

McLENNAN COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

Prepared by:
STAN CHAMBERS, CPA
COUNTY AUDITOR

McLENNAN COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2012

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION:	
LETTER OF TRANSMITTAL	1
GFOA CERTIFICATE OF ACHIEVEMENT	5
ORGANIZATIONAL CHART	7
LIST OF ELECTED AND APPOINTED OFFICIALS	8
FINANCIAL SECTION:	
INDEPENDENT AUDITOR'S REPORT	11
MANAGEMENT'S DISCUSSION AND ANALYSIS	13
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Assets	30
Statement of Activities	31
Fund Financial Statements:	
Balance Sheet – Governmental Funds	32
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Assets	35
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	36
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	39
Statement of Net Position – Proprietary Fund	40
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	41
Statement of Cash Flows – Proprietary Fund	42
Statement of Fiduciary Net Assets – Fiduciary Funds	43
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	44
Notes to the Basic Financial Statements	45
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	76
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Road and Bridge Fund	77
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Jail Lease Fund	78
Schedule of Funding Progress for the Retirement Plan for the Employees of McLennan County	79
Schedule of Funding Progress for the Health Care Plan for the Employees of McLennan County	79
Notes to the Required Supplementary Information	80
SUPPLEMENTARY FINANCIAL INFORMATION:	
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds - Purpose of Funds and Fund Descriptions	83
Combining Balance Sheet – Nonmajor Governmental Funds	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	93

McLENNAN COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2012

(continued)

TABLE OF CONTENTS

	Page
Schedule of Expenditures – Compared to Budget (GAAP Basis) – General Fund	98
Schedule of Expenditures – Compared to Budget (GAAP Basis) – Road and Bridge Fund	114
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Debt Service Fund	116
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Permanent Improvement Fund	117
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Alcohol and Drug Court Program Fund	118
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Child Abuse Prevention Fund	119
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – County and District Court Technology Fund	120
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – County Clerk Records Management Fund	121
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Courthouse Security Fund	122
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Court Records Preservation Fund	123
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Court Reporter Service Fund	124
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Dispute Resolution Fund	125
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – District Clerk Errors and Omissions Fund	126
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – District Clerk Records Management Fund	127
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – District Court Records Technology Fund	128
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Family Protection Fund	129
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Farm-to-Market / Flood Control Fund	130
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Jury Fund	131
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Justice Court Building Security Fund	132
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Justice Technology Fund	133
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Juvenile Delinquency Prevention Fund	134
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Law Library Fund	135
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Records Management Fund	136
Agency Funds:	
Agency Funds – Purpose of Funds	138
Combining Schedule of Changes in Assets and Liabilities – All Agency Funds	140

McLENNAN COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2012

(continued)

TABLE OF CONTENTS

	<u>Page</u>
STATISTICAL SECTION:	
FINANCIAL TRENDS	
Net Assets by Component	146
Changes in Net Assets	148
Governmental Activities Tax Revenues by Source	151
Governmental Fund Balances	152
Changes in Fund Balances, Governmental Funds	154
REVENUE CAPACITY	
Taxable Assessed Value and Actual Value of Property	157
Property Tax Rates – Direct and Overlapping Governments	158
Components of Property Tax Rates – Direct and Overlapping Governments	160
Principal Taxpayers	170
Property Tax Levies and Collections	171
DEBT CAPACITY	
Ratio of Outstanding Debt by Type	172
Ratios of Net General Bonded Debt Outstanding	173
Computation of Direct and Overlapping Debt	174
Legal Debt Margin	176
DEMOGRAPHIC AND ECONOMIC INFORMATION	
Demographic and Economic Statistics	178
Principal Employers	179
OPERATING INFORMATION	
County Employees by Function	181
Operating Indicators by Function	182
Capital Asset Statistics by Function	185



**Stan Chambers, CPA
County Auditor**



214 N. Fourth Street, Suite 100
Waco, Texas
Voice (254) 757-5156
Fax (254) 757-5157
Stan.chambers@co.Mclennan.tx.us

March 28, 2013

Honorable District Judges
Honorable County Judge
Honorable County Commissioners

The Comprehensive Annual Financial Report of McLennan County, Texas, for the fiscal year ended September 30, 2012, is submitted herewith in accordance with Chapter 114.025 of the Local Government Code. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board and audited in accordance with auditing standards generally accepted in the United States of America by a firm of certified public accountants.

This report consists of management's representations concerning the finances of McLennan County, Texas. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, McLennan County management has established a comprehensive internal control framework designed both to protect governmental assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). McLennan County's comprehensive framework, because the cost of internal controls should not outweigh their benefits, has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

McLennan County's financial statements have been audited by Pattillo, Brown and Hill LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2012, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditors concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on McLennan County's financial statements for the fiscal year ended September 30, 2012 that they are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of McLennan County was a part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements. Specific emphasis was placed on internal controls and compliance with laws and regulations involving the administration of federal awards. This Single Audit Report is available as a separate report from McLennan County.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. McLennan County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Located in Central Texas, McLennan County was incorporated in 1850 and both the County and the County Seat were named after the pioneer, Neil McLennan. The County's population continues to grow and is now 234,906 according to the 2010 census. This is up 10% over the 2000 census of 213,517 and 24.2% over the 1990 census of 189,123. The County has a land area of 1,042 square miles. The decennial census levels in Texas determine which of the various State statutes apply to each particular Texas County.

The County operates as specified under the Constitution and Statutes of the State of Texas, which provide for a Commissioners Court consisting of the County Judge and four Commissioners, one from each of four geographical precincts. The County Judge is elected for a term of four years and the Commissioners for four-year staggered terms.

The County provides the full range of county services contemplated by the Constitution and Statutes of the State of Texas. The primary functions include general government, judiciary, public safety, county roads, environmental protection, health, welfare, culture and recreation, conservation, and infrastructure.

The annual budget serves as the foundation for McLennan County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Budget Officer by the first week in July. The County Budget Officer uses these requests as the starting point for developing a proposed budget. The County Auditor is responsible for estimating the revenues for the budget. The County Budget Officer must file the proposed budget with the County Clerk by July 31. The proposed budget is also given to the members of the Commissioners Court at that time. Commissioners Court then holds budget work sessions to hear specific requests from department heads and make any changes to the proposed budget the Court deems necessary. The Court is required to publish specific information, notices, and hold public hearings as defined by State Statute. After all these requirements are met, the Court may adopt the budget and the tax rate by September 1 or as soon thereafter as is practical. The appropriated budget is adopted by fund, then by department, then by the categories of personal services, supplies, other services and charges, capital expenditures and debt service. Budget-to-actual comparisons are provided in this report for all of the funds for which a budget is adopted by the Commissioners Court.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which McLennan County operates.

Local economy. McLennan County experiences the same economic concerns being felt across Texas and the Nation. However, the tough economy is mitigated to a great degree in McLennan County by its diversified and stable economic base, including manufacturing, high technology companies, retail, higher education institutions, service industries, aviation industry and others. McLennan County provides a high quality labor force, attractive real estate opportunities, favorable tax treatment and abundant natural resources.

McLennan County is strategically located at the approximate geographic center of Texas, often referred to as the "Heart of Texas," and is within 200 miles of 70 percent of the Texas population. Major cities such as Austin, Dallas, Fort Worth, Houston, and San Antonio are within minimal driving distances. The NAFTA (North American Free Trade Agreement) continues to have a strong impact on the County. Interstate Highway 35, considered a main gateway to Mexico, passes through the middle of the County.

Long-term financial planning. The Commissioners Court continues to be very active in economic development to insure and promote continued growth. Vigorous efforts by the McLennan County Commissioners Court and the Greater Waco Chamber of Commerce to attract new industry to the area are continuing, and the prospect of continued growth in the local economy is very encouraging at this time. The establishment of the Waco/McLennan County Economic Development Corporation, a joint venture with the Greater Waco Chamber of Commerce, the Waco Industrial Foundation, the City of Waco and McLennan County, has been a significant instrument in promoting economic development in our area. Both McLennan County and the City of Waco provide the funding for the Corporation, which provides economic incentives to companies meeting certain social and economic performance standards.

Changes to Other Post Employment Benefits. The County has made the decision to change its Other Post Employment Benefits to mitigate the Unfunded Actuarial Accrued Liability (UAAL). The year ended September 30, 2009 was the implementation year for GASB 45 and the UAAL is significant. The Commissioners Court passed an order in late December 2008 that any employees coming to work for the County after January 1, 2009 would not be eligible for the county-paid lifetime health insurance premiums (the terms of this benefit are fully explained in the notes

to the financial statements).

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to McLennan County, Texas for its comprehensive annual financial report for the fiscal year ended September 30, 2011. This was the twenty-seventh consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

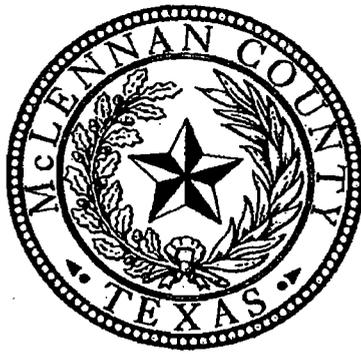
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the County Auditor's Office. I would like to express my appreciation to everyone who assisted and contributed in the preparation of this report. Credit also must be given to the Board of District Judges for their support in maintaining the highest standard of professionalism, and to the McLennan County Commissioners Court for its management of McLennan County's finances and for their work in helping develop information related to reporting infrastructure and for providing the necessary related software tools.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stan Chambers", followed by a long horizontal line extending to the right.

Stan Chambers, CPA
McLennan County Auditor



Certificate of Achievement for Excellence in Financial Reporting

Presented to

McLennan County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Morill

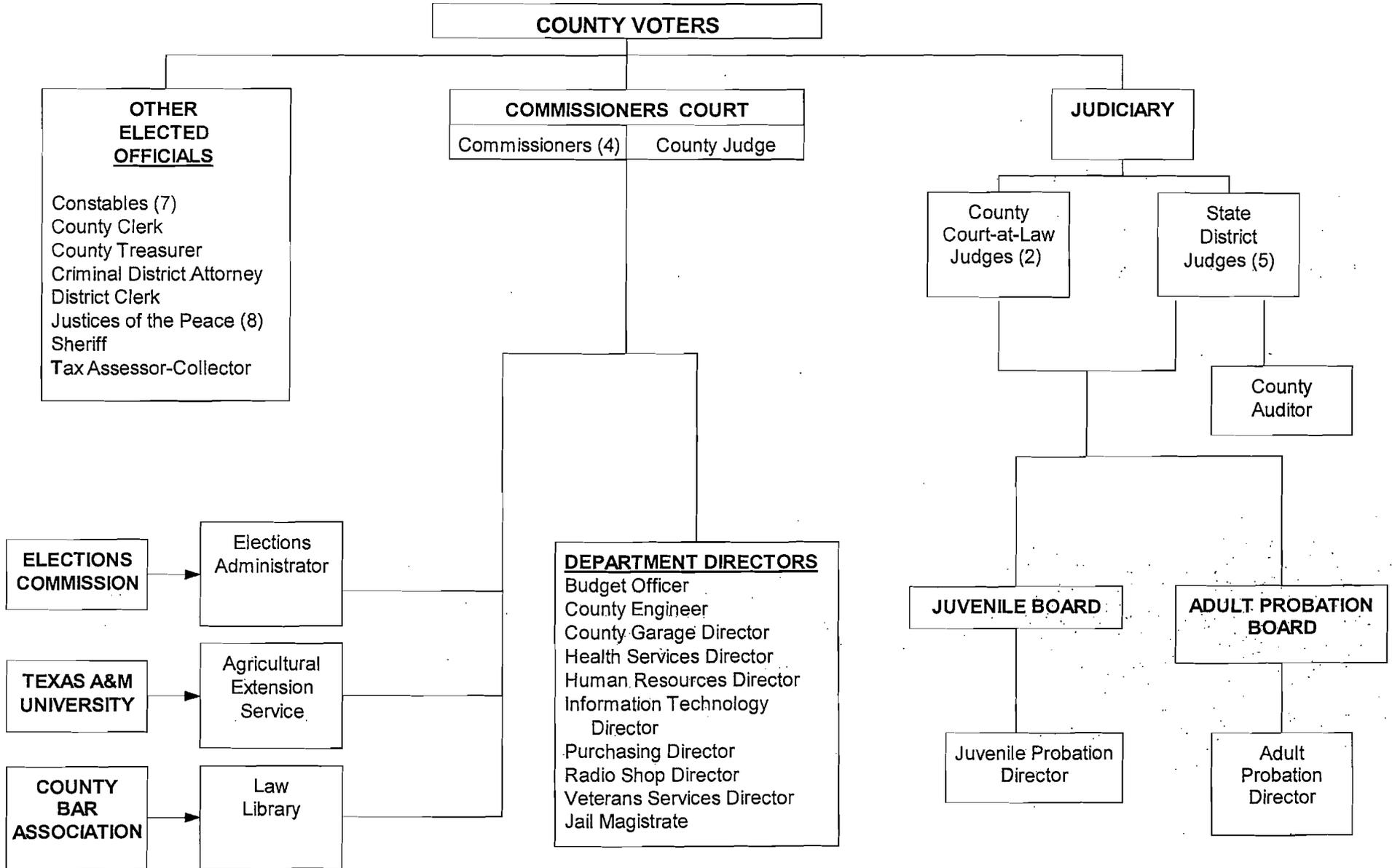
President

Jeffrey R. Emer

Executive Director



**McLENNAN COUNTY, TEXAS
ORGANIZATION**



MCLENNAN COUNTY, TEXAS

PRINCIPAL OFFICIALS
As of September 30, 2012

ELECTED OFFICIALS

District Officials

Judge, 19th Judicial District Ralph Strother
Judge, 54th Judicial District Matt Johnson
Judge, 74th Judicial District Gary Coley, Jr.
Judge, 170th Judicial District Jim Meyer
Judge, 414th Judicial District Vicki Menard
Criminal District Attorney..... Abel Reyna
District Clerk Karen Matkin

Commissioners Court

County Judge James Lewis
Commissioner, Precinct 1 Kelly Snell
Commissioner, Precinct 2 Lester Gibson
Commissioner, Precinct 3 Joe Mashek
Commissioner, Precinct 4 Ben Perry

County Officials

Judge, County Court at Law, No. 1 Mike Freeman
Judge, County Court at Law, No. 2 Bradley Cates
County Clerk Jack "Andy" Harwell
County Sheriff Larry Lynch
County Treasurer Danny Volcik
County Tax Assessor-Collector A. F. "Buddy" Skeen
Constable, Precinct 1 Travis Bailey
Constable, Precinct 2 Danny Tate
Constable, Precinct 3 David Maler
Constable, Precinct 4 Larry Eschenburg
Constable, Precinct 5 Stan Hickey
Constable, Precinct 7 John Johnson
Constable, Precinct 8 Freddie Cantu
Justice of the Peace, Precinct 1, Place 1 Kristi DeCluitt
Justice of the Peace, Precinct 1, Place 2 William Martin
Justice of the Peace, Precinct 2 Belinda Summers
Justice of the Peace, Precinct 3 David Pareya
Justice of the Peace, Precinct 4 Barbara Rusling Lloyd
Justice of the Peace, Precinct 5 Pat Richardson
Justice of the Peace, Precinct 7 Jean Laster Boone
Justice of the Peace, Precinct 8 Fernando Villarreal

APPOINTED OFFICIALS

County Auditor Stan Chambers
Director of Juvenile Probation Bobby Campos
Director of Adult Probation William Seigman
Elections Director Kathy Van Wolfe

MCLENNAN COUNTY, TEXAS

PRINCIPAL OFFICIALS (continued)

As of September 30, 2012

DEPARTMENTAL DIRECTORS

Purchasing Director Kenneth Bass
Radio Shop Director..... Wayne Canaday
Vehicle Maintenance Director Mike Knapp
County Engineer Steve Hendrick
Human Resources Director Herman Kelly
Health Services Director Eva Cruz Hamby
Mental Health Court Director..... Tessa Slovak
Veterans Services Director Steve Hernandez
Bond Office Director..... Sharon Payne
Building Maintenance Director Sam Sykora
Information Technology Director Robert Wasson
Jail Magistrate..... Virgil Bain
Budget Officer Adam Harry



INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and
Commissioners' Court
McLennan County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of McLennan County, Texas, as of and for the year ended September 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of McLennan County, Texas, as of September 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2013, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 29, the Schedules of Funding Progress on page 79, and the budgetary comparison information on pages 76 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Pattillo, Brown & Hill, L.L.P.

March 28, 2013

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

This discussion and analysis provides readers of the financial statements of McLennan County, Texas (the County) a narrative overview and analysis of the County's financial activities for the fiscal year that ended September 30, 2012. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers of this discussion and analysis should consider the information presented here in conjunction with additional information that we have furnished in our accompanying letter of transmittal, and in the basic financial statements and notes to the financial statements (which immediately follow this discussion).

FINANCIAL HIGHLIGHTS

- The assets of McLennan County exceeded its liabilities at September 30, 2012, by \$71 million. Net assets invested in capital assets (net of depreciation and related debt) account for almost 40% of this amount, with a value of \$28 million. Restricted net assets totaled \$12.6 million or 18% of net assets. Of the remaining net assets, \$30 million, or 42%, may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets decreased by a total of \$6.2 million for the year ended September 30, 2012 when compared to the total net assets reported for the year ended September 30, 2011.
- Income from general sources of revenue totaled more than \$67 million, with total expenses in excess of program revenues of \$73 million.
- As of September 30, 2012, McLennan County's governmental funds reported combined ending fund balances of \$46.6 million. Of that amount, \$30.5 million was restricted for or committed for specific purposes. \$16.1 million was unassigned for spending at the government's discretion in the Governmental Funds.
- The unassigned fund balance for the General Fund of \$16.1 million at September 30, 2012 was 22% of the total \$72.5 million in Fiscal Year 2012 General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to McLennan County's basic financial statements. The annual report presented herein is a series of financial statements and notes to those statements, as well as other required supplementary information and schedules. These statements and schedules are organized so the reader can understand McLennan County as a financial operating entity. As the reader moves through the statements, there is ever increasing detail to further explain information presented. The basic financial statements are comprised of three components:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the financial statements

This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

There are two government-wide financial statements that are designed to provide readers a broad overview of McLennan County's finances in a manner similar to the financial statements of a private-sector business.

The statement of net assets presents information on all of McLennan County's assets and liabilities; the difference between the two is reported as net assets. This statement is similar to that of the balance sheet of a private-sector business (with primary sections in a business balance sheet being assets, liabilities, and equity). Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

The statement of activities presents information showing how the government's net assets changed during 2012. Because the statement of activities separates program revenue (that is, revenue generated by specific programs through charges for services, fees, licenses, grants received, and other contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on general revenues for funding.

All changes in net assets are reported using the accrual basis of accounting, similar to the method used by most private-sector businesses. The accrual basis of accounting requires that revenues be reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of cash being received or paid. This differs from the fund accounting statements, which are recorded using the modified accrual method to primarily record the inflows and outflows of cash. Items such as uncollected taxes, unpaid vendor invoices for items received in 2012, and earned but unused vacation leave are included in the statement of activities as revenue and expense, even though the cash associated with these items will not be received or distributed in 2012.

McLennan County has no separately identified discretely-presented component units included in the government-wide financial statements. By virtue of the County's authority to exercise influence over its operations, the Community Supervision and Corrections Department (Adult Probation Fund) is reflected as a blended component unit special revenue fund and its financial data is included in governmental activities.

In addition McLennan County Public Facilities Corporation (the Corporation or PFC), a nonprofit corporation created under Texas Local Government Code Section 303 on September 2, 2008 is a blended component unit. All of the members of the Board of Directors of the Corporation are appointed by the County's Commissioners Court, and indeed consists of the same individuals that comprise the Commissioners Court. During 2009 the Corporation issued revenue bonds totaling \$49,015,000 to fund the construction of a new 816 bed detention facility. The new detention facility was completed in 2010 and started operating in June of that year.

You will find further information regarding these blended component units in the Summary of Significant Accounting Policies in Note I of the notes to the financial statements.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. McLennan County, like other local governments, uses fund accounting to ensure and demonstrate compliance with financial and legal requirements. All funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

- 1) Governmental Funds are used to account for essentially the same functions reported in the governmental activities in the government-wide financial statements, but unlike the activity statement, the measurement focus is on available resources.
- 2) Fiduciary Funds are used to account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.
- 3) Proprietary Funds are used to account for the County's health insurance. The County maintains one type of proprietary fund, an Internal Service Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. This Internal Service Fund has been included within governmental activities in the government-wide financial statements.

Governmental Funds

The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances present a separate column of financial data for the General Fund, the Road and Bridge Fund, the Jail Lease Fund, the Debt Service Fund, the Permanent Improvement Fund, the PFC Jail Operating Fund, and the PFC Revenue Series 2009 Debt Service Fund as the major funds. Data from the remaining governmental funds (i.e., non-major funds) are combined into a single, aggregated presentation. The "governmental fund" financial statements can be found immediately following the "government-wide" financial

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

statements. Individual fund data for each of the non-major governmental funds is provided in the Combining and Individual Fund Statements and Schedules following Required Supplementary Information.

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. As mentioned earlier, government-wide financial statements are reported using accrual accounting; governmental fund financial statements focus on near-term inflows and outflows, as well as balances of available resources. In other words, revenue is reported when earned, provided it is collectible within the reporting period or soon enough afterwards to be used to pay liabilities of the current period. Likewise, liabilities are recognized as expenditures only when payment is due since they must be liquidated with available cash. Such information is useful in evaluating a government's near-term financing requirements in comparison to near-term resources.

The focus of governmental fund financial statements is more limited than that of government-wide financial statements. Because of the difference in the two types of statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers should better understand the results and long-term impact of near-term financing decisions. The reader is assisted in this comparison between the two bases of accounting by reconciliation statements between the governmental fund balance sheet and the statement of net assets, as well as the governmental fund statement of revenues, expenditures, and changes in fund balances and the statement of activities.

McLennan County utilizes and maintains budgetary controls over its operating funds. Budgetary controls are used to ensure compliance with legal provisions required under state statute governing the annual appropriated budget. Budgets for governmental funds are established in accordance with state law and are adopted at the department level for all funds using the primary categories of personal services, supplies, other services and charges, capital outlay and debt service. Specific equipment items included in capital outlays are approved on a capital equipment schedule. Appropriations for Capital Projects Funds are approved on an annual basis. A budgetary comparison statement is provided for the General Fund in this management's discussion and analysis section. Also, the Required Supplementary Information contains budget comparisons for the General Fund, the Road and Bridge Fund, and the Jail Lease Fund. The comparison statement is used to demonstrate compliance with the budget both as originally adopted and as finally amended.

Budgetary comparisons are not presented for the Adult Probation Fund because its budget is determined by a State grantor agency. A budget for the Public Facilities Corporation (PFC) funds is not presented because its budget, which there is none, would have been prepared by its separate corporate board. A Public Facilities Corporation is not required to prepare or adopt a formal budget under Texas Statutes.

Proprietary Funds

The Internal Service Fund is used to finance, administer and account for McLennan County's self-insured health program, whose purpose is to provide health insurance to employees of the County. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside McLennan County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs and expenses of McLennan County. Fiduciary funds are accounted for on the accrual basis. Agency funds are used as clearing accounts for assets held by McLennan County in its role as custodian until the funds are allocated to the parties, organizations, or other government agencies to which they belong. The basic fiduciary fund financial statements can be found following the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

Notes to the Financial Statements

The notes provide additional information essential to a complete understanding of data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

GOVERNMENT-WIDE FINANCIAL STATEMENT ANALYSIS

Statement of Net Assets

The table following is a condensed Government-wide Summary of Net Assets as of September 30, 2012 and 2011:

Summary of Net Assets		
September 30, 2012		
(\$ in thousands)		
	2012	2011
Current and other assets	\$ 65,096	\$ 69,471
Capital assets (net of accumulated depreciation) and construction in progress	101,944	104,548
Total assets	\$ 167,040	\$ 174,019
Current and other liabilities	\$ 7,426	\$ 6,472
Unearned revenues	232	287
Long-term liabilities	88,371	90,079
Total liabilities	\$ 96,029	\$ 96,838
Net assets:		
Invested in capital assets, net of related debt	\$ 28,112	\$ 25,954
Restricted	12,594	12,680
Unrestricted	30,305	38,547
Total net assets	\$ 71,011	\$ 77,181

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

As noted earlier, net assets (and the change in net assets from year to year) may serve over time as a useful indicator of a government's financial condition. McLennan County's net assets at September 30, 2012 totaled \$71 million, representing a \$6 million decrease from the September 30, 2011 balance.

McLennan County's total assets were just over \$167 million as of September 30, 2012. Of this amount, \$101.9 million is accounted for by capital assets, which includes net infrastructure of \$10.8 million. Of the remaining County assets, approximately \$50.7 million were accounted for in cash, cash equivalents, and investments; \$8.7 million in taxes and accounts receivable; \$3.6 million due from other governments, \$1.7 million in deferred charges and \$446 thousand in prepaid expenses.

Cash and cash equivalents decreased \$4 million, from \$54.7 million at September 30, 2011 to \$50.6 million at September 30, 2012. The primary reason for the decrease was due to the increased cost of housing inmates.

At September 30, 2012 the County had outstanding liabilities of \$96 million, with approximately \$88 million in total noncurrent liabilities. Of the long-term liabilities, \$6.8 million was due within a year, with the remainder of \$81.5 million due over an extended period of time. There is a more in-depth discussion of long-term debt in the notes to the financial statements.

Included in other liabilities in the summary of net assets is \$6.9 million in accounts payable and accrued liabilities.

A large portion of the County's net assets (almost 40%) reflects its investment in capital assets, such as equipment, facilities, infrastructure, etc., less any outstanding related debt used to acquire those assets. Capital assets are used to provide services to citizens.

An amount representing 18% of the County's net assets is subject to restrictions on how they may be used (restricted by either statute or contractual agreement). The remaining balance of \$30.3 million (unrestricted net assets) represents the amount that may be used to meet the County's ongoing obligations.

Statement of Activities

The net assets of McLennan County decreased from governmental operations by \$6.2 million in 2012. Key elements in changes in net assets are shown in the table and graphs on the following pages.

Total revenues from all governmental activities for McLennan County were \$109 million in 2012 compared to \$102 million in 2011, for an increase of \$7 million. The primary components of the revenues changes are as follows:

- Property tax revenue, accounting for 48% of total revenues, increased \$2.4 million from \$49.6 million in 2011 to \$52 million in 2012.
- Sales tax accounted for 12% of total revenues, increasing \$419,500 thousand from \$12.52 million in 2011 to \$12.9 million in 2012.
- Grants and contributions accounted for 6.1% of total revenues, showing a decrease of \$103 thousand from \$6.8 million in 2011 to \$6.7 million in 2012.
- Charges for services totaled approximately \$34.9 million in 2012 comprising 32% of total revenue in 2012, compared to \$30.2 million of charges for services in 2011, which represented 29.6% of total revenue in 2011.
- The remaining 1.9% of revenue in 2012 was provided by other taxes, interest income, rental revenues and miscellaneous sources. In 2011 this same group of revenues comprised 1.7% of revenues. This is primarily due to the reclassification of revenue for specific services that were included in other taxes in 2012.

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

Expenses for the year totaled about \$115.2 million in 2012 compared to \$104.4 million in 2011. This represents a 9.38% or \$10.8 million, increase in 2012 compared to 2011.

Highlights of the expenses, by activity are as follows:

- General administration activities accounted for 16.4% of expenses in 2012, increasing by \$275 thousand, or 1.5%, in 2012 compared to 2011.
- Judicial activities accounted for 6.7% of expenses in 2012, increasing by \$257 thousand, or 3.4%, in 2012 compared to 2011.
- Public Safety activities accounted for 51.1% of expenses in 2012, increasing by \$8.3 million, or 16.4%, in 2012 compared to 2011. This increase is due primarily to the increase in the cost for the housing of inmates.
- Public Transportation activities accounted for 7.8% of expenses in 2012, increasing by \$708 thousand, or 8.6% in 2012 compared to 2011.
- Health and Welfare activities accounted for 6.7% of expenses in 2012, increasing by \$158 thousand or 2% from 2011.
- Culture–Recreation activities accounted for 1.3% of expenses in 2012, decreasing by \$16 thousand from 2011.
- Other activities consisting of Conservation and Economic Development and Assistance accounted for 2% of expenses, increasing by \$1.2 million in 2012 from 2011.
- Interest and fiscal charges accounted for 3.9% of expenses, decreasing by \$529 thousand in 2012 from 2011.

