

WILBARGER COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2013

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FINANCIAL SECTION



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Independent Auditor's Report

To The Honorable County Judge and County Commissioners
Wilbarger County, Texas

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 the 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 accounting principles used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, the business-type activities, each major fund, and the aggregate remaining fund information of Wilbarger County, Texas as of September 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity 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, the budgetary comparison information, and the schedules of funding progress be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilbarger County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Edgin, Parkman, Fleming & Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC

Wichita Falls, Texas
May 29, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Wilbarger 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 September 30, 2013.

Financial Highlights

- _ The assets of the County exceeded its liabilities at the close of the fiscal year ended September 30, 2013, by \$14,965,980 (net position). Of this amount, \$5,350,732 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- _ The County's fiscal year 2013 total net position increased by \$587,491 compared to fiscal year 2012 as restated. The increase is primarily due to an increase in general revenues from fiscal 2012 to 2013 and the sizable donations by Texas DOT of several county roads and bridges.
- _ The County's governmental funds reported combined ending fund balances of \$5,139,361, an increase of \$291,756 in comparison to the previous year.
- _ The unassigned portion of the General Fund balance at September 30, 2013 was \$3,141,092 or 63.74% of total General Fund Expenditures.
- _ Government-wide long term liabilities increased by \$41,391. This amount is the net of scheduled note and lease payments plus additional leases acquired during the fiscal year.

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 Wilbarger 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 and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the 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 the cash flow. 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).

Both of the government-wide statements distinguish between governmental activities and business-type activities. Governmental activities basically account for those activities supported by taxes and intergovernmental revenues. On the other hand, business-type activities are basically supported by user fees and charges. Most County services are reported in governmental activities while business-type activities are reported in the Enterprise fund.

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 is 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 proprietary 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 the 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 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 eight 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, the Road & Bridge Fund, and Capital Improvement Fund, all of which are considered to be major funds. Data from the other five 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.

Proprietary Funds. The County maintains one type of proprietary fund, an enterprise fund. The Enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses the enterprise fund to account for its Airport operations.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds. The County maintains funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support County programs.

Notes to Financial Statements. The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide, fund financial statements and fiduciary fund 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. The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information.

Government-wide Financial Analysis

At the end of fiscal year 2013, the County’s net position (assets exceeding liabilities) totaled \$14,965,980. 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, \$9,352,401 or 62.49 percent, reflects its net investment in capital assets (land and improvements, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to its citizens; 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.

An additional portion of the County’s net position, \$262,847 or 1.76%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$5,350,732, or 35.75%, may be used to meet the government’s ongoing obligations to citizens and creditors.

Table 1
Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	09-30-13	09-30-12	09-30-13	09-30-12	09-30-13	09-30-12
Current and other assets	\$5,939,097	\$5,668,851	\$290,361	\$104,636	\$6,229,458	\$5,773,487
Capital Assets	<u>8,748,174</u>	<u>6,627,888</u>	<u>1,095,912</u>	<u>1,201,384</u>	<u>9,844,086</u>	<u>7,829,272</u>
Total Assets	<u>14,687,271</u>	<u>12,296,739</u>	<u>1,386,273</u>	<u>1,306,020</u>	<u>16,073,544</u>	<u>13,602,759</u>
Long term Liabilities	507,123	450,117	75,428	91,043	582,551	541,160
Other Liabilities	<u>390,043</u>	<u>431,519</u>	<u>134,970</u>	<u>28,977</u>	<u>525,013</u>	<u>460,496</u>
Total Liabilities	<u>897,166</u>	<u>881,636</u>	<u>210,398</u>	<u>120,020</u>	<u>1,107,564</u>	<u>1,001,656</u>
Net Position:						
Net investment in capital assets	8,325,071	6,273,139	1,027,330	1,114,317	9,352,401	7,387,456
Restricted for: Special Services	258,814	258,814			258,814	258,814
Jury Duty	4,033	4,033			4,033	4,033
Unrestricted	<u>5,202,187</u>	<u>4,879,117</u>	<u>148,545</u>	<u>71,683</u>	<u>5,350,732</u>	<u>4,950,800</u>
Total Net Position	<u>\$13,790,105</u>	<u>\$11,415,103</u>	<u>\$1,175,875</u>	<u>\$1,186,000</u>	<u>\$14,965,980</u>	<u>\$12,601,103</u>

Changes in Net Position: The ending government-wide net position of the County for fiscal year 2013 was \$587,491 more than the ending net position from fiscal year 2012 as restated.

Governmental Activities: Governmental activities increased the County’s net position by \$584,856 from fiscal year 2012 as restated. The increase is primarily due to an increase in general revenues from 2012 to 2013 and the inclusion of the sizable contributions by Texas DOT of several county roads and bridges.

Business-type Activities: Net position from business-type activities increased modestly by \$2,635 from fiscal 2012 due to an abnormally high amount fuel sales during the year.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	09-30-13	09-30-12	09-30-13	09-30-12	09-30-13	09-30-12
Revenues:						
Program Revenues:						
Charges for services	\$2,084,060	\$1,946,967	\$746,113	\$299,442	\$ 2,830,173	\$ 2,246,409
Operating grants & contributions	175,308	170,290	19,002	8,108	194,310	178,398
Capital grants and contributions	429,679	--	--	--	429,679	--
General Revenues:						
Ad Valorem taxes	4,603,997	4,342,094	--	--	4,603,997	4,342,094
Sales Tax	698,585	719,424	--	--	698,585	719,424
Other taxes and fees	5,975	6,854	--	--	5,975	6,854
Investment earnings	390	94,514	328	196	718	94,710
Miscellaneous	259,637	48,432	13,668	12,814	273,305	61,246
Total Revenues	8,257,631	7,328,575	779,111	320,560	9,036,742	7,649,135
Expenditures:						
General Government	1,046,521	1,115,490	--	--	1,046,521	1,115,490
Judicial	873,175	887,965	--	--	873,175	887,965
Legal	191,897	197,134	--	--	191,897	197,134
Financial	477,048	453,569	--	--	477,048	453,569
Public Facilities	1,481,561	1,464,036	--	--	1,481,561	1,464,036
Public Safety	971,781	958,846	--	--	971,781	958,846
Health & Welfare	115,373	118,229	--	--	115,373	118,229
Conservation	137,951	129,272	--	--	137,951	129,272
Road & Bridge	2,316,473	2,209,492	--	--	2,316,473	2,209,492
Interest and Fiscal Charges	11,795	1,428	--	--	11,795	1,428
Airport Operations	--	--	825,676	494,003	825,676	494,003
Total Expenditures	7,623,575	7,535,461	825,676	494,003	8,449,251	8,029,464
Increase (decrease) in net position						
Before transfers	634,056	(206,886)	(46,565)	(173,443)	587,491	(380,329)
Transfers	(49,200)	(64,993)	49,200	64,993	--	--
Net Position-Beginning of year	11,370,235	11,649,801	1,173,240	1,294,450	12,543,475	12,944,251
Prior Period Adjustments	1,835,014	(7,687)	--	(12,760)	1,835,014	(20,447)
Net Position-End of year	\$ 13,790,105	\$11,370,235	\$ 1,175,875	\$ 1,173,240	\$14,965,980	\$12,543,475

Governmental Activities. Governmental activities increased Wilbarger County's net position by \$584,856. Key elements of this increase are as follows:

- The county was the beneficiary of \$429,679 of bridge and road construction capital contributions/donations from Texas Department of Transportation during the fiscal year.
- Property Tax revenues for fiscal 2013 were \$338,499 more than in fiscal year 2012 due to both increases in property valuations and overall tax rates.
- The county experienced a significant decrease in investment earnings of \$94,124 compared to fiscal year 2012 as GNMA bonds yielding 2% were sold in April 2013. Those funds were re-invested in more conservative but lower interest yielding Certificates of Deposits in May and June of 2013.
- The county experienced a significant revenue increase of \$137,093 from total governmental activities charges for services over fiscal year 2012.

- Transfers to the Airport Fund were \$15,793 less than in fiscal year 2012. The transfers to the Airport Fund are usually triggered by fuel purchases creating a cash flow timing issue.

Business-type Activities. Business-type activities increased Wilbarger County's net position by \$2,635. The Airport Fund required \$49,200 to be Transferred In from other funds for fiscal 2013 compared to \$64,993 in fiscal 2012, a \$15,793 decrease. The airport sold 145,759 gallons of fuel during fiscal year 2013, an 89,575 gallon increase over fiscal year 2012. This substantial increase in fuel sales is directly related to the increased helicopter activity used in the construction of new power lines in the county during the fiscal year.

