$ (6,445)</u>	<u>\$ (6,445)</u>

**WALLER COUNTY, TEXAS**  
 SCAAP  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-16

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 17,734	\$ 17,734	\$ --
Total revenues	<u>17,734</u>	<u>17,734</u>	<u>--</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>WSNTF Grant</i>	17,734	3,901	13,833
Total Public Safety	<u>17,734</u>	<u>3,901</u>	<u>13,833</u>
Total expenditures	<u>17,734</u>	<u>3,901</u>	<u>13,833</u>
Excess (deficiency) of revenues over (under) expenditures	--	13,833	13,833
Other financing sources (uses):			
<i>Transfers in</i>	--	10,110	10,110
Total other financing sources (uses)	<u>--</u>	<u>10,110</u>	<u>10,110</u>
Net change in fund balances	--	23,943	23,943
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ 23,943</u>	<u>\$ 23,943</u>

**WALLER COUNTY, TEXAS**  
*HOMELAND SECURITY/COMMUNICATIONS*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2013*

**EXHIBIT C-17**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 150,000	\$ 149,920	\$ (80)
<b>Total revenues</b>	<u>150,000</u>	<u>149,920</u>	<u>(80)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Homeland Security</i>	150,000	149,920	80
<b>Total Public Safety</b>	<u>150,000</u>	<u>149,920</u>	<u>80</u>
<b>Total expenditures</b>	<u>150,000</u>	<u>149,920</u>	<u>80</u>
Net change in fund balances	--	--	--
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**WALLER COUNTY, TEXAS**  
 TWBD  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-18

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 141,000	\$ 37,133	\$ (103,867)
Miscellaneous	49,875	33,250	(16,625)
Total revenues	<u>190,875</u>	<u>70,383</u>	<u>(120,492)</u>
Expenditures:			
Current:			
Public Transportation			
Culture and Recreation			
Texas Water Board Study	266,020	104,892	161,128
Total Culture and Recreation	<u>266,020</u>	<u>104,892</u>	<u>161,128</u>
Total expenditures	<u>266,020</u>	<u>104,892</u>	<u>161,128</u>
Excess (deficiency) of revenues over (under) expenditures	(75,145)	(34,509)	40,636
Other financing sources (uses):			
Transfers in	75,145	34,509	(40,636)
Total other financing sources (uses)	<u>75,145</u>	<u>34,509</u>	<u>(40,636)</u>
Net change in fund balances	--	--	--
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**WALLER COUNTY, TEXAS**  
 TJJJ GRANT A 2014  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-19

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 206,046	\$ 85,853	\$ (120,193)
Total revenues	<u>206,046</u>	<u>85,853</u>	<u>(120,193)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>TJJJ Grant1</i>	226,811	48,201	178,610
Total Public Safety	<u>226,811</u>	<u>48,201</u>	<u>178,610</u>
Total expenditures	<u>226,811</u>	<u>48,201</u>	<u>178,610</u>
Excess (deficiency) of revenues over (under) expenditures	(20,765)	37,652	58,417
Other financing sources (uses):			
<i>Transfers in</i>	20,765	--	(20,765)
Total other financing sources (uses)	<u>20,765</u>	<u>--</u>	<u>(20,765)</u>
Net change in fund balances	--	37,652	37,652
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ 37,652</u>	<u>\$ 37,652</u>

**WALLER COUNTY, TEXAS**  
 TJJJ GRANT C 2014  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2013

EXHIBIT C-20

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 12,500	\$ 5,209	\$ (7,291)
Total revenues	<u>12,500</u>	<u>5,209</u>	<u>(7,291)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>TJJJ Grant1</i>	12,500	576	11,924
Total Public Safety	<u>12,500</u>	<u>576</u>	<u>11,924</u>
Total expenditures	<u>12,500</u>	<u>576</u>	<u>11,924</u>
Net change in fund balances	--	4,633	4,633
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ 4,633</u>	<u>\$ 4,633</u>

**WALLER COUNTY, TEXAS**  
*TJJD GRANT N 2014*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2013*

**EXHIBIT C-21**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 21,310	\$ 8,880	\$ (12,430)
Total revenues	<u>21,310</u>	<u>8,880</u>	<u>(12,430)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>TJJD Grant1</i>	21,310	--	21,310
Total Public Safety	<u>21,310</u>	<u>--</u>	<u>21,310</u>
Total expenditures	<u>21,310</u>	<u>--</u>	<u>21,310</u>
Net change in fund balances	--	8,880	8,880
Fund balance, January 1	--	--	--
Fund balance, December 31	<u>\$ --</u>	<u>\$ 8,880</u>	<u>\$ 8,880</u>

**WALLER COUNTY, TEXAS**  
*JCM 2013-2014 #SF-14-J20-24946-03*  
**SPECIAL REVENUE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**EXHIBIT C-22**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 45,411	\$ 12,072	\$ (33,339)
Total revenues	<u>45,411</u>	<u>12,072</u>	<u>(33,339)</u>
Expenditures:			
Current:			
<i>Public Safety</i>			
<i>Juvenile Case Manager</i>	56,362	17,727	38,635
Total Public Safety	<u>56,362</u>	<u>17,727</u>	<u>38,635</u>
Total expenditures	<u>56,362</u>	<u>17,727</u>	<u>38,635</u>
Excess (deficiency) of revenues over (under) expenditures	(10,951)	(5,655)	5,296
Other financing sources (uses):			
<i>Transfers in</i>	10,951	--	(10,951)
Total other financing sources (uses)	<u>10,951</u>	<u>--</u>	<u>(10,951)</u>
Net change in fund balances	--	(5,655)	(5,655)
Fund balance, January 1	--	--	--
Fund balance (deficit), December 31	<u>\$ --</u>	<u>\$ (5,655)</u>	<u>\$ (5,655)</u>