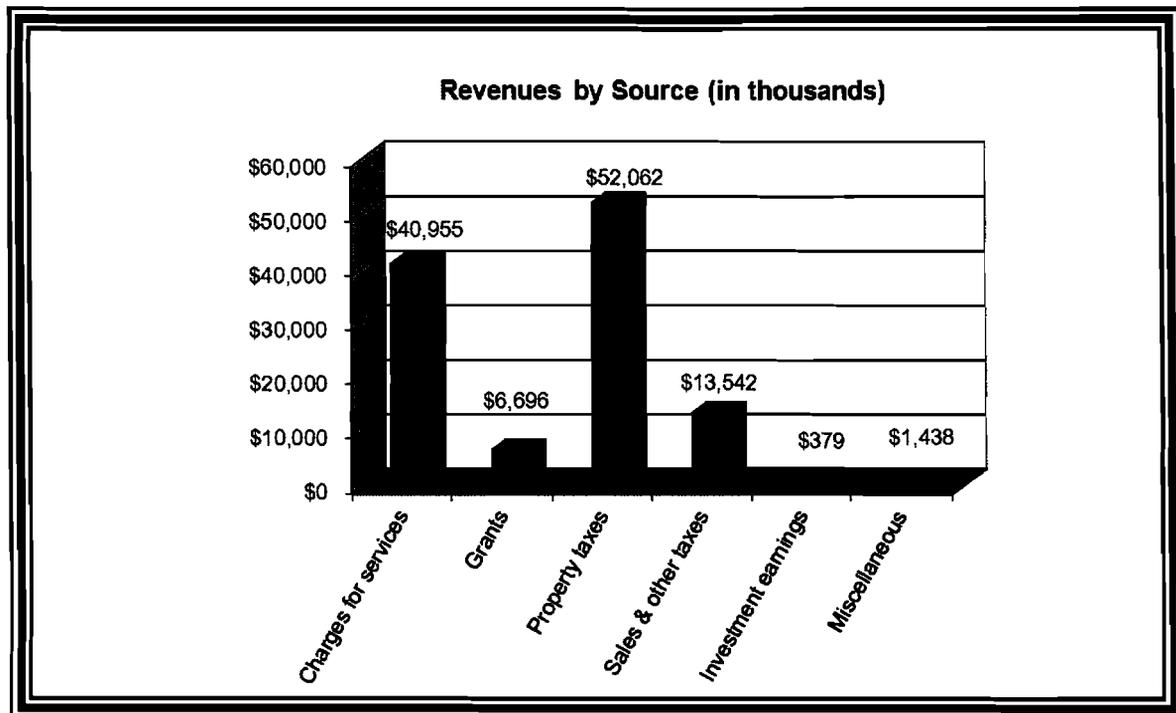
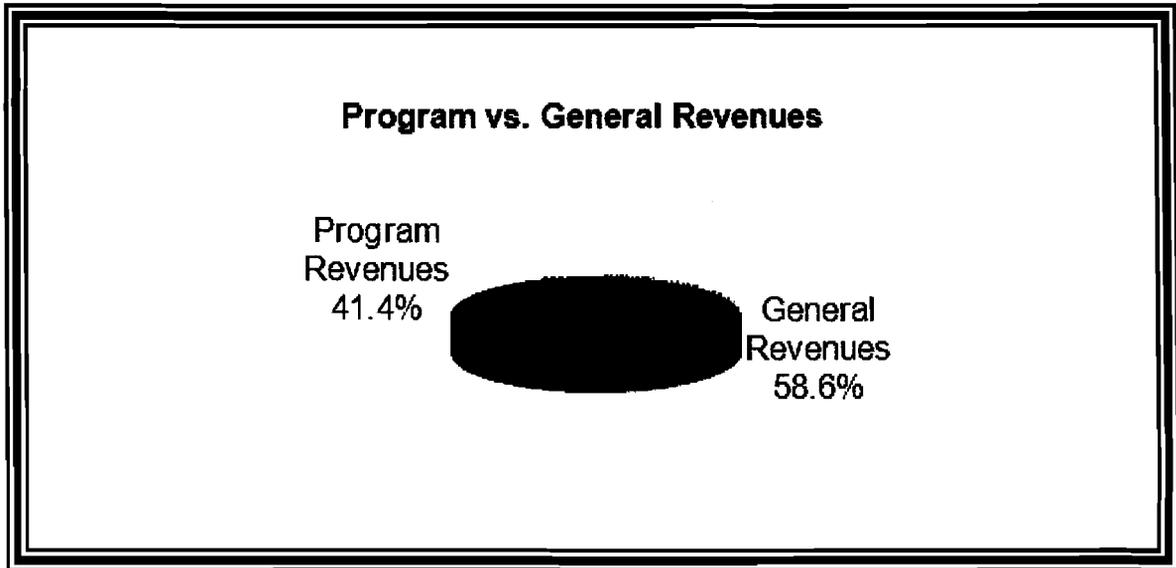
McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

Summary of Changes in Net Assets
For the Fiscal Years Ended September 30, 2012
(\$ in thousands)

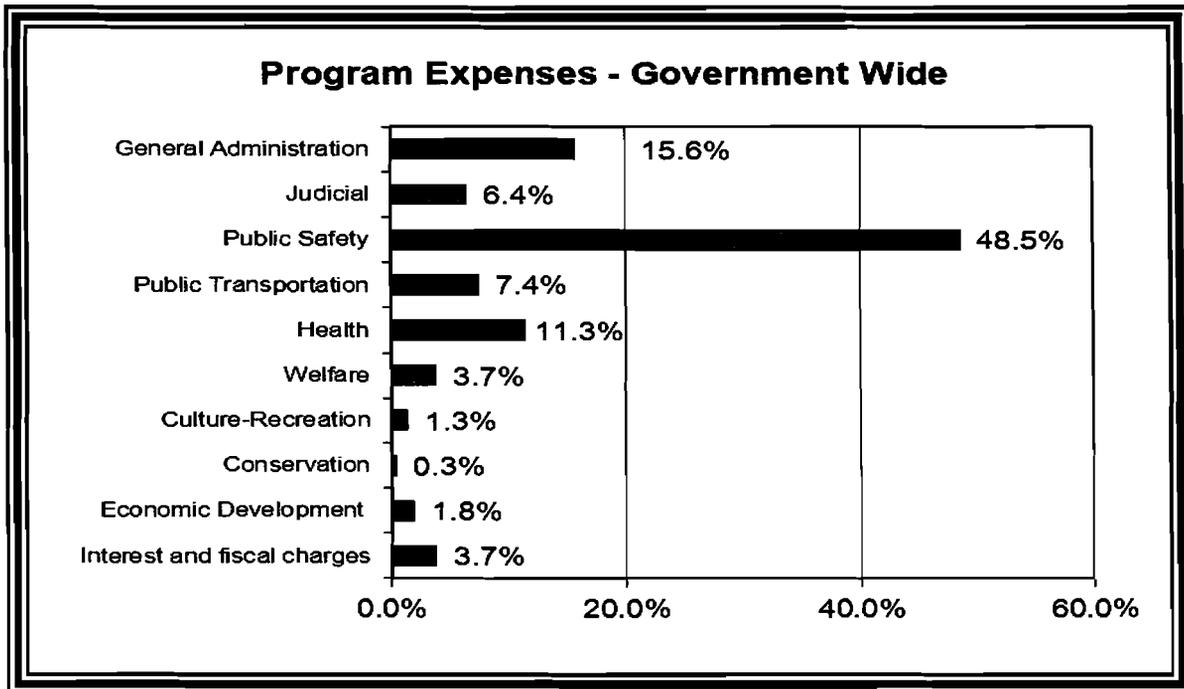
	2012	2011
	Governmental	Governmental
	Activities	Activities
Revenues		
<i>Program Revenues</i>		
Charges for services	\$34,878	\$30,234
Operating grants and contributions	6,696	6,799
Capital grants and contributions		1,199
	<u>41,574</u>	<u>38,232</u>
<i>General Revenues</i>		
Property Taxes	52,062	49,632
Sales Taxes	12,943	12,523
Other Taxes	599	663
Unrestricted investment earnings	383	689
Gain on Sale of Capital Assets	1,106	67
Miscellaneous	332	229
Total General Revenues	<u>67,425</u>	<u>63,803</u>
Total Revenues	<u>108,999</u>	<u>102,035</u>
Expenses		
General administration	18,896	18,621
Judicial	7,743	7,486
Public safety	58,891	50,595
Public transportation	8,982	8,274
Health	7,696	7,538
Welfare	4,366	3,976
Culture-Recreation	1,538	1,554
Conservation	333	298
Economic development	2,295	1,150
Interest and fiscal charges	4,430	4,959
Total expenses	<u>115,170</u>	<u>104,451</u>
Change in net assets	(6,171)	(2,416)
Net assets - beginning	77,182	80,062
Prior Period Adjustment		
Change in valuation of receivables		(464)
Adjusted net assets - beginning	<u>77,182</u>	<u>79,598</u>
Net assets, ending	<u>\$71,011</u>	<u>\$77,182</u>

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

The following graphic representations show the relationships between various revenue and expense components presented on the Statement of Activities.



**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

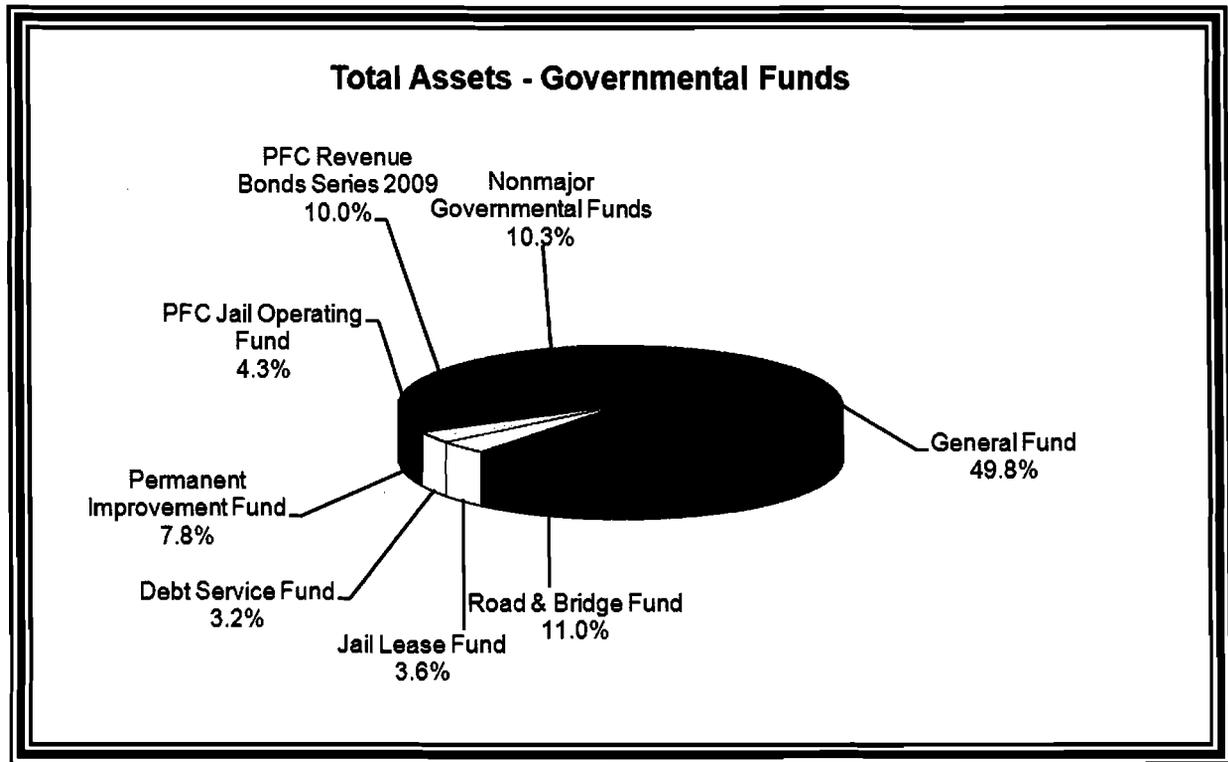
As noted earlier, McLennan County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a financial analysis of the County's governmental funds:

Governmental Funds Balance Sheet Analysis

The General Fund, Road & Bridge Fund, Jail Lease Fund, Debt Service Fund, Permanent Improvement Fund, PFC Jail Operating Fund, and PFC Revenue Bonds Series 2009 Debt Service Fund are the funds considered to be major funds in 2012. The General Fund accounted for 49.8% of total governmental fund assets and 49.8% of the governmental fund balances. The Road & Bridge Fund accounted for 11% of the total governmental fund assets and 13.8 of the governmental fund balances. The Jail Lease Fund accounted for 3.6% of total governmental fund assets and less than 1% of the governmental fund balances. The Debt Service Fund accounted for 3.2% of the total governmental fund assets and 3.5% of the total governmental fund balances. The Permanent Improvement Fund accounted for 7.8% of the total governmental fund assets and 9.0% of the total governmental fund balances. The PFC Jail Operating Fund accounted for 4.3% of the total governmental fund assets and less than 1% of the governmental fund balances. The PFC Revenue Bonds Series 2009 Debt Service Fund accounted for 10% of the total governmental fund assets and 12.9% of the total governmental fund balances.

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

A chart showing the relative value of the assets of each major fund, as well as nonmajor governmental funds, follows:



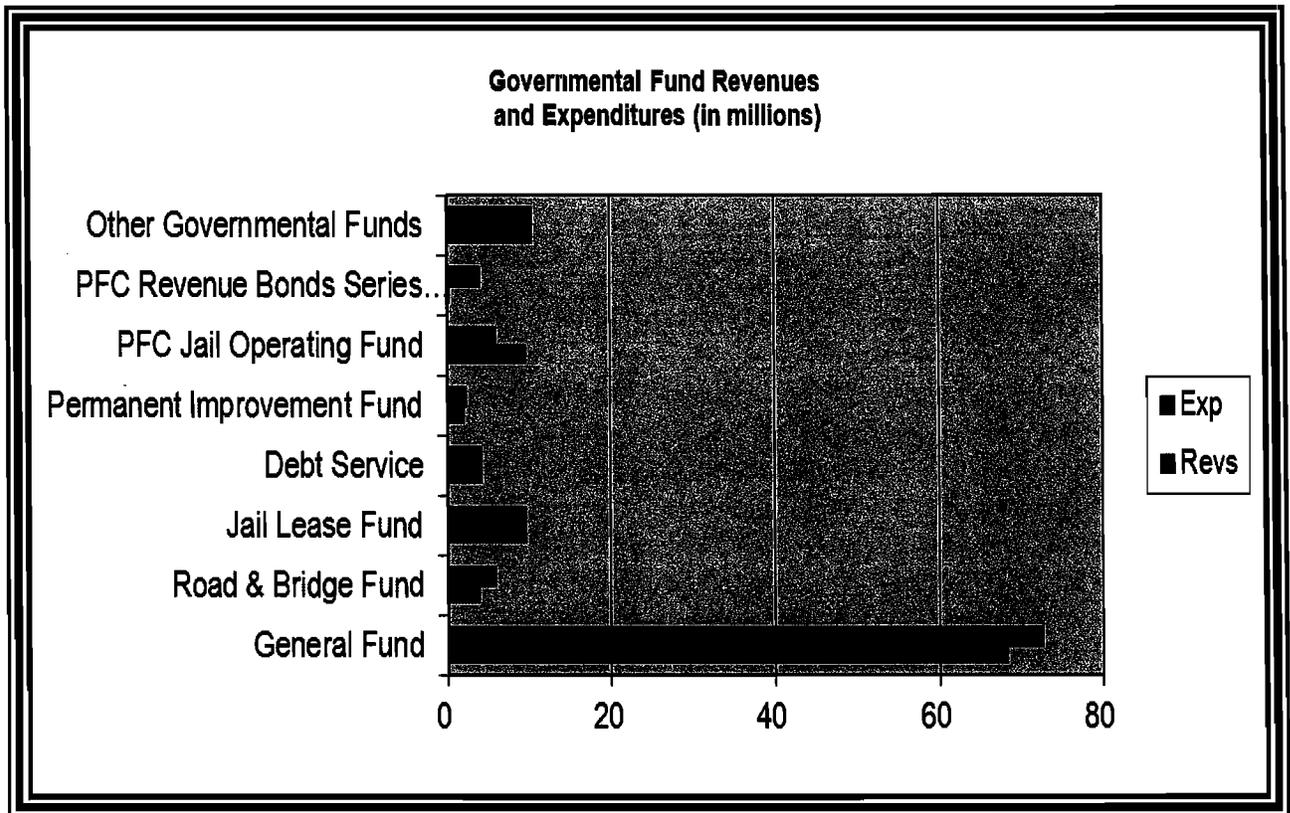
The focus of McLennan County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of September 30, 2012, the County's governmental funds reported combined ending fund balances of over \$46 million. Of this total amount, \$16.1 million (34.6%) is unassigned and available for spending without restrictions for general governmental purposes from the General Fund. \$7.1 million (15.2%) is committed for economic development expenditures in the General Fund. \$6.4 million (13.8%) is committed for public transportation expenditures in the Road & Bridge Fund. \$1.6 million (3.5%) is restricted for debt service expenditures in the Debt Service Fund. \$4.1 million (9%) is committed for capital projects expenditures in the Permanent Improvement Fund. \$6 million (12.8%) is restricted for debt service expenditures in the PFC Revenue Bonds Series 2009 Debt Service Fund. \$5.1 million (11.1%) is restricted for or committed for specific expenditures being stated in the individual Special Revenue or Capital Projects Funds.

The fund balance for the General Fund decreased by \$7.4 million from 2011 to 2012 and is primarily due to the increased expenditures for Public Safety and Economic Development functions and a \$2 million transfer to the Internal Service Fund. The fund balance of the Road and Bridge Fund decreased by \$479 thousand in 2012 compared to 2011. The fund balance of the Debt Service Fund increased by \$23 thousand in 2012 compared to 2011. The fund balance of the Permanent Improvement Fund increased by \$395 thousand in 2012 compared to 2011, due to sales of capital assets. The fund balance of PFC Revenue Bonds Series 2009 Debt Service Fund decreased by \$112 thousand in 2012 compared to 2011.

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

Governmental Funds Revenue/Expenditure Analysis

The following chart shows the revenue and expenditure amounts for the General Fund, Road & Bridge Fund, Jail Lease Fund, Debt Service Fund, Permanent Improvement Fund, PFC Jail Operating Fund, PFC Revenue Bonds Series 2009 Debt Service Fund, and all nonmajor governmental funds. The Road & Bridge Fund Debt Service Fund, Permanent Improvement Fund, and PFC Revenue Bonds Series 2009 Debt Service Fund qualify as major funds due to the relative size of their assets, liabilities, revenue or expenditures or their relevant importance to the financial statements as a whole.



The revenues in the above chart do not include other financing sources, which includes proceeds from new debt and the sale of assets, nor does it include other financing uses. The General Fund accounts for 63.41% of all governmental fund revenue and 63.52% of expenditures.

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Adopted Budget Compared to Final Budget

The following table shows the changes between the original adopted budget and the final budget, as amended, for the General Fund budget for the year ended September 30, 2012:

Comparison of Original Budget and Final Budget Year Ended September 30, 2012 (\$ in Thousands)			
	Budgeted Amounts		Variance with Final Budget Under (Over)
	Original	Final	
Revenues:			
Taxes	\$ 56,517	\$ 56,517	\$ -
Licenses and Permits	96	96	-
Intergovernmental	2,325	2,325	-
Charges for Services	5,265	5,265	-
Fines and Forfeits	802	802	-
Miscellaneous	1,469	1,765	(296)
Total Revenues	66,474	66,770	(296)
Expenditures:			
Current:			
General Government	20,784	19,011	1,773
Judicial	6,917	6,887	30
Public Safety	31,080	33,468	(2,388)
Public Transportation	366	364	2
Health	8,551	8,289	262
Welfare	4,518	4,486	32
Culture-Recreation	764	772	(8)
Conservation	353	330	23
Economic Development and Assistance	9,538	9,551	(13)
Debt Service:			
Principal and Retirements	949	949	-
Interest and Fiscal Charges	267	267	-
Total Expenditures	84,087	84,374	(287)
Excess (Deficiency) of Revenue over Expenditures	(17,613)	(17,604)	9
Other Financing Sources (Uses):			
Transfers In	346	346	-
Transfers Out	(3,402)	(3,411)	(9)
Total Other Financing Sources	(3,056)	(3,065)	(9)
Net Change in Fund Balance	(20,669)	(20,669)	-
Fund Balance at Beginning of Year	27,570	27,570	-
Fund Balance at End of Year	\$ 6,901	\$ 6,901	\$ -

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

Under Texas Local Government Code Section 111.0707 through 111.07075, "the county auditor shall certify to the Commissioners Court the receipt of revenue from a new source not anticipated before the adoption of the budget and not included in the budget for that fiscal year. On certification, the court may (or may not, at their option) adopt a special supplemental budget amendment for the purpose of spending the revenue for general purposes or for any of its intended purposes." Due to this statute, increases in revenues totaling \$296 thousand were certified in the General Fund and added to estimated revenues that were in the original budget.

The increase in the original expenditure appropriations and the final appropriations is due to line item transfers to increase the budget of the Public Safety function in order to fund the increased costs of housing inmates.

McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012

Actuals Compared to Final Budget

The following is a comparison between the General Fund final amended budget and the final actual revenues and expenditures for the fiscal year ended September 30, 2012:

**General Fund Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended September 30, 2012
(\$ in Thousands)**

	Final Budget	Final Actual	Variance with Final Budget Under (Over)
Revenues:			
Taxes	\$ 56,517	\$ 56,738	\$ (221)
Licenses and Permits	96	123	(27)
Intergovernmental	2,325	2,325	-
Charges for Services	5,265	5,691	(426)
Fines and Forfeits	802	969	(167)
Miscellaneous	1,765	2,332	(567)
Total Revenues	<u>66,770</u>	<u>68,178</u>	<u>(1,408)</u>
Expenditures:			
Current:			
General Government	19,011	17,096	1,915
Judicial	6,887	6,573	314
Public Safety	33,468	32,102	1,366
Public Transportation	364	347	17
Health	8,289	7,531	758
Welfare	4,486	4,323	163
Culture-Recreation	772	744	28
Conservation	330	309	21
Economic Development and Assistance	9,551	2,294	7,257
Debt Service:			
Principal and Retirements	949	949	-
Interest and Fiscal Charges	267	267	-
Total Expenditures	<u>84,374</u>	<u>72,535</u>	<u>11,839</u>
Excess (Deficiency) of Revenue over Expenditures	(17,604)	(4,357)	(13,247)
Other Financing Sources (Uses):			
Transfers In	346	346	-
Transfers Out	(3,411)	(3,411)	-
Sale of Capital Assets	-	23	23
Total Other Financing Sources	<u>(3,065)</u>	<u>(3,042)</u>	<u>23</u>
Net Change in Fund Balance	(20,669)	(7,399)	13,270
Fund Balance at Beginning of Year	<u>27,570</u>	<u>30,624</u>	<u>3,054</u>
Fund Balance at End of Year	<u>\$ 6,901</u>	<u>\$ 23,225</u>	<u>\$ 16,324</u>

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

Actual Revenues Compared to Estimated Revenues

Actual revenues in the General Fund are about \$1,408 thousand (.0211%) above estimated revenues in the budget. Highlights of these differences are as follows:

- Sales tax collections exceeded the estimated collections by \$943 thousand, despite the declining retail sales around the Nation.
- Revenues from Charges for Services exceeded that which was estimated in the budget by \$426 thousand, primarily due to an increase in civil court fees of \$335 thousand.
- Miscellaneous revenue was \$567 thousand more than estimated primarily due to an increase in interlocal agreement revenue.

Actual Expenditures Compared to Budgeted Expenditures

Actual expenditures were 86% of the budget for 2012.

Expenditures in the General Government function were \$1.9 million less than what was budgeted. The main reasons for the variance include:

- Personnel costs were \$560 thousand less than budgeted.
- The County was able to leave \$165 thousand unused in its contingency line item of the budget.
- Expenditures for maintenance of buildings and equipment were \$190 thousand less than anticipated.
- Expenditures for utilities were \$167 thousand less than anticipated.
- Expenditures for supplies were \$116 thousand less than anticipated.

Expenditures in the Public Safety function were \$1.4 million less than what was budgeted. The main reasons for the variance include:

- Personnel costs were \$797 thousand less than budgeted.
- Expenditures for utilities at the jail were actually \$208 thousand less than the amount budgeted.
- Expenditures for supplies were \$169 thousand less than appropriation.

Expenditures in the Economic Development and Assistance function were \$7.2 million less than what was budgeted. The variance was primarily due to the fact that the projects funded in 2012 were less than expected.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

McLennan County's total investment in capital assets, including construction in progress, for governmental type activities as of September 30, 2012, amounts to approximately \$102 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress. Major capital asset events during the current fiscal year included the following:

- Vehicles and equipment were added to capital assets, primarily as replacements to vehicles, computers and road and bridge equipment during the year, at a cost of more than \$1.7 million.
- One bridge was built at a cost of more than \$81 thousand.

**McLennan County, Texas
Management's Discussion and Analysis
September 30, 2012**

- Additional expenditures on the Courthouse roof were more than \$772 thousand.

Additional information about McLennan County's capital assets can be found in Note I (D-4), Note III (C) of the notes to the financial statements and the Capital Assets section immediately preceding the Statistical Section of this report.

Long-Term Debt

At September 30, 2012, McLennan County had approximately \$23.9 million in total general obligation debt outstanding. All of the debt of the County's general obligation debt is backed by the full faith and credit of McLennan County. For internal purposes, various names are used to reference how the debt is used. For example, refunding, permanent improvement, and certificates of obligation are some of the names used to identify the indebtedness. McLennan County maintains a credit rating of AA1 from Moody's Investor Services and a rating of AA from Standard & Poors. There are no special assessment bonds of McLennan County at September 30, 2012.

At September 30, 2012, the McLennan County Public Facilities Corporation, presented as a blended component unit of McLennan County, had approximately \$47.5 million in revenue bonds outstanding. The revenue bonds are the liability of the Corporation. Revenues from rental of jail space to third party entities is the source of funding for debt service on the revenue bonds and is used to cover all the expenses of the new jail's operations. The revenue bonds were rated AA- by Standard & Poors.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

There have been several State of Texas and Federal legislative changes that have already impacted the finances of McLennan County and will continue to have an impact on future finances of the County. A listing of conditions and decisions that may impact the future financial condition of the County follows:

- The County increased its combined tax rate by \$0.2 cents from .464258 in 2012 to .484258 in 2013. The tax increase should raise \$2.9 million more revenue in 2013 than in 2012.
- The County expects the cost of housing inmates to continue to increase in 2013.

Requests for Information

This financial report is designed to provide a general overview of McLennan 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 Office of County Auditor, McLennan County, 214 N. 4th Street, Suite 100, Waco, TX 76701.

BASIC FINANCIAL STATEMENTS

MCLENNAN COUNTY, TEXAS

Statement of Net Assets

September 30, 2012

ASSETS

Cash and Investments	\$ 50,667,718
Receivables (net of allowances for estimated uncollectibles):	
Taxes	2,871,511
Accounts	5,790,386
Due from Other Governments	3,638,473
Prepaid Assets	446,094
Deferred Charges	1,682,045
Capital Assets (net of accumulated depreciation)	
Land	3,527,795
Buildings and system	78,883,470
Improvements other than buildings	783,002
Machinery and equipment	5,589,024
Infrastructure	10,767,969
Construction in progress	2,392,747
Total Assets	<u>\$ 167,040,234</u>

LIABILITIES

Accounts Payable	\$ 5,564,270
Accrued Interest Payable	1,369,700
Due to Other Governments	2,500
Estimated Claims Incurred but Not Reported	489,497
Unearned Revenue	231,965
Noncurrent liabilities:	
Due within one year	6,847,067
Due in more than one year	81,523,864
Total Liabilities	<u>96,028,863</u>

NET ASSETS

Invested in Capital Assets, net of related debt	28,111,535
Restricted Net Assets	
Restricted for General Government	1,091,977
Restricted for Judicial Functions	709,533
Restricted for Public Safety Functions	2,445,038
Restricted for Transportation Functions	403,057
Restricted for Welfare Functions	25,665
Restricted for Debt Service	7,919,229
Unrestricted	30,305,337
Total Net Assets	<u>\$ 71,011,371</u>

The notes to the financial statements are an integral part of this statement.

MCLENNAN COUNTY, TEXAS

Statement of Activities

For the Year Ended September 30, 2012

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Governmental Activities
General Administration	\$ 18,895,905	\$ 7,263,250	\$ 62,786	\$ -	\$ (11,569,869)
Judicial	7,742,911	4,250,203	-	-	\$ (3,492,708)
Public Safety	58,890,570	22,673,110	6,264,616	-	\$ (29,952,844)
Public Transportation	8,982,384	290,534	99,588	-	\$ (8,592,262)
Health	7,695,580	400,311	-	-	\$ (7,295,269)
Welfare	4,366,526	-	269,341	-	\$ (4,097,185)
Culture-Recreation	1,538,146	325	-	-	\$ (1,537,821)
Conservation	332,517	-	-	-	\$ (332,517)
Economic Development and Assistance	2,294,597	-	-	-	\$ (2,294,597)
Interest and fiscal charges	4,430,272	-	-	-	\$ (4,430,272)
Total Governmental Activities	\$ 115,169,408	\$ 34,877,733	\$ 6,696,331	\$ -	(73,595,344)
General Revenues:					
					52,061,578
Property Taxes					12,942,889
Sales Tax					599,495
Other Taxes					382,807
Unrestricted Investment Earnings					1,438,306
Miscellaneous					<u>67,425,075</u>
Total general revenues					
Change in net assets					(6,170,269)
Net assets - beginning					<u>77,181,640</u>
Net assets - ending					<u>\$ 71,011,371</u>

The notes to the financial statements are an integral part of this statement.

MCLENNAN COUNTY, TEXAS

Balance Sheet

Governmental Funds

September 30, 2012

	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Jail Lease Fund</u>
<u>ASSETS</u>			
Cash and Investments	\$ 24,109,015	\$ 6,522,313	\$ 488,359
Receivables (net of allowances for estimated uncollectibles):			
Taxes	2,366,398	-	-
Accounts	246,946	1,737	-
Due from Other Funds	47,020	-	841,204
Due from Other Governments	2,541,232	46,228	809,307
Prepaid Assets	445,631	-	-
Total Assets	<u>\$ 29,756,242</u>	<u>\$ 6,570,278</u>	<u>\$ 2,138,870</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ 2,808,365	\$ 138,415	\$ -
Due to Other Funds	1,581,210	-	2,138,870
Due to Other Governments	2,500	-	-
Deferred Revenue	2,139,219	-	-
Total Liabilities	<u>6,531,294</u>	<u>138,415</u>	<u>2,138,870</u>
Fund Balances:			
Restricted for:			
General Government	-	-	-
Judicial	-	-	-
Public Safety	-	-	-
Public Transportation	-	-	-
Welfare	-	-	-
Debt Service	-	-	-
Committed for:			
Capital Projects	-	-	-
Judicial	-	-	-
Public Transportation	-	6,431,863	-
Economic Development	7,104,269	-	-
Unassigned	16,120,679	-	-
Total Fund Balance	<u>23,224,948</u>	<u>6,431,863</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 29,756,242</u>	<u>\$ 6,570,278</u>	<u>\$ 2,138,870</u>

The notes to the financial statements are an integral part of this statement.