Financial Analysis of the Government's Funds

Government 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 balances may serve as a useful measure of the 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 \$5,139,361, which is an increase of \$336,624 compared to fiscal year 2012.

The General Fund is the main operating fund of the County. At the end of fiscal year 2013, the General Fund unassigned fund balance was \$3,141,092 which is an increase of \$136,323 compared to fiscal year 2012. Items of note concerning the General Fund are as follows.

- General Fund total revenues increased by \$68,239 compared to FY 2012. The two most significant changes relate to:
 - An increase over the previous year for fees and commissions of \$73,082 was due to increases in collections of the following fees: JP #1 fees, sheriff fees, county clerk fees, and tax collector auto fees.
 - The county experienced a significant decrease in investment earnings of \$62,952 compared to fiscal year 2012 as GNMA bonds yielding 2% were sold in April 2013. Those funds were re-invested in more conservative but lower interest yielding Certificates of Deposits in May and June of 2013.
- General Fund total expenditures for FY 2013 were \$109,146 less than in FY 2012. Many of the areas/functions experienced expenditure decreases over the previous year.

For the 2013 fiscal year, the Road & Bridge Fund had an increase in fund balance of \$131,347. Items to note relative to the Road & Bridge Fund are as follow:

- Total revenues experienced a \$337,535 increase. The two most significant changes relate to:
 - Tax revenue collections for FY 2013 were \$252,117 more than in FY 2012. The 2012 Road & Bridge Fund tax rate was \$.014 more than the 2011 rate, and there was also a \$78 million increase in property tax valuations.
 - The county benefitted from the sale of bridge beams donated to the county by Texas Department of Transportation in the amount of \$114,000. This unexpected revenue along with the increased tax revenue accounted for the bulk of the total fiscal year 2013 revenue increase.

- Road and Bridge total expenditures decreased \$261,745 from the prior year primarily due to a decrease in equipment purchases during FY 2013.
- Road & Bridge fund received \$168,346 in capital lease proceeds to finance equipment purchases and expended \$111,887 in lease/note payments during FY 2013.

The other non-major governmental funds recognized an increase in fund balance of \$12,057.

Proprietary funds. The County's proprietary fund provides the same type of information found in the government-wide statements, but in more detail.

Budgetary Highlights. Each year the County performs periodic reviews of the budget. State law prohibits increasing total budgeted expenditures except during an emergency, however, an amount budgeted for one line item can be transferred to another budgeted item without authorizing an emergency expenditure.

Notable budget variances include:

- \$94,187 more General Fund and \$38,830 more Road & Bridge Fund tax revenues were collected than budgeted. Actual sales tax collections were \$22,585 more than budgeted.
- General Fund fees and commissions collected exceeded budgeted revenues by \$141,920. The following fees caused the unexpected additional revenues: County Clerk fees, Tax Collector Auto Fees, Sheriff Fees, and JP #1 fees.
- Investment returns for FY 2013 were \$126,615 below their budgeted revenues in the combined General and Road & Bridge Funds. The budgeted investment returns were estimated based on the historical yields of the 2% GNMA bonds, these bonds were sold in April 2013.
- The Road & Bridge Fund had a positive Miscellaneous Revenue variance of \$114,867. This variance originated from the \$114,000 sale of donated bridge beams from Texas Department of Transportation.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2013 amounts to \$9,844,086 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, machinery and equipment and infrastructure. The total increase in the County's investment in capital assets for the current year was 1.86% as restated. More detailed information on capital asset activity is available in the notes to the financial statements.

Table 3
Capital Assets at Year End
Net of Accumulated Depreciation

Assets	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 307,699	\$ 307,699	\$33,137	\$33,137	\$ 340,836	\$ 340,836
Bldgs & Improvmts	2,195,043	2,283,945	586,893	613,768	2,781,936	2,897,713
Mach & Equipment	2,989,671	3,173,850	119,154	169,462	3,108,825	3,343,312
Infrastructure	3,255,761	2,697,408	356,728	385,017	3,612,489	3,082,425
	<u>\$8,748,174</u>	<u>\$8,462,902</u>	<u>\$1,095,912</u>	<u>\$1,201,384</u>	<u>\$9,844,086</u>	<u>\$9,664,286</u>

Debt Administration. During fiscal year 2013 Wilbarger County entered into two new one year and one new five year capital leases for the purchases of three pieces of road and bridge maintenance equipment. The total amount of these new leases was \$168,346. The addition of these new leases explains the increase in leases payable during fiscal year 2013.

Table 4
Outstanding Debt at Year End

Type of Debt	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Leases Payable	\$414,270	\$337,332	\$68,582	\$78,522	\$482,852	\$415,854
Notes Payable	8,833	17,417	0	8,545	8,833	25,962
Comp Absences	68,012	83,614	6,846	3,976	74,858	87,590
OPEB obligation	16,008	11,754	0	0	16,008	11,754
Total	\$507,123	\$450,117	\$75,428	\$91,043	\$582,551	\$541,160

Wilbarger County does not have a current bond rating from either Standard & Poor Corporation or Moody's Investor Service. More detailed information concerning debt activity is available in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The Wilbarger County economy remains relatively stable compared to the national economy. According to the Bureau of Labor Statistics Wilbarger County's unemployment rate as of September 30, 2013 was 4.4%, which is well below the state and national average. Fiscal year 2013 sales tax collections for Wilbarger County totaled \$698,585 which was a modest decrease of \$20,839 or 2.90% compared to fiscal 2012. Economic development initiatives are in progress and there is interest in Wilbarger County due to its central location between Amarillo, Fort Worth and Lubbock, Texas and Oklahoma City, Oklahoma. The City of Vernon has been selected as a Texas Main Street City.

During fiscal year 2013, unassigned fund balance in the General Fund increased by \$136,323. The fiscal year 2014 adopted budget reflects a 3.64% increase in General Fund revenue and a 2.22% increase in General Fund expenditures compared to the fiscal year 2013 final amended budget.

The County ad valorem tax rate decreased slightly for fiscal 2014 from fiscal 2013, the tax rate levied in October 2013 to fund the fiscal year 2014 budget decreased by \$0.002. The County had a 95.04% General Fund collection rate of current taxes levied in October 2012, which was a decrease over the General Fund collection rate of 96.98% for taxes levied in October 2011.

Requests for Information

This financial report is designed to provide a general overview of Wilbarger 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 County Auditor's Office, 1700 Wilbarger, Room 10, Vernon, Texas 76384.

BASIC FINANCIAL STATEMENTS

WILBARGER COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 1,955,723	\$ 179,584	\$ 2,135,307
Investments	3,010,705	-	3,010,705
Receivables, net:			
Taxes	182,293	-	182,293
Accounts	8,015	36,929	44,944
Fines	227,400	-	227,400
Intergovernmental	184,156	16,053	200,209
Other	6,182	-	6,182
Internal balances	5,328	(5,328)	-
Due from fiduciaries	220,607	-	220,607
Inventories	58,126	57,548	115,674
Prepaid items	80,562	5,575	86,137
Capital assets, net	8,748,174	1,095,912	9,844,086
Total assets	<u>14,687,271</u>	<u>1,386,273</u>	<u>16,073,544</u>
Liabilities			
Accounts payable	252,204	30,331	282,535
Salaries payable	134,973	2,967	137,940
Unearned revenue	2,866	101,672	104,538
Long-term liabilities:			
Due within one year	234,518	15,019	249,537
Due in more than one year	272,605	60,409	333,014
Total liabilities	<u>897,166</u>	<u>210,398</u>	<u>1,107,564</u>
Net Position			
Net investment in capital assets	8,325,071	1,027,330	9,352,401
Restricted for:			
Special services	258,814	-	258,814
Jury duty	4,033	-	4,033
Unrestricted	5,202,187	148,545	5,350,732
Total net position	<u>\$ 13,790,105</u>	<u>\$ 1,175,875</u>	<u>\$ 14,965,980</u>

The accompanying notes are an integral part of this statement.