**WALLER COUNTY, TEXAS**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**EXHIBIT C-23**

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Taxes</i>	\$ 712,260	\$ 766,002	\$ 53,742
<i>Interest</i>	848	265	(583)
Total revenues	<u>713,108</u>	<u>766,267</u>	<u>53,159</u>
Expenditures:			
Debt service:			
<i>Principal</i>	705,000	705,000	--
<i>Interest and fiscal charges</i>	8,108	8,108	--
Total Debt Service	<u>713,108</u>	<u>713,108</u>	<u>--</u>
Total expenditures	<u>713,108</u>	<u>713,108</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	53,159	53,159
Other financing sources (uses):			
<i>Transfers out</i>	--	(147,216)	(147,216)
Total other financing sources (uses)	<u>--</u>	<u>(147,216)</u>	<u>(147,216)</u>
Net change in fund balances	--	(94,057)	(94,057)
Fund balance, January 1	274,323	274,323	--
Fund balance, December 31	<u>\$ 274,323</u>	<u>\$ 180,266</u>	<u>\$ (94,057)</u>

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**WALLER COUNTY, TEXAS**  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 PRIVATE-PURPOSE TRUST FUNDS  
 DECEMBER 31, 2013

	<u>Permanent School</u>	<u>Permanent School Available</u>
<b>ASSETS</b>		
<i>Cash and cash equivalents</i>	\$ --	\$ 4
<i>Investments</i>	--	1
<i>Capital assets</i>	1	--
Total Assets	<u>\$ 1</u>	<u>\$ 5</u>
<b>LIABILITIES</b>		
<b>NET POSITION</b>		
<i>Held in trust</i>	<u>\$ 1</u>	<u>\$ 5</u>

<u>Ogg Trust</u>	<u>Dismuke Estate Trust</u>	<u>Total Private- Purpose Trust Funds (See Exhibit A-7)</u>
\$ 1	\$ --	\$ 5
51,721	62,030	113,752
--	--	1
<u>\$ 51,722</u>	<u>\$ 62,030</u>	<u>\$ 113,758</u>
<u>\$ 51,722</u>	<u>\$ 62,030</u>	<u>\$ 113,758</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
ALL PRIVATE-PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Permanent School	Permanent School Available	Ogg Trust
<b>Additions:</b>			
Interest	\$ --	\$ 29	34
Miscellaneous	--	5,930	--
Total Additions	<u>--</u>	<u>5,959</u>	<u>34</u>
<b>Deductions:</b>			
Administrative expenses	--	947	162
Payments to schools	--	11,270	--
Total Deductions	<u>--</u>	<u>12,217</u>	<u>162</u>
<b>Change in Net Position</b>	--	(6,258)	(128)
Net Position-Beginning of the Year	1	6,263	51,850
Net Position-End of the Year	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 51,722</u>

EXHIBIT C-25

Dismuke Estate Trust	Total Private-Purpose Trust Funds (See Exhibit A-8)
\$ 41	\$ 104
--	5,930
<u>41</u>	<u>6,034</u>
--	1,109
--	11,270
<u>--</u>	<u>12,379</u>
41	(6,345)
61,989	120,103
<u>\$ 62,030</u>	<u>\$ 113,758</u>

**WALLER COUNTY, TEXAS**

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2013

	Officers Agency Fund	JP #1 Automated Revenue	JP \$3 Automated Revenue	JP #4 Automated Revenue
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 6,458,229	\$ 2,449	\$ 75	\$ 2,531
<b>Total Assets</b>	<u>\$ 6,458,229</u>	<u>\$ 2,449</u>	<u>\$ 75</u>	<u>\$ 2,531</u>
<i>Due to other governments</i>	\$ 2,646,620	\$ --	\$ --	\$ --
<i>Due to others</i>	3,811,609	2,449	75	2,531
<b>Total Liabilities</b>	<u>\$ 6,458,229</u>	<u>\$ 2,449</u>	<u>\$ 75</u>	<u>\$ 2,531</u>

Merchant E Filing Account	Interchange Improvements Woods Road	County Clerk IRS	JP 4 Wells Fargo	Total Agency Funds (See Exhibit A-7)
\$ 361	\$ 936	\$ 48	\$ 3,859	\$ 6,468,488
<u>\$ 361</u>	<u>\$ 936</u>	<u>\$ 48</u>	<u>\$ 3,859</u>	<u>\$ 6,468,488</u>
\$ --	\$ --	\$ --	\$ --	\$ 2,646,620
361	936	48	3,859	3,821,868
<u>\$ 361</u>	<u>\$ 936</u>	<u>\$ 48</u>	<u>\$ 3,859</u>	<u>\$ 6,468,488</u>

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