Debt Service Fund	Permanent Improvement Fund	PFC Jail Operating Fund	PFC Revenue Bonds Series 2009 Debt Service Fund	Other Governmental Funds	Total
\$ 1,605,791	\$ 4,551,532	\$ 401,742	\$ 5,334,395	\$ 5,726,778	\$ 48,739,925
293,519	93,667	-	-	117,927	2,871,511
-	138	-	-	43,893	292,714
-	-	2,138,870	666,593	-	3,693,687
-	-	-	-	241,706	3,638,473
-	-	-	-	463	446,094
<u>\$ 1,899,310</u>	<u>\$ 4,645,337</u>	<u>\$ 2,540,612</u>	<u>\$ 6,000,988</u>	<u>\$ 6,130,767</u>	<u>\$ 59,682,404</u>
\$ -	\$ 358,092	\$ 1,874,019	\$ -	\$ 323,285	\$ 5,502,176
-	-	666,593	-	47,020	4,433,693
-	-	-	-	-	2,500
274,588	93,424	-	-	596,245	3,103,476
<u>274,588</u>	<u>451,516</u>	<u>2,540,612</u>	<u>-</u>	<u>966,550</u>	<u>13,041,845</u>
-	-	-	-	1,091,977	1,091,977
-	-	-	-	709,533	709,533
-	-	-	-	2,445,038	2,445,038
-	-	-	-	403,057	403,057
-	-	-	-	25,665	25,665
1,624,722	-	-	6,000,988	-	7,625,710
-	4,193,821	-	-	121,589	4,315,410
-	-	-	-	367,358	367,358
-	-	-	-	-	6,431,863
-	-	-	-	-	7,104,269
-	-	-	-	-	16,120,679
<u>1,624,722</u>	<u>4,193,821</u>	<u>-</u>	<u>6,000,988</u>	<u>5,164,217</u>	<u>46,640,559</u>
<u>\$ 1,899,310</u>	<u>\$ 4,645,337</u>	<u>\$ 2,540,612</u>	<u>\$ 6,000,988</u>	<u>\$ 6,130,767</u>	<u>\$ 59,682,404</u>



MCLENNAN COUNTY, TEXAS

Reconciliation of the Balance Sheet of the
Governmental Funds to the Statement of Net Assets

September 30, 2012

Total fund balances - governmental funds		\$ 46,640,559
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
These capital assets (net of accumulated depreciation) consist of:		
Land	\$ 3,527,795	
Buildings	78,883,470	
Improvements other than buildings	783,002	
Machinery and equipment	5,589,024	
Infrastructure	10,767,969	
Construction in progress	<u>2,392,747</u>	
Total capital assets		101,944,007
Fines and fees earned in the current fiscal year are not available to provide for current financial resources, and are not recorded in the funds.		
		5,439,224
Property taxes earned in the current fiscal year are not available to provide for current financial resources, and therefore are deferred in the funds.		
		2,871,511
An Internal Service Fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the Statement of Net Assets.		
		2,174,656
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Interest Payable	(1,369,700)	
General Obligation Bonds	(3,205,000)	
Revenue Bonds	(855,000)	
Capital Leases	(1,075,774)	
Notes Payable	(27,863)	
Compensated Absences	<u>(1,683,430)</u>	
Total current liabilities		(8,216,767)
General Obligation Bonds	(20,670,000)	
Revenue Bonds	(46,610,000)	
Unamortized Deferred Amount on Refunding	(128,468)	
Unamortized Deferred Original Issue Discount	1,747,661	
Unamortized Refunding Bond Issue Cost	258,095	
Unamortized Bond Issue Cost	1,423,950	
Capital leases	(2,887,548)	
Notes Payable	(120,480)	
Other Post Employment Benefits	(12,434,171)	
Compensated absences	<u>(420,858)</u>	
Total non-current liabilities		<u>(79,841,819)</u>
Net Assets		<u>\$ 71,011,371</u>

The notes to the financial statements are an integral part of this statement.

MCLENNAN COUNTY, TEXAS

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended September 30, 2012

	General Fund	Road & Bridge Fund	Jail Lease Fund	Debt Service Fund
Revenues:				
Taxes	\$ 56,738,440	\$ -	\$ -	\$ 4,046,857
Licenses and Permits	122,514	1,978,400	-	-
Intergovernmental	2,325,260	872,061	-	-
Charges for Services	5,690,271	-	9,535,074	-
Fines and Forfeits	969,183	760,676	-	-
Miscellaneous	2,332,025	193,648	-	11,857
Total Revenues	68,177,693	3,804,785	9,535,074	4,058,714
Expenditures:				
Current:				
General Government	17,095,535	-	-	-
Judicial	6,573,502	-	-	-
Public Safety	32,102,225	-	9,535,074	-
Public Transportation	347,359	5,775,417	-	-
Health	7,530,747	-	-	-
Welfare	4,322,591	-	-	-
Culture-Recreation	743,610	-	-	-
Conservation	309,416	-	-	-
Economic Development and Assistance	2,294,597	-	-	-
Debt Service:				
Principal	948,815	80,699	-	3,110,000
Interest and Fiscal Charges	266,521	4,922	-	925,412
Capital Projects	-	-	-	-
Total Expenditures	72,534,918	5,861,038	9,535,074	4,035,412
Excess (Deficiency) of Revenue over Expenditures	(4,357,225)	(2,056,253)	-	23,302
Other Financing Sources (Uses):				
Transfers In	345,986	1,392,000	-	-
Transfers Out	(3,411,385)	(239,148)	-	-
Issuance of Note Payable	-	177,331	-	-
Sale of Capital Assets	22,750	247,123	-	-
Total Other Financing Sources	(3,042,649)	1,577,306	-	-
Net Change in Fund Balance	(7,399,874)	(478,947)	-	23,302
Fund Balance at Beginning of Year	30,624,822	6,910,810	-	1,601,420
Fund Balance at End of Year	\$ 23,224,948	\$ 6,431,863	\$ -	\$ 1,624,722

The notes to the financial statements are an integral part of this financial statement.

Permanent Improvement Fund	PFC Jail Operating Fund	PFC Revenue Bonds Series 2009 Debt Service Fund	Other Governmental Funds	Total
\$ 1,736,714	\$ -	\$ -	\$ 2,438,085	\$ 64,960,096
-	-	-	-	2,100,914
241,091	-	-	4,050,782	7,489,194
-	9,535,074	-	3,579,200	28,339,619
-	-	-	181,344	1,911,203
22,981	34	129,564	33,347	2,723,456
2,000,786	9,535,108	129,564	10,282,758	107,524,482
-	-	-	709,530	17,805,065
-	-	-	571,314	7,144,816
-	5,779,675	-	6,812,918	54,229,892
-	-	-	2,110,564	8,233,340
-	-	-	-	7,530,747
-	-	-	10,000	4,332,591
-	-	-	-	743,610
-	-	-	-	309,416
-	-	-	-	2,294,597
-	-	800,000	-	4,939,514
-	-	3,197,556	-	4,394,411
2,226,840	-	-	600	2,227,440
2,226,840	5,779,675	3,997,556	10,214,926	114,185,439
(226,054)	3,755,433	(3,867,992)	67,832	(6,660,957)
-	-	3,755,433	19,385	5,512,804
-	(3,755,433)	-	(106,838)	(7,512,804)
-	-	-	-	177,331
620,796	-	-	-	890,669
620,796	(3,755,433)	3,755,433	(87,453)	(932,000)
394,742	-	(112,559)	(19,621)	(7,592,957)
3,799,079	-	6,113,547	5,183,838	54,233,516
\$ 4,193,821	\$ -	\$ 6,000,988	\$ 5,164,217	\$ 46,640,559



MCLENNAN COUNTY, TEXAS

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of the Governmental Funds to the
Statement of Activities

For the Year Ended September 30, 2012

Net change in fund balances - governmental funds		\$ (7,592,957)
Amounts reported for governmental activities in the statement of activities are different because:		
An Internal Service Fund is used by management to charge the costs of health insurance to individual funds. The net activities of the Internal Service Fund are included in the governmental activities in the statement of activities.		
		2,174,656
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	\$ 3,654,510	
Depreciation expense	<u>(6,489,124)</u>	
Excess of depreciation expense over capital outlay		(2,834,614)
Governmental funds report the full amount of proceeds from capital asset sales. However, in the statement of activities, only the gains or losses associated with those sales are reported. In the current period these amounts are:		
Sales of capital assets	\$ (890,669)	
Net gains on sales of capital assets	<u>1,106,310</u>	
		215,641
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		
		14,890
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Property taxes receivable	\$ 44,370	
Fines and fees receivable	<u>134,431</u>	
Total receivables		178,801
The liabilities for compensated absences are accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities.		
		(288,990)
The OPEB obligation per GASB 45 are accrued at the government-wide level but not at the fund level. This is the current year change in those liabilities, reported as expense in the statement of activities.		
		(2,764,018)
Accrued interest reported as expense in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
		28,250
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current period these differences are:		
Issuance of Note Payable	(177,331)	
Amortization of deferred refunding amount	(1,337)	
Amortization of debt issuance costs	(62,774)	
Debt repayment	<u>4,939,514</u>	
Total long-term debt		<u>4,698,072</u>
Change in net assets of governmental activities		<u>\$ (6,170,269)</u>

The notes to the financial statements are an integral part of this statement.

MCLENNAN COUNTY, TEXAS

Statement of Net Assets

Proprietary Fund

September 30, 2012

Governmental
Activities
Internal Service Fund

ASSETS:

Current Assets:

Cash and Investments	\$	1,927,793
Accounts Receivable		23,250
Other Receivables		35,198
Due from Other Funds		740,006

Total Assets		<u>2,726,247</u>
--------------	--	------------------

LIABILITIES:

Current Liabilities:

Accounts Payable		62,094
Estimated Claims Incurred But Not Reported		<u>489,497</u>

Total Liabilities		<u>551,591</u>
-------------------	--	----------------

NET ASSETS - Unrestricted

	\$	<u>2,174,656</u>
--	----	------------------

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

MCLENNAN COUNTY, TEXAS

Statement of Revenues, Expenses
and Changes in Net Assets

Proprietary Fund

For the Year Ended September 30, 2012

	<u>Governmental Activities Internal Service Fund</u>
OPERATING REVENUES	
Charges for Services	\$ 5,631,185
Total operating revenues	<u>5,631,185</u>
OPERATING EXPENSES	
Insurance Claims	4,715,902
Insurance Premiums	382,711
Administrative Costs	361,949
Total operating expenses	<u>5,460,562</u>
OPERATING INCOME	<u>170,623</u>
NON-OPERATING REVENUES (EXPENSES)	
Investments Earnings	4,033
Transfers In	2,000,000
Total non-operating revenues (expenses)	<u>2,004,033</u>
CHANGE IN NET ASSETS	2,174,656
NET ASSETS, BEGINNING	-
NET ASSETS, ENDING	<u><u>\$ 2,174,656</u></u>

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

MCLENNAN COUNTY, TEXAS

Statement of Cash Flows

Proprietary Fund

For the Year Ended September 30, 2012

	Governmental Activities <u>Internal Service Fund</u>
CASH FLOW FROM OPERATING ACTIVITIES	
Cash received from insurance claims recovery	\$ 612,923
Cash received from customers	4,894,825
Cash paid to suppliers for goods and services	<u>(5,583,988)</u>
Net cash used by operating activities	<u>(76,240)</u>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer from other funds	<u>2,000,000</u>
Net cash provided by noncapital financing activities	<u>2,000,000</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Interest on investments	<u>4,033</u>
Net cash provided by investing activities	<u>4,033</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,927,793
CASH AND CASH EQUIVALENTS, BEGINNING	<u>-</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 1,927,793</u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating Income	\$ 170,623
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Change in assets and liabilities:	
Decrease (increase) in assets:	
Accounts receivable	(23,250)
Other receivables	(35,198)
Due from other funds	(740,006)
(Decrease) increase in liabilities:	
Accounts payable	62,094
Claims payable	<u>489,497</u>
Net cash used by operations	<u>\$ (76,240)</u>

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

MCLENNAN COUNTY, TEXAS

Statement of Fiduciary Net Assets

Fiduciary Funds

September 30, 2012

	Private Purpose Trust Funds	Agency Funds
Assets:		
Cash and Investments	\$ 66,785	\$ 9,169,803
Accounts Receivable	-	2,993
Accrued Interest	-	4,531
	<u>\$ 66,785</u>	<u>\$ 9,177,327</u>
Liabilities:		
Accounts Payable	\$ -	\$ 243,360
Due to Other Governments	-	740,721
Due to Others	-	8,193,246
	<u>\$ -</u>	<u>\$ 9,177,327</u>
Net Assets:		
Held in Trust for Pool Participants	<u>\$ 66,785</u>	<u>\$ -</u>
	<u>\$ 66,785</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

MCLENNAN COUNTY, TEXAS

Statement of Changes in Fiduciary Net Assets

Fiduciary Funds

Year Ended September 30, 2012

	<u>Private Purpose Trust Funds</u>
Additions:	
Investment Earnings:	
Interest	\$ 330
Total Investment Earnings	<u>330</u>
Total Additions	<u>330</u>
Deductions:	-
Total Deductions	<u>-</u>
Change in Net Assets	330
Net Assets, Beginning of Year	<u>66,455</u>
Net Assets, End of Year	<u>\$ 66,785</u>

The notes to the financial statements are an integral part of this statement.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of McLennan County, Texas (the County) reflected in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*. This financial report has been prepared in accordance with GASB Statement No. 34 (Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments) issued in June 1999. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

(a) Reporting Entity

1. Primary Government

McLennan County (the County) is a public corporation and political subdivision of the State of Texas. The Commissioners Court, comprised of the County Judge and four Commissioners, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: justice administration (courts, juries, constables, district attorney, clerks, investigators, sheriff, jail), tax collection, road and bridge maintenance, public health, agricultural extension services, fairgrounds venue, juvenile services, assistance to indigents and area economic development.

2. Blended Component Units

The accompanying basic financial statements present the government as defined according to criteria in GASB Statement No. 14, *The Financial Reporting Entity* and in GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units, an Amendment of GASB Statement 14*. Blended component units, while legally separate entities, are, in substance, part of the government's operations.

The McLennan County Community Supervision and Corrections Department (also referred to as the Adult Probation Department and CSCD) is a blended component unit of McLennan County and is governed by the McLennan County Board of District Judges, who appoints the Director of the CSCD. The McLennan County Commissioners Court is required by statute to provide facilities, utilities and equipment for the operation of this department. In addition, the County provides administrative functions including accounting, risk management, payroll preparation and purchasing. The McLennan County CSCD is responsible for the management and monitoring of adult residents of McLennan County who are on criminal probation. Funding for salaries of CSCD personnel and many operating expenses is from various State grants.

On September 2, 2008, the Commissioners Court of McLennan County issued a certificate for order that created a nonprofit public facilities corporation under Chapter 303 of the Texas Local Government Code. The McLennan County Public Facility Corporation (the "Corporation") was organized for the purpose of financing, on behalf of the County, an eligible criminal detention and correctional facility and to be responsible for the operations of such facility. The operations of the facility will be financed on an ongoing basis by the rental of jail space to third party entities, such as Federal agencies and other local governments. All of the members of the Board of Directors of the Corporation are appointed by the Commissioners Court of the County and at September 30, 2012 consisted of the individuals that comprise the Commissioners Court. The Corporation is included in the Comprehensive Annual Financial Report as a blended component unit. The Corporation's funds consist of an Operating Fund, a Capital Projects Fund, and a Debt Service Fund.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

(b) Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. Government-wide statements report on all the non-fiduciary activities of the County and its blended component units. The effect of inter-fund transfers has been removed from these statements but continues to be reflected on the fund statements. Primary support of governmental activities is derived from taxes, intergovernmental revenues and charges for services.

The statement of activities exhibits the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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, 2) fines and fees assessed offenders by the judicial system, and 3) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, Road and Bridge Fund, Jail Lease Fund, Debt Service Fund, Permanent Improvement Fund, PFC Jail Operating Fund, and the PFC Revenue Bonds Series 2009 Debt Service Fund meet the criteria or have been selected by management as *major governmental funds*. Each major fund is reported in separate columns in the fund financial statements. Nonmajor funds include other Special Revenue Funds, Debt Service Funds, and a Capital Projects Fund. The combined amounts for these funds are reflected in a single column in the fund financial statements. Detailed statements for nonmajor funds are presented within Combining and Individual Fund Statements and Schedules.

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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. Major revenue types, which have been accrued, are district clerk and county clerk fines and fees, justice of the peace fines and fees, revenue from investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements are met.

Governmental fund level financial statements are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Property taxes, sales and other taxes, state and federal grants, federal prisoner reimbursements and detention center revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes levied prior to September 30, 2011 that were due October 1, 2011, have been assessed to finance the budget of the fiscal year ending September 30, 2012. In accordance with the modified accrual basis of accounting, the balances outstanding at September 30, 2012, and beyond the 60 days after year-end have been reflected as deferred revenue and taxes receivable in the fund financial statements. Property taxes and interest earned as of September 30 and received within 60 days of year-end are accrued as income in the current period. Expenditures generally are recorded when a

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

liability is incurred; however, debt service expenditures, claims and judgments, and compensated absences are recorded only when payment is made.

1. The government reports the following major governmental funds:

The General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment interest income. Primary expenditures are for general administration, judicial, public safety, health services, welfare services, capital acquisition, and debt service.

The Road and Bridge Fund is a constitutional fund used to account for the revenues and expenditures associated with the construction and maintenance of roads and bridges within the County. The principal sources of revenues for the Road and Bridge Fund are property taxes, intergovernmental revenue, and fines and fees.

The Jail Lease Fund was established to account for the lease of the Jack Harwell Detention Center from the Public Facilities Corporation and for the operations of that facility. The facility operations are contracted by Community Education Centers ("CEC"). The principal source of revenues for the Jail Lease Fund is the revenue generated by the facility.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt Service Funds are required only when they are legally mandated and/or if resources are being accumulated for general long-term debt principal and interest payments maturing in future years.

The Permanent Improvement Fund is a constitutional fund used to account for the acquisition of and improvements to land and buildings on a continuing basis. The Commissioners Court in its annual budget includes specific appropriations for expenditures from this fund. The principal source of revenues for the Permanent Improvement Fund is ad valorem taxes.

The PFC Jail Operating Fund was established to account for the operations related to the McLennan County Public Facility Corporation's Jack Harwell Detention Center. There is no statutory requirement for a budget for this fund by the Commissioners Court as all of its activity is governed by the Board of Directors of the Public Facilities Corporation.

The PFC Revenue Bonds Series 2009 Debt Service Fund was established to account for the accumulation of resources, as required in the trust indenture, in an interest and sinking fund for use in future principal and interest obligations related to the McLennan County Public Facility Corporation (the "PFC) Revenue Bonds Series 2009. There is no statutory requirement for a budget for this fund by the Commissioners' Court as all of its activity is governed by the trust indenture and the Board of Directors of the Public Facilities Corporation.

2. The government reports the following nonmajor governmental funds:

Special revenue funds are used to account for specific revenue sources (other than for capital projects) that are legally restricted to expenditures for specified purposes. These legal restrictions can come from outside the County or from Commissioners Court.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital assets and infrastructure. The primary source of funding for capital projects funds is the proceeds from the issuance of debt.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

3. Additionally, the government reports the following fund types:

Agency funds are used to account for situations where the County's role is strictly custodial in nature. As a result, all assets reported in an agency fund are offset by a liability to the party on whose behalf the assets are held. Most of these funds are held for legal reasons. Those reasons vary from funds held in trust for minors to funds placed in escrow awaiting a decision and order by the presiding court. Additional agency funds are used to account for cash on hand for tax collections for other governmental entities or for fees collected on behalf of the State and other governmental entities.

Private-purpose trust funds are used to report any trust arrangement under which principal and income benefit individuals, private organizations, or other government.

Internal service fund is used to finance, administer, and account for McLennan County's self-insured health program, whose purpose is to provide health insurance to employees of the County. Due to the fact that these services predominantly benefit governmental rather than business-type functions, the fund has been included with the governmental activities in the government-wide statements.

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

(d) Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

State statutes and the County's official Investment Policy authorize the County to invest in obligations of the U.S. Treasury and Governmental Agencies, commercial paper, repurchase agreements, bankers' acceptances, money market mutual funds and direct obligations of the State of Texas.

The County and its component units report investments at fair market value in accordance with provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund's statement of activity and/or statement of revenues, expenditures and changes in fund balance.

2. Receivables and Payables

Property taxes are recognized as revenues in the period for which the taxes are levied, regardless of the lien date. Property taxes for the County are levied based on taxable value on the lien date of January 1 prior to September 30 of the same year. They become due October 1 of that same year and delinquent after January 31 of the following year. Accordingly, receivables and revenues for prior-year levies delinquent at year-end are reflected on the government-wide statement based on the full accrual method of accounting and under the modified accrual method in the fund statements.

Accounts receivables from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements have been met and reimbursable costs are incurred.

Reimbursements for services performed are recorded as receivables and revenues when they become eligible for accrual in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Receivables are shown net of an allowance for uncollectable accounts.

Lending or borrowing between funds is reflected as "due to" or "due from" (current portion) or "advances to/from other funds" (noncurrent). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Inter-fund activity reflected in "due to" or "due from" is eliminated on the government-wide statements.

3. Inventories and Prepaid Items

Inventories of the governmental funds consist of expendable supplies and materials held for consumption. The purchase method is used to account for inventory in the governmental funds. The cost is recorded as an expenditure at the time individual items are 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. The cost is recorded as a prepaid item at the time of purchase, but year-end adjustments are made to show the consumption of those items. Consequently, prepaid items are considered to be "available and spendable resources" and no assignments of fund balance are recorded for such prepaid expenses.

4. Capital Assets — Primary Government

Capital assets, which include land, buildings and improvements, equipment, and infrastructure, are reported in the government-wide financial statements. The capitalization threshold for the capitalization of assets is set forth in the following schedule:

Asset Category	Capitalization Threshold
Land and Land Improvements	Capitalize all
Improvements Other than Buildings	\$5,000
Buildings and Building Improvements	
Buildings and Building Improvements	\$50,000
Building Improvements performed/acquired after building acquisition	\$5,000
Infrastructure	
Roads constructed, acquired or donated since 1980	Capitalize all
New Roads constructed 10/01/03	\$300,000 per mile
Major road renovations and improvements	\$100,000 per mile
Bridges	\$20,000
Furniture, Equipment and Other Personal Property	\$5,000

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Asset Category	Capitalization Threshold
Leasehold Improvements	\$5,000
Works of Art and Historical Treasures	\$5,000

Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend the asset's life are expensed rather than capitalized.

Capital assets and infrastructure are depreciated using the straight line method over the following estimated useful lives:

Asset Category	Years
Buildings	30
Building and land improvements	10 to 25
Infrastructure - Bridges	25 to 45
Infrastructure - Roads	20
Furniture and Fixtures	10
General Equipment	5 to 15
Computer hardware	3 to 5
Passenger vehicles	5
Road maintenance equipment	10

5. Longevity Pay

Substantially all employees of the County are compensated on a salary basis. There are a few employees, mostly part-time or temporary, who are compensated on an hourly basis. Longevity pay is added to the salary of each official and each salaried employee of the County at the rate of \$5.00 per month for each full year of continuous service by the employee.

6. Compensated Absences

Vacation leave is accrued by each salaried employee of the County each month at the rate of 0.0385 hours for each hour worked, up to a maximum balance of 200 hours. After 120 months of continuous service, the accrual rate is increased to 0.0577 hours for each hour worked. Upon termination, employees are paid for all accrued and unused vacation time.

Sick leave accrues at the rate of 0.0462 hours for each hour worked, up to a maximum balance of 720 hours. Sick leave may be used only for sickness and other specified purposes, and no payment is made for any unused sick leave.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

A liability for unused vacation and compensatory time for all full-time employees is calculated and reported in the government-wide financial statements. For financial reporting, the following criteria must be met to be considered as compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

GASB Interpretation 6 indicates that liabilities for compensated absences should only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are paid from the same respective governmental operating funds as the ones from which the related employees' salaries were paid.

Compensated absences are accrued in the government-wide statements.

7. Health & Life Insurance Benefits

The County at its expense provides term life insurance coverage in the face amount of \$10,000 for each official and each salaried employee.

Each official and each salaried employee is provided medical coverage through the County's self-insured health program. The County pays medical coverage premiums for eligible employees up to the lowest premium amount for the base plan of the County. Covered officials and employees may, at their own option and expense, have their spouses or dependents included in this medical coverage.

8. Other Benefits

Deferred Compensation Plan - The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits the deferral of Federal Income Tax on the deferred portion of the employee's compensation until future years. The deferred portion of compensation is not available to employees until termination, retirement, death, or unforeseeable emergency, and becomes subject to Federal Income Tax when constructively received by the employee.

The assets of the Plan are not subject to the claims of the general creditors of the County, and, in accordance with GASB 32 "Accounting for Deferred Compensation Plans," the County does not present the assets and liabilities related to the Plan in the agency funds.

Cafeteria Plan - All salaried employees have the option of participating in a cafeteria plan created in accordance with Internal Revenue Code Section 125. This plan affords tax savings to the employee by allowing the County to provide certain benefits under an agreement with the employee that reduces the employee's taxable income while increasing his actual net income.

9. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, as well as issuance costs and deferred gains or losses on refunding of debt, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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,

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Fund Balance Classification

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

- ***Nonspendable***: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- ***Restricted***: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- ***Committed***: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by court resolution of the Commissioners Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Court removes or changes the specified use by means of a majority vote of Commissioners Court during an open meeting. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- ***Assigned***: This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners Court.
- ***Unassigned***: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When 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.

II. DETAILED NOTES ON ALL FUNDS

(a) Deposits and Investments

Investments in the local government investment pools, TexPool (rated AAAm by S&P) and TexStar (rated AAAm by S&P), are stated at fair value, which is the same as the value of the pool shares. Investments in the mutual funds, Fidelity (rated AAAm by S&P), are stated at fair value, which is the same as the value of the fund shares.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Regulatory oversight for the operations of these external investment pools is found in the Public Funds Investment Act of the State of Texas. Required oversight for the pools includes compliance with investment guidelines, annual independent audits and the establishment of oversight committees.

1. Interest Rate Risk

In accordance with the County's investment policy, exposure to declines in fair values is managed by limiting the weighted average maturity of its investment portfolio to two years for individual securities and 90 days for investment pools.

2. Credit Risk

According to County policy all of its cash deposits are required to be in an institution that either has its main office or a branch in Texas, and are guaranteed by the Federal Deposit Insurance Corporation or are secured as to principal by obligations described in clauses (1) through (4). Furthermore, the County limits its exposure to credit risk by limiting its investments to (1) obligations of the United States or its agencies; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full credit and good faith of the State of Texas or the United States or their respective agencies; (4) obligations of states, agencies, counties, cities and other political subdivisions of the State of Texas rated as to investment quality by a nationally recognized investment rating firm not less than an A or its equivalent; (5) certificates of deposit meeting the requirements of the Texas Public Funds Investment Act (Chapter 2256, Texas Government Code) that are issued by or through an institution that either has its main office or a branch in Texas, and are guaranteed by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (4) or in any other manner and amount provided by law for county and district deposits; (6) fully collateralized repurchase agreements that have a defined termination date, are fully secured by obligation described in clause (1), and are placed through a primary government securities dealer or a financial institution doing business in the state of Texas; (7) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or the equivalent by two nationally recognized credit rating agencies; (8) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that have a weighted average stated maturity of 90 days or less; (9) no-load mutual funds registered with the Securities and Exchange Commission that have a weighted average maturity of less than two years, invest exclusively in obligations described in this policy and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and (10) government investment pools that invest solely in such obligations, provided that the pools are rated no lower than AAA or AAAm or an equivalent by at least one nationally recognized rating service.

3. Concentration of Credit Risk

The County further limits its credit risk by requiring diversification in the investment portfolio in its investment policy.

4. Custodial Credit Risk Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. At September 30, 2012, all cash deposits with financial institutions were insured by a combination of FDIC coverage, FHLB letters of credit, or collateralized securities.

5. Custodial Credit Risk – Investments

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2012, the County has no custodial risk with regard to its investments.

(b) Property Taxes and Other Receivables

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied prior to September 30, become due on October 1 and are delinquent after January 31. The County bills and collects property taxes for itself and for the following entities: Cities of Bellmead, Beverly Hills, Bruceville-Eddy, Crawford, Gholson, Hewitt, Lacy-Lakeview, Lorena, Mart, McGregor, Moody, Riesel, Robinson, Waco, West, Woodway; McLennan Community College; Independent School Districts of Axtell, Bosqueville, Bruceville- Eddy, China Spring, Connally, Crawford, Gholson, Hallsburg, LaVega, Lorena, Mart, McGregor, Midway, Riesel, Robinson, Waco, West; Special Districts of Castleman Creek, Elm Creek Watershed, McLennan County Water Control District # 2, McLennan and Hill Counties Tehuacana Creek Water Control District #1 Benefit Tax, Downtown Public Improvement District. The County is the only taxing entity controlled by the Commissioners Court; and the County Tax Assessor/Collector acts only as an intermediary in the collection and distribution of property taxes to the other entities. The County collects and distributes delinquent tax collection fees for law firms.

Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the Tax Assessor/Collector's Agency Fund. Tax collections are recorded as payable to entities at gross amount due before tax collection commission with the exception of McLennan Community College and the Special Districts of Elm Creek Watershed and the McLennan and Hill Counties Tehuacana Creek Water Control District #1 Benefit Tax. Collection commissions are recorded for the County as a receivable from the entities, with the exception of McLennan County's own taxes, whereas the commission is applied to the receivable when received from the entity. Tax collections deposited for the County are distributed on a monthly basis to the General Fund, Farm to Market Roads Fund, Jury Fund, Permanent Improvement Capital Projects Fund, and Debt Service Funds of the County. Distribution to the funds is based on the tax rate established for each fund by Commissioners Court order for the tax year for which the collections are made.

The County participates in three Tax Increment Finance (TIF) Districts. When a TIF District is created with the approval of all participating governmental taxing entities, the property included in the District has its assessed valuation frozen at the base year value. As projects are developed which increase the assessed valuation of the property, the resulting increases in taxes in years after the base year is returned to the TIF zones which financed the improvements, with taxes on the base year provided to the governmental taxing entities.

The county collects taxes on behalf of a taxing entity having a Special Improvement District (SID), reports delinquencies to the taxing entity, and does not manage the collection of delinquencies for the taxing entity.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Grant receivables are monies not yet received from Grantor Agencies to pay for the current period budgeted expenditures.

The County is authorized by the Constitution of Texas to levy taxes up to \$0.80 per \$100 of assessed valuation for general governmental services and the payment of principal and interest on certain

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

permanent improvement long-term debt. In addition, the County is authorized to levy taxes up to \$0.30 per \$100 of assessed valuation to be used exclusively for the construction and maintenance of farm-to-market roads or flood control.