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

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government:			
General government	\$ 1,046,521	\$ 409,337	\$ 12,897
Judicial	873,175	355,142	43,798
Legal	191,897	103,046	20,833
Financial	477,048	224,136	-
Public facilities	1,481,561	67,566	-
Public safety	971,781	357,575	46,103
Health and welfare	115,373	-	32,561
Conservation	137,951	-	-
Road and bridge	2,316,473	567,258	19,116
Interest and fiscal charges	11,795	-	-
Total governmental activities	<u>7,623,575</u>	<u>2,084,060</u>	<u>175,308</u>
Business-type Activities:			
Airport	<u>825,676</u>	<u>746,113</u>	<u>19,002</u>
Total primary government	<u>\$ 8,449,251</u>	<u>\$ 2,830,173</u>	<u>\$ 194,310</u>

General revenues:
 Property taxes, levied for general purposes
 Sales taxes
 Other taxes
 Investment earnings
 Miscellaneous
 Transfers
 Total general revenues and transfers

Change in net position

Net position - beginning, as originally reported

Prior period adjustment

Net position - beginning, as restated

Net position - ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ -	\$ (624,287)	\$ -	\$ (624,287)
-	(474,235)	-	(474,235)
-	(68,018)	-	(68,018)
-	(252,912)	-	(252,912)
429,679	(984,316)	-	(984,316)
-	(568,103)	-	(568,103)
-	(82,812)	-	(82,812)
-	(137,951)	-	(137,951)
-	(1,730,099)	-	(1,730,099)
-	(11,795)	-	(11,795)
<u>429,679</u>	<u>(4,934,528)</u>	<u>-</u>	<u>(4,934,528)</u>
-	-	(60,561)	(60,561)
<u>\$ 429,679</u>	<u>(4,934,528)</u>	<u>(60,561)</u>	<u>(4,995,089)</u>
	4,603,997	-	4,603,997
	698,585	-	698,585
	5,975	-	5,975
	390	328	718
	259,637	13,668	273,305
	(49,200)	49,200	-
	<u>5,519,384</u>	<u>63,196</u>	<u>5,582,580</u>
	<u>584,856</u>	<u>2,635</u>	<u>587,491</u>
	11,370,235	1,173,240	12,543,475
	<u>1,835,014</u>	<u>-</u>	<u>1,835,014</u>
	<u>13,205,249</u>	<u>1,173,240</u>	<u>14,378,489</u>
	<u>\$ 13,790,105</u>	<u>\$ 1,175,875</u>	<u>\$ 14,965,980</u>

WILBARGER COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	General Fund	Road & Bridge	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,135,275	\$ 446,183	\$ 374,265	\$ 1,955,723
Investments	2,007,138	1,003,567	-	3,010,705
Receivables, net:				
Taxes	128,334	53,959	-	182,293
Accounts	8,015	-	-	8,015
Fines	218,072	-	9,328	227,400
Intergovernmental	150,580	21,321	12,255	184,156
Other	5,803	379	-	6,182
Due from other funds	168,357	49,689	5,576	223,622
Advance to other funds	-	5,328	-	5,328
Inventories	18,597	39,529	-	58,126
Prepaid items	68,501	12,061	-	80,562
Total assets	<u>\$ 3,908,672</u>	<u>\$ 1,632,016</u>	<u>\$ 401,424</u>	<u>\$ 5,942,112</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 228,524	\$ 9,745	\$ 13,935	\$ 252,204
Salaries payable	102,471	32,502	-	134,973
Due to other funds	215	2,800	-	3,015
Unearned revenue	2,865	-	-	2,865
Total liabilities	<u>334,075</u>	<u>45,047</u>	<u>13,935</u>	<u>393,057</u>
Deferred inflows of resources:				
Unavailable revenues	<u>346,407</u>	<u>53,959</u>	<u>9,328</u>	<u>409,694</u>
Fund balances:				
Nonspendable	87,098	56,918	-	144,016
Restricted	-	-	274,889	274,889
Committed	-	1,476,092	103,272	1,579,364
Unassigned	3,141,092	-	-	3,141,092
Total fund balances	<u>3,228,190</u>	<u>1,533,010</u>	<u>378,161</u>	<u>5,139,361</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,908,672</u>	<u>\$ 1,632,016</u>	<u>\$ 401,424</u>	<u>\$ 5,942,112</u>

The accompanying notes are an integral part of this statement.

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

Total fund balances - governmental funds (Exhibit A-3)		\$ 5,139,361
Amounts reported for <i>governmental activities</i> in the Statement of Net Position (Exhibit A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:		
Gross capital assets	\$ 23,683,382	
Related accumulated depreciation	<u>14,935,208</u>	8,748,174
Property tax receivables and fines receivables are not available to pay for current period expenditures and therefore are deferred in the funds.		409,693
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Capital leases payable	414,270	
Notes payable	8,833	
Accrued compensated absences	68,012	
Net other post-employment benefit obligation	<u>16,008</u>	<u>(507,123)</u>
Total net position - governmental activities (Exhibit A-1)		<u>\$ 13,790,105</u>

The accompanying notes are an integral part of this statement.

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

	General Fund	Road & Bridge	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 3,042,304	\$ 1,568,020	\$ -	\$ 4,610,324
Sales taxes	698,585	-	-	698,585
Fees and commissions	977,020	567,258	77,018	1,621,296
Fines and forfeitures	146,926	-	29,213	176,139
Intergovernmental	135,124	22,164	216,760	374,048
Investment return	1,045	(2,660)	2,005	390
Miscellaneous	130,941	115,867	-	246,808
Total revenues	<u>5,131,945</u>	<u>2,270,649</u>	<u>324,996</u>	<u>7,727,590</u>
Expenditures				
Current				
General government	919,119	11,405	93,728	1,024,252
Judicial	879,690	-	13,899	893,589
Legal	188,433	-	3,874	192,307
Financial	475,734	-	-	475,734
Public facilities	1,412,402	-	-	1,412,402
Public Safety	784,177	-	192,763	976,940
Health and welfare	110,747	-	-	110,747
Conservation	157,617	-	-	157,617
Road and bridge	-	2,384,502	-	2,384,502
Debt service:				
Principal	-	100,093	-	100,093
Interest and fiscal charges	-	11,795	-	11,795
Total expenditures	<u>4,927,919</u>	<u>2,507,795</u>	<u>304,264</u>	<u>7,739,978</u>
Excess (deficiency) of revenues over (under) expenditures	<u>204,026</u>	<u>(237,146)</u>	<u>20,732</u>	<u>(12,388)</u>
Other sources (uses):				
Transfers in	17,109	-	-	17,109
Transfers out	(57,634)	-	(8,675)	(66,309)
Proceeds from capital leases	-	168,346	-	168,346
Sale of capital assets	29,719	200,147	-	229,866
Total other sources (uses)	<u>(10,806)</u>	<u>368,493</u>	<u>(8,675)</u>	<u>349,012</u>
Net change in fund balances	193,220	131,347	12,057	336,624
Fund balances, beginning of year	<u>3,034,970</u>	<u>1,401,663</u>	<u>366,104</u>	<u>4,802,737</u>
Fund balances, end of year	<u>\$ 3,228,190</u>	<u>\$ 1,533,010</u>	<u>\$ 378,161</u>	<u>\$ 5,139,361</u>

The accompanying notes are an integral part of this statement.

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

Net change in fund balances - total governmental funds (Exhibit A-5)		\$ 336,624
Amounts reported for <i>governmental activities</i> in the Statement of Activities (Exhibit A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:		
Capital outlay during the year	\$ 1,204,176	
Depreciation expense for the year	<u>769,535</u>	434,641
Proceeds from the sale of capital assets are recorded as revenues when received in the governmental funds. In the Statement of Activities, the difference between the proceeds and the book value of the capital asset is reported as a gain (loss) from sale.		(149,369)
Because property tax and fines receivables will not be collected for several months after the County's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Unearned revenues increased by this amount this year.		19,966
Proceeds from the issuance of debt are recorded as other sources when received in the governmental funds. In the Statement of Net Position, the proceeds are recorded as a liability. The amount of capital lease proceeds during the year was:		(168,446)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. The long-term debt principal paid during the year was as follows:		
Capital leases	91,508	
Notes payable	<u>8,584</u>	100,092
Included in long-term debt are obligations for accrued vacation and sick leave. The changes in this obligation are not included in the governmental fund financial statements, but are included in the government-wide financial statements. The change in this long-term obligation was:		15,602
Included in long-term liabilities is the net other post-employment benefit obligation related to the County's retiree health care plan. The increase in this obligation was:		<u>(4,254)</u>
Change in net position of governmental activities (Exhibit A-2)		<u>\$ 584,856</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF NET POSITION
ENTERPRISE FUND
SEPTEMBER 30, 2013