At the end of the current fiscal year, the various components of property taxes and other receivables reported in the governmental funds were as shown in the table following:

	<u>Taxes</u>	<u>Allowance</u>	<u>Net</u>
Delinquent Property Taxes Receivable:			
General Fund	\$ 2,629,332	\$ (262,933)	\$ 2,366,399
Debt Service Fund	326,132	(32,613)	293,519
Permanent Improvement Fund	104,074	(10,408)	93,666
Farm to Market/Flood Control Fund	124,740	(12,474)	112,266
Jury Fund	6,290	(629)	5,661
Total Delinquent Property Taxes Receivable	3,190,568	(319,057)	2,871,511
Due From Other Funds			3,693,687
Due From Other Governments			3,638,473
Miscellaneous Receivables			292,714
Total Receivables			<u>\$ 10,496,385</u>

(c) Capital Assets

Capital assets are recorded at cost or, if donated, at fair market value at the date of receipt. In accordance with GASB 34, depreciation policies were adopted to include useful lives and classification by function. Infrastructure assets are valued in two ways: either actual historical cost where the amount can be determined from existing records or using current cost deflated to the year of construction. Once the historical cost is determined, regardless of how it is determined, the asset is then depreciated over its useful life.

At September 30, 2012, the County had increases in total capital assets of \$4.1 million, with \$726 thousand recorded as construction in progress for the courthouse roof. Other increases include \$225,500 for renovations to the downtown jail and \$596,542 for new building constructed for Road & Bridge Precinct one.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

	Beginning			Ending
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 3,537,312	\$ -	\$ (9,517)	\$ 3,527,795
Construction in progress	1,620,009	772,738	-	2,392,747
Total capital assets, not being				
Depreciated	5,157,321	772,738	(9,517)	5,920,542
Capital assets being depreciated:				
Buildings	123,002,611	1,184,151	-	124,186,762
Improvements, other than buildings	1,020,426	269,951	(2,472)	1,287,905
Machinery and equipment	24,278,010	1,719,906	(1,211,656)	24,786,260
Infrastructure	37,011,953	134,154	(19,182)	37,126,925
Total assets being depreciated	185,313,000	3,308,162	(1,233,310)	187,387,852
Less accumulated depreciation for:				
Buildings	(41,301,159)	(4,002,133)	-	(45,303,292)
Improvements, other than buildings	(453,825)	(53,550)	2,472	(504,903)
Machinery and equipment	(18,592,499)	(1,630,052)	1,025,315	(19,197,236)
Infrastructure	(25,574,749)	(803,389)	19,182	(26,358,956)
Total accumulated depreciation	(85,922,232)	(6,489,124)	1,046,969	(91,364,387)
Total capital assets being depreciated,				
Net	99,390,768	(3,180,962)	(186,341)	96,023,465
Governmental activities, net	\$ 104,548,089	\$ (2,408,224)	\$ (195,858)	\$ 101,944,007

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Depreciation expense for FY 2012 was charged to functions/programs of the primary government as follows:

Governmental activities:	\$ 545,668
Judicial	285,801
Public safety	3,387,463
Public transportation	1,412,065
Health	39,585
Welfare	19,818
Culture and recreation	794,536
Conservation	<u>4,188</u>
Total depreciation expense — governmental activities	<u>\$ 6,489,124</u>

(d) Construction Commitments

McLennan County has active construction projects as of September 30, 2012. The projects include the courthouse roof and renovations to the Downtown Jail and Precinct 2 building. At year-end, the County's outstanding commitments on the projects are as follows:

<u>Project type</u>	<u>Remaining</u>
Courthouse Roof	\$ 1,162,503
Waterproofing Inmate Exercise Area	23,102
Precinct Two Building Exterior Renovation	<u>34,400</u>
Total	<u>\$ 1,220,005</u>

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

(e) Long-Term Liabilities

1. General Obligation Bonds

McLennan County issues general obligation bonds and tax notes to finance major capital projects. The following listing of debt is for general obligation bonds and tax notes outstanding at September 30, 2012; the debt is for governmental activities only:

Description	Interest Rates	Fiscal Year of Issue	Date of Maturity	Bonds Outstanding
Certificates of Obligation Series 2003	3.0 – 4.25%	2003	2023	\$ 5,120,000
Refunding Bonds Series 2003	3.0 – 3.35%	2003	2013	705,000
Refunding Bonds Series 2005	3.5 – 4.0%	2006	2020	5,480,000
Certificates of Obligation Series 2006	3.3 – 4.2%	2006	2025	3,315,000
Refunding Bonds Series 2009	2.0 – 4.0%	2009	2017	3,905,000
Refunding Bonds Series 2011	2.0 – 4.0%	2011	2021	5,350,000
Total General Obligation Debt				\$ 23,875,000

Certificates of Obligation Series 2003 totaling \$8,000,000, dated August 1, 2003 were issued to construct the new McLennan County Juvenile Services Center on land already owned by the County. These serial bonds were issued at an effective rate of 3.900049%.

Refunding Bonds Series 2003 totaling \$9,760,000, dated November 18, 2003 were issued to advance refund general obligation bonds issued by the County. These bonds were issued at an effective rate of 2.88%. The proceeds were deposited with an escrow agent in an irrevocable trust for the purpose of redeeming the refunded bonds on December 22, 2003. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. The net carrying amount of the old debt exceeded the reacquisition price by \$45,000.

Refunding Bonds Series 2005 totaling \$7,315,000, dated December 1, 2005 were issued to advance refund general obligation bonds issued by the County. These bonds were issued at an effective rate of 3.99%. The proceeds were deposited with an escrow agent in an irrevocable trust for the purpose of redeeming the refunded bonds on December 29, 2005. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$385,000.

Certificates of Obligation Series 2006 totaling \$4,250,000, dated February 8, 2006 were issued to pay, in whole or in part, contractual obligations to be incurred for (i) improvements and renovations to the McLennan County Courthouse, the McLennan County Courthouse Annex, the Shrine Building, the Archives Building, the Adult Probation Building, the Info Tech Building, the Building

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Maintenance/Purchasing Building and the Highway 6 Jail; (ii) the construction of a building or the purchase of an existing building for the maintenance of county vehicles, (iii) the demolition of the Radio Shop and construction of a parking lot thereon, (iv) the construction of a new radio tower, a new building for Justice of the Peace Precinct 8 and a new juvenile shelter at the Juvenile Detention Center, (v) the purchase of land and construction of a new building, or the purchase and renovation of an existing building, for Justice of the Peace Precinct 4, (vi) the purchase of land and construction of a new yard for County Precinct 3 and (vii) the purchase of a new phone system for downtown County buildings, and (viii) for paying legal, fiscal and professional fees in connection with these projects. These serial bonds were issued at an effective rate of 3.966%.

Refunding Bonds Series 2009 totaling \$6,205,000, dated June 1, 2009 were issued to advance refund general obligation bonds issued by the County. These bonds were issued at an effective rate of 2.68%. The proceeds were deposited with an escrow agent in an irrevocable trust for the purpose of redeeming the refunded bonds on June 16, 2009. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$5,000.

Refunding Bonds Series 2011 totaling \$5,885,000, dated July 11, 2011 were issued to refund general obligation bonds series 2001 issued by the County. These bonds were issued at an effective rate of 2.42%. The proceeds were deposited with an escrow agent for the purpose of redeeming the refunded bonds on July 28, 2011. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets.

2. Contractual Maturities of General Obligation Bonds

The annual debt service for general obligation bonds is as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total Debt Service
2013	3,205,000	856,779	4,061,779
2014	2,595,000	746,244	3,341,244
2015	2,530,000	668,469	3,198,469
2016	2,630,000	587,477	3,217,477
2017	2,740,000	502,568	3,242,568
2018 – 2022	8,665,000	1,246,217	9,911,217
2023 – 2025	1,510,000	104,037	1,614,037
Total	\$ 23,875,000	\$ 4,711,791	\$ 28,586,791

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

3. Revenue Bonds

The McLennan County Public Facility Corporation, a blended component unit of the County, issued Revenue Bonds Series 2009 on January 29, 2009 in the face amount of \$49,015,000 at an effective rate of 6.625%. The Revenue Bonds Series 2009 (the "Bonds") were issued to provide funds to (i) finance a project that consists of the development, design, construction and equipping of an 816 bed secure detention center on land in McLennan County, adjacent to the County's existing detention facility (the land, improvements and its operations are collectively referred to as the "Project"), (ii) to establish a reserve fund for the payment of the Bonds; (iii) to pay interest on the Bonds for a period of approximately 16 months from the date of issuance; (iv) to pay certain operating expenses during construction and for up to one year following completion of construction; and (v) to pay costs of issuing the Series 2009 Bonds. The land on which the detention center is built is subject to a ground lease between the County and the PFC.

In relation to the Project, The County has entered into a lease (the "Lease") with the PFC, wherein the County will lease the new detention center from the PFC. The consideration to be paid by the County to the PFC will be all rental payments received from third party entities that pay the County to house their inmates in the new detention facility.

The Revenue Bonds Series 2009 are payable from and secured by a pledge of all of the PFC's right, title and interest in the Lease, all project revenues, including the right to receive the rental payments (from the third parties housing their inmates in the detention center), other amounts due under the Lease, amounts deposited in the debt service fund, and all other accounts established under the Indenture.

The County is required under the Lease to pay rental payments which are sufficient in both time and amount, to pay when due, the principal and interest on the Bonds. The County's obligation to pay the rental payments and other additional amounts required pursuant to the Lease, including operation and maintenance costs, is payable solely from the County's project revenues (rentals from third parties) and other available money appropriated annually for such purpose by the Commissioners Court for such purpose. If the County fails to appropriate available money which, together with the County's project revenues, is sufficient for the payment of all such amounts in any fiscal year of the County, the Lease will terminate and the PFC may take possession of the Project.

Description	Interest Rate	Fiscal Year of Issue	Date of Maturity	Bonds Outstanding
McLennan County Public Facility Corporation Revenue Bonds Series 2009	6.625%	2009	2035	\$ 47,465,000

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

4. Contractual Maturities of Revenue Bonds

The annual debt service for revenue bonds is as follows:

Fiscal Year Ending September 30,			Total Debt
	Principal	Interest	Service
2013	855,000	3,144,556	3,999,556
2014	910,000	3,087,912	3,997,912
2015	970,000	3,027,626	3,997,626
2016	1,035,000	2,963,362	3,998,362
2017	1,105,000	2,894,794	3,999,794
2018 – 2022	6,710,000	13,275,838	19,985,838
2023 – 2027	9,255,000	10,737,470	19,992,470
2028 – 2032	12,760,000	7,237,150	19,997,150
2033 – 2035	13,865,000	2,129,936	15,994,936
Total	\$ 47,465,000	\$ 48,498,644	\$ 95,963,644

5. Capital Leases

The County leases some of its assets under capital leases. The economic substance of the capital leases is that the County is financing the acquisition of these assets through the leases over their terms. Accordingly, these acquisitions are reflected in the County's assets and liabilities.

Under State law, the County may not legally obligate the revenue of future years to liquidate any lease obligations due in those years. Therefore, non-appropriation clauses exist in each lease agreement with the provision that in the event funds are not appropriated for the rental payments tentatively required for the next fiscal year, the lessee may terminate that lease agreement.

The County assumes responsibility for all costs and expenses arising from the use, possession and maintenance of all equipment held under the leases. At the end of each of the lease agreements, the security interest of the lessor in the equipment held under the lease is released. A schedule of capital leases, all related to governmental activities is presented on the following page.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2012, all governmental activities, were as follows:

Fiscal Year Ending September 30,	Obligation
2013	1,075,774
2014	785,274
2015	765,699
2016	755,912
2017	755,912
2018	505,390
	<hr/>
Total minimum lease payments	\$ 4,643,961
Less: amount representing interest	(680,637)
	<hr/>
Present value of minimum lease payments	\$ 3,963,324
	<hr/>

The assets acquired through capital leases are as follows:

	Governmental Activities
Assets:	
Machinery and equipment	\$ 1,542,745
Buildings	<u>7,138,213</u>
Total Cost	8,680,958
Less: Accumulated depreciation	<u>(2,980,584)</u>
Total	\$ <u>5,700,374</u>

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Schedule of Lease-Purchase Agreements Outstanding

At September 30, 2012

	Transamerica Financial Services	SunTrust Leasing Corp.	Global Tel*ink	Chase Equipment Leasing
Effective Date	03/26/02	09/18/07	07/01/2009	01/22/10
Original Lease Amount	\$6,152,518	\$985,695	\$1,289,050	\$136,850
Outstanding Principal at September 30, 2012	\$3,040,992	\$574,169	\$281,914	\$66,248
Total Future Payments Under Lease Agreement	\$3,638,739	\$646,209	\$290,500	\$68,512
Simple Interest Rate	5.28%	4.3942%	6.872%	2.80%
Lease Term	15 years	10 years	4 years	5 years
Property Held Under Lease	Utility Performance Improvement Equipment	Utility Performance Improvement Equipment	Video Visitation System for Jails	Motorgrader
Debt Service	100% General Fund	100% General Fund	100% General Fund	100% R&B Pct 3 Fund

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

6. Notes Payable

Under State law, a Texas county can legally obligate the revenue of future years to liquidate notes payable to financial institutions entered into under Chapter 271 of the Local Government Code. The County has entered into one such financing agreement for the acquisition of capital equipment. This note payable was entered into with a local bank and was not collateralized. Accordingly, these acquisitions and liabilities are reflected in the County's assets and liabilities.

The annual debt service for the note payable is as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total Debt Service
2013	\$ 58,662	\$ 1,847	\$ 60,509
2014	59,560	949	60,509
2015	30,121	134	30,255
Total	\$ 148,343	\$ 2,930	\$ 151,273

7. Debt Related to Capital Assets

The following table presents the amount of the different types of debt that are related to the County's Capital Assets:

Type of Debt	Total Debt	Debt Related to Capital Assets
General Obligation Bonds	\$ 23,875,000	\$ 23,875,000
Revenue Bonds	47,465,000	47,465,000
Note Payable	148,343	148,343
Capital Leases	3,963,324	3,963,324
Total	\$ 75,451,667	\$ 75,451,667

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

8. Changes in Noncurrent Liabilities

Noncurrent liabilities for the year ended September 30, 2012, all of which were from governmental activities, were as follows:

	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes Payable	Compensated Absences	Other Post Employment Benefits	Total Governmental Activity
<u>PRINCIPAL:</u>							
Beginning balance	26,985,000	48,265,000	4,963,847	-	1,815,299	9,670,153	91,699,299
Additions	-	-	-	177,331	1,349,749	3,564,516	5,091,596
Reductions	3,110,000	800,000	1,000,525	28,988	1,060,760	800,498	6,800,771
Ending Balance	23,875,000	47,465,000	3,963,322	148,343	2,104,288	12,434,171	89,990,124
<u>UNAMORTIZED REFUNDING COSTS, NET:</u>							
Beginning balance	156,587	(1,777,117)	-	-	-	-	(1,620,530)
Additions	-	-	-	-	-	-	-
Amortization	(28,119)	29,456	-	-	-	-	1,337
Ending Balance	128,468	(1,747,661)	-	-	-	-	(1,619,193)
NET	24,003,468	45,717,339	3,963,322	148,343	2,104,288	12,434,171	88,370,931
Due within one year	3,205,000	855,000	1,075,774	27,863	1,683,430	\$ -	6,847,067

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Debt service for general obligation bonds and revenue bonds is provided by the Debt Service Funds, capital leases and notes payable are serviced by the General Fund or the special revenue fund that acquired the equipment, and compensated absences and OPEB are liquidated by the same funds in which the respective employees are employed.

(f) Post Employment Benefits Other Than Pension Benefits

1. Plan Description

The County's OPEB provides health benefits to eligible retired employees and is a single employer plan. Separately issued financial statements are not available for the plan.

2. Plan Participants

Members are eligible for retirement with TCDRS at age 60 with 8 years of service, or at any age with 30 years of service, or when age plus years of service equals 75.

3. Normal Retirement Benefits

Health Care Benefit Eligibility Conditions

With the exception of employees who come to work for the County on or after January 1, 2009, who do not qualify for retiree health care benefits, each full-time employee who separates from the service of McLennan County, and who, at the time of their separation, is eligible for retirement under Texas County and District Retirement System (TCDRS) guidelines, and either (1) has total creditable service with TCDRS and continuous service as a full-time employee of McLennan County of twenty (20) years or more, or (2) has total creditable service with TCDRS and continuous service as an elected official of McLennan County of twelve (12) years or more; and whose full salary has been paid entirely from McLennan County funds or Grant funds received from Federal, State or other Local Governments by McLennan County, for 20 years or more, or (2) for twelve (12) years or more as an elected official, and is covered by the McLennan County group health program at the time of their retirement, will have the same dollar amount contributed towards their group medical premiums by the County that the County contributes towards such premiums for its full-time employees.

Retiree Health Care Benefit

For eligible retirees, premiums for medical coverage shall be paid by the County, at the same dollar amount contributed towards their group medical premiums by the County that the County contributes toward such premiums for its full-time employees. If the retiree qualifies (must have Medicare A & B, and may have to be 65 or older) and such plan is available through the County, the retiree may elect a senior health plan instead of a traditional group health plan. If the retiree elects a senior health plan and the premium amount is less than the premium amount the County contributes for its full-time employees, the County will pay the lower premium. Premiums for spouses and dependents shall be paid by the retiree.

Each full-time employee who separates from the service of McLennan County, and who is eligible for retirement under TCDRS, and who is covered by the McLennan County group health program at the time of such retirement, but does not meet the minimum requirements set forth above, will be permitted to continue their participation in current or future group health or senior health plan programs, provided by McLennan County for its employees and retirees, at their sole expense. Coverage for spouses and dependents who are participants in the County's group health program on the date of the employee's retirement may also be continued. Premiums for spouses and dependents shall also be paid by the retiree.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

McLennan County Commissioners Court has the authority to establish and amend the benefits of the plan.

Early Retirement Benefits

Only members who have the required time of continuous service are eligible for retiree health benefits. There are no "early retirement benefits".

Deferred Retirement Benefits

Eligible members who terminate employment without retiring with TCDRS can continue the same medical coverage in which they were enrolled at termination. If eligible members elect not to continue medical coverage at termination, they are not eligible for retiree health care benefits when they activate their retirement from TCDRS.

Death-in-Service Retirement Benefits

Provided the County is able to secure an agreement with its insurance providers for such coverage and such does not cause an increase in the County's insurance costs which the County, in its sole discretion, finds unacceptable, in the event of the death of a retiree who has retired from service with McLennan County under TCDRS, the spouse and dependents will be allowed, at their own option and expense, to continue their participation in such health insurance plans as may be provided by the County. This eligibility extends only to persons covered by the retiree's insurance at the time of the death of the retiree. This eligibility for any spouse ceases at the end of the month in which the spouse marries.

Funding Policy and Annual OPEB Cost

The County's annual other post employment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the 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. The County had its latest OPEB actuarial valuation performed for the fiscal year beginning October 1, 2011 as required by GASB. The annual OPEB cost for the fiscal year ending September 30, 2012, is as follows:

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Annual required contribution	\$ 3,532,527
Interest on OPEB obligation	435,157
Adjustment to ARC	(403,168)
Annual OPEB cost (expense) end of year	<u>3,564,516</u>
Net employer contributions	(800,498)
Increase in net OPEB obligation	<u>\$ 2,764,018</u>
 Net OPEB obligation, beginning of year	 <u>9,670,153</u>
 Net OPEB obligation, end of year	 <u><u>\$ 12,434,171</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ending September 30, 2012 and the preceding two years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/2010	\$ 4,254,447	11.1%	\$ 7,356,790
09/30/2011	\$ 3,453,974	33.0%	\$ 9,670,153
9/30/2012	\$ 3,564,516	22.5%	\$ 12,434,171

Funding status

The funded status of the County's retiree health care plan, under GASB Statement No. 45 as of December 31, 2011 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
12/31/2011		\$35,792,573	\$35,792,573	0.0%	38,997,780	91.78%

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

Under the reporting parameters, the County's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$35,792,573 at December 31, 2011. As of the most recent valuation, the ratio of the unfunded actuarial accrued liability to annual covered payroll is 91.78%. The County's plan follows a pay-as-you-go funding. McLennan County Commissioners Court has the authority to establish and amend the funding policy.

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 recognition of the cost of 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 unfunded 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:

Actuarial Methods and Assumptions

Inflation Rate	3.0% per annum
Investment rate of return	4.5%, net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of employee payroll
Amortization Period	30-year, open amortization
Salary Growth	3.0% per annum
Healthcare cost trend rate	Initial rate of 8.50% declining to an ultimate rate of 4.50% after 8 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status 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 multiyear 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.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

(g) Inter-fund Receivables, Payable Balances and Transfers

Inter-fund Receivables and Payables Balances

Activity between funds that represent the current portion of lending/borrowing and inter-fund charges for goods and services arrangements outstanding at fiscal year end are referred to as "due to/from other funds." The composition of inter-fund balances as of September 30, 2012, is as follows:

	Due from Other Funds	Due to Other Funds
Due to / from other funds:		
General Fund	\$ 47,020	\$ 1,581,210
Jail Lease Fund	841,204	2,138,870
PFC Jail Operating Fund	2,138,870	666,593
PFC Rev Bonds 2009 Debt Svc Fund	666,593	
Nonmajor Funds		47,020
Proprietary Funds	740,006	
Total	<u>\$ 4,433,693</u>	<u>\$ 4,433,693</u>

Inter-fund Transfers

During the fiscal year ending September 30, 2012, the General Fund transferred \$1,392,000 to the Road and Bridge Fund to replace a reallocation of revenues mandated by the State. The General Fund also transferred \$19,385 to Nonmajor Governmental Funds. Of this amount, \$9,715 was received by the Child Abuse Prevention Fund, \$670 was received by the Juvenile Delinquency Prevention Fund, and \$9,000 was received by the SECO Fund. \$2,000,000 was transferred from the General Fund to the Health Insurance Trust Fund, the Proprietary Fund, in order to provide initial funding. The Road and Bridge Fund transferred \$239,148 to the General Fund as reimbursement for personnel costs of guards used in the inmate roadwork program. The District Clerk Records Management Fund transferred \$33,000 to the General Fund and the Justice Technology Fund transferred \$73,838 to the General Fund. Both of these funds are Nonmajor Governmental Funds. A transfer was made from the PFC Jail Operating Fund to the PFC Revenue Bonds Series 2009 Debt Service Fund for \$3,755,433 in order to support principal and interest payments.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

	Transfers in	Transfers Out
General Fund	\$ 345,986	\$ 3,411,385
Road & Bridge Fund	1,392,000	239,148
PFC Jail Operating Fund		3,755,433
PFC Rev Bonds 2009 Debt Svc Fund	3,755,433	
Nonmajor Governmental Funds	19,385	106,838
Proprietary Funds	2,000,000	
Total	\$ 7,512,804	\$ 7,512,804

III. OTHER INFORMATION

(a) Risk Management

Property and liability risks - The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. In order to mitigate losses from such occurrences, the County has risk management programs, as discussed on the following page.

The County participates in insurance risk pools offered by the Texas Association of Counties to provide general liability, public officials' liability, vehicular liability, district and county clerk errors and omissions, and law enforcement liability. Another Texas Association of Counties risk pool provides adequate property damage insurance for the County's buildings and their contents. Premiums are paid into the pool annually, and are based on the prior year's experience factors.

The County operates a mainframe computer installation on which nearly the entire County's court records are maintained. The data is backed up daily and stored offsite in a fireproof storage area.

Texas statutes require public officials' faithful performance bonds for substantially all elected and appointed officials. In addition, the County carries a blanket employee dishonesty bond in the amount of \$100,000 per occurrence for all County employees. In addition, tax office employees are covered by a \$100,000 comprehensive dishonesty, disappearance and destruction policy.

The County maintains and operates a helicopter. Aircraft liability in the amount of \$1,000,000 is carried through a commercial insurance company.

The vehicles owned by the County are insured for liability coverage only, with the exception of those vehicles purchased under a capital lease. The County assumes the risk for any property damage to its own vehicles, unless a third party causes the damage, in which case subrogation is pursued with the third party. Full coverage is maintained on the leased vehicles.

Workers' compensation coverage is provided through a risk pool set up by the Texas Association of Counties. Premiums are paid into the pool based on the prior year's experience factor.

Health and medical insurance for employees is offered through the County's self-insured health program to each official and salaried employee. The County pays medical coverage premiums for

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

eligible employees up to the lowest premium amount for the base plan of the County. Other supplemental insurance policies are offered to employees at their option and cost through third-party providers.

Changes in coverage from prior year - There were no decreases in the insurance coverage maintained by the County in 2012 compared to 2011.

Settlements exceeding coverage - No settlements against the County exceeded the related insurance coverage in any of the past three years.

(b) Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. If any expenditures are determined to be disallowed under terms of the grant, the County would be required to reimburse the grantor agency. A contingent liability was not established because potential reimbursements are considered immaterial.

The County is named as a defendant in various lawsuits related to alleged violations of constitutional and employment rights. In all of these cases, the County is denying the allegations and is vigorously defending against them. County officials estimate that the potential claims against the County will not materially adversely affect the financial position of the County.

The County has entered into a lease agreement with the Public Facilities Corporation ("PFC"), wherein the County leases the new detention center from the PFC. The operation of the facility is governed by the Facility Operation and Management Agreement between McLennan County and Community Education Centers ("CEC"). Per the agreement in Section 3.04(a), CEC shall be paid a fixed daily fee of \$36 per prisoner, provided current interest and sinking requirements are met. From inception of operations at the facility through September 30, 2012, the amount of revenue received by CEC is \$9,763,390. This represents the amount of revenue that exceeds the current interest and sinking requirements but is less than the daily rate of \$36 per prisoner as stated in the agreement. The difference between the revenue earned by CEC to date and the potential revenue per the agreement is \$4,018,310. This is not booked as a liability, as it is not payable to the Operator until the time that the facility houses enough prisoners to generate revenues that exceed the interest and sinking requirements in an amount that would allow for the full compensation to the Operator.

(c) Related Party Transactions

The general laws of the State of Texas prohibit transactions, with certain exceptions, between the County and its officers or between the County and any entity in which a County officer may have a substantial interest. During the fiscal year ended September 30, 2012, there were no transactions which are known to have violated these prohibitions.

IV. EMPLOYEE RETIREMENT SYSTEM

(a) 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 (the TCDRS). The board of trustees is responsible for the administration of the statewide agent multi-employer public employee retirement system consisting of 517 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 board of trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

the state statutes governing the TCDRS (TCDRS Act). Members employed by McLennan County can retire at age 60 and above with eight or more years of service, with 30 years of service, regardless of age, or when the sum of their age and years of service equal 75 or more. Members are vested after eight years of employment but must leave their accumulated contributions in the plan to receive any employer-financed benefit.

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

(b) Funding Policy

The County has elected the annually determined contribution rate (variable rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The County contributed using the actuarially determined rate of 15.62% for the months of the calendar year in 2012. The contribution rate payable by the employee members for the calendar year 2012 was 7% as adopted by the governing body of the County. The employee contribution rate and the County's contribution rate may be changed by the governing body of the County within the options available in the TCDRS Act. If a plan has had adverse experience, the TCDRS Act has provisions that allow the employer to contribute a fixed supplemental contribution rate determined by the System's actuary above the regular rate for 25 years or to reduce benefits earned in the future.

(c) Annual Pension Cost

For the employer's accounting year ended September 30, 2012, the annual pension cost for the TCDRS plan for its employees was \$6,122,919 and the actual contributions were \$6,122,919. The actual contributions were actuarially determined as a percentage of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 and No. 50 parameters based on the actual actuarial valuations as of December 31, 2011, the basis for assessing the adequacy of the financing arrangement beginning with the contribution rates for calendar years 2011. The December 31, 2011 actuarial valuation is the most recent valuation.

The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 5.4 percent. Both (a) and (b) included an inflation component of 3.5 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The amortization period at December 31, 2011 was 20 years.

(d) Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 76.87% funded. The actuarial value of the assets is \$118,736,907 and the actuarial accrued liability for benefits was \$154,460,059, resulting in an unfunded actuarial accrued liability (UAAL) of \$35,723,152. The annual covered payroll (actuarial) of active employees covered by the plan was \$38,997,780 and the ratio of the UAAL to the covered payroll was 91.60%.

MCLENNAN COUNTY, TEXAS

Notes to the Basic Financial Statements

September 30, 2012

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

Actuarial valuation date	12/31/09	12/31/10	12/31/11
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization period	20	20	20
Asset Valuation method	SAF: 10-yr smoothed value ESF: Fund value	SAF: 10-yr smoothed value ESF: Fund value	SAF: 10-yr smoothed value ESF: Fund value
Actuarial Assumptions:			
Investment return ⁽¹⁾	8.0%	8.0%	8.0%
Projected salary increases ⁽¹⁾	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

⁽¹⁾Includes inflation at the stated rate

Trend Information for the Retirement Plan For the Employees of McLennan County			
Accounting Year Ending	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
September 30, 2009	5,576,112	100.00%	\$ -
September 30, 2010	5,803,626	100.00%	\$ -
September 30, 2011	6,122,919	100.00%	\$ -

REQUIRED SUPPLEMENTARY
INFORMATION

MCLENNAN COUNTY, TEXAS

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

General Fund

For the Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 56,517,002	\$ 56,517,002	\$ 56,738,440	\$ 221,438
Licenses and Permits	95,800	95,800	122,514	26,714
Intergovernmental	2,325,200	2,325,200	2,325,260	60
Charges for Services	5,264,880	5,264,880	5,690,271	425,391
Fines and Forfeits	802,000	802,000	969,183	167,183
Miscellaneous	1,469,845	1,765,980	2,332,025	566,045
Total Revenues	66,474,727	66,770,862	68,177,693	1,406,831
Expenditures:				
Current:				
General Government	20,784,001	19,011,332	17,095,535	(1,915,797)
Judicial	6,916,536	6,887,452	6,573,502	(313,950)
Public Safety	31,080,654	33,468,934	32,102,225	(1,366,709)
Public Transportation	365,942	363,714	347,359	(16,355)
Health	8,551,699	8,288,503	7,530,747	(757,756)
Welfare	4,517,560	4,485,796	4,322,591	(163,205)
Culture-Recreation	763,596	772,389	743,610	(28,779)
Conservation	353,320	329,627	309,416	(20,211)
Economic Development and Assistance	9,538,410	9,551,106	2,294,597	(7,256,509)
Debt Service:				
Principal	948,816	948,816	948,815	(1)
Interest and Fiscal Charges	266,525	266,525	266,521	(4)
Total Expenditures	84,087,059	84,374,194	72,534,918	(11,839,276)
Excess (Deficiency) of Revenue over Expenditures	(17,612,332)	(17,603,332)	(4,357,225)	13,246,107
Other Financing Sources (Uses):				
Transfers In	345,986	345,986	345,986	-
Transfers Out	(3,402,385)	(3,411,385)	(3,411,385)	-
Sale of Capital Assets	-	-	22,750	22,750
Total Other Financing Sources	(3,056,399)	(3,065,399)	(3,042,649)	22,750
Net Change in Fund Balance	(20,668,731)	(20,668,731)	(7,399,874)	13,268,857
Fund Balance at Beginning of Year	27,569,843	27,569,843	30,624,822	3,054,979
Fund Balance at End of Year	\$ 6,901,112	\$ 6,901,112	\$ 23,224,948	\$ 16,323,836

MCLENNAN COUNTY, TEXAS

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

Road & Bridge Fund

For the Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Licenses and Permits	\$ 1,828,000	\$ 1,828,000	\$ 1,978,400	\$ 150,400
Intergovernmental	529,385	529,385	872,061	342,676
Fines and Forfeits	876,000	876,000	760,676	(115,324)
Miscellaneous	99,309	99,309	193,648	94,339
Total Revenues	3,332,694	3,332,694	3,804,785	472,091
Expenditures:				
Current:				
Public Transportation	10,398,566	10,545,642	5,775,417	(4,770,225)
Debt Service:				
Principal	51,711	80,699	80,699	-
Interest and Fiscal Charges	3,656	4,923	4,922	(1)
Total Expenditures	10,453,933	10,631,264	5,861,038	(4,770,226)
Excess (Deficiency) of Revenue over Expenditures	(7,121,239)	(7,298,570)	(2,056,253)	5,242,317
Other Financing Sources (Uses):				
Transfers In	1,392,000	1,392,000	1,392,000	-
Transfers Out	(239,148)	(239,148)	(239,148)	-
Issuance of Note Payable	-	177,331	177,331	-
Sale of Capital Assets	-	-	247,123	247,123
Total Other Financing Sources	1,152,852	1,330,183	1,577,306	247,123
Net Change in Fund Balance	(5,968,387)	(5,968,387)	(478,947)	5,489,440
Fund Balance at Beginning of Year	5,968,387	5,968,387	6,910,810	942,423
Fund Balance at End of Year	\$ -	\$ -	\$ 6,431,863	\$ 6,431,863

MCLENNAN COUNTY, TEXAS

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

Jail Lease Fund

For the Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 14,984,718	\$ 14,984,718	\$ 9,535,074	\$ (5,449,644)
Total Revenues	<u>14,984,718</u>	<u>14,984,718</u>	<u>9,535,074</u>	<u>(5,449,644)</u>
Expenditures:				
Public Safety:				
Other Services and Charges	14,984,718	14,984,718	9,535,074	(5,449,644)
Total Expenditures	<u>14,984,718</u>	<u>14,984,718</u>	<u>9,535,074</u>	<u>(5,449,644)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MCLENNAN COUNTY, TEXAS

Required Supplementary Information

For the Year Ended September 30, 2012

**Schedule of Funding Progress for the Retirement Plan
For the Employees of McLennan County**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
12/31/2008	97,988,492	127,864,238	29,875,746	76.63%	34,617,254	86.30%
12/31/2009	107,278,572	136,282,678	29,004,106	78.72%	36,178,602	80.17%
12/31/2010	112,111,516	144,002,241	31,890,725	77.85%	37,810,169	84.34%
12/31/2011	118,736,907	154,460,059	35,723,152	76.87%	38,997,780	91.60%

**Schedule of Funding Progress for the Health Care Plan
For the Employees of McLennan County**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
12/31/2007	-	39,122,642	39,122,642	-	32,437,789	120.61%
12/31/2009	-	35,532,816	35,532,816	-	36,178,602	98.22%
12/31/2011	-	35,792,573	35,792,573	-	38,997,780	91.78%

MCLENNAN COUNTY, TEXAS

Notes to the Required Supplementary Information

September 30, 2012

Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the following Special Revenue and Capital Projects Funds: Adult Probation, Alcohol and Drug Abuse Prevention and Treatment, Bullet Proof Vest, Chapter 19, Community Development Block Grant, Contract Elections, District Attorney Apportionment, District Attorney Forfeited Assets, District Attorney Hot Check, Energy Efficiency Conservation Block Grant, HAVA Grant Fund, Homeland Security Grant, Jail Commissary, Juvenile Assistance Incentive Block Grant, Juvenile Probation Fee, Juvenile Probation, Juvenile Purchase of Services, Law Enforcement Officers Standards and Education, PFC Jail Operating Fund, Sheriff Forfeited Assets, Statewide Automated Victim Notification System, Tax Office Administration, Title IV-E, Unclaimed Juvenile Restitution, Victim Coordinator Liaison Grant, and PFC Capital Projects Fund. In some instances, the Special Revenue Funds listed in the previous sentence may have budgets required by the grantor agency. The PFC Revenue Bonds Series 2009 Debt Service Fund also does not have an annual adopted budget. Since Commissioners Court is not required to adopt a budget for these funds, there are no budgetary comparison schedules presented. All annual appropriations lapse at fiscal year-end.

On or before the last day of June of each year, all departments of the County submit requests for appropriations to the Budget Officer. The Budget Officer reviews the requests, receives the revenue estimate from the County Auditor, and makes his recommendations in the form of a preliminary budget, which must be filed with the County Clerk and the County Auditor. Within ten calendar days after preliminary budget is filed, the Commissioners Court holds public hearings and publishes notices on the timetable required by state statute. Before September 30, the budget and tax rate are adopted with tax notices mailed on or after October 1.

The appropriated budget is adopted annually by fund, activity, department, and at the legal level of budgetary control for the categories of personal services, supplies, other services and charges, capital outlay and debt service. For management purposes the elected official or department head may request approval from the Commissioners Court to move appropriations between category line items.

The County uses three levels to manage capital expenditures. As a rule, all assets under \$1,000 are recorded as expenditures in the supplies category. Assets from \$1,000 up to \$5,000 are individually identified on separate capital equipment listing by department. There is a separate line item within the supplies category for these expenditures. These assets are brought over to the capital asset system for tracking insurance purposes, but are not depreciated. All capital purchases over \$5,000 are individually identified and brought over to the capital asset system for depreciation and inclusion in capital assets under GASB 34 and their expenditure is charged to the 'capital outlay' category. Since pricing fluctuates, it is often necessary to move individual assets between these three management lines.

Encumbrance accounting is utilized by governmental entities. Encumbrances lapse at the end of each fiscal year. Encumbrances do not constitute expenditures or liabilities because the commitments will be re-appropriated and purchase orders reissued during the subsequent year.

COMBINING AND INDIVIDUAL
FUND STATEMENTS AND
SCHEDULES



McLENNAN COUNTY, TEXAS

Nonmajor Governmental Funds

Special Revenue Funds

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

Adult Probation Fund

The Adult Probation Fund is used to account for the activities of the blended component unit known as the McLennan County Community Supervision and Corrections Department. The primary financial resources are comprised of intergovernmental revenues and charges received for services. Primary expenditures are for public safety personnel costs. The budget for the Adult Probation Fund is established by the grantor agencies.

Alcohol and Drug Abuse Prevention and Treatment Fund

The Alcohol and Drug Abuse Prevention and Treatment Fund was established to account for certain funds used to encourage the youth of the County to resist the use of drugs. Revenues of this fund are derived from fees earned by the Criminal District Attorney in the prosecution of welfare fraud cases and the fund is supplemented by transfers from the Forfeited Assets Fund. Expenditures are made for the costs of providing drug-free activities for the students of the area schools upon request by the school officials, subject to the approval of the Criminal District Attorney and the Commissioners Court.

Alcohol and Drug Court Program Fund

The Alcohol and Drug Court Program Fund was established to account for the collection of fees charged to selected defendants in cases involving alcohol and drugs, as set forth in Health and Safety Code Section 469.001. This statute provides for the creation of a drug court for alcohol and drug diversion monitoring and enforcement for a period of approximately one year for the participants. The fees and expenses of this court are accounted for in this fund and are under the budgetary authority of the Commissioners Court.

Bullet Proof Vest Fund

The Bullet Proof Vest Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Department of Justice. The funds are used to protect the lives of law enforcement officers by providing officers with armored vests.

Chapter 19 Fund

The Voter Registration Fund is established to account for the state funds received by the voter registrar's office that are based on voter registration statistics such as the numbers of initial voter registrations, cancelled registrations, and updated registrations. The funds available may only be used to defray expenses of the registrar's office in connection with voter registration. The Commissioners Court does not consider the availability of these state funds in adopting the county budget for the office of the voter registrar.

Child Abuse Prevention Fund

The Child Abuse Prevention Fund was established to account for a one-hundred dollar fee collected from defendants convicted of certain child sexual assault and other related convictions. This fund may only be used to fund child abuse prevention programs in the county where the court is located. This fund is administered by the Commissioners Court of the county.

Community Development Block Grant Fund

The Community Development Block Grant Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Texas Department of Rural Affairs. The funds are used to improve infrastructure as well as street and drainage improvements.

Contract Elections Fund

The Contract Elections Fund is used to account for State funds received and related expenditures for public elections.

McLENNAN COUNTY, TEXAS

Nonmajor Governmental Funds

County and District Court Technology Fund

The County and District Court Technology Fund is used to account for the court cost known as the "county and district court technology fee" which is required of defendants convicted of a criminal offense in a county court, statutory county court, or district court. The fund is used only to finance the purchase and maintenance of technological enhancements for a county court, statutory county court, or district court and the cost of continuing education and training in regards to those enhancements. This fund is administered by the Commissioners Court of the county.

County Clerk Records Management Fund

The Records Management (County Clerk) Fund was established to account for the revenues received for the records management and preservation services performed by the county clerk after the filing and recording of a document in the records of the office of the clerk. Expenditures from the fund may only be spent for records management preservation or automation purposes in the county and are subject to approval by the Commissioners Court.

Courthouse Security Fund

The Courthouse Security Fund was established to account for "security fees", which are costs of the court, collected on misdemeanor offenses in a county court, county court at law, district court, or justice court. Money deposited into this fund may be used only for security personnel, services, and items related to buildings that house the operations of district, county, or justice courts. This fund is administered by the Commissioners Court of the county.

Court Records Preservation Fund

The Court Records Preservation Fund was established to account for "court record preservation" fees that are collected on all civil cases filed in a county court, statutory county court, or district court. The funds may only be used to digitize court records and preserve the records from natural disasters. This fund is administered by the Commissioners Court of the county.

Court Reporter Service Fund

The Court Reporter Service Fund was established to account for a fifteen dollar "court reporter service" fee collected by court clerks for courts that have an official court reporter. The fund is used to maintain the court reporter whom is available for assignment in the court.

Dispute Resolution Fund

The Dispute Resolution Fund was created to account for statutory fees collected by the District and County Clerks and for the expenditure of those funds for the purchases of mediation services.

District Attorney Apportionment Fund

The District Attorney Apportionment Fund was established to account for funds received from the state to be used by the state attorney or prosecutor to help defray the salaries and expenses of the office as defined in the General Appropriations Act.

District Attorney Forfeited Assets Fund

The Forfeited Assets Fund (District Attorney) is used to account for resources forfeited to the County pursuant to Chapter 59 of the Code of Criminal Procedures and for the expenditures of such funds for authorized purposes.

District Attorney Hot Check Fund

The District Attorney Hot Check Fund was established to account for fees collected by the district attorney for the collecting and processing of hot checks. Expenditures from this fund shall be at the sole discretion of the attorney and may be used only to defray the salaries and expenses of the prosecutor's office, excluding the district attorney's own salary.

McLENNAN COUNTY, TEXAS

Nonmajor Governmental Funds

District Clerk Errors and Omissions Fund

The Commissioners' Court established the District Clerk Errors and Omissions Fund in accordance with Texas Government Code Section 51.302 to account for filing fees collected and dedicated to expenditures for loss claims against the District Clerk's Office.

District Clerk Records Management Fund

The Records Management (District Clerk) Fund was established to account for the revenues received for records management and preservation services performed by the district clerk when a case or document is filed in the records office of the district clerk. The funds may only be used for specific records management and preservation, including for automation purposes, and are subject to approval by the Commissioners Court.

District Clerk Records Technology Fund

The District Clerk Records Technology Fund was established to account for the "district court records archive fee" which is collected along with the filing of a suit. This fee is for the preservation and restoration services performed in connection with maintaining a district court records archive.

Energy Efficiency Conservation Block Grant Fund

The Energy Efficiency Conservation Block Grant Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the US Department of Energy to improve energy efficiency and reduce both energy use and fossil fuel emissions in their communities.

Family Protection Fund

Section 51.961 of the Texas Government Code provides for the establishment of a Family Protection Fee. The Family Protection Fund was established to account for these fee revenues and expenditure of those funds providing child abuse and family violence prevention services.

Farm-to-Market / Flood Control Fund

The Farm-to-Market / Flood Control Fund is used to account for revenues from ad valorem taxes resulting from the Farm-to-Market Lateral Roads tax levy, and for the subsequent transfer of such to the Road and Bridge Fund.

HAVA Grant Fund

The HAVA Grant Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the US Department of Health and Human Services in order to update voting systems and establish minimum election administration standards.

Homeland Security Grant Fund

The Homeland Security Grant Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the US Department of Homeland Security. These funds are to be used to prevent, protect against, respond to, and recover from acts of terrorism and other catastrophic events.

Jail Commissary Fund

The Jail Commissary Fund is used to account for revenues generated by the sale of personal items to jail inmates and the expenditure of those funds for the benefit of the inmates as required by State law.

Jury Fund

The Jury Fund is a constitutionally designated fund. Revenues for this fund are derived from ad valorem taxes and from jury fees charged in jury cases in accordance with State law. Expenditures are made from the Jury Fund for jury service and jury-connected expenses for five District Courts, two County Courts-at-Law and for nine Justice Courts. Juror lists are prepared from the property tax rolls and voter registration lists. Jurors are randomly selected from the resultant list and are then summoned for service. Both civil and criminal jury panels are chosen from the jury list.

McLENNAN COUNTY, TEXAS

Nonmajor Governmental Funds

Justice Court Building Security Fund

The Justice Court Building Security Fund is used to account for a portion of “security fees”, which are costs of the court, collected on misdemeanor offenses in a justice court. This fund may only be used for the purpose of providing security personnel, services, and items for a justice court located in a building that is not the county courthouse. This fund is administered under the direction of the Commissioners Court.

Justice Technology Fund

The Justice Technology Fund is used to account for the court cost known as the “justice court technology fee” which is required of defendants convicted of a misdemeanor offense in a justice court. The fund is used only to finance the purchase and maintenance of technological enhancements for the justice court and the cost of continuing education and training for justice court judges and clerks in regards to those enhancements. This fund is administered by the Commissioners Court of the county.

Juvenile Assistance Incentive Block Grant Fund

The Juvenile Assistance Incentive Block Grant Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Criminal Justice Division to develop programs that promote greater accountability in the juvenile justice system.

Juvenile Delinquency Prevention Fund

The Juvenile Delinquency Prevention Fund was established to account for “juvenile delinquency prevention and graffiti eradication” fees collected from defendants convicted of graffiti offenses. These funds may only be used to repair damage caused by graffiti, provide educational and intervention programs and materials, provide public rewards for offender information, provide funding for specific teen programs, and to provide funding to the local juvenile probation department. This fund is administered by the Commissioners Court of the county.

Juvenile Probation Fee Fund

The Juvenile Probation Fee Fund is used to account for revenues resulting from court-ordered probation fees and these funds are to be used to provide services for juvenile probationers.

Juvenile Probation Fund

The Juvenile Probation Fund was established in compliance with the Human Resources Code, Section 75.067. Juvenile Probation assistance is provided by the State and administered by the Juvenile Board having jurisdiction in the County. The Juvenile Board consists of the District Judges, the County Judge and the Judges of the County Courts-at-Law. Revenues of the Juvenile Probation Fund are derived primarily from funds supplied by the State. Expenditures are for salaries of probation officers and clerical staff, supplies, communications, travel and transportation expenses and certain other operational items required for the supervision of probationers.

Juvenile Purchase of Services Fund

The Juvenile Purchase of Services Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Heart of Texas Council of Governments for juvenile detention and counseling services.

Law Enforcement Officer Standards and Education Fund

The Law Enforcement Officers Standards and Education Fund is used to account for a fee, of the same name, collected on criminal cases. The expenditures from this fund are to be used only for education and training of the County's law enforcement personnel.

Law Library Fund

The Law Library Fund was created by the Commissioners Court pursuant to Article 1702h, Revised Texas Civil Statutes, for the establishment and maintenance of the County Law Library. Revenues are derived from law library fees assessed against each civil case filed in the County Courts-at-Law and in the District Courts, except tax suits.

McLENNAN COUNTY, TEXAS

Nonmajor Governmental Funds

Records Management Fund

The Records Management (County) Fund was established to account for the records management and preservation fees. Expenditures from the fund may only be spent for records management preservation or automation purposes in the county and are subject to approval by the Commissioners Court.

Sheriff Forfeited Assets Fund

The Forfeited Assets Fund (Sheriff) is used to account for resources forfeited to the County pursuant to Chapter 59 of the Code of Criminal Procedures and for the expenditures of such funds for authorized purposes.

Statewide Automated Victim Notification System Fund

The Statewide Automated Victim Notification System Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Criminal Justice Department. The funds are used to implement an automated method of providing victims of crime with the access to information and notification about changes in offender status and court events.

Tax Office Administration Fund

The Tax Office Administration Fund was established in compliance with the Tax Code, to account for the interest earned on monthly vehicle inventory tax deposits required of automobile dealers prior to the time such deposits are applied to the actual vehicle inventory taxes. Expenditures are for expenses of the Tax Office at the discretion of the County Tax Assessor-Collector.

Title IV-E Fund

The Title IV-E Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Texas Juvenile Probation Commission for foster care maintenance reimbursement.

Unclaimed Juvenile Restitution Fund

The Unclaimed Juvenile Probation Restitution Fund is used to account for funds resulting from unclaimed juvenile restitution payments held by the county. Funds are used for the same purposes for which the county may spend Juvenile State Aid.

Victim Coordinator Liaison Grant Fund

The Victim Coordinator Liaison Grant Fund is used to account for the receipt and expenditure of grant funds awarded to the county by the Office of the Attorney General to fund the mandated positions described in the Texas Code of Criminal Procedures.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

PFC Capital Projects Fund

The PFC Capital Projects Fund consists of the remaining proceeds from the issuance of the PFC Revenue Bonds Series 2009 and the subsequent completion of a new 816 bed jail (Jack Harwell Detention Center). There is no statutory requirement for a budget for this fund by the Commissioners Court and all activities are governed by the Public Facilities Corporation Board.

continued

MCLENNAN COUNTY, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2012

Special Revenue

	Adult Probation Fund	Alcohol and Drug Abuse Prevention and Treatment Fund	Alcohol and Drug Court Program Fund	Bullet Proof Vest Fund	Chapter 19 Fund	Child Abuse Prevention Fund	Community Development Block Grant Fund	Contract Elections Fund	County and District Court Technology Fund	County Clerk Records Management Fund
Assets:										
Cash and Investments	\$ 1,448,140	\$ 29,173	\$ 122,062	\$ -	\$ -	\$ 17,208	\$ -	\$ 309,877	\$ 15,564	\$ 203,871
Receivables (net of allowances for estimated uncollectibles):										
Taxes	-	-	-	-	-	-	-	-	-	-
Accounts	8	-	-	-	-	-	-	-	-	-
Due from Other Governments	-	5,880	-	8,107	-	-	-	-	-	-
Prepaid Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 1,448,148	\$ 35,053	\$ 122,062	\$ 8,107	\$ -	\$ 17,208	\$ -	\$ 309,877	\$ 15,564	\$ 203,871
Liabilities:										
Accounts Payable	\$ 25,160	\$ -	\$ 2,075	\$ -	\$ -	\$ -	\$ -	\$ 525	\$ -	\$ 908
Due to Other Funds	-	-	-	8,107	-	-	-	-	-	-
Deferred Revenue	251,409	-	-	8,107	-	-	-	-	-	-
Total Liabilities	276,569	-	2,075	16,214	-	-	-	525	-	908
Fund Balances:										
Restricted for:										
General Government	-	-	-	-	-	-	-	309,352	-	-
Judicial	-	-	-	-	-	-	-	-	15,564	202,963
Public Safety	1,171,579	35,053	119,987	(8,107)	-	17,208	-	-	-	-
Public Transportation	-	-	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-	-	-
Committed for:										
Capital Projects	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	1,171,579	35,053	119,987	(8,107)	-	17,208	-	309,352	15,564	202,963
Total Liabilities and Fund Balance	\$ 1,448,148	\$ 35,053	\$ 122,062	\$ 8,107	\$ -	\$ 17,208	\$ -	\$ 309,877	\$ 15,564	\$ 203,871

continued

continued

MCLENNAN COUNTY, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2012

Special Revenue

	Courthouse Security Fund	Court Records Preservation Fund	Court Reporter Service Fund	Dispute Resolution Fund	District Attorney Apportionment Fund	District Attorney Forfeited Assets Fund	District Attorney Hot Check Fund	District Clerk Errors and Omissions Fund	District Clerk Records Management Fund	District Court Records Technology Fund
Assets:										
Cash and Investments	\$ 1,650	\$ 32,883	\$ 8,124	\$ 3,065	\$ 8,444	\$ 546,705	\$ 238,026	\$ 98,941	\$ 42,813	\$ 27,041
Receivables (net of allowances for estimated uncollectibles):										
Taxes	-	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	2,949	-	-	-	-
Due from Other Governments	-	-	-	-	-	2,934	-	-	-	-
Prepaid Assets	-	-	-	-	-	463	-	-	-	-
Total Assets	\$ 1,650	\$ 32,883	\$ 8,124	\$ 3,065	\$ 8,444	\$ 553,051	\$ 238,026	\$ 98,941	\$ 42,813	\$ 27,041
Liabilities:										
Accounts Payable	\$ 1,650	\$ -	\$ 1,955	\$ 3,065	\$ -	\$ 8,158	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,650	-	1,955	3,065	-	8,158	-	-	-	-
Fund Balances:										
Restricted for:										
General Government	-	-	-	-	8,444	544,893	238,026	-	-	-
Judicial	-	32,883	6,169	-	-	-	-	98,941	42,813	27,041
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Transportation	-	-	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-	-	-
Committed for:										
Capital Projects	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	-	32,883	6,169	-	8,444	544,893	238,026	98,941	42,813	27,041
Total Liabilities and Fund Balance	\$ 1,650	\$ 32,883	\$ 8,124	\$ 3,065	\$ 8,444	\$ 553,051	\$ 238,026	\$ 98,941	\$ 42,813	\$ 27,041

68

continued

continued

MCLENNAN COUNTY, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2012

Special Revenue

	Energy Efficiency Conservation Block Grant Fund	Family Protection Fund	Farm-to-Market / Flood Control Fund	HAVA Grant Fund	Homeland Security Grant Fund	Jail Commissary Fund	Jury Fund	Justice Court Building Security Fund	Justice Technology Fund	Juvenile Assistance Incentive Block Grant Fund
Assets:										
Cash and Investments	\$ -	\$ 25,665	\$ 512,167	\$ -	\$ -	\$ 345,759	\$ 19,763	\$ 55,901	\$ 283,659	\$ -
Receivables (net of allowances for estimated uncollectibles):										
Taxes	-	-	112,266	-	-	-	5,661	-	-	-
Accounts	-	-	-	-	-	35,847	-	-	-	-
Due from Other Governments	3,500	-	-	96,547	24,215	-	46,956	-	-	6,012
Prepaid Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 3,500	\$ 25,665	\$ 624,433	\$ 96,547	\$ 24,215	\$ 381,606	\$ 72,380	\$ 55,901	\$ 283,659	\$ 6,012
Liabilities:										
Accounts Payable	\$ -	\$ -	\$ 119,855	\$ 96,547	\$ -	\$ 850	\$ 274	\$ -	\$ 500	\$ -
Due to Other Funds	3,500	-	-	-	24,215	-	-	-	-	6,012
Deferred Revenue	-	-	101,521	96,547	-	-	5,055	-	-	3,431
Total Liabilities	3,500	-	221,376	193,094	24,215	850	5,329	-	500	9,443
Fund Balances:										
Restricted for:										
General Government	-	-	-	(96,547)	-	-	-	55,901	-	-
Judicial	-	-	-	-	-	-	-	-	283,159	-
Public Safety	-	-	-	-	-	380,756	-	-	-	(3,431)
Public Transportation	-	-	403,057	-	-	-	-	-	-	-
Welfare	-	25,665	-	-	-	-	-	-	-	-
Committed for:										
Capital Projects	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	67,051	-	-	-
Total Fund Balances	-	25,665	403,057	(96,547)	-	380,756	67,051	55,901	283,159	(3,431)
Total Liabilities and Fund Balance	\$ 3,500	\$ 25,665	\$ 624,433	\$ 96,547	\$ 24,215	\$ 381,606	\$ 72,380	\$ 55,901	\$ 283,659	\$ 6,012

06

continued

continued

MCLENNAN COUNTY, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2012

	Special Revenue									
	Juvenile Delinquency Prevention Fund	Juvenile Probation Fee Fund	Juvenile Probation Fund	Juvenile Purchase of Services Fund	Law Enforcement Officer Standards and Education Fund	Law Library Fund	Records Management Fund	Sheriff Forfeited Assets Fund	Statewide Automated Victim Notification System Fund	Tax Office Administration Fund
Assets:										
Cash and Investments	\$ 820	\$ 201,458	\$ 133,855	\$ -	\$ 40,262	\$ 312,029	\$ 6,618	\$ 55,507	\$ -	\$ 20,827
Receivables (net of allowances for estimated uncollectibles):										
Taxes	-	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	88	5,001	-	-	-
Due from Other Governments	-	-	-	-	-	-	-	-	-	-
Prepaid Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 820</u>	<u>\$ 201,458</u>	<u>\$ 133,855</u>	<u>\$ -</u>	<u>\$ 40,262</u>	<u>\$ 312,117</u>	<u>\$ 11,619</u>	<u>\$ 55,507</u>	<u>\$ -</u>	<u>\$ 20,827</u>
Liabilities:										
Accounts Payable	\$ -	\$ -	\$ 44,936	\$ -	\$ 2,348	\$ 11,810	\$ 538	\$ 1,018	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	88,919	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>133,855</u>	<u>-</u>	<u>2,348</u>	<u>11,810</u>	<u>538</u>	<u>1,018</u>	<u>-</u>	<u>-</u>
Fund Balances:										
Restricted for:										
General Government	-	-	-	-	-	-	11,081	-	-	20,827
Judicial	-	-	-	-	-	-	-	-	-	-
Public Safety	820	201,458	-	-	37,914	-	-	54,489	-	-
Public Transportation	-	-	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-	-	-
Committed for:										
Capital Projects	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	300,307	-	-	-	-
Total Fund Balances	<u>820</u>	<u>201,458</u>	<u>-</u>	<u>-</u>	<u>37,914</u>	<u>300,307</u>	<u>11,081</u>	<u>54,489</u>	<u>-</u>	<u>20,827</u>
Total Liabilities and Fund Balance	<u>\$ 820</u>	<u>\$ 201,458</u>	<u>\$ 133,855</u>	<u>\$ -</u>	<u>\$ 40,262</u>	<u>\$ 312,117</u>	<u>\$ 11,619</u>	<u>\$ 55,507</u>	<u>\$ -</u>	<u>\$ 20,827</u>

16

continued

continued

MCLENNAN COUNTY, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2012

	Special Revenue			Capital Projects	
	Title IV-E Fund	Unclaimed Juvenile Restituition Fund	Victim Coordinator Liason Grant Fund	PFC Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:					
Cash and Investments	\$ 436,349	\$ 963	\$ -	\$ 121,589	\$ 5,726,778
Receivables (net of allowances for estimated uncollectibles):					
Taxes	-	-	-	-	117,927
Accounts	-	-	-	-	43,893
Due from Other Governments	41,256	-	6,299	-	241,706
Prepaid Assets	-	-	-	-	463
Total Assets	\$ 477,605	\$ 963	\$ 6,299	\$ 121,589	\$ 6,130,767
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 1,113	\$ -	\$ 323,285
Due to Other Funds	-	-	5,186	-	47,020
Deferred Revenue	41,256	-	-	-	596,245
Total Liabilities	41,256	-	6,299	-	966,550
Fund Balances:					
Restricted for:					
General Government	-	-	-	-	1,091,977
Judicial	-	-	-	-	709,533
Public Safety	436,349	963	-	-	2,445,038
Public Transportation	-	-	-	-	403,057
Welfare	-	-	-	-	25,665
Committed for:					
Capital Projects	-	-	-	121,589	121,589
Judicial	-	-	-	-	367,358
Total Fund Balances	436,349	963	-	121,589	5,164,217
Total Liabilities and Fund Balance	\$ 477,605	\$ 963	\$ 6,299	\$ 121,589	\$ 6,130,767