	Enterprise Fund <u>Airport</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 179,584
Receivables, net:	
Accounts	36,929
Intergovernmental	16,053
Inventories	57,548
Prepaid items	5,575
Total current assets	<u>295,689</u>
Capital assets, net	1,095,912
Total assets	<u>1,391,601</u>
Liabilities	
Current liabilities:	
Accounts payable	30,331
Salaries payable	2,967
Compensated absences - current portion	6,846
Capital lease payable - current portion	8,173
Unearned revenues	101,672
Total current liabilities	<u>149,989</u>
Noncurrent liabilities:	
Capital lease payable - net of current portion	60,409
Advance from other funds	5,328
Total noncurrent liabilities	<u>65,737</u>
Total liabilities	<u>215,726</u>
Net Position	
Net investment in capital assets	1,027,330
Unrestricted	148,545
Total net position	<u>\$ 1,175,875</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Enterprise Fund <u>Airport</u>
OPERATING REVENUES:	
Sale of fuel	\$ 700,577
Hangar rentals	45,252
Other revenues	284
Total Operating Revenues	<u>746,113</u>
OPERATING EXPENSES:	
Salaries and related costs	90,294
Other supplies and charges	543,768
Repairs and maintenance	51,172
Insurance	13,142
Utilities	21,432
Depreciation	105,472
Total Operating Expenses	<u>825,280</u>
Operating Loss	<u>(79,167)</u>
NON-OPERATING REVENUES (EXPENSES):	
Intergovernmental revenue	19,002
Farmland lease	13,668
Interest revenue	328
Interest expense	(396)
Total Non-operating Revenues (Expenses)	<u>32,602</u>
Net Loss Before Transfers	(46,565)
Transfers in	<u>49,200</u>
Change in net position	2,635
Net position, beginning of year	<u>1,173,240</u>
Net position, end of year	<u>\$ 1,175,875</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Enterprise Fund <u>Airport</u>
Cash Flows from Operating Activities:	
Cash Received From Customers	\$ 724,070
Cash Payments to Employees for Services	(86,075)
Cash Payments to Other Suppliers for Goods and Services	(602,921)
Net Cash Provided by Operating Activities	<u>35,074</u>
Cash Flows from Non-capital Financing Activities:	
Transfers from Other Funds	49,200
Intergovernmental Grants	3,555
Net Cash Provided by Non-capital Financing Activities	<u>52,755</u>
Cash Flows from Capital and Related Financing Activities:	
Insurance Proceeds	98,255
Interest Paid	(396)
Principal Paid	(23,868)
Net Cash Provided by Capital & Related Financing Activities	<u>73,991</u>
Cash Flows from Investing Activities:	
Interest on Investments	<u>328</u>
Net Increase in Cash and Cash Equivalents	162,148
Cash and Cash Equivalents at Beginning of Year	17,436
Cash and Cash Equivalents at End of Year	<u>\$ 179,584</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating Loss	\$ (79,167)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	105,472
Change in Assets and Liabilities:	
Decrease (Increase) in Accounts Receivables	(22,043)
Decrease (Increase) in Inventories	1,934
Decrease (Increase) in Prepaid Expenses	4,602
Increase (Decrease) in Accounts Payable	21,300
Increase (Decrease) in Salaries Payable	106
Increase (Decrease) in Compensated Absences	2,870
Total Adjustments	<u>114,241</u>
Net Cash Provided by Operating Activities	<u>\$ 35,074</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
SEPTEMBER 30, 2013

	Agency Funds
Assets	
Cash and cash equivalents	\$ 1,732,298
Investments	230,273
Due from other funds	27,322
Total assets	<u>\$ 1,989,893</u>
Liabilities	
Accounts payable	\$ 1,916
Due to other funds	247,929
Due to other governments	458,822
Due to others	1,281,226
Total liabilities	<u>\$ 1,989,893</u>

The accompanying notes are an integral part of this statement.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. 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 Commissions' Court. The County's operational activities include general administrative services, judicial, public safety, the construction and maintenance of roads, health and welfare assistance, permanent records preservation, and conservation.

The accounting policies of Wilbarger County, Texas (County) conform to generally accepted accounting principles issued by the Governmental Accounting Standards Board which is the recognized financial accounting standards 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," as amended by GASB Statement No. 39, 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.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all the non-fiduciary activities of the County. For the most part, the effects of interfund activity have been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support.

The government-wide 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 requirements 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.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

3. 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. Agency funds have no measurement focus. 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 soon as all eligibility requirements imposed by the provider have been met.

Government 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 government 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 associated with the current fiscal period are all considered to be susceptible to accrual and 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.

Other Governmental Funds are a summarization of all the nonmajor governmental funds.

The County reports the following major proprietary fund:

The *Airport Fund* accounts for the operations of the County's airport.

Additionally, the County reports the following fund types:

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

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Airport enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

4. Assets, Liabilities, and Net Position or Equity

a. 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 guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor, or secured by obligations that are described above; 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.

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.

b. Receivables and Payables

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

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Wilbarger 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.

c. 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.

5. 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. The County defines capital assets 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 time received.

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.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Buildings	30 - 40 years
Infrastructure	20 - 45 years
Machinery and Equipment	5 - 10 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For the year ended September 30, 2013, the County has no items that qualify for reporting in this category.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category, property taxes receivable and fines and fees receivable. Property taxes receivable (\$182,293) and fines and fees receivable (\$227,400) are unavailable and therefore cannot be recognized as revenue in the governmental funds until they are received.

7. Compensated Absences

Employees accumulate earned but unused vacation and compensatory time. All vacation and compensatory pay is accrued when incurred in the government-wide statements. 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.

8. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed in the period the bonds are issued.

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

9. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the County's Commissioners' Court. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

Assigned Fund Balance – represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the General Fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

10. Transactions Between Funds

Outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or non-routine transfers of equity between funds are accounted for as transfers.

B. COMPLIANCE AND ACCOUNTABILITY

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", there were no violations of finance-related legal and contractual provisions required to be reported.

2. Deficit Fund Balance or Fund Net position of Individual Funds

The County has no funds with a deficit fund balance or fund net position.

C. DEPOSITS AND INVESTMENTS

1. Cash

At year end, the carrying amount of the County's cash on hand and deposits was \$2,135,307. All of the bank balance was covered by federal deposit insurance and collateralized by the pledging financial institution's trust department in the County's name.

2. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act (Act) to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, maturity and the quality and capability of investment management; include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the County adhered to the requirements of the Act. Additionally, investment practices of the County were in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

The County's investments at September 30, 2013 are shown below:

<u>Investment or Investment Type</u>	<u>Weighted Maturity (Months)</u>	<u>Fair Value</u>
Money Market Savings Account	N/A	\$1,018,130
Certificates of Deposit	15	<u>1,992,575</u>
		<u>\$3,010,705</u>

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the County was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name.

At year end, the County was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the County was not exposed to concentration of credit risk.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the County was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the County was not exposed to foreign currency risk.

4. Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

D. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1 of the prior year. Taxes are levied on October 1 and do not begin to accrue interest until February 1. The County is permitted by the Municipal Finance Law of the State of Texas to levy taxes (exclusive of those amounts levied to service long-term debt) up to \$.80 per \$100 of assessed valuation for general services, permanent improvements, road and bridge and jury fund purposes. The combined tax rate to finance general government (exclusive of long-term debt service and Special Road & Bridge) for the year ended September 30, 2013, was \$.30011 per \$100 valuation.

An additional ad valorem tax may be levied and collected for further maintenance of public roads, provided that a majority of the qualified property taxpaying voters shall vote such tax, not to exceed fifteen cents (.15) per \$100 valuation. Wilbarger County has such a tax and the levy for 2013 was \$0.01612. The total tax rate for Wilbarger County for fiscal year 2013 also includes a Farm to Market Right of Way with a tax rate of \$0.14086. The total tax rate for Wilbarger County for fiscal year 2013 was \$0.45709.

Allowances for uncollectible tax receivables within the General and Road & Bridge Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the County is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At September 30, 2013, net property taxes receivable is calculated as follows:

Gross property taxes receivable	\$282,651
Allowance for uncollectible taxes	(<u>100,358</u>)
Net property taxes receivable	<u>\$182,293</u>

Of the \$182,293 of property taxes receivable at September 30, 2013, the County expects to collect approximately \$70,000 within a year. This is similar to the delinquent taxes received in previous years.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

E. FINES RECEIVABLE

Fines receivable represent amounts due to the County for outstanding citations.

The allowance for uncollectible fines receivable within the funds is based upon historical experience collecting fines. Uncollectible fines are periodically written off.

At September 30, 2013, net fines receivable is calculated as follows:

Gross fines receivable	\$2,757,493
Allowance for uncollectible fines	<u>(2,530,093)</u>
Net fines receivable	<u>\$ 227,400</u>

Of the \$227,400 of net fines receivable at September 30, 2013, the County expects to collect approximately \$100,000 within a year. This is similar to the delinquent fines receivable collected in the current year.