92

continued

MCLENNAN COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

Year Ended September 30, 2012

	Special Revenue									
	Adult Probation Fund	Alcohol and Drug Abuse Prevention and Treatment Fund	Alcohol and Drug Court Program Fund	Bullet Proof Vest Fund	Chapter 19 Fund	Child Abuse Prevention Fund	Community Development Block Grant Fund	Contract Elections Fund	County and District Court Technology Fund	County Clerk Records Management Fund
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,698,111	16,240	-	-	24,620	-	99,588	-	-	-
Charges for Services	2,388,384	-	41,187	-	-	3,861	-	73,035	8,138	208,946
Fines and Forfeits	-	-	-	-	-	-	-	-	-	-
Miscellaneous	7,021	-	-	-	-	-	-	-	-	-
Total Revenues	4,093,516	16,240	41,187	-	24,620	3,861	99,588	73,035	8,138	208,946
Expenditures:										
Current:										
General Government	-	-	-	-	24,620	-	-	105,866	-	148,007
Judicial	-	-	-	-	-	-	-	-	-	21,669
Public Safety	4,163,769	500	23,199	8,107	-	-	99,588	-	-	-
Public Transportation	-	-	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-	-
Total Expenditures	4,163,769	500	23,199	8,107	24,620	-	99,588	105,866	-	169,676
Excess (Deficiency) of Revenue over Expenditures	(70,253)	15,740	17,988	(8,107)	-	3,861	-	(32,831)	8,138	39,270
Other Financing Sources (Uses):										
Transfers In	-	-	-	-	-	9,715	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	9,715	-	-	-	-
Net Change in Fund Balance	(70,253)	15,740	17,988	(8,107)	-	13,576	-	(32,831)	8,138	39,270
Fund Balance at Beginning of Year	1,241,832	19,313	101,999	-	-	3,632	-	342,183	7,426	163,693
Fund Balance at End of Year	\$ 1,171,579	\$ 35,053	\$ 119,987	\$ (8,107)	\$ -	\$ 17,208	\$ -	\$ 309,352	\$ 15,564	\$ 202,963

(continued)

MCLENNAN COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

Year Ended September 30, 2012

Special Revenue

	Courthouse Security Fund	Court Records Preservation Fund	Court Reporter Service Fund	Dispute Resolution Fund	District Attorney Apportionment Fund	District Attorney Forfeited Assets Fund	District Attorney Hot Check Fund	District Clerk Errors and Omissions Fund	District Clerk Records Management Fund	District Court Records Technology Fund
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	15,000	5,269	-	-	-	-
Charges for Services	101,456	33,163	54,075	54,164	-	-	87,023	2,615	19,053	15,110
Fines and Forfeits	-	-	-	-	-	59,457	-	-	-	-
Miscellaneous	-	-	-	-	-	2,737	-	-	-	-
Total Revenues	101,456	33,163	54,075	54,164	15,000	67,463	87,023	2,615	19,053	15,110
Expenditures:										
Current:										
General Government	-	-	250	-	20,907	67,896	-	-	-	-
Judicial	-	18,875	47,656	55,730	-	-	-	-	10,000	16,947
Public Safety	101,456	-	-	-	-	-	-	-	-	-
Public Transportation	-	-	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-	-
Total Expenditures	101,456	18,875	47,906	55,730	20,907	67,896	-	-	10,000	16,947
Excess (Deficiency) of Revenue over Expenditures	-	14,288	6,169	(1,566)	(5,907)	(433)	87,023	2,615	9,053	(1,837)
Other Financing Sources (Uses):										
Transfers In	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	(33,000)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	(33,000)	-
Net Change in Fund Balance	-	14,288	6,169	(1,566)	(5,907)	(433)	87,023	2,615	(23,947)	(1,837)
Fund Balance at Beginning of Year	-	18,595	-	1,566	14,351	545,326	151,003	96,326	66,760	28,878
Fund Balance at End of Year	\$ -	\$ 32,883	\$ 6,169	\$ -	\$ 8,444	\$ 544,893	\$ 238,026	\$ 98,941	\$ 42,813	\$ 27,041

94

continued

(continued)

MCLENNAN COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

Year Ended September 30, 2012

Special Revenue

	Energy Efficiency Conservation Block Grant Fund	Family Protection Fund	Farm-to-Market / Flood Control Fund	HAVA Grant Fund	Homeland Security Grant Fund	Jail Commissary Fund	Jury Fund	Justice Court Building Security Fund	Justice Technology Fund	Juvenile Assistance Incentive Block Grant Fund
Revenues:										
Taxes	\$ -	\$ -	\$ 2,389,432	\$ -	\$ -	\$ -	\$ 48,653	\$ -	\$ -	\$ -
Intergovernmental	8,464	-	-	-	283,954	-	144,900	-	-	20,045
Charges for Services	-	4,800	-	-	-	225,815	11,442	7,641	-	-
Fines and Forfeits	-	-	12,033	-	-	-	4,216	-	31,257	-
Miscellaneous	-	-	4,076	-	-	1,754	96	-	-	-
Total Revenues	8,464	4,800	2,405,541	-	283,954	227,569	209,307	7,641	31,257	20,045
Expenditures:										
Current:										
General Government	8,464	-	-	96,547	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	262,045	-	91,490	-
Public Safety	-	-	-	-	283,954	125,528	-	-	-	20,706
Public Transportation	-	-	2,110,564	-	-	-	-	-	-	-
Welfare	-	10,000	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-	-
Total Expenditures	8,464	10,000	2,110,564	96,547	283,954	125,528	262,045	-	91,490	20,706
Excess (Deficiency) of Revenue over Expenditures	-	(5,200)	294,977	(96,547)	-	102,041	(52,738)	7,641	(60,233)	(661)
Other Financing Sources (Uses):										
Transfers In	9,000	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	(73,838)	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	9,000	-	-	-	-	-	-	-	(73,838)	-
Net Change in Fund Balance	9,000	(5,200)	294,977	(96,547)	-	102,041	(52,738)	7,641	(134,071)	(661)
Fund Balance at Beginning of Year	(9,000)	30,865	108,080	-	-	278,715	119,789	48,260	417,230	(2,770)
Fund Balance at End of Year	\$ -	\$ 25,665	\$ 403,057	\$ (96,547)	\$ -	\$ 380,756	\$ 67,051	\$ 55,901	\$ 283,159	\$ (3,431)

95

continued

(continued)

MCLENNAN COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

Year Ended September 30, 2012

	Special Revenue									
	Juvenile Delinquency Prevention Fund	Juvenile Probation Fee Fund	Juvenile Probation Fund	Juvenile Purchase of Sevices Fund	Law Enforcement Officer Standards and Education Fund	Law Library Fund	Records Management Fund	Sheriff Forfeited Assets Fund	Statewide Automated Victim Notification System Fund	Tax Office Administration Fund
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,464,910	34,000	-	-	-	-	28,418	-
Charges for Services	-	16,877	-	-	-	129,305	92,990	-	-	120
Fines and Forfeits	-	-	-	-	-	-	-	68,385	-	5,996
Miscellaneous	-	1,188	-	-	-	-	7,000	362	-	6,610
Total Revenues	-	18,065	1,464,910	34,000	-	129,305	99,990	68,747	28,418	12,726
Expenditures:										
Current:										
General Government	-	-	-	-	550	78,662	88,909	-	-	37,035
Judicial	-	-	-	-	-	46,902	-	-	-	-
Public Safety	-	5,075	1,464,910	34,000	12,419	-	-	62,186	28,418	-
Public Transportation	-	-	-	-	-	-	-	-	-	-
Welfare	-	-	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	5,075	1,464,910	34,000	12,969	125,564	88,909	62,186	28,418	37,035
Excess (Deficiency) of Revenue over Expenditures	-	12,990	-	-	(12,969)	3,741	11,081	6,561	-	(24,309)
Other Financing Sources (Uses):										
Transfers In	670	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	670	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	670	12,990	-	-	(12,969)	3,741	11,081	6,561	-	(24,309)
Fund Balance at Beginning of Year	150	188,468	-	-	50,883	296,566	-	47,928	-	45,136
Fund Balance at End of Year	\$ 820	\$ 201,458	\$ -	\$ -	\$ 37,914	\$ 300,307	\$ 11,081	\$ 54,489	\$ -	\$ 20,827

96

continued

(continued)

MCLENNAN COUNTY, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

Year Ended September 30, 2012

	Special Revenue			Capital Projects	
	Title IV-E Fund	Unclaimed Juvenile Restitution Fund	Victim Coordinator Liason Grant Fund	PFC Capital Project Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,438,085
Intergovernmental	175,446	-	31,817	-	4,050,782
Charges for Services	-	-	-	-	3,579,200
Fines and Forfeits	-	-	-	-	181,344
Miscellaneous	2,491	-	-	12	33,347
Total Revenues	177,937	-	31,817	12	10,282,758
Expenditures:					
Current:					
General Government	-	-	31,817	-	709,530
Judicial	-	-	-	-	571,314
Public Safety	379,103	-	-	-	6,812,918
Public Transportation	-	-	-	-	2,110,564
Welfare	-	-	-	-	10,000
Capital Projects	-	-	-	600	600
Total Expenditures	379,103	-	31,817	600	10,214,926
Excess (Deficiency) of Revenue over Expenditures	(201,166)	-	-	(588)	67,832
Other Financing Sources (Uses):					
Transfers In	-	-	-	-	19,385
Transfers Out	-	-	-	-	(106,838)
Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	(87,453)
Net Change in Fund Balance	(201,166)	-	-	(588)	(19,621)
Fund Balance at Beginning of Year	637,515	963	-	122,177	5,183,838
Fund Balance at End of Year	\$ 436,349	\$ 963	\$ -	\$ 121,589	\$ 5,164,217

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
GENERAL GOVERNMENT				
Commissioners Court:				
Personal Services	\$ 278,495	\$ 277,729	\$ 274,380	\$ (3,349)
Supplies	7,850	7,850	3,634	(4,216)
Other Services & Charges	5,130	5,130	3,521	(1,609)
Capital Outlay	1	1	-	(1)
Total Commissioners Court	<u>291,476</u>	<u>290,710</u>	<u>281,535</u>	<u>(9,175)</u>
County Judge:				
Personal Services	360,212	358,148	344,595	(13,553)
Supplies	11,230	11,230	10,558	(672)
Other Services & Charges	145,370	145,370	121,689	(23,681)
Capital Outlay	1	1	-	(1)
Total County Judge	<u>516,813</u>	<u>514,749</u>	<u>476,842</u>	<u>(37,907)</u>
Grant Administrator:				
Personal Services	59,048	57,616	55,846	(1,770)
Supplies	935	1,660	900	(760)
Other Services & Charges	1,180	1,180	312	(868)
Capital Outlay	1	1	-	(1)
Total Grant Administrator	<u>61,164</u>	<u>60,457</u>	<u>57,058</u>	<u>(3,399)</u>
County Clerk-Recording Department:				
Personal Services	663,780	603,736	578,648	(25,088)
Supplies	6,100	6,100	4,874	(1,226)
Other Services & Charges	23,436	23,436	19,003	(4,433)
Capital Outlay	1	1	-	(1)
Total County Clerk-Recording Department	<u>693,317</u>	<u>633,273</u>	<u>602,525</u>	<u>(30,748)</u>
Human Resources Department:				
Personal Services	262,418	263,878	258,446	(5,432)
Supplies	14,125	16,198	13,208	(2,990)
Other Services & Charges	12,322	11,922	8,576	(3,346)
Capital Outlay	1	1	-	(1)
Total Human Resources Department	<u>288,866</u>	<u>291,999</u>	<u>280,230</u>	<u>(11,769)</u>
Telephone Department:				
Personal Services	51,974	30,257	24,390	(5,867)
Supplies	1,640	1,640	69	(1,571)
Other Services & Charges	111,705	111,705	85,206	(26,499)
Capital Outlay	53,748	53,748	-	(53,748)
Total Telephone Department	<u>219,067</u>	<u>197,350</u>	<u>109,665</u>	<u>(87,685)</u>
Maintenance of Buildings:				
Personal Services	1,225,488	1,210,193	1,159,968	(50,225)
Supplies	49,724	49,724	31,102	(18,622)
Other Services & Charges	351,869	351,122	187,522	(163,600)
Capital Outlay	20,000	20,747	20,747	-
Total Maintenance of Buildings	<u>1,647,081</u>	<u>1,631,786</u>	<u>1,399,339</u>	<u>(232,447)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Inmate Project Crew:				
Personal Services	59,879	59,188	56,893	(2,295)
Supplies	4,933	4,933	2,195	(2,738)
Other Services & Charges	875	875	134	(741)
Capital Outlay	1	1	-	(1)
Total Inmate Project Crew	<u>65,688</u>	<u>64,997</u>	<u>59,222</u>	<u>(5,775)</u>
Maintenance of Equipment:				
Personal Services	216,033	215,681	210,628	(5,053)
Supplies	24,654	18,280	17,347	(933)
Other Services & Charges	32,740	36,545	30,640	(5,905)
Capital Outlay	1	6,375	6,375	-
Total Maintenance of Equipment	<u>273,428</u>	<u>276,881</u>	<u>264,990</u>	<u>(11,891)</u>
County Garage:				
Personal Services	197,494	184,259	169,917	(14,342)
Supplies	108,089	113,089	100,503	(12,586)
Other Services & Charges	73,780	68,780	52,028	(16,752)
Capital Outlay	1	1	-	(1)
Total County Garage	<u>379,364</u>	<u>366,129</u>	<u>322,448</u>	<u>(43,681)</u>
Engineering Department:				
Personal Services	342,960	341,124	336,744	(4,380)
Supplies	13,090	11,001	8,814	(2,187)
Other Services & Charges	12,019	14,108	11,783	(2,325)
Capital Outlay	1	1	-	(1)
Total Engineering Department	<u>368,070</u>	<u>366,234</u>	<u>357,341</u>	<u>(8,893)</u>
Custodial Department:				
Supplies	35,550	35,550	34,991	(559)
Other Services & Charges	158,144	158,144	86,975	(71,169)
Capital Outlay	1	1	-	(1)
Total Custodial Department	<u>193,695</u>	<u>193,695</u>	<u>121,966</u>	<u>(71,729)</u>
General Expense:				
Personal Services	555,100	535,934	506,496	(29,438)
Supplies	30,000	30,000	10,283	(19,717)
Other Services & Charges	1,784,798	1,607,783	1,233,793	(373,990)
Capital Outlay	1	1	-	(1)
Total General Expense	<u>2,369,899</u>	<u>2,173,718</u>	<u>1,750,572</u>	<u>(423,146)</u>
Non-departmental:				
Other Services & Charges	1,317,931	165,065	-	(165,065)
Total Non-departmental	<u>1,317,931</u>	<u>165,065</u>	<u>-</u>	<u>(165,065)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Criminal District Attorney:				
Personal Services	3,728,169	3,628,740	3,579,253	(49,487)
Supplies	47,100	47,100	44,352	(2,748)
Other Services & Charges	129,617	129,617	128,225	(1,392)
Capital Outlay	55,099	55,099	5,099	(50,000)
Total Criminal District Attorney	3,959,985	3,860,556	3,756,929	(103,627)
Elections Administration:				
Personal Services	340,499	338,342	330,213	(8,129)
Supplies	24,718	25,218	24,910	(308)
Other Services & Charges	212,124	212,124	183,669	(28,455)
Capital Outlay	1	1	-	(1)
Total Elections Administration	577,342	575,685	538,792	(36,893)
General Elections:				
Personal Services	120,194	118,315	46,481	(71,834)
Supplies	10,500	10,500	6,961	(3,539)
Other Services & Charges	20,850	20,850	5,134	(15,716)
Capital Outlay	1	1	-	(1)
Total General Elections	151,545	149,666	58,576	(91,090)
Special Elections-Local Option:				
Personal Services	49,177	48,050	-	(48,050)
Supplies	2,000	2,000	-	(2,000)
Other Services & Charges	14,850	14,850	-	(14,850)
Capital Outlay	1	1	-	(1)
Total Special Elections-Local Option	66,028	64,901	-	(64,901)
Primary Elections-County Costs:				
Personal Services	66,423	61,171	37,598	(23,573)
Supplies	3,100	3,100	1,507	(1,593)
Other Services & Charges	8,000	8,000	5,565	(2,435)
Capital Outlay	1	1	-	(1)
Total Primary Elections-County Costs	77,524	72,272	44,670	(27,602)
Special Elections-Other:				
Personal Services	81,271	80,269	-	(80,269)
Supplies	3,200	3,200	-	(3,200)
Other Services & Charges	17,150	17,150	415	(16,735)
Capital Outlay	1	1	-	(1)
Total Special Elections-Other	101,622	100,620	415	(100,205)
Purchasing Department:				
Personal Services	251,054	250,320	246,334	(3,986)
Supplies	3,350	3,350	2,510	(840)
Other Services & Charges	2,945	2,945	1,946	(999)
Capital Outlay	1	1	-	(1)
Total Purchasing Department	257,350	256,616	250,790	(5,826)

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
County Auditor:				
Personal Services	1,227,991	1,121,547	1,087,969	(33,578)
Supplies	35,500	35,500	24,333	(11,167)
Other Services & Charges	36,510	36,510	25,242	(11,268)
Capital Outlay	1	1	-	(1)
Total County Auditor	<u>1,300,002</u>	<u>1,193,558</u>	<u>1,137,544</u>	<u>(56,014)</u>
Independent Auditing:				
Other Services & Charges	36,000	36,000	34,600	(1,400)
Total Independent Auditing	<u>36,000</u>	<u>36,000</u>	<u>34,600</u>	<u>(1,400)</u>
County Treasurer:				
Personal Services	311,799	320,422	314,632	(5,790)
Supplies	8,025	8,425	7,602	(823)
Other Services & Charges	15,410	13,485	12,545	(940)
Capital Outlay	1	1	-	(1)
Total County Treasurer	<u>335,235</u>	<u>342,333</u>	<u>334,779</u>	<u>(7,554)</u>
Tax Office-Ad Valorem Department:				
Personal Services	798,725	803,751	795,239	(8,512)
Supplies	38,828	38,828	27,868	(10,960)
Other Services & Charges	78,076	78,076	62,004	(16,072)
Capital Outlay	1	1	-	(1)
Total Tax Office- Ad Valorem Department	<u>915,630</u>	<u>920,656</u>	<u>885,111</u>	<u>(35,545)</u>
Tax Office-Lorena Substation:				
Personal Services	58,598	57,506	55,190	(2,316)
Supplies	555	555	238	(317)
Other Services & Charges	11,961	11,961	9,757	(2,204)
Capital Outlay	1	1	-	(1)
Total Tax Office- Lorena Substation	<u>71,115</u>	<u>70,023</u>	<u>65,185</u>	<u>(4,838)</u>
Tax Office-McGregor Substation:				
Personal Services	63,026	56,472	53,158	(3,314)
Supplies	450	450	336	(114)
Other Services & Charges	4,245	4,245	2,880	(1,365)
Capital Outlay	1	1	-	(1)
Total Tax Office- McGregor Substation	<u>67,722</u>	<u>61,168</u>	<u>56,374</u>	<u>(4,794)</u>
Tax Office-West Substation:				
Personal Services	56,889	56,823	56,601	(222)
Supplies	550	550	88	(462)
Other Services & Charges	5,440	5,440	4,497	(943)
Capital Outlay	1	1	-	(1)
Total Tax Office- West Substation	<u>62,880</u>	<u>62,814</u>	<u>61,186</u>	<u>(1,628)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Tax Office-Auto Department:				
Personal Services	1,151,894	1,109,407	1,088,051	(21,356)
Supplies	14,850	14,850	10,432	(4,418)
Other Services & Charges	42,678	42,678	36,897	(5,781)
Capital Outlay	1	1	-	(1)
Total Tax Office- Auto Department	<u>1,209,423</u>	<u>1,166,936</u>	<u>1,135,380</u>	<u>(31,556)</u>
McLennan County Appraisal District:				
Other Services & Charges	546,091	547,387	547,387	-
Total McLennan County Appraisal District	<u>546,091</u>	<u>547,387</u>	<u>547,387</u>	<u>-</u>
Information Technology:				
Personal Services	1,249,178	1,195,193	1,169,922	(25,271)
Supplies	26,500	29,800	27,869	(1,931)
Other Services & Charges	119,149	145,388	117,573	(27,815)
Capital Outlay	500	6,664	6,155	(509)
Total Information Technology	<u>1,395,327</u>	<u>1,377,045</u>	<u>1,321,519</u>	<u>(55,526)</u>
Records Management Department:				
Personal Services	280,354	279,710	271,339	(8,371)
Supplies	1	1,001	740	(261)
Other Services & Charges	1	3,001	281	(2,720)
Capital Outlay	1	1	-	(1)
Total Records Management Department	<u>280,357</u>	<u>283,713</u>	<u>272,360</u>	<u>(11,353)</u>
Budget Office:				
Personal Services	191,879	168,626	162,905	(5,721)
Supplies	9,000	4,000	1,731	(2,269)
Other Services & Charges	8,650	14,650	3,436	(11,214)
Capital Outlay	1	1	-	(1)
Total Budget Office	<u>209,530</u>	<u>187,277</u>	<u>168,072</u>	<u>(19,205)</u>
Software Implementation:				
Supplies	1,000	1,000	831	(169)
Other Services & Charges	476,433	454,062	341,302	(112,760)
Capital Outlay	1	1	-	(1)
Total Software Implementation	<u>477,434</u>	<u>455,063</u>	<u>342,133</u>	<u>(112,930)</u>
TOTAL GENERAL GOVERNMENT	<u>20,784,001</u>	<u>19,011,332</u>	<u>17,095,535</u>	<u>(1,915,797)</u>
JUDICIAL				
Mental Health Court Services:				
Personal Services	122,757	129,772	121,043	(8,729)
Supplies	2,965	2,965	2,233	(732)
Other Services & Charges	120,700	120,700	118,799	(1,901)
Capital Outlay	1	1	-	(1)
Total Mental Health Court Services	<u>246,423</u>	<u>253,438</u>	<u>242,075</u>	<u>(11,363)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Bonding Office:				
Personal Services	110,928	110,588	109,426	(1,162)
Supplies	3,130	2,590	1,298	(1,292)
Other Services & Charges	2,700	3,240	736	(2,504)
Capital Outlay	1	1	-	(1)
Total Bonding Office	116,759	116,419	111,460	(4,959)
McLennan County Bail Bond Board:				
Supplies	200	200	-	(200)
Other Services & Charges	50	50	-	(50)
Total McLennan County Bail Bond Board	250	250	-	(250)
County Clerk-Court Department:				
Personal Services	786,625	737,535	670,579	(66,956)
Supplies	6,000	6,000	5,949	(51)
Other Services & Charges	2,600	2,600	2,012	(588)
Capital Outlay	1	1	-	(1)
Total County Clerk- Court Department	795,226	746,136	678,540	(67,596)
County Court at Law No. 1:				
Personal Services	404,260	401,643	395,995	(5,648)
Supplies	14,610	14,610	4,999	(9,611)
Other Services & Charges	59,925	53,925	43,823	(10,102)
Capital Outlay	1	1	-	(1)
Total County Court at Law No. 1	478,796	470,179	444,817	(25,362)
County Court at Law No. 2:				
Personal Services	405,745	402,715	396,278	(6,437)
Supplies	15,550	15,550	10,323	(5,227)
Other Services & Charges	62,501	52,501	39,029	(13,472)
Capital Outlay	1	1	-	(1)
Total County Court at Law No. 2	483,797	470,767	445,630	(25,137)
19th District Court:				
Personal Services	254,658	252,163	237,806	(14,357)
Supplies	14,800	20,116	16,214	(3,902)
Other Services & Charges	87,341	152,024	141,444	(10,580)
Capital Outlay	1	5,002	5,001	(1)
Total 19th District Court	356,800	429,305	400,465	(28,840)
54th District Court:				
Personal Services	437,016	434,808	429,641	(5,167)
Supplies	9,428	8,928	8,664	(264)
Other Services & Charges	105,434	121,834	121,493	(341)
Capital Outlay	1	1	-	(1)
Total 54th District Court	551,879	565,571	559,798	(5,773)

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
74th District Court:				
Personal Services	239,311	236,480	235,465	(1,015)
Supplies	8,100	7,620	7,550	(70)
Other Services & Charges	33,839	35,789	35,556	(233)
Capital Outlay	1	1	-	(1)
Total 74th District Court	281,251	279,890	278,571	(1,319)
170th District Court:				
Personal Services	181,338	180,403	177,156	(3,247)
Supplies	4,655	5,330	3,593	(1,737)
Other Services & Charges	20,540	31,320	27,730	(3,590)
Capital Outlay	1	1	-	(1)
Total 170th District Court	206,534	217,054	208,479	(8,575)
170th District Court-Associate Judge:				
Supplies	901	636	407	(229)
Other Services & Charges	2,000	2,265	2,138	(127)
Capital Outlay	1	1	-	(1)
Total 170th District Court- Associate Judge	2,902	2,902	2,545	(357)
414th District Court:				
Personal Services	179,852	178,609	172,539	(6,070)
Supplies	7,890	7,315	6,978	(337)
Other Services & Charges	20,737	21,312	19,519	(1,793)
Capital Outlay	1	1	-	(1)
Total 414th District Court	208,480	207,237	199,036	(8,201)
Visiting Courtroom:				
Supplies	15,250	3,250	1,011	(2,239)
Other Services & Charges	15,622	5,622	912	(4,710)
Capital Outlay	1	12,001	11,951	(50)
Total Visiting Courtroom	30,873	20,873	13,874	(6,999)
District Clerk:				
Personal Services	1,262,962	1,247,728	1,236,176	(11,552)
Supplies	40,770	42,270	42,121	(149)
Other Services & Charges	114,162	97,662	78,918	(18,744)
Capital Outlay	1	1	-	(1)
Total District Clerk	1,417,895	1,387,661	1,357,215	(30,446)
Justice of the Peace-Precinct 1, Place 1:				
Personal Services	234,797	234,477	233,307	(1,170)
Supplies	4,450	4,450	3,873	(577)
Other Services & Charges	64,908	54,908	46,957	(7,951)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 1, Place 1	304,156	293,836	284,137	(9,699)

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Justice of the Peace-Precinct 1, Place 2:				
Personal Services	226,035	225,632	220,535	(5,097)
Supplies	3,885	4,085	2,827	(1,258)
Other Services & Charges	47,230	47,030	45,969	(1,061)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 1, Place 2	<u>277,151</u>	<u>276,748</u>	<u>269,331</u>	<u>(7,417)</u>
Justice of the Peace-Precinct 2:				
Personal Services	104,933	104,727	102,896	(1,831)
Supplies	2,650	2,650	2,099	(551)
Other Services & Charges	24,933	24,933	20,853	(4,080)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 2	<u>132,517</u>	<u>132,311</u>	<u>125,848</u>	<u>(6,463)</u>
Justice of the Peace-Precinct 3:				
Personal Services	228,239	227,929	226,167	(1,762)
Supplies	4,344	4,344	3,567	(777)
Other Services & Charges	66,651	58,651	55,019	(3,632)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 3	<u>299,235</u>	<u>290,925</u>	<u>284,753</u>	<u>(6,172)</u>
Justice of the Peace-Precinct 4:				
Personal Services	87,047	86,764	84,609	(2,155)
Supplies	1,475	1,475	303	(1,172)
Other Services & Charges	23,470	23,470	22,474	(996)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 4	<u>111,993</u>	<u>111,710</u>	<u>107,386</u>	<u>(4,324)</u>
Justice of the Peace-Precinct 5:				
Personal Services	86,716	86,646	84,934	(1,712)
Supplies	1,125	1,125	818	(307)
Other Services & Charges	19,721	19,721	17,062	(2,659)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 5	<u>107,563</u>	<u>107,493</u>	<u>102,814</u>	<u>(4,679)</u>
Justice of the Peace-Precinct 7:				
Personal Services	152,896	151,759	146,482	(5,277)
Supplies	3,525	4,725	4,667	(58)
Other Services & Charges	23,555	23,555	21,952	(1,603)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 7	<u>179,977</u>	<u>180,040</u>	<u>173,101</u>	<u>(6,939)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Justice of the Peace-Precinct 8:				
Personal Services	151,733	151,320	147,977	(3,343)
Supplies	6,172	6,172	1,506	(4,666)
Other Services & Charges	15,950	15,950	13,741	(2,209)
Capital Outlay	1	1	-	(1)
Total Justice of the Peace- Precinct 8	<u>173,856</u>	<u>173,443</u>	<u>163,224</u>	<u>(10,219)</u>
JP Collections:				
Personal Services	46,653	46,408	45,113	(1,295)
Supplies	3,400	3,400	98	(3,302)
Other Services & Charges	2,140	2,140	355	(1,785)
Capital Outlay	1	1	-	(1)
Total JP Collections	<u>52,194</u>	<u>51,949</u>	<u>45,566</u>	<u>(6,383)</u>
Jail Magistrate:				
Personal Services	38,803	48,103	47,395	(708)
Supplies	8,300	8,300	92	(8,208)
Other Services & Charges	34,340	24,890	9,485	(15,405)
Capital Outlay	1	1	-	(1)
Total Jail Magistrate	<u>81,444</u>	<u>81,294</u>	<u>56,972</u>	<u>(24,322)</u>
Dispute Resolution Center:				
Other Services & Charges	14,835	16,271	16,270	(1)
Total Dispute Resolution Center	<u>14,835</u>	<u>16,271</u>	<u>16,270</u>	<u>(1)</u>
Tenth Court of Appeals:				
Personal Services	3,750	3,750	1,595	(2,155)
Total Tenth Court of Appeals	<u>3,750</u>	<u>3,750</u>	<u>1,595</u>	<u>(2,155)</u>
TOTAL JUDICIAL	<u>6,916,536</u>	<u>6,887,452</u>	<u>6,573,502</u>	<u>(313,950)</u>
<u>PUBLIC SAFETY</u>				
Fire Protection:				
Other Services & Charges	129,500	129,500	129,500	-
Total Fire Protection	<u>129,500</u>	<u>129,500</u>	<u>129,500</u>	<u>-</u>
Ambulance Service:				
Other Services & Charges	24,000	-	-	-
Total Ambulance Service	<u>24,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Constable-Precinct 1:				
Personal Services	577,230	575,217	557,481	(17,736)
Supplies	14,850	15,377	12,024	(3,353)
Other Services & Charges	76,238	75,711	74,687	(1,024)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 1	<u>668,319</u>	<u>666,306</u>	<u>644,192</u>	<u>(22,114)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Constable-Precinct 2:				
Personal Services	40,934	40,221	34,213	(6,008)
Supplies	2,205	2,205	496	(1,709)
Other Services & Charges	13,580	13,580	11,695	(1,885)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 2	<u>56,720</u>	<u>56,007</u>	<u>46,404</u>	<u>(9,603)</u>
Constable-Precinct 3:				
Personal Services	102,199	101,991	99,746	(2,245)
Supplies	2,075	2,075	1,143	(932)
Other Services & Charges	20,231	20,231	18,203	(2,028)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 3	<u>124,506</u>	<u>124,298</u>	<u>119,092</u>	<u>(5,206)</u>
Constable-Precinct 4:				
Personal Services	35,031	34,982	33,676	(1,306)
Supplies	1,576	1,576	246	(1,330)
Other Services & Charges	19,819	19,819	16,676	(3,143)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 4	<u>56,427</u>	<u>56,378</u>	<u>50,598</u>	<u>(5,780)</u>
Constable-Precinct 5:				
Personal Services	103,617	102,896	95,798	(7,098)
Supplies	2,213	2,213	1,689	(524)
Other Services & Charges	23,120	23,120	20,621	(2,499)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 5	<u>128,951</u>	<u>128,230</u>	<u>118,108</u>	<u>(10,122)</u>
Constable-Precinct 7:				
Personal Services	281,308	280,994	274,087	(6,907)
Supplies	8,805	8,805	5,035	(3,770)
Other Services & Charges	47,984	47,984	45,394	(2,590)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 7	<u>338,098</u>	<u>337,784</u>	<u>324,516</u>	<u>(13,268)</u>
Constable-Precinct 8:				
Personal Services	157,491	156,363	146,765	(9,598)
Supplies	6,587	6,587	3,628	(2,959)
Other Services & Charges	24,621	24,621	17,180	(7,441)
Capital Outlay	1	1	-	(1)
Total Constable-Precinct 8	<u>188,700</u>	<u>187,572</u>	<u>167,573</u>	<u>(19,999)</u>
County Sheriff:				
Personal Services	5,695,757	5,593,361	5,593,051	(310)
Supplies	547,856	517,856	439,377	(78,479)
Other Services & Charges	737,661	737,661	712,673	(24,988)
Capital Outlay	238,995	233,995	232,115	(1,880)
Total County Sheriff	<u>7,220,269</u>	<u>7,082,873</u>	<u>6,977,216</u>	<u>(105,657)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
County Sheriff DARE Program:				
Personal Services	184,977	184,741	179,250	(5,491)
Supplies	11,350	13,783	12,853	(930)
Other Services & Charges	3,200	3,200	2,057	(1,143)
Capital Outlay	1	1	-	(1)
Total County Sheriff DARE Program	<u>199,528</u>	<u>201,725</u>	<u>194,160</u>	<u>(7,565)</u>
General Law Enforcement:				
Supplies	23,642	23,642	21,640	(2,002)
Other Services & Charges	401,439	371,439	363,911	(7,528)
Capital Outlay	1	1	-	(1)
Total General Law Enforcement	<u>425,082</u>	<u>395,082</u>	<u>385,551</u>	<u>(9,531)</u>
Radio Tower:				
Supplies	10,078	10,078	-	(10,078)
Other Services & Charges	33,135	33,135	13,761	(19,374)
Capital Outlay	1	1	-	(1)
Total Radio Tower	<u>43,214</u>	<u>43,214</u>	<u>13,761</u>	<u>(29,453)</u>
Feeding and Care of Prisoners:				
Personal Services	11,028,943	10,939,397	10,743,339	(196,058)
Supplies	538,125	538,125	523,241	(14,884)
Other Services & Charges	1,846,326	4,292,842	4,242,615	(50,227)
Capital Outlay	48,000	48,000	47,611	(389)
Total Feeding and Care of Prisoners	<u>13,461,394</u>	<u>15,818,364</u>	<u>15,556,806</u>	<u>(261,558)</u>
Electronic Monitoring:				
Personal Services	10	10	1	(9)
Supplies	3	3	-	(3)
Other Services & Charges	4	4	-	(4)
Capital Outlay	1	1	-	(1)
Total Electronic Monitoring	<u>18</u>	<u>18</u>	<u>1</u>	<u>(17)</u>
Jail Kitchen:				
Supplies	13,500	13,500	8,419	(5,081)
Other Services & Charges	1,086,050	1,086,050	1,033,288	(52,762)
Capital Outlay	5,200	5,200	-	(5,200)
Total Jail Kitchen	<u>1,104,750</u>	<u>1,104,750</u>	<u>1,041,707</u>	<u>(63,043)</u>
Downtown Jail:				
Supplies	1	4,673	4,194	(479)
Other Services & Charges	2,001	2,001	1,818	(183)
Capital Outlay	1	1	-	(1)
Total Downtown Jail	<u>2,003</u>	<u>6,675</u>	<u>6,012</u>	<u>(663)</u>
Jack Harwell Detention Center:				
Other Services & Charges	-	293,702	293,698	(4)
Total Jack Harwell Detention Center	<u>-</u>	<u>293,702</u>	<u>293,698</u>	<u>(4)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Shep Mullen Visitation Center:				
Personal Services	50,606	49,765	42,158	(7,607)
Supplies	4,000	4,000	1,692	(2,308)
Other Services & Charges	20,160	20,160	12,953	(7,207)
Capital Outlay	1	1	-	(1)
Total Shep Mullen Visitation Center	<u>74,767</u>	<u>73,926</u>	<u>56,803</u>	<u>(17,123)</u>
Juvenile Services Detention:				
Personal Services	2,456,559	2,430,907	2,200,536	(230,371)
Supplies	148,461	156,461	127,147	(29,314)
Other Services & Charges	242,761	224,761	169,953	(54,808)
Capital Outlay	6,400	6,400	-	(6,400)
Total Juvenile Services Detention	<u>2,854,181</u>	<u>2,818,529</u>	<u>2,497,636</u>	<u>(320,893)</u>
Juvenile Services Board:				
Personal Services	18,461	18,251	18,029	(222)
Total Juvenile Services Board	<u>18,461</u>	<u>18,251</u>	<u>18,029</u>	<u>(222)</u>
Juvenile Services Probation:				
Personal Services	2,223,705	2,168,445	1,889,659	(278,786)
Supplies	50,843	52,016	41,706	(10,310)
Other Services & Charges	328,894	287,721	209,103	(78,618)
Capital Outlay	1	1	-	(1)
Total Juvenile Services Probation	<u>2,603,443</u>	<u>2,508,183</u>	<u>2,140,468</u>	<u>(367,715)</u>
Juvenile Accountability Block Grant:				
Personal Services	42,170	41,684	38,989	(2,695)
Total Juvenile Accountability Block Grant	<u>42,170</u>	<u>41,684</u>	<u>38,989</u>	<u>(2,695)</u>
Adult Probation:				
Supplies	14,145	14,145	12,916	(1,229)
Other Services & Charges	104,305	91,305	81,900	(9,405)
Capital Outlay	1	1	-	(1)
Total Adult Probation	<u>118,451</u>	<u>105,451</u>	<u>94,816</u>	<u>(10,635)</u>
Courthouse Security:				
Personal Services	898,011	949,290	925,644	(23,646)
Supplies	7	7	-	(7)
Other Services & Charges	6	352	346	(6)
Capital Outlay	2	2	-	(2)
Total Courthouse Security	<u>898,026</u>	<u>949,651</u>	<u>925,990</u>	<u>(23,661)</u>
ORCA_NRCS:				
Other Services & Charges	1	1	-	(1)
Total ORCA_NRCS:	<u>1</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
Military Units:				
Other Services & Charges	1,500	1,500	1,500	-
Total Military Units	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Civil Defense:				
Other Services & Charges	131,993	131,993	103,545	(28,448)
Total Civil Defense	<u>131,993</u>	<u>131,993</u>	<u>103,545</u>	<u>(28,448)</u>
Environmental Standards Management:				
Other Services & Charges	84,877	106,058	85,809	(20,249)
Total Environmental Standards Management	<u>84,877</u>	<u>106,058</u>	<u>85,809</u>	<u>(20,249)</u>
Groundwater Conservation District:				
Other Services & Charges	1	1	-	(1)
Total Groundwater Conservation District	<u>1</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
Solid Waste Management:				
Other Services & Charges	3	3	-	(3)
Total Solid Waste Management	<u>3</u>	<u>3</u>	<u>-</u>	<u>(3)</u>
Stormwater Pollution Abatement:				
Other Services & Charges	501	501	100	(401)
Total Stormwater Pollution Abatement	<u>501</u>	<u>501</u>	<u>100</u>	<u>(401)</u>
Other Environmental Protection:				
Other Services & Charges	11,000	11,000	2,155	(8,845)
Total Other Environmental Protection	<u>11,000</u>	<u>11,000</u>	<u>2,155</u>	<u>(8,845)</u>
Litter Abatement Program:				
Personal Services	66,749	66,673	65,314	(1,359)
Supplies	2,300	2,300	2,176	(124)
Other Services & Charges	750	750	-	(750)
Capital Outlay	1	1	-	(1)
Total Litter Abatement Program	<u>69,800</u>	<u>69,724</u>	<u>67,490</u>	<u>(2,234)</u>
TOTAL PUBLIC SAFETY	<u>31,080,654</u>	<u>33,468,934</u>	<u>32,102,225</u>	<u>(1,366,709)</u>
<u>PUBLIC TRANSPORTATION</u>				
County Engineer:				
Personal Services	124,398	124,398	123,835	(563)
Total County Engineer	<u>124,398</u>	<u>124,398</u>	<u>123,835</u>	<u>(563)</u>
McPups Program-Precinct 1:				
Personal Services	60,985	60,154	58,614	(1,540)
Total McPups Program-Precinct 1	<u>60,985</u>	<u>60,154</u>	<u>58,614</u>	<u>(1,540)</u>
McPups Program-Precinct 2:				
Personal Services	60,449	60,034	49,786	(10,248)
Total McPups Program-Precinct 2	<u>60,449</u>	<u>60,034</u>	<u>49,786</u>	<u>(10,248)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
McPups Program-Precinct 3:				
Personal Services	60,348	59,445	57,380	(2,065)
Total McPups Program-Precinct 3	<u>60,348</u>	<u>59,445</u>	<u>57,380</u>	<u>(2,065)</u>
McPups Program-Precinct 4:				
Personal Services	59,762	59,683	57,744	(1,939)
Total McPups Program-Precinct 4	<u>59,762</u>	<u>59,683</u>	<u>57,744</u>	<u>(1,939)</u>
 TOTAL PUBLIC TRANSPORTATION	 <u>365,942</u>	 <u>363,714</u>	 <u>347,359</u>	 <u>(16,355)</u>
HEALTH				
County Health Services-Administration:				
Personal Services	536,228	521,642	510,924	(10,718)
Supplies	12,232	12,232	12,215	(17)
Other Services & Charges	63,759	63,759	60,360	(3,399)
Capital Outlay	1	1	-	(1)
Total County Health Services-Administration	<u>612,220</u>	<u>597,634</u>	<u>583,499</u>	<u>(14,135)</u>
County Health Services-Direct Aid:				
Supplies	20,000	20,000	143	(19,857)
Other Services & Charges	2,118,200	2,118,200	2,046,447	(71,753)
Total County Health Services- Direct Aid	<u>2,138,200</u>	<u>2,138,200</u>	<u>2,046,590</u>	<u>(91,610)</u>
Public Health:				
Other Services & Charges	233,378	233,378	233,378	-
Total Public Health	<u>233,378</u>	<u>233,378</u>	<u>233,378</u>	<u>-</u>
Health-Direct Aid-County Jail Inmates:				
Personal Services	1,796,669	1,698,994	1,603,820	(95,174)
Supplies	101,590	96,479	86,026	(10,453)
Other Services & Charges	1,077,450	1,025,200	838,884	(186,316)
Capital Outlay	6,051	11,162	5,111	(6,051)
Total Health-Direct Aid-County Jail Inmates	<u>2,981,760</u>	<u>2,831,835</u>	<u>2,533,841</u>	<u>(297,994)</u>
Medicaid UPL Program:				
Other Services & Charges	1,300,000	1,300,000	975,000	(325,000)
Total Medicaid UPL Program	<u>1,300,000</u>	<u>1,300,000</u>	<u>975,000</u>	<u>(325,000)</u>
Rabies and Animal Control:				
Other Services & Charges	79,000	94,000	87,925	(6,075)
Total Rabies and Animal Control	<u>79,000</u>	<u>94,000</u>	<u>87,925</u>	<u>(6,075)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
MHMR Center:				
Personal Services	132,100	131,415	128,404	(3,011)
Other Services & Charges	446,000	333,000	313,070	(19,930)
Capital Outlay	1	1	-	(1)
Total MHMR Center	<u>578,101</u>	<u>464,416</u>	<u>441,474</u>	<u>(22,942)</u>
Family Practice Center:				
Other Services & Charges	629,040	629,040	629,040	-
Total Family Practice Center	<u>629,040</u>	<u>629,040</u>	<u>629,040</u>	<u>-</u>
 TOTAL HEALTH	 <u>8,551,699</u>	 <u>8,288,503</u>	 <u>7,530,747</u>	 <u>(757,756)</u>
 <u>WELFARE</u>				
County Welfare Services-Direct Aid:				
Supplies	500	500	-	(500)
Other Services & Charges	4,175,000	4,162,304	4,049,767	(112,537)
Capital Outlay	1	1	-	(1)
Total County Welfare Services-Direct Aid	<u>4,175,501</u>	<u>4,162,805</u>	<u>4,049,767</u>	<u>(113,038)</u>
Children's' Protective Services-Direct Aid:				
Supplies	35,500	17,500	10,709	(6,791)
Other Services & Charges	12,500	12,500	4,079	(8,421)
Capital Outlay	1	1	-	(1)
Total Children's' Protective Services-Direct Aid	<u>48,001</u>	<u>30,001</u>	<u>14,788</u>	<u>(15,213)</u>
Veterans Service Officer:				
Personal Services	71,616	71,247	70,060	(1,187)
Supplies	2,250	2,250	2,168	(82)
Other Services & Charges	3,270	3,270	2,852	(418)
Capital Outlay	1	1	-	(1)
Total Veterans Service Officer	<u>77,137</u>	<u>76,768</u>	<u>75,080</u>	<u>(1,688)</u>
Juvenile Services Interim Home:				
Personal Services	172,343	170,163	149,630	(20,533)
Supplies	13,373	13,373	8,806	(4,567)
Other Services & Charges	14,700	14,700	6,536	(8,164)
Capital Outlay	1	1	-	(1)
Total Juvenile Services Interim Home	<u>200,417</u>	<u>198,237</u>	<u>164,972</u>	<u>(33,265)</u>
Other Welfare Activities:				
Other Services & Charges	16,504	17,985	17,984	(1)
Total Other Welfare Activities	<u>16,504</u>	<u>17,985</u>	<u>17,984</u>	<u>(1)</u>
 TOTAL WELFARE	 <u>4,517,560</u>	 <u>4,485,796</u>	 <u>4,322,591</u>	 <u>(163,205)</u>
 <u>CULTURE-RECREATION</u>				
Libraries:				
Other Services & Charges	704,998	704,998	704,998	-
Total Libraries	<u>704,998</u>	<u>704,998</u>	<u>704,998</u>	<u>-</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

General Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Parks-Trading House Lake:				
Personal Services	16,983	16,983	17,214	231
Supplies	6,585	6,585	959	(5,626)
Other Services & Charges	14,680	14,680	3,448	(11,232)
Capital Outlay	1	1	-	(1)
Total Parks-Trading House Lake	<u>38,249</u>	<u>38,249</u>	<u>21,621</u>	<u>(16,628)</u>
Historical Survey:				
Supplies	100	100	13	(87)
Other Services & Charges	12,747	12,747	686	(12,061)
Capital Outlay	1	1	-	(1)
Total Historical Survey	<u>12,848</u>	<u>12,848</u>	<u>699</u>	<u>(12,149)</u>
Exhibit Buildings and Showbarns-HOT Fair:				
Other Services & Charges	7,500	16,293	16,292	(1)
Capital Outlay	1	1	-	(1)
Total Exhibit Buildings and Showbarns-HOT Fair	<u>7,501</u>	<u>16,294</u>	<u>16,292</u>	<u>(2)</u>
TOTAL CULTURE-RECREATION	<u>763,596</u>	<u>772,389</u>	<u>743,610</u>	<u>(28,779)</u>
<u>CONSERVATION</u>				
Agricultural Extension Service:				
Personal Services	220,360	190,007	179,836	(10,171)
Supplies	4,308	4,308	3,660	(648)
Other Services & Charges	53,651	53,651	44,265	(9,386)
Capital Outlay	1	1	-	(1)
Total Agricultural Extension Service	<u>278,320</u>	<u>247,967</u>	<u>227,761</u>	<u>(20,206)</u>
Soil and Water Conservation:				
Other Services & Charges	75,000	81,660	81,655	(5)
Total Soil and Water Conservation	<u>75,000</u>	<u>81,660</u>	<u>81,655</u>	<u>(5)</u>
TOTAL CONSERVATION	<u>353,320</u>	<u>329,627</u>	<u>309,416</u>	<u>(20,211)</u>
<u>ECONOMIC DEVELOPMENT AND ASSISTANCE</u>				
Other Services & Charges	9,538,410	9,551,106	2,294,597	(7,256,509)
TOTAL ECONOMIC DEVELOPMENT AND ASSISTANCE	<u>9,538,410</u>	<u>9,551,106</u>	<u>2,294,597</u>	<u>(7,256,509)</u>
<u>DEBT SERVICE</u>				
Principal	948,816	948,816	948,815	(1)
Interest and Fiscal Charges	266,525	266,525	266,521	(4)
TOTAL DEBT SERVICE	<u>1,215,341</u>	<u>1,215,341</u>	<u>1,215,336</u>	<u>(5)</u>
	<u>\$ 84,087,059</u>	<u>\$ 84,374,194</u>	<u>\$ 72,534,918</u>	<u>\$ (11,839,276)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

Road and Bridge Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<u>PUBLIC TRANSPORTATION</u>				
Road and Bridge Precinct One:				
Personal Services	\$ 1,191,530	\$ 1,191,530	\$ 996,477	\$ (195,053)
Supplies	79,980	76,980	61,725	(15,255)
Other Services & Charges	596,665	412,165	50,115	(362,050)
Capital Outlay	205,000	392,500	263,191	(129,309)
Total Road and Bridge Precinct One	<u>2,073,175</u>	<u>2,073,175</u>	<u>1,371,508</u>	<u>(701,667)</u>
Road and Bridge Precinct Two:				
Personal Services	1,271,640	1,263,040	1,111,096	(151,944)
Supplies	515,855	470,750	215,874	(254,876)
Other Services & Charges	890,572	775,629	105,567	(670,062)
Capital Outlay	97,500	266,148	232,962	(33,186)
Total Road and Bridge Precinct Two	<u>2,775,567</u>	<u>2,775,567</u>	<u>1,665,499</u>	<u>(1,110,068)</u>
Road and Bridge Precinct Three:				
Personal Services	948,566	948,566	816,234	(132,332)
Supplies	544,241	544,241	202,452	(341,789)
Other Services & Charges	163,982	163,982	64,809	(99,173)
Capital Outlay	90,000	90,000	45,959	(44,041)
Total Road and Bridge Precinct Three	<u>1,746,789</u>	<u>1,746,789</u>	<u>1,129,454</u>	<u>(617,335)</u>
Road and Bridge Precinct Four:				
Personal Services	1,271,299	1,271,299	1,028,771	(242,528)
Supplies	617,073	617,073	97,966	(519,107)
Other Services & Charges	1,658,560	1,486,164	114,484	(1,371,680)
Capital Outlay	120,000	439,472	367,735	(71,737)
Total Road and Bridge Precinct Four	<u>3,666,932</u>	<u>3,814,008</u>	<u>1,608,956</u>	<u>(2,205,052)</u>
Road and Bridge Right-of-Way:				
Capital Outlay	136,103	136,103	-	(136,103)
Total Road and Bridge Right-of-Way	<u>136,103</u>	<u>136,103</u>	<u>-</u>	<u>(136,103)</u>
Total Public Transportation	<u>10,398,566</u>	<u>10,545,642</u>	<u>5,775,417</u>	<u>(4,770,225)</u>
<u>DEBT SERVICE</u>				
Road and Bridge Precinct Three:				
Principal	51,711	51,711	51,711	-
Interest and Fiscal Charges	3,656	3,656	3,655	(1)
Total Road and Bridge Precinct Three	<u>55,367</u>	<u>55,367</u>	<u>55,366</u>	<u>(1)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Expenditures,
Compared to Budget (GAAP Basis)

Road and Bridge Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Road and Bridge Precinct Four:				
Principal	-	28,988	28,988	-
Interest and Fiscal Charges	-	1,267	1,267	-
Total Road and Bridge Precinct Four	-	30,255	30,255	-
Total Debt Service	55,367	85,622	85,621	(1)
	<u>\$ 10,453,933</u>	<u>\$ 10,631,264</u>	<u>\$ 5,861,038</u>	<u>\$ (4,770,226)</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Debt Service Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 3,911,465	\$ 3,911,465	\$ 4,046,857	\$ 135,392
Miscellaneous	18,831	18,831	11,857	\$ (6,974)
Total Revenues	<u>3,930,296</u>	<u>3,930,296</u>	<u>4,058,714</u>	<u>128,418</u>
Expenditures:				
Debt Service:				
Principal and Retirements	3,110,000	3,110,000	3,110,000	-
Interest and Fiscal Charges	932,407	932,407	925,412	(6,995)
Total Expenditures	<u>4,042,407</u>	<u>4,042,407</u>	<u>4,035,412</u>	<u>(6,995)</u>
Net Change in Fund Balance	(112,111)	(112,111)	23,302	135,413
Fund Balance at Beginning of Year	<u>1,560,073</u>	<u>1,560,073</u>	<u>1,601,420</u>	<u>41,347</u>
Fund Balance at End of Year	<u>\$ 1,447,962</u>	<u>\$ 1,447,962</u>	<u>\$ 1,624,722</u>	<u>\$ 176,760</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

Permanent Improvement Fund

For the Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 1,764,212	\$ 1,764,212	\$ 1,736,714	\$ (27,498)
Intergovernmental	-	-	241,091	241,091
Miscellaneous	43,472	43,472	22,981	(20,491)
Total Revenues	1,807,684	1,807,684	2,000,786	193,102
Expenditures:				
Supplies	8,023	8,023	-	(8,023)
Capital Projects	5,153,891	5,153,891	2,226,840	(2,927,051)
Total Expenditures	5,161,914	5,161,914	2,226,840	(2,927,051)
Excess (Deficiency) of Revenue over Expenditures	(3,354,230)	(3,354,230)	(226,054)	3,128,176
Other Financing Sources (Uses):				
Sale of Capital Assets	-	-	620,796	620,796
Total Other Financing Sources	-	-	620,796	620,796
Net Change in Fund Balance	(3,354,230)	(3,354,230)	394,742	3,748,972
Fund Balance at Beginning of Year	3,354,230	3,354,230	3,799,079	444,849
Fund Balance at End of Year	\$ -	\$ -	\$ 4,193,821	\$ 4,193,821

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Alcohol and Drug Court Program Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 34,000	\$ 34,000	\$ 41,187	\$ 7,187
Miscellaneous	860	860	-	(860)
Total Revenues	<u>34,860</u>	<u>34,860</u>	<u>41,187</u>	<u>6,327</u>
Expenditures:				
Public Safety:				
Supplies	4,000	4,000	1,216	(2,784)
Other Services and Charges	130,963	130,963	21,983	(108,980)
Capital Outlay	1	1	-	(1)
Total Expenditures	<u>134,964</u>	<u>134,964</u>	<u>23,199</u>	<u>(111,765)</u>
Net Change in Fund Balance	(100,104)	(100,104)	17,988	118,092
Fund Balance at Beginning of Year	<u>100,104</u>	<u>100,104</u>	<u>101,999</u>	<u>1,895</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,987</u>	<u>\$ 119,987</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Child Abuse Prevention Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 2,500	\$ 2,500	\$ 3,861	\$ 1,361
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>3,861</u>	<u>1,361</u>
Expenditures:				
General Government:				
Supplies	1	1	-	(1)
Other Services and Charges	12,213	12,213	-	(12,213)
Capital Outlay	1	1	-	(1)
Total Expenditures	<u>12,215</u>	<u>12,215</u>	<u>-</u>	<u>(12,215)</u>
Excess (Deficiency) of Revenue over Expenditures	(9,715)	(9,715)	3,861	13,576
Other Financing Sources:				
Transfers In	<u>9,715</u>	<u>9,715</u>	<u>9,715</u>	<u>-</u>
Net Change in Fund Balance	-	-	13,576	13,576
Fund Balance at Beginning of Year	-	-	3,632	3,632
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,208</u>	<u>\$ 17,208</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

County and District Court Technology Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 5,300	\$ 5,300	\$ 8,138	\$ 2,838
Miscellaneous	20	20	-	(20)
Total Revenues	5,320	5,320	8,138	2,818
Expenditures:				
General Government:				
Supplies	1	1	-	(1)
Other Services and Charges	12,426	12,426	-	(12,426)
Capital Outlay	1	1	-	(1)
Judicial:				
Supplies	2	2	-	(2)
Other Services and Charges	2	2	-	(2)
Capital Outlay	2	2	-	(2)
Total Expenditures	12,434	12,434	-	(12,434)
 Net Change in Fund Balance	 (7,114)	 (7,114)	 8,138	 15,252
Fund Balance at Beginning of Year	7,114	7,114	7,426	312
Fund Balance at End of Year	\$ -	\$ -	\$ 15,564	\$ 15,564

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

County Clerk Records Management Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 205,000	\$ 205,000	\$ 208,946	\$ 3,946
Miscellaneous	1,035	1,035	-	(1,035)
Total Revenues	<u>206,035</u>	<u>206,035</u>	<u>208,946</u>	<u>2,911</u>
Expenditures:				
General Government:				
Supplies	1	21,001	3,312	(17,689)
Other Services and Charges	160,000	158,700	144,695	(14,005)
Capital Outlay	1	5,001	-	(5,001)
Judicial:				
Personal Services	1	1	-	(1)
Supplies	1	32,038	15,749	(16,289)
Other Services and Charges	188,669	126,932	5,920	(121,012)
Capital Outlay	1	5,001	-	(5,001)
Total Expenditures	<u>348,674</u>	<u>348,674</u>	<u>169,676</u>	<u>(178,998)</u>
Net Change in Fund Balance	(142,639)	(142,639)	39,270	181,909
Fund Balance at Beginning of Year	<u>142,639</u>	<u>142,639</u>	<u>163,693</u>	<u>21,054</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 202,963</u>	<u>\$ 202,963</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

Courthouse Security Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 107,560	\$ 107,560	\$ 101,456	\$ (6,104)
Miscellaneous	4,585	4,585	-	(4,585)
Total Revenues	<u>112,145</u>	<u>112,145</u>	<u>101,456</u>	<u>(10,689)</u>
Expenditures:				
Public Safety:				
Personal Services	-	-	-	-
Supplies	12,700	17,699	16,708	(991)
Other Services and Charges	16,080	16,080	12,496	(3,584)
Capital Outlay	85,338	80,339	72,252	(8,087)
Total Expenditures	<u>114,118</u>	<u>114,118</u>	<u>101,456</u>	<u>(12,662)</u>
Net Change in Fund Balance	(1,973)	(1,973)	-	1,973
Fund Balance at Beginning of Year	<u>1,973</u>	<u>1,973</u>	<u>-</u>	<u>(1,973)</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

Court Records Preservation Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 31,000	\$ 31,000	\$ 33,163	\$ 2,163
Miscellaneous	190	190	-	(190)
Total Revenues	31,190	31,190	33,163	1,973
Expenditures:				
Judicial:				
Personal Services	19,841	19,841	16,948	(2,893)
Supplies	500	500	-	(500)
Other Services and Charges	23,276	23,276	1,927	(21,349)
Capital Outlay	100	100	-	(100)
Total Expenditures	43,717	43,717	18,875	(24,842)
Net Change in Fund Balance	(12,527)	(12,527)	14,288	26,815
Fund Balance at Beginning of Year	12,527	12,527	18,595	6,068
Fund Balance at End of Year	\$ -	\$ -	\$ 32,883	\$ 32,883

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual

Court Reporter Service Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 56,000	\$ 56,000	\$ 54,075	\$ (1,925)
Miscellaneous	425	425	-	(425)
Total Revenues	<u>56,425</u>	<u>56,425</u>	<u>54,075</u>	<u>(2,350)</u>
Expenditures:				
General Government:				
Other Services and Charges	5,000	3,050	250	(2,800)
Judicial:				
Other Services and Charges	51,425	53,375	47,656	(5,719)
Total Expenditures	<u>56,425</u>	<u>56,425</u>	<u>47,906</u>	<u>(8,519)</u>
Net Change in Fund Balance	-	-	6,169	6,169
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,169</u>	<u>\$ 6,169</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Dispute Resolution Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 56,000	\$ 56,000	\$ 54,164	\$ (1,836)
Miscellaneous	-	-	-	-
Total Revenues	<u>56,000</u>	<u>56,000</u>	<u>54,164</u>	<u>(1,836)</u>
Expenditures:				
Judicial:				
Other Services and Charges	57,165	57,165	55,730	(1,435)
Total Expenditures	<u>57,165</u>	<u>57,165</u>	<u>55,730</u>	<u>(1,435)</u>
Net Change in Fund Balance	(1,165)	(1,165)	(1,566)	(401)
Fund Balance at Beginning of Year	<u>1,165</u>	<u>1,165</u>	<u>1,566</u>	<u>401</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

District Clerk Errors and Omissions Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 2,500	\$ 2,500	\$ 2,615	\$ 115
Miscellaneous	855	855	-	(855)
Total Revenues	<u>3,355</u>	<u>3,355</u>	<u>2,615</u>	<u>(740)</u>
Expenditures:				
Judicial:				
Other Services and Charges	99,423	99,423	-	(99,423)
Total Expenditures	<u>99,423</u>	<u>99,423</u>	<u>-</u>	<u>(99,423)</u>
Net Change in Fund Balance	<u>(96,068)</u>	<u>(96,068)</u>	<u>2,615</u>	<u>98,683</u>
Fund Balance at Beginning of Year	<u>96,068</u>	<u>96,068</u>	<u>96,326</u>	<u>258</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,941</u>	<u>\$ 98,941</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

District Clerk Records Management Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 18,000	\$ 18,000	\$ 19,053	\$ 1,053
Total Revenues	<u>18,000</u>	<u>18,000</u>	<u>19,053</u>	<u>1,053</u>
Expenditures:				
Judicial:				
Supplies	1	1	-	(1)
Other Services and Charges	10,000	10,000	10,000	-
Capital Outlay	40,940	40,940	-	(40,940)
Total Expenditures	<u>50,941</u>	<u>50,941</u>	<u>10,000</u>	<u>(40,941)</u>
Excess (Deficiency) of Revenue over Expenditures	(32,941)	(32,941)	9,053	41,994
Other Financing Sources (Uses):				
Transfers Out	<u>(33,000)</u>	<u>(33,000)</u>	<u>(33,000)</u>	<u>-</u>
Net Change in Fund Balance	(65,941)	(65,941)	(23,947)	41,994
Fund Balance at Beginning of Year	<u>65,941</u>	<u>65,941</u>	<u>66,760</u>	<u>819</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,813</u>	<u>\$ 42,813</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