F. CAPITAL ASSETS

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

Governmental Activities:	Balance 10/1/2012 <u>(Restated)</u>	<u>Additions</u>	<u>Retirements</u>	Balance 9/30/2013
Capital assets not being depreciated:				
Land	\$ 307,699	\$ -	\$ -	\$ 307,699
Capital assets being depreciated:				
Buildings and improvements	4,194,549	-	-	4,194,549
Infrastructure	12,824,570	429,679	(19,983)	13,234,266
Machinery and equipment	<u>5,602,463</u>	<u>774,497</u>	<u>(430,092)</u>	<u>5,946,868</u>
Total capital assets being depreciated	<u>22,621,582</u>	<u>1,204,176</u>	<u>(450,075)</u>	<u>23,375,683</u>
Less accumulated depreciation for:				
Buildings and improvements	1,910,604	88,902	-	1,999,506
Infrastructure	10,127,162	132,349	(281,006)	9,978,505
Machinery and equipment	<u>2,428,613</u>	<u>548,284</u>	<u>(19,700)</u>	<u>2,957,197</u>
Total accumulated depreciation	<u>14,466,379</u>	<u>769,535</u>	<u>(300,706)</u>	<u>14,935,208</u>
Total capital assets being depreciated, net	<u>8,155,203</u>	<u>434,641</u>	<u>(149,369)</u>	<u>8,440,475</u>
Governmental activities capital assets, net	<u>\$ 8,462,902</u>	<u>\$ 434,641</u>	<u>(\$149,369)</u>	<u>\$ 8,748,174</u>

The balances at October 1, 2012 for infrastructure and the related accumulated depreciation were increased \$1,893,562 and \$58,548, respectively, for donated projects from the Texas Department of Transportation within the County from 2006 to 2013.

At September 30, 2013, machinery and equipment with a cost of \$933,691 and accumulated depreciation of \$180,008 is financed under capital leases.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

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

Governmental activities:	
General government	\$ 28,446
Judicial	8,577
Financial	2,695
Public facilities	107,115
Public safety	51,178
Health and welfare	3,561
Conservation	9,264
Road and bridge	<u>558,699</u>
 Total governmental depreciation	 <u>\$769,535</u>

Business-Type Activities:	Balance <u>10/1/2012</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>9/30/2013</u>
Capital assets not being depreciated:				
Land	\$ 33,137	\$ -	\$ -	\$ 33,137
Capital assets being depreciated:				
Buildings and improvements	1,077,614	-	-	1,077,615
Infrastructure	2,012,302	-	-	2,012,302
Machinery and equipment	<u>390,508</u>	<u>-</u>	<u>-</u>	<u>390,508</u>
Total capital assets being depreciated	<u>3,480,424</u>	<u>-</u>	<u>-</u>	<u>3,480,425</u>
Less accumulated depreciation for:				
Buildings and improvements	463,846	26,876	-	490,722
Infrastructure	1,627,285	28,289	-	1,655,574
Machinery and equipment	<u>221,046</u>	<u>50,308</u>	<u>-</u>	<u>271,354</u>
Total accumulated depreciation	<u>2,312,177</u>	<u>105,473</u>	<u>-</u>	<u>2,417,650</u>
Total capital assets being depreciated, net	<u>1,168,247</u>	(105,473)	<u>-</u>	<u>1,062,775</u>
Business-type activities capital assets, net	<u>\$1,201,384</u>	(<u>\$105,473</u>)	<u>\$ -</u>	<u>\$1,095,912</u>

At September 30, 2013, machinery and equipment with a cost of \$114,500 and accumulated depreciation of \$26,717 is financed under capital leases.

G. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

Balances due to and from other funds at September 30, 2013 were as follows:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Payable</u>	<u>Reason</u>
General Fund	Agency Funds	\$168,357	Short-term loan
Road & Bridge Fund	Agency Funds	49,689	Short-term loan
Other Governmental Funds	Agency Funds	5,576	Short-term loan
Agency Funds	Agency Funds	24,307	Short-term loan
Agency Funds	General Fund	215	Short-term loan
Agency Funds	Road & Bridge Fund	<u>2,800</u>	Short-term loan
	Total	<u>\$250,944</u>	

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

All of the above amounts are expected to be repaid within one year.

Long-term advances between funds were as follows at September 30, 2013:

<u>Advanced From</u>	<u>Advanced To</u>	<u>Amount</u>
Road & Bridge Fund	Airport Fund	<u>\$5,328</u>

This advance is not expected to be repaid within one year. Accordingly, \$5,328 of fund balance has been classified as nonspendable in the Road & Bridge Fund.

Interfund transfers during the year ended September 30, 2013 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Airport Fund	\$49,200	Supplement other resources
General Fund	General Fund	8,434	Supplement other resources
Other Governmental Funds	General Fund	<u>8,675</u>	Supplement other resources
	Total	<u>\$66,309</u>	

H. 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.

Governmental Activities

Changes in long-term liabilities for the year ended September 30, 2013 were as follows:

	<u>Balance</u>			<u>Balance</u>	<u>Due Within</u>
<u>Governmental Activities:</u>	<u>10/1/2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>09/30/2013</u>	<u>One Year</u>
Capital lease obligations	\$337,332	\$168,446	\$ 91,508	\$414,270	\$157,673
Note payable	17,417	-	8,584	8,833	8,833
Compensated absences	83,614	125,881	141,483	68,012	68,012
Net other post-employment benefit obligation	<u>11,754</u>	<u>4,254</u>	<u>-</u>	<u>16,008</u>	<u>-</u>
Total long-term liabilities – governmental activities	<u>\$450,117</u>	<u>\$298,581</u>	<u>\$241,575</u>	<u>\$507,123</u>	<u>\$234,518</u>

For the governmental activities, compensated absences and other post-employment benefit obligations are generally liquidated by the General Fund.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

Total debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$166,506	\$14,118	\$180,624
2015	73,861	8,471	82,332
2016	76,308	6,024	82,332
2017	78,839	3,495	82,334
2018	<u>27,589</u>	<u>883</u>	<u>28,472</u>
Totals	<u>\$423,103</u>	<u>\$32,991</u>	<u>\$456,094</u>

Capital Lease Obligations

Capital lease obligations at September 30, 2013 are as follows:

<u>Purpose</u>	<u>Original Amount</u>	<u>Date of Lease</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2013</u>
Excavator – Precinct #3	\$190,824	1/23/12	2/15/17	3.30%	\$127,105
Motor Grader – Precinct #1	38,565	10/4/11	10/15/13	2.97%	19,565
Excavator – Precinct #1	107,108	1/23/12	2/15/17	3.50%	71,335
Excavator – Precinct #4	83,489	1/23/12	2/15/14	3.50%	27,819
Freightliner Truck & Trailer – Precincts #1 & #3	20,100	4/22/13	4/22/14	3.00%	20,100
Wheel Loader – Precinct #4	129,331	11/16/12	12/15/17	3.20%	129,331
Belly Dump Trailer – Precinct #1	19,015	10/23/12	10/15/13	3.20%	<u>19,015</u>
Total Capital Lease Obligations					<u>\$414,270</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$157,673	\$13,862	\$171,535
2015	73,861	8,471	82,332
2016	76,308	6,024	82,332
2017	78,839	3,495	82,334
2018	<u>27,589</u>	<u>883</u>	<u>28,472</u>
Totals	<u>\$414,270</u>	<u>\$32,735</u>	<u>\$447,005</u>

Note Payable

The note payable at September 30, 2013 is as follows:

<u>Purpose</u>	<u>Original Amount</u>	<u>Date of Note</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2013</u>
Tractor – Precinct #1	\$ 33,864	7/23/10	7/23/14	2.90%	<u>\$8,833</u>

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

Note payable debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	<u>\$8,833</u>	<u>\$ 256</u>	<u>\$9,089</u>

Business-Type Activities

Changes in long-term liabilities for the year ended September 30, 2013 were as follows:

	<u>Balance</u> <u>10/1/2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>9/30/2013</u>	<u>Due Within</u> <u>One Year</u>
Capital lease obligation	\$ 78,522	\$ -	\$ 9,940	\$ 68,582	\$ 8,173
Note payable	8,545	-	8,545	-	-
Compensated absences	<u>3,976</u>	<u>5,064</u>	<u>2,194</u>	<u>6,846</u>	<u>6,846</u>
Total long-term liabilities – business-type activities	<u>\$ 91,043</u>	<u>\$ 5,064</u>	<u>\$20,679</u>	<u>\$ 75,428</u>	<u>\$ 15,019</u>

Capital Lease Obligation

Capital lease obligation at September 30, 2013 is as follows:

<u>Purpose</u>	<u>Original</u> <u>Amount</u>	<u>Date of</u> <u>Lease</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rate</u>	<u>Balance</u> <u>9/30/2013</u>
Fuel Truck - Airport	\$ 86,070	6/01/11	11/15/20	4.0% to 6/15/16 then NY Prime + 1% (not to exceed 6.5%)	<u>\$68,582</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 8,173	\$ 2,827	\$ 11,000
2015	8,500	2,500	11,000
2016	8,835	2,165	11,000
2017	7,925	2,943	10,868
2018	8,448	2,420	10,868
2019-21	<u>26,701</u>	<u>3,822</u>	<u>30,523</u>
Total	<u>\$68,582</u>	<u>\$16,677</u>	<u>\$ 85,259</u>

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

I. 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.

J. CONTINGENT LIABILITIES AND COMMITMENTS

Federal and State Grants

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.

Litigation

The County periodically is a defendant in various lawsuits. At September 30, 2013, the County is not aware of any pending litigation.

Trust Funds

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.

K. RETIREMENT PLAN

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-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 78768-2034.

The plan provisions are adopted by the governing body of the County, within the options available in the Texas 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 of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and the County-financed monetary credits. The level of these monetary credits is adopted by the governing body of the County within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the County's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the County-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 (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 11.23% for the months of the accounting year in 2012, and 11.82% for the months of the accounting year in 2013.

The contribution rate payable by the employee members for calendar year 2013 is the rate of 7% as adopted by the Commissioners' Court of the County. The employee contribution rate and the County contribution rate may be changed by the Commissioners' Court of the County within the options available in the TCDRS Act.

3. Annual Pension Cost

The required contribution was determined as part of the December 31, 2012 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2012 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 5.4 percent. Both (a) and (b) included an inflation component of 3.5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2012 was 20 years.

The County's annual pension cost and actual contributions for the years ended September 30, 2013, 2012 and 2011 were \$396,315, \$365,546 and \$355,479, respectively. The County did not have a Net Pension Obligation (NPO) at the end of any of those years.

4. Funding Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the plan was 80.23 percent funded. The actuarial accrued liability for benefits was \$11,027,163, and the actuarial value of assets was \$8,847,287, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,179,876. The covered payroll (annual payroll of active employees covered by the plan) was \$3,428,852, and the ratio of the UAAL to the covered payroll was 63.57 percent.

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

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

L. POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The County administers the Wilbarger County Retiree Health Care Plan for retired employees.

1. Plan Description

Any employee who meets the retirement eligibility requirements of the Texas County and District Retirement System, and who leaves the employ of the County may, upon retirement, elect to remain on the County's group medical. The retired employee may continue coverage for dependents as well. Premiums for the retired employee and any dependents are paid by the retired employee. Premiums are determined annually by estimating the amount needed to cover projected claims. The benefit is subject to annual appropriations by the Commissioners' Court.

2. Normal Retirement Benefits

Retirement benefits are a defined benefit plan under TCDRS (see note K). Members are eligible to retire under TCDRS at age 60 or more with 8 years of vested service, at any time with a minimum of 30 years of vested service, or any age plus years of service equaling 75.

3. Early Retirement Benefits

Members retiring under early retirement conditions (non-vested) are not eligible for retiree healthcare benefits.

4. Deferred Retirement Benefits

Members who may be vested and terminate employment, but do not apply for retirement benefits, are not eligible for retiree health care benefits.

5. Benefits for Spouses / Children of Retired Employees

Wilbarger County retirees who continue health care insurance coverage with the County may also continue to cover their eligible dependents should they choose to do so. Children of retirees are eligible to continue to receive health care benefits until age 26, meeting the qualifications of dependent children described in the County's health care plan. Premiums for the retired employee's spouse / children will be paid by the retired employee.

6. Disability Retirement Benefits

If a member has 8 years or more of service and becomes disabled, the employee may be eligible for disability retirement. If a member has less than 8 years of service and the disability is work-related, the member may be eligible for disability retirement.

7. Funding Policy and Annual OPEB Cost

The County's annual other post-employment benefits (OPEB) cost is based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters 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.

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

The County had its first OPEB actuarial valuation performed as required by GASB for the year ended September 30, 2010 and was updated for the years ended September 30, 2011 and 2012. The County's OPEB cost for the years ended September 30, 2010, 2011, and 2012 was as follows:

	<u>9/30/10</u>	<u>9/30/11</u>	<u>9/30/12</u>
Annual Required Contribution	\$7,682	\$ 8,090	\$ 8,824
Interest on prior year OPEB obligation	-	317	529
Amortization of prior year OPEB obligation	-	(422)	(706)
Annual OPEB cost (expense) end of year	<u>7,682</u>	<u>7,985</u>	<u>8,647</u>
Net estimated retiree cost	(648)	(3,265)	(4,393)
Increase (decrease) in net OPEB obligation	7,034	4,720	4,254
Net OPEB obligation – beginning of year	-	<u>7,034</u>	<u>11,754</u>
Net OPEB obligation – end of year	<u>\$7,034</u>	<u>\$11,754</u>	<u>\$16,008</u>

8. Schedule of Actuarial Liabilities and Funding Status

Actuarial Valuation Date	9/30/12
Actuarial Value of Assets	\$ -
Actuarial Accrued Liabilities	\$ 80,956
Unfunded Actuarial Accrued Liability (UAAL)	\$ 80,956
Funded Ratio	0.00%
Annual Covered Payroll	\$3,383,011
UAAL as a Percentage of Annual Covered Payroll	2.39%

9. Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the County's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the accrued liability.

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees 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 were as follows:

Investment Rate of Return	4.5%, net of expenses
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level dollar
Amortization Period	Open 30 year period
Medical Trend	Level 5.0%

WILBARGER COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2013

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the profitability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the County's retiree health care plan 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.

M. FUND BALANCES

The Governmental Funds' fund balances consisted of the following at September 30, 2013:

	General Fund	Road & Bridge	Other Governmental Funds	Total
Nonspendable:				
Advances to other funds	\$ -	\$ 5,328	\$ -	\$ 5,328
Inventories	18,597	39,529	-	58,126
Prepaid items	<u>68,501</u>	<u>12,061</u>	-	<u>80,562</u>
Total nonspendable	<u>87,098</u>	<u>56,918</u>	<u>-</u>	<u>144,016</u>
Restricted:				
Special services	-	-	272,711	272,711
Jury duty	<u>-</u>	<u>-</u>	<u>2,178</u>	<u>2,178</u>
Total restricted	<u>-</u>	<u>-</u>	<u>274,889</u>	<u>274,889</u>
Committed:				
Road and bridge	-	1,476,092	-	1,476,092
Capital projects	<u>-</u>	<u>-</u>	<u>103,272</u>	<u>103,272</u>
Total committed	<u>-</u>	<u>1,476,092</u>	<u>103,272</u>	<u>1,579,364</u>
Unassigned	<u>3,141,092</u>	<u>-</u>	<u>-</u>	<u>3,141,092</u>
Total fund balances	<u>\$3,228,190</u>	<u>\$1,533,010</u>	<u>\$378,161</u>	<u>\$5,139,361</u>

N. PRIOR PERIOD ADJUSTMENT

The net position of the County's Governmental Activities' financial statements at September 30, 2012 were restated as follows:

Net position, as originally reported	\$11,370,235
Prior period adjustment to record donated road & bridge projects from the Texas Department of Transportation from 2006 to 2012, net of accumulated depreciation	<u>1,835,014</u>
Net position, as restated	<u>\$13,205,249</u>

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.

WILBARGER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 2,970,702	\$ 2,970,702	\$ 3,042,304	\$ 71,602
Sales taxes	676,000	676,000	698,585	22,585
Fees and commissions	835,100	835,100	977,020	141,920
Fines and forfeitures	150,000	150,000	146,926	(3,074)
Intergovernmental	146,880	146,880	135,124	(11,756)
Investment return	85,000	85,000	1,045	(83,955)
Miscellaneous	71,500	108,500	130,941	22,441
Total revenues	<u>4,935,182</u>	<u>4,972,182</u>	<u>5,131,945</u>	<u>159,763</u>
Expenditures				
Current:				
General government:				
County Judge	200,173	200,173	205,498	(5,325)
County Clerk	240,598	253,598	247,875	5,723
Veterans service	11,800	11,800	10,569	1,231
Non-departmental	544,015	469,015	455,177	13,838
Total General government	<u>996,586</u>	<u>934,586</u>	<u>919,119</u>	<u>15,467</u>
Judicial:				
Law library	25,720	25,720	29,378	(3,658)
Justice of the Peace #1	104,276	104,276	98,149	6,127
Justice of the Peace #2	113,153	114,653	114,400	253
District Attorney	203,400	236,700	232,480	4,220
District Clerk	179,241	179,241	176,072	3,169
District Court	284,600	284,600	229,211	55,389
Total Judicial	<u>910,390</u>	<u>945,190</u>	<u>879,690</u>	<u>65,500</u>
Legal:				
County Attorney	190,346	190,346	188,433	1,913
Financial:				
Tax Collector	275,956	275,956	266,770	9,186
Treasurer	71,187	71,187	69,033	2,154
County Auditor	148,237	148,237	139,931	8,306
Total Financial	<u>495,380</u>	<u>495,380</u>	<u>475,734</u>	<u>19,646</u>
Public facilities:				
Courthouse	208,254	223,254	196,770	26,484
Jail	775,516	775,516	739,094	36,422
Auditorium	308,481	308,481	292,613	15,868
Exhibit building	31,500	34,600	33,459	1,141
Arena	145,975	153,975	150,466	3,509
Total Public facilities	<u>1,469,726</u>	<u>1,495,826</u>	<u>1,412,402</u>	<u>83,424</u>

WILBARGER COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Public Safety:				
Constable #1	63,262	64,762	64,509	253
Constable #2	53,999	56,999	56,828	171
Juvenile probation	31,127	31,127	29,824	1,303
Sheriff	604,859	611,159	610,540	619
Civil defense	21,000	21,000	18,874	2,126
Department of Public Safety	1,750	2,850	2,522	328
Community supervision	1,200	1,200	1,080	120
Total Public Safety	<u>777,197</u>	<u>789,097</u>	<u>784,177</u>	<u>4,920</u>
Health and Welfare:				
Health and welfare	105,748	91,048	92,044	(996)
Outreach services	21,112	21,112	18,703	2,409
Total Health and Welfare	<u>126,860</u>	<u>112,160</u>	<u>110,747</u>	<u>1,413</u>
Conservation:				
Extension service	158,028	161,528	157,617	3,911
Total expenditures	<u>5,124,513</u>	<u>5,124,113</u>	<u>4,927,919</u>	<u>196,194</u>
Excess of revenues over (under) expenditures	<u>(189,331)</u>	<u>(151,931)</u>	<u>204,026</u>	<u>355,957</u>
Other sources (uses):				
Transfers in	-	-	17,109	(17,109)
Transfers out	(100,000)	(113,900)	(57,634)	(56,266)
Proceeds from sale of capital assets	-	-	29,719	(29,719)
Total other sources (uses)	<u>(100,000)</u>	<u>(113,900)</u>	<u>(10,806)</u>	<u>(103,094)</u>
Net change in fund balances	(289,331)	(265,831)	193,220	459,051
Fund balances, beginning of year	<u>3,034,970</u>	<u>3,034,970</u>	<u>3,034,970</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,745,639</u>	<u>\$ 2,769,139</u>	<u>\$ 3,228,190</u>	<u>\$ 459,051</u>

WILBARGER COUNTY, TEXAS
ROAD AND BRIDGE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	1,529,190	1,529,190	\$ 1,568,020	\$ 38,830
Fees and commissions	560,000	560,000	567,258	7,258
Intergovernmental	20,000	20,000	22,164	2,164
Investment return	40,000	40,000	(2,660)	(42,660)
Miscellaneous	1,000	1,000	115,867	114,867
Total revenues	<u>2,150,190</u>	<u>2,150,190</u>	<u>2,270,649</u>	<u>120,459</u>
Expenditures:				
Current:				
General government:				
Road and bridge administration	18,400	18,400	11,405	6,995
Total General government	<u>18,400</u>	<u>18,400</u>	<u>11,405</u>	<u>6,995</u>
Road and Bridge:				
Precinct Number One	556,572	585,672	521,208	64,464
Precinct Number Two	851,260	851,260	761,219	90,041
Precinct Number Three	549,736	549,736	452,644	97,092
Precinct Number Four	719,528	719,528	649,431	70,097
Total Road and Bridge	<u>2,677,096</u>	<u>2,706,196</u>	<u>2,384,502</u>	<u>321,694</u>
Debt service:				
Principal	100,094	100,094	100,093	1
Interest	11,796	11,796	11,795	1
Total Debt Service	<u>111,890</u>	<u>111,890</u>	<u>111,888</u>	<u>2</u>
Total expenditures	<u>2,807,386</u>	<u>2,836,486</u>	<u>2,507,795</u>	<u>328,691</u>
Excess of revenues over (under) expenditures	<u>(657,196)</u>	<u>(686,296)</u>	<u>(237,146)</u>	<u>449,150</u>
Other financing sources (uses):				
Proceeds from capital leases	260,000	260,000	168,346	91,654
Sale of capital assets	200,000	200,000	200,147	147
Total other financing sources (uses)	<u>460,000</u>	<u>460,000</u>	<u>368,493</u>	<u>91,801</u>
Net change in fund balances	(197,196)	(226,296)	131,347	357,643
Fund balances - beginning	1,401,663	1,401,663	1,401,663	-
Fund balances - ending	<u>\$ 1,204,467</u>	<u>\$ 1,175,367</u>	<u>\$ 1,533,010</u>	<u>\$ 357,643</u>

WILBARGER COUNTY, TEXAS
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED SEPTEMBER 30, 2013

A. BUDGETARY INFORMATION

Annual budgets are adopted on the GAAP basis of accounting for all governmental funds except capital project funds. Project-length budgets were adopted for all capital projects funds. All annual appropriations lapse at fiscal year end.

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. No supplemental appropriations were required during the year.

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 September 30, 2013, expenditures exceeded appropriations in the following:

General Fund:	
County Judge	\$ 5,325
Law Library	3,658
Health and Welfare	996

These over-expenditures were funded by available fund balance.

WILBARGER COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS -
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2010	\$ 7,930,514	\$ 9,763,091	\$ 1,832,577	81.23%	\$ 3,227,950	56.77%
12/31/2011	8,316,497	10,392,166	2,075,669	80.03%	3,310,321	62.70%
12/31/2012	8,847,287	11,027,163	2,179,876	80.23%	3,428,852	63.57%

WILBARGER COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS -
WILBARGER COUNTY RETIREE HEALTH CARE PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
9/30/2010	\$ -	\$ 65,786	\$ 65,786	0.00%	\$ 3,229,239	2.04%
9/30/2011	-	71,680	71,680	0.00%	3,329,470	2.15%
9/30/2012	-	80,956	80,956	0.00%	3,383,011	2.39%

*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.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Jury Fund – This fund is used to account for the cost of providing jury service for county and district courts.

Special Services Fund – This fund is used to account for special fees with specific purposes as set out by state legislation. Funding is provided by those specific fees.

Grant Fund – This fund is used to account for various individual grants received by Wilbarger County.

Juvenile Services Fund – This fund is used to account for the services of the 46th Juvenile Justice District and the related reimbursements received from the state. This fund is not budgeted.

CAPITAL PROJECTS FUND

Capital Projects Fund – This fund is used to account for the accumulation of resources for, and the payment of capital projects.

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-3)
	Jury Fund	Special Services Fund	Grant Fund	Juvenile Services Fund		
ASSETS						
Cash and cash equivalents	\$ 1,099	\$ 269,894	\$ -	\$ -	\$ 103,272	\$ 374,265
Receivables (net of allowances for uncollectibles):						
Fines	-	9,328	-	-	-	9,328
Intergovernmental	1,080	-	11,175	-	-	12,255
Due from other funds	-	5,576	-	-	-	5,576
Total assets	<u>\$ 2,179</u>	<u>\$ 284,798</u>	<u>\$ 11,175</u>	<u>\$ -</u>	<u>\$ 103,272</u>	<u>\$ 401,424</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 2,760	\$ 11,175	\$ -	\$ -	\$ 13,935
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>2,760</u>	<u>11,175</u>	<u>-</u>	<u>-</u>	<u>13,935</u>
Deferred inflows of resources:						
Unavailable revenues	-	9,328	-	-	-	9,328
Fund balances:						
Restricted	2,179	272,710	-	-	-	274,889
Committed	-	-	-	-	103,272	103,272
Total fund balances	<u>2,179</u>	<u>272,710</u>	<u>-</u>	<u>-</u>	<u>103,272</u>	<u>378,161</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,179</u>	<u>\$ 284,798</u>	<u>\$ 11,175</u>	<u>\$ -</u>	<u>\$ 103,272</u>	<u>\$ 401,424</u>

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds (See Exhibit A-5)
	Jury Fund	Special Services Fund	Grant Fund	Juvenile Services Fund		
Revenues						
Fees and commissions	\$ -	\$ 77,018	\$ -	\$ -	\$ -	\$ 77,018
Fines and forfeitures	-	29,213	-	-	-	29,213
Intergovernmental	1,080	-	22,917	192,763	-	216,760
Investment return	28	1,050	-	-	927	2,005
Total revenues	<u>1,108</u>	<u>107,281</u>	<u>22,917</u>	<u>192,763</u>	<u>927</u>	<u>324,996</u>
Expenditures						
Current:						
General government	-	93,385	343	-	-	93,728
Judicial	-	-	13,899	-	-	13,899
Legal	3,874	-	-	-	-	3,874
Public safety	-	-	-	192,763	-	192,763
Total expenditures	<u>3,874</u>	<u>93,385</u>	<u>14,242</u>	<u>192,763</u>	<u>-</u>	<u>304,264</u>
Excess (deficiency) of revenues over (under) expenditures	(2,766)	13,896	8,675	-	927	20,732
Other use:						
Transfers out	-	-	(8,675)	-	-	(8,675)
Net change in fund balances	(2,766)	13,896	-	-	927	12,057
Fund balances, beginning of year	4,945	258,814	-	-	102,345	366,104
Fund balances, end of year	<u>\$ 2,179</u>	<u>\$ 272,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,272</u>	<u>\$ 378,161</u>

WILBARGER COUNTY, TEXAS
JURY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,500	\$ 1,500	\$ 1,080	\$ (420)
Investment return	50	50	28	(22)
Total revenues	<u>1,550</u>	<u>1,550</u>	<u>1,108</u>	<u>(442)</u>
Expenditures				
Current:				
Legal	<u>15,900</u>	<u>15,900</u>	<u>3,874</u>	<u>12,026</u>
Excess of revenues over (under) expenditures	<u>(14,350)</u>	<u>(14,350)</u>	<u>(2,766)</u>	<u>11,584</u>
Other sources (uses):				
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Net change in fund balances	(4,350)	(4,350)	(2,766)	1,584
Fund balances, beginning of year	4,945	4,945	4,945	-
Fund balances, end of year	<u>\$ 595</u>	<u>\$ 595</u>	<u>\$ 2,179</u>	<u>\$ 1,584</u>

WILBARGER COUNTY, TEXAS
SPECIAL SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Fees and commissions	\$ 71,000	\$ 71,000	\$ 77,018	\$ 6,018
Investment return	1,000	1,000	29,213	28,213
Miscellaneous	-	-	1,050	1,050
Total revenues	<u>72,000</u>	<u>72,000</u>	<u>107,281</u>	<u>35,281</u>
Expenditures				
Current:				
General government	<u>91,000</u>	<u>91,000</u>	<u>93,385</u>	<u>(2,385)</u>
Net change in fund balances	(19,000)	(19,000)	13,896	32,896
Fund balances, beginning of year	258,814	258,814	258,814	-
Fund balances, end of year	<u>\$ 239,814</u>	<u>\$ 239,814</u>	<u>\$ 272,710</u>	<u>\$ 32,896</u>

WILBARGER COUNTY, TEXAS
GRANT FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 15,000	\$ 15,000	\$ 22,917	\$ 7,917
Total revenues	15,000	15,000	22,917	7,917
Expenditures				
Current:				
General government	-	-	343	(343)
Judicial	15,000	15,000	13,899	1,101
Total expenditures	15,000	15,000	14,242	758
Net change in fund balances	-	-	8,675	8,675
Other use:				
Transfer out	-	-	(8,675)	(8,675)
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

WILBARGER COUNTY, TEXAS
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Investment return	\$ 300	\$ 300	\$ 927	\$ 627
Total revenues	300	300	927	627
Expenditures				
Current:				
Public facilities	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	300	300	927	627
Fund balances, beginning of year	102,345	102,345	102,345	-
Fund balances, end of year	\$ 102,645	\$ 102,645	\$ 103,272	\$ 627

FIDUCIARY FUNDS

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

Tax Assessor/Collector Agency – This fund is used to account for receipts of the tax assessor/collector pending disposition to individuals and entities, the County and other governments.

County Clerk Agency – This fund is used to account for receipts of the county clerk pending disposition to individuals and entities, the County or other governments.

Sheriff Agency – This fund is used to account for receipts of the sheriff pending disposition to individuals and entities, the County or other governments.

County Attorney Agency – This fund is used to account for receipts of the county attorney pending disposition to individuals and entities, the County or other governments.

Justice of the Peace Fee Account Agency – This fund is used to account for receipts of fines and court costs by two justices of the peace pending disposition to individuals and entities, the County or other governments.

District Clerk Agency – This fund is used to account for receipts of the District Clerk pending disposition to individuals and entities, the County or other governments.

District Attorney Agency – This fund is used to account for receipts of the District Attorney pending disposition to individuals and entities, the County or other governments.

Constable #1 Agency – This fund is used to account for training funds of Constable #1 pending disposition to individuals and others.

Constable #2 Agency – This fund is used to account for training funds of Constable #2 pending disposition to individuals and others.

State Tax Agency – This fund is used to account for receipts for state court costs and fees pending disposition to individuals and entities, the County or other governments.

Jail Commissary Agency – This fund is used to account for the activity of the jail commissary.

Christmas Club Account Agency – This fund is used as a savings account for the receipts withheld from employees' regular paychecks and held pending yearly distribution to the employees from which it was withheld.

Energy Grant Fund – This fund is used to account for funds held related to the Wilbarger County Energy Grant Program with Blue Summit, LLC.

Juvenile Probation Account – This fund is used to account for funds held related to juvenile probation.

Historical Commission Accountant – This fund is used to account for funds held related to the Historical Commission.

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2013

	Tax Assessor/ Collector Agency	County Clerk Agency	Sheriff Agency	County Attorney Agency	Justice of the Peace Fee Account
ASSETS					
Cash and cash equivalents	\$ 524,207	\$ 71,054	\$ 11,681	\$ 34,101	\$ 43,353
Investments	-	38,561	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 524,207</u>	<u>\$ 109,615</u>	<u>\$ 11,681</u>	<u>\$ 34,101</u>	<u>\$ 43,353</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	135,695	45,082	3,690	-	32,747
Due to other governments	388,512	-	-	-	-
Due to others	-	64,533	7,991	34,101	10,606
Total liabilities	<u>\$ 524,207</u>	<u>\$ 109,615</u>	<u>\$ 11,681</u>	<u>\$ 34,101</u>	<u>\$ 43,353</u>

<u>District Clerk Agency</u>	<u>District Attorney</u>	<u>Constable #1</u>	<u>Constable #2</u>	<u>State Tax Agency</u>	<u>Jail Commissary</u>
\$ 343,631	\$ 311,784	\$ 769	\$ 570	\$ 54,422	\$ 1,726
191,712	-	-	-	-	-
-	-	-	-	27,322	-
<u>\$ 535,343</u>	<u>\$ 311,784</u>	<u>\$ 769</u>	<u>\$ 570</u>	<u>\$ 81,744</u>	<u>\$ 1,726</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,916	\$ -
18,533	2,464	200	-	9,518	-
-	-	-	-	70,310	-
516,810	309,320	569	570	-	1,726
<u>\$ 535,343</u>	<u>\$ 311,784</u>	<u>\$ 769</u>	<u>\$ 570</u>	<u>\$ 81,744</u>	<u>\$ 1,726</u>

WILBARGER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2013

	Christmas Club Account Agency	Energy Grant Fund	Juvenile Probation Account	Historical Commission	Total Agency Funds (See Exhibit A-10)
ASSETS					
Cash and cash equivalents	\$ 78,906	\$ 98	\$ 238,268	\$ 17,728	\$ 1,732,298
Investments	-	-	-	-	230,273
Due from other funds	-	-	-	-	27,322
Total assets	<u>\$ 78,906</u>	<u>\$ 98</u>	<u>\$ 238,268</u>	<u>\$ 17,728</u>	<u>\$ 1,989,893</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,916
Due to other funds	-	-	-	-	247,929
Due to other governments	-	-	-	-	458,822
Due to others	78,906	98	238,268	17,728	1,281,226
Total liabilities	<u>\$ 78,906</u>	<u>\$ 98</u>	<u>\$ 238,268</u>	<u>\$ 17,728</u>	<u>\$ 1,989,893</u>