District Court Records Technology Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 13,000	\$ 13,000	\$ 15,110	\$ 2,110
Miscellaneous	160	160	-	(160)
Total Revenues	<u>13,160</u>	<u>13,160</u>	<u>15,110</u>	<u>1,950</u>
Expenditures:				
General Government:				
Other Services and Charges	21,801	21,801	-	(21,801)
Judicial:				
Personal Services	19,841	19,841	16,947	(2,894)
Supplies	1	1	-	(1)
Other Services and Charges	1	1	-	(1)
Capital Outlay	1	1	-	(1)
Total Expenditures	<u>41,645</u>	<u>41,645</u>	<u>16,947</u>	<u>(24,698)</u>
Net Change in Fund Balance	(28,485)	(28,485)	(1,837)	26,648
Fund Balance at Beginning of Year	<u>28,485</u>	<u>28,485</u>	<u>28,878</u>	<u>393</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,041</u>	<u>\$ 27,041</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Family Protection Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 4,600	\$ 4,600	\$ 4,800	\$ 200
Miscellaneous	250	250	-	(250)
Total Revenues	4,850	4,850	4,800	(50)
Expenditures:				
Welfare:				
Supplies	1	1	-	(1)
Other Services and Charges	35,920	35,920	10,000	(25,920)
Capital Outlay	1	1	-	(1)
Total Expenditures	35,922	35,922	10,000	(25,922)
Net Change in Fund Balance	(31,072)	(31,072)	(5,200)	25,872
Fund Balance at Beginning of Year	31,072	31,072	30,865	(207)
Fund Balance at End of Year	\$ -	\$ -	\$ 25,665	\$ 25,665

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Farm-to-Market / Flood Control Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (under)
	Original	Final		
Revenues:				
Taxes	\$ 2,416,001	\$ 2,416,001	\$ 2,389,432	\$ (26,569)
Intergovernmental			-	-
Fines and Forfeits	8,000	8,000	12,033	4,033
Miscellaneous - Investment Income	100	100	4,076	3,976
Total Revenues	2,424,101	2,424,101	2,405,541	(18,560)
Expenditures:				
Public Transportation:				
Personal Services	-	-	-	-
Supplies	2,422,626	2,422,626	2,048,783	(373,843)
Other Services and Charges	86,831	86,831	61,781	(25,050)
Capital Outlay	-	-	-	-
Total Public Transportation	2,509,457	2,509,457	2,110,564	(398,893)
Excess (Deficiency) of Revenue over Expenditures	(85,356)	(85,356)	294,977	380,333
Other Financing Uses:				
Transfers Out:	-	-	-	-
Net Change in Fund Balance	(85,356)	(85,356)	294,977	380,333
Fund Balance at Beginning of Year	85,356	85,356	108,080	22,724
Fund Balance at End of Year	\$ -	\$ -	\$ 403,057	\$ 403,057

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Jury Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 48,234	\$ 48,234	\$ 48,653	\$ 419
Intergovernmental	115,000	115,000	144,900	29,900
Charges for Services	8,510	8,510	11,442	2,932
Fines and Forfeitures	-	-	4,216	4,216
Miscellaneous	700	700	96	(604)
Total Revenues	172,444	172,444	209,307	36,863
Expenditures:				
Judicial:				
Personal Services	229,000	251,441	251,400	(41)
Supplies	12,500	3,396	2,517	(879)
Other Services and Charges	22,487	9,150	8,128	(1,022)
Total Expenditures	263,987	263,987	262,045	(1,942)
Net Change in Fund Balance	(91,543)	(91,543)	(52,738)	38,805
Fund Balance at Beginning of Year	91,543	91,543	119,789	28,246
Fund Balance at End of Year	\$ -	\$ -	\$ 67,051	\$ 67,051

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Justice Court Building Security Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 9,000	\$ 9,000	\$ 7,641	\$ (1,359)
Miscellaneous	400	400	-	(400)
Total Revenues	<u>9,400</u>	<u>9,400</u>	<u>7,641</u>	<u>(1,759)</u>
Expenditures:				
General Government:				
Other Services and Charges	57,348	57,348	-	(57,348)
Judicial:				
Supplies	6	6	-	(6)
Other Services and Charges	6	6	-	(6)
Capital Outlay	6	6	-	(6)
Total Expenditures	<u>57,366</u>	<u>57,366</u>	<u>-</u>	<u>(57,366)</u>
Net Change in Fund Balance	(47,966)	(47,966)	7,641	55,607
Fund Balance at Beginning of Year	<u>47,966</u>	<u>47,966</u>	<u>48,260</u>	<u>294</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,901</u>	<u>\$ 55,901</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Justice Technology Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Fines and Forfeits	\$ 37,350	\$ 37,350	\$ 31,257	\$ (6,093)
Miscellaneous	3,700	3,700	-	(3,700)
Total Revenues	<u>41,050</u>	<u>41,050</u>	<u>31,257</u>	<u>(9,793)</u>
Expenditures:				
General Government:				
Other Services and Charges	370,275	278,446	-	(278,446)
Judicial:				
Supplies	307	6,636	5,308	(1,328)
Other Services and Charges	2,814	32,314	30,182	(2,132)
Capital Outlay	8	56,008	56,000	(8)
Total Expenditures	<u>373,404</u>	<u>373,404</u>	<u>91,490</u>	<u>(281,914)</u>
Excess (Deficiency) of Revenue over Expenditures	(332,354)	(332,354)	(60,233)	272,121
Other Financing Sources (Uses):				
Transfers Out	<u>(73,838)</u>	<u>(73,838)</u>	<u>(73,838)</u>	<u>-</u>
Net Change in Fund Balance	(406,192)	(406,192)	(134,071)	272,121
Fund Balance at Beginning of Year	<u>406,192</u>	<u>406,192</u>	<u>417,230</u>	<u>11,038</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 283,159</u>	<u>\$ 283,159</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Juvenile Delinquency Prevention Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 200	\$ 200	\$ -	\$ (200)
Total Revenues	<u>200</u>	<u>200</u>	<u>-</u>	<u>(200)</u>
Expenditures:				
General Government:				
Supplies	1	1	-	(1)
Other Services and Charges	865	865	-	(865)
Capital Outlay	1	1	-	(1)
Public Safety:				
Supplies	1	1	-	(1)
Other Services and Charges	1	1	-	(1)
Capital Outlay	1	1	-	(1)
Total Expenditures	<u>870</u>	<u>870</u>	<u>-</u>	<u>(870)</u>
Excess (Deficiency) of Revenue over Expenditures	(670)	(670)	-	670
Other Financing Sources:				
Transfers In	<u>670</u>	<u>670</u>	<u>670</u>	<u>-</u>
Net Change in Fund Balance	-	-	670	670
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>150</u>	<u>150</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 820</u>	<u>\$ 820</u>

MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Law Library Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 132,000	\$ 132,000	\$ 129,305	\$ (2,695)
Miscellaneous:	2,575	2,575	-	(2,575)
Total Revenues	<u>134,575</u>	<u>134,575</u>	<u>129,305</u>	<u>(5,270)</u>
Expenditures:				
General Government:				
Supplies	62,670	72,670	69,582	(3,088)
Other Services and Charges	309,905	286,058	1,960	(284,098)
Capital Outlay	1	7,123	7,120	(3)
Judicial:				
Supplies	63,154	69,879	46,902	(22,977)
Total Expenditures	<u>435,730</u>	<u>435,730</u>	<u>125,564</u>	<u>(310,166)</u>
Net Change in Fund Balance	(301,155)	(301,155)	3,741	304,896
Fund Balance at Beginning of Year	<u>301,155</u>	<u>301,155</u>	<u>296,566</u>	<u>(4,589)</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,307</u>	<u>\$ 300,307</u>

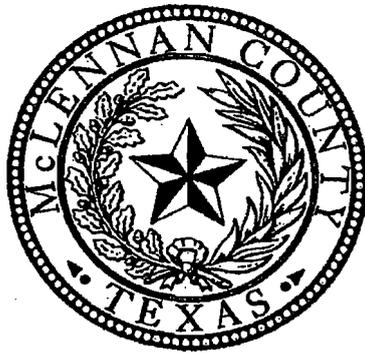
MCLENNAN COUNTY, TEXAS

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual

Records Management Fund

Year Ended September 30, 2012

	Budget		Actual	Variance with Final Budget positive Over (Under)
	Original	Final		
Revenues:				
Charges for Services	\$ 94,000	\$ 94,000	\$ 92,990	\$ (1,010)
Miscellaneous	1,470	1,470	7,000	5,530
Total Revenues	<u>95,470</u>	<u>95,470</u>	<u>99,990</u>	<u>4,520</u>
Expenditures:				
General Government:				
Personal Services	27,864	32,364	32,360	(4)
Supplies	23,915	19,415	18,056	(1,359)
Other Services and Charges	45,850	45,850	38,493	(7,357)
Capital Outlay	1	1	-	(1)
Total Expenditures	<u>97,630</u>	<u>97,630</u>	<u>88,909</u>	<u>(8,721)</u>
Net Change in Fund Balance	(2,160)	(2,160)	11,081	13,241
Fund Balance at Beginning of Year	<u>2,160</u>	<u>2,160</u>	<u>-</u>	<u>(2,160)</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,081</u>	<u>\$ 11,081</u>



McLENNAN COUNTY, TEXAS

Agency Funds – Purpose of Funds

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

Adult Probation Department Fund

This is a departmental fund used by the Adult Probation Department to account for collections from probationers for fines, probation fees, court costs, probationer support and restitution. All such collections are subsequently remitted to the appropriate individual or County official.

Cafeteria Plan Fund

Funds withheld through payroll belonging to employees are accounted for in this fund until such time as they are reimbursed to the employees for qualifying medical and/or childcare expenses.

County Clerk Court Registry Fund

County Court Registry funds are accounted for in this fund. Amounts received are required to be preserved until such time as they may be distributed in accordance with court orders issued by a court of competent jurisdiction. In some instances, the funds are invested in savings accounts and time deposits for the benefit of the litigants as directed by the Court.

County Sheriff Inmate Deposit Fund

Funds belonging to jail inmates are accounted for in this fund until such time as they are paid out on behalf of the inmates or returned to the inmates upon discharge.

County Tax Assessor Collector Automobile Fund

Collections by the County Tax Assessor-Collector are initially accounted for in the Automobile Registration Fund. All such collections are subsequently remitted to the appropriate State or County entities.

County Tax Assessor Collector Vehicle Inventory Tax Fund

Vehicle dealers make payments of vehicle inventory tax to this fund each month based on their sales for the month. The payments accumulate in this fund from January 1 to December 31 each year. At December 31, an assessment is made on each dealer. Dealers whose accumulated payments exceed the year-end assessment receive a refund, and dealers whose accumulated payments are deficient are required to pay the deficiency. The interest earned on this fund is under the control of the Tax Collector to defray administrative costs of collection and assessment, and is accounted for in the Tax Office Administration Fund in the Special Revenue Funds.

County Tax Assessor Collector Ad Valorem Tax Fund

The ad valorem tax collections by the County Tax Assessor-Collector are initially accounted for in the Ad Valorem Tax Fund. All such collections are subsequently remitted to the appropriate State, County and other taxing entities.

CSCD Employee Dishonesty Recovery Fund

The CSCD Employee Dishonesty Recovery Fund was created to account for the proceeds of restitution and fidelity bond monies collected related to employee embezzlement. It is maintained in this fund pending dissolution of the funds to the appropriate victims.

District Attorney Seizure Fund

The Criminal District Attorney Seizure Fund was established to account for cash seized in criminal cases. The funds are held in this fund until their disposition, primarily as forfeitures to law enforcement agencies and the Criminal District Attorney's office, as established by court action.

McLENNAN COUNTY, TEXAS

Agency Funds – Purpose of Funds

District Clerk Court Registry Fund

District Court Registry funds are accounted for in this fund. Amounts received are required to be preserved until such time as they may be distributed in accordance with court orders issued by a court of competent jurisdiction. In some instances, the funds are invested in savings accounts and time deposits for the benefit of the litigants as directed by the Court.

Drug Task Force Seizure Fund

The Drug Task Force Seizure Fund was established to account for cash seized in criminal drug-related cases. The funds are held in this fund until their disposition, primarily as forfeitures to the Drug Task Force, is established by court action.

Fee Officers Fee Fund

The Fee Officers Fee Fund was established to account for the fee receipts and disbursements of elected County officials. Each fee officer may at any time have cash, bank checking accounts and time deposits which are in an agency status pending remittance of appropriate revenue amounts to the County Treasurer, or pending statutory or court-ordered remittances to entities other than the County. Separate funds are maintained in the county accounting records for the fee receipts and disbursements of each fee officer. For the purposes of this report, however, all such funds are considered to comprise a single Fee Officers Fee Fund.

General Sales Tax Fund

State General Sales Tax collections are accounted for in this fund until such time as remittances are made to the appropriate agencies.

Juvenile Probation Department Fund

The Juvenile Probation Department Fund was established to account for the receipts and disbursements of court ordered restitution collected from juveniles and remitted to the victims of crime, as per court order.

State Fees and Tax on Fines Fund

Statutory collections for fines and fees are accounted for in this fund pending quarterly transmittal to the State Comptroller.

MCLENNAN COUNTY, TEXAS
Combining Statement of Changes in Assets
and Liabilities
All Agency Funds
For the Year Ended September 30, 2012

continued

Description	Balance 9/30/2011	Additions	Deductions	Balance 9/30/2012
<u>ADULT PROBATION DEPARTMENT FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 143,660	\$ 527,585	\$ 514,804	\$ 156,441
Total Assets	<u>\$ 143,660</u>	<u>\$ 527,585</u>	<u>\$ 514,804</u>	<u>\$ 156,441</u>
<u>Liabilities</u>				
Due to Other Governments	1,397	3,816	4,147	1,066
Due to Others	142,263	4,888,506	4,875,394	155,375
Total Liabilities	<u>\$ 143,660</u>	<u>\$ 4,892,322</u>	<u>\$ 4,879,541</u>	<u>\$ 156,441</u>
<u>CAFETERIA PLAN FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 23,988	\$ 117,065	\$ 123,264	\$ 17,789
Total Assets	<u>\$ 23,988</u>	<u>\$ 117,065</u>	<u>\$ 123,264</u>	<u>\$ 17,789</u>
<u>Liabilities</u>				
Accounts Payable	\$ 23,988	\$ 124,624	\$ 130,823	\$ 17,789
Due to Others	-	126,925	126,925	-
Total Liabilities	<u>\$ 23,988</u>	<u>\$ 251,549</u>	<u>\$ 257,748</u>	<u>\$ 17,789</u>
<u>COUNTY CLERK COURT REGISTRY FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 2,494,111	\$ 5,381,240	\$ 4,007,796	\$ 3,867,555
Accrued Interest	2,204	1,013	2,204	1,013
Total Assets	<u>\$ 2,496,315</u>	<u>\$ 5,382,253</u>	<u>\$ 4,010,000</u>	<u>\$ 3,868,568</u>
<u>Liabilities</u>				
Due to Others	2,496,315	11,547,350	10,175,097	3,868,568
Total Liabilities	<u>\$ 2,496,315</u>	<u>\$ 11,547,350</u>	<u>\$ 10,175,097</u>	<u>\$ 3,868,568</u>
<u>COUNTY SHERIFF INMATE DEPOSIT FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 126,252	\$ 65,390	\$ 112,129	\$ 79,513
Total Assets	<u>\$ 126,252</u>	<u>\$ 65,390</u>	<u>\$ 112,129</u>	<u>\$ 79,513</u>
<u>Liabilities</u>				
Accounts Payable	\$ 57,035	\$ 717,870	\$ 768,413	\$ 6,492
Due to Others	69,217	887,524	883,720	73,021
Total Liabilities	<u>\$ 126,252</u>	<u>\$ 1,605,394</u>	<u>\$ 1,652,133</u>	<u>\$ 79,513</u>
<u>COUNTY TAX ASSESSOR COLLECTOR AUTOMOBILE FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 261,258	\$ 863,578	\$ 809,507	\$ 315,329
Accounts Receivable	14,807	11,399	26,206	-
Total Assets	<u>\$ 276,065</u>	<u>\$ 863,578</u>	<u>\$ 809,507</u>	<u>\$ 315,329</u>
<u>Liabilities</u>				
Due to Other Governments	275,570	39,560,134	39,529,668	306,036
Due to Others	495	5,156,542	5,147,744	9,293
Total Liabilities	<u>\$ 276,065</u>	<u>\$ 44,716,676</u>	<u>\$ 44,677,412</u>	<u>\$ 315,329</u>

continued

MCLENNAN COUNTY, TEXAS
Combining Statement of Changes in Assets
and Liabilities
All Agency Funds
For the Year Ended September 30, 2012

continued

Description	Balance 9/30/2011	Additions	Deductions	Balance 9/30/2012
<u>COUNTY TAX ASSESSOR COLLECTOR</u>				
<u>VEHICLE INVENTORY TAX FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 726,606	\$ 2,194,462	\$ 2,057,818	\$ 863,250
Total Assets	<u>\$ 726,606</u>	<u>\$ 2,194,462</u>	<u>\$ 2,057,818</u>	<u>\$ 863,250</u>
<u>Liabilities</u>				
Due to Others	\$ 726,606	\$ 2,319,671	\$ 2,183,027	\$ 863,250
Total Liabilities	<u>\$ 726,606</u>	<u>\$ 2,319,671</u>	<u>\$ 2,183,027</u>	<u>\$ 863,250</u>
<u>COUNTY TAX ASSESSOR COLLECTOR</u>				
<u>AD VALOREM TAX FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 255,937	\$ 22,442,883	\$ 22,399,851	\$ 298,969
Total Assets	<u>\$ 255,937</u>	<u>\$ 22,442,883</u>	<u>\$ 22,399,851</u>	<u>\$ 298,969</u>
<u>Liabilities</u>				
Accounts Payable	\$ 100,207	\$ 3,546,762	\$ 3,433,956	\$ 213,013
Due to Other Governments	155,510	244,811,735	244,881,716	85,529
Due to Others	220	52,505,264	52,505,057	427
Total Liabilities	<u>\$ 255,937</u>	<u>\$ 300,863,761</u>	<u>\$ 300,820,729</u>	<u>\$ 298,969</u>
<u>CSCD EMPLOYEE DISHONESTY</u>				
<u>RECOVERY FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 167,116	\$ -	\$ -	\$ 167,116
Total Assets	<u>\$ 167,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,116</u>
<u>Liabilities</u>				
Due to Others	\$ 167,116	\$ -	\$ -	\$ 167,116
Total Liabilities	<u>\$ 167,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,116</u>
<u>DISTRICT ATTORNEY SEIZURES FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 121,364	\$ 185,056	\$ 164,053	\$ 142,367
Total Assets	<u>\$ 121,364</u>	<u>\$ 185,056</u>	<u>\$ 164,053</u>	<u>\$ 142,367</u>
<u>Liabilities</u>				
Due to Others	\$ 121,364	\$ 370,062	\$ 349,059	\$ 142,367
Total Liabilities	<u>\$ 121,364</u>	<u>\$ 370,062</u>	<u>\$ 349,059</u>	<u>\$ 142,367</u>
<u>DISTRICT CLERK COURT REGISTRY FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 2,385,430	\$ 440,743	\$ 582,894	\$ 2,243,279
Accrued Interest	3,778	6,833	7,093	3,518
Total Assets	<u>\$ 2,389,208</u>	<u>\$ 447,576</u>	<u>\$ 589,987</u>	<u>\$ 2,246,797</u>
<u>Liabilities</u>				
Due to Others	\$ 2,389,208	\$ 1,288,267	\$ 1,430,678	\$ 2,246,797
Total Liabilities	<u>\$ 2,389,208</u>	<u>\$ 1,288,267</u>	<u>\$ 1,430,678</u>	<u>\$ 2,246,797</u>

continued

MCLENNAN COUNTY, TEXAS
Combining Statement of Changes in Assets
and Liabilities
All Agency Funds
For the Year Ended September 30, 2012

continued

Description	Balance 9/30/2011	Additions	Deductions	Balance 9/30/2012
<u>DRUG TASK FORCE SEIZURE FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 3,885	\$ 3	\$ -	\$ 3,888
Total Assets	<u>\$ 3,885</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 3,888</u>
<u>Liabilities</u>				
Due to Others	\$ 3,885	\$ 3		\$ 3,888
Total Liabilities	<u>\$ 3,885</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 3,888</u>
<u>FEE OFFICERS FEE FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 906,415	\$ 3,206,711	\$ 3,452,087	\$ 661,039
Accounts Receivable	1,628	1,010,455	1,009,090	2,993
Total Assets	<u>\$ 908,043</u>	<u>\$ 4,217,166</u>	<u>\$ 4,461,177</u>	<u>\$ 664,032</u>
<u>Liabilities</u>				
Accounts Payable	\$ 1,183	\$ 82,694	\$ 80,888	\$ 2,989
Due to Other Governments	1,555	16,992	18,547	-
Due to Others	905,305	18,086,123	18,330,385	661,043
Total Liabilities	<u>\$ 908,043</u>	<u>\$ 18,185,809</u>	<u>\$ 18,429,820</u>	<u>\$ 664,032</u>
<u>GENERAL SALES TAX FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 560	\$ 2,158	\$ 2,133	\$ 585
Accounts Receivable	24	36	47	13
Total Assets	<u>\$ 584</u>	<u>\$ 2,194</u>	<u>\$ 2,180</u>	<u>\$ 598</u>
<u>Liabilities</u>				
Accounts Payable	\$ 560	\$ 2,171	\$ 2,133	\$ 598
Due to Others	24	2,205	2,229	-
Total Liabilities	<u>\$ 584</u>	<u>\$ 4,376</u>	<u>\$ 4,362</u>	<u>\$ 598</u>
<u>JUVENILE PROBATION DEPARTMENT FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 2,085	\$ 6,871	\$ 6,842	\$ 2,114
Total Assets	<u>\$ 2,085</u>	<u>\$ 6,871</u>	<u>\$ 6,842</u>	<u>\$ 2,114</u>
<u>Liabilities</u>				
Due to Others	2,085	43,288	43,259	2,114
Total Liabilities	<u>\$ 2,085</u>	<u>\$ 43,288</u>	<u>\$ 43,259</u>	<u>\$ 2,114</u>
<u>STATE FEES AND TAX ON FINES FUND</u>				
<u>Assets</u>				
Cash and Investments	\$ 366,579	\$ 2,013,633	\$ 2,029,643	\$ 350,569
Total Assets	<u>\$ 366,579</u>	<u>\$ 2,013,633</u>	<u>\$ 2,029,643</u>	<u>\$ 350,569</u>
<u>Liabilities</u>				
Accounts Payable	\$ 1,085	\$ 8,679	\$ 7,285	\$ 2,479
Due to Other Governments	365,494	3,897,783	3,915,187	348,090
Total Liabilities	<u>\$ 366,579</u>	<u>\$ 3,906,462</u>	<u>\$ 3,922,472</u>	<u>\$ 350,569</u>

continued

MCLENNAN COUNTY, TEXAS
Combining Statement of Changes in Assets
and Liabilities
All Agency Funds
For the Year Ended September 30, 2012

continued

Description	Balance 9/30/2011	Additions	Deductions	Balance 9/30/2012
<u>TOTAL - ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and Investments	\$ 7,985,246	\$ 37,447,378	\$ 36,262,821	\$ 9,169,803
Accounts Receivable	16,459	1,021,890	1,035,343	3,006
Accrued Interest	5,982	7,846	9,297	4,531
Total Assets	<u>\$ 8,007,687</u>	<u>\$ 38,477,114</u>	<u>\$ 37,307,461</u>	<u>\$ 9,177,340</u>
<u>Liabilities</u>				
Accounts Payable	\$ 184,058	\$ 4,482,800	\$ 4,423,498	\$ 243,360
Due to Other Governments	799,526	288,290,460	288,349,265	740,721
Due to Others	7,024,103	97,221,730	96,052,574	8,193,259
Total Liabilities	<u>\$ 8,007,687</u>	<u>\$ 389,994,990</u>	<u>\$ 388,825,337</u>	<u>\$ 9,177,340</u>

continued



McLENNAN COUNTY, TEXAS
STATISTICAL SECTION

This part of the County's Comprehensive annual financial report presents detailed information to enhance the understanding of the information in the financial statements, note disclosures, and required supplementary information and what the data indicates about the County's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to aid in understanding how the County's financial performance and well-being have changed over time.	146
Revenue Capacity These schedules contain information to aid in assessing the County's most significant local revenue source – property tax.	157
Debt Capacity These schedules present information to aid in assessing the County's ability to issue additional debt in the future.	172
Demographic and Economic Information These schedules offer demographic and economic indicators to aid in understanding the environment within which the County's financial activities take place.	178
Operating Information These schedules contain service and infrastructure data to aid in understanding how the information in the County's financial report relates to the services the County provides and the activities it performs.	181

MCLENNAN COUNTY, TEXAS
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental Activities:				
Invested in capital assets, net of debt	\$ 33,599,862	\$ 40,643,659	\$ 40,691,733	\$ 38,878,368
Restricted	18,412,712	5,467,588	3,298,142	7,417,897
Unrestricted	<u>15,253,434</u>	<u>20,448,383</u>	<u>24,129,906</u>	<u>27,931,763</u>
Total governmental activities net assets	<u>\$ 67,266,008</u>	<u>\$ 66,559,630</u>	<u>\$ 68,119,781</u>	<u>\$ 74,228,028</u>

Source: McLennan County Financial Records

Table I

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 36,068,109	\$ 36,965,521	\$ 27,440,541	\$ 29,135,069	\$ 25,954,771	\$ 28,111,535
7,649,937	5,431,865	16,672,470	11,361,732	12,680,139	12,594,499
<u>40,253,187</u>	<u>48,052,831</u>	<u>41,307,465</u>	<u>39,101,051</u>	<u>38,546,730</u>	<u>30,305,337</u>
<u>\$ 83,971,233</u>	<u>\$ 90,450,217</u>	<u>\$ 85,420,476</u>	<u>\$ 79,597,852</u>	<u>\$ 77,181,640</u>	<u>\$ 71,011,371</u>

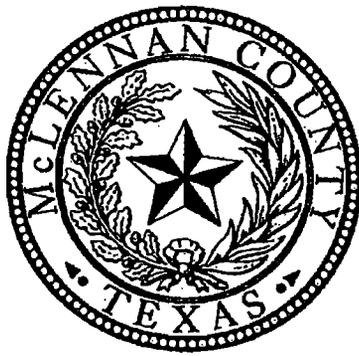
MCLENNAN COUNTY, TEXAS
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2003	2004	2005	2006
Expenses				
Governmental Activities				
General Administration	\$ 13,081,875	\$ 13,447,122	\$ 14,908,121	\$ 14,435,895
Judicial	4,963,966	5,135,561	5,285,769	5,751,910
Public Safety	28,459,088	29,053,807	30,992,140	32,310,783
Public Transportation	7,499,769	7,175,631	7,697,780	7,313,020
Health	4,312,989	4,718,525	4,482,532	4,629,481
Welfare	2,649,209	2,852,400	2,883,475	3,036,068
Culture - Recreation	3,167,814	7,217,311	2,309,208	2,791,759
Conservation	180,691	191,524	204,172	212,725
Economic Development and Assistance	1,183,298	398,113	290,206	959,154
Interest and Fiscal Charges	2,298,097	2,561,584	2,367,571	2,297,051
Total Expenses	67,796,796	72,751,578	71,420,974	73,737,846
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	2,596,930	2,740,396	2,623,890	3,249,953
Judicial	3,954,338	3,851,094	4,409,914	3,779,238
Public Safety	8,015,377	8,883,294	8,756,883	9,546,714
Other Functions	176,339	786,714	865,836	995,049
Operating Grants and Contributions	8,097,054	6,292,629	7,739,254	6,882,132
Capital Grants and Contributions	-	471,732	267,486	1,677,870
Total Program Revenues	22,840,038	23,025,859	24,663,263	26,130,956
Net (Expense) Revenue	(44,956,758)	(49,725,719)	(46,757,711)	(47,606,890)
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes				
Property Taxes	28,162,392	31,126,569	34,379,131	37,573,209
Other Taxes	11,447,099	12,564,557	12,785,221	13,766,423
Investment Earnings	923,847	756,094	1,048,467	2,361,846
Gain (loss) on Sale of Capital Assets	30,499	(535,420)	-	(20,471)
Miscellaneous	955,205	76,729	105,043	34,130
Total	41,519,042	43,988,529	48,317,862	53,715,137
Changes in Net Assets	\$ (3,437,716)	\$ (5,737,190)	\$ 1,560,151	\$ 6,108,247

Source: McLennan County Financial Records

Table II

2007	2008	2009	2010	2011	2012
\$ 14,855,034	\$ 15,808,261	\$ 17,245,222	\$ 18,007,770	\$ 18,620,842	\$ 18,895,905
6,227,910	6,669,017	7,248,749	7,417,422	7,485,639	7,742,911
33,214,912	34,683,156	39,168,947	42,138,549	50,595,444	58,890,570
6,988,809	7,819,709	8,565,342	7,778,514	8,273,879	8,982,384
5,266,641	6,061,339	6,409,230	6,911,882	7,537,703	13,769,065
3,283,753	3,607,159	3,576,412	3,673,446	3,976,166	4,366,526
1,400,841	2,032,111	1,504,867	1,495,216	1,554,300	1,538,146
234,964	229,446	263,812	302,347	297,797	332,517
616,903	1,018,783	521,606	1,491,617	1,150,231	2,294,597
2,168,398	2,029,542	4,032,729	4,892,990	4,959,103	4,430,272
<u>74,258,165</u>	<u>79,958,523</u>	<u>88,536,916</u>	<u>94,109,753</u>	<u>104,451,104</u>	<u>121,242,893</u>
3,310,693	3,243,070	3,164,407	6,755,330	6,747,099	13,340,768
4,395,474	4,567,278	4,819,355	3,325,698	4,159,152	4,250,203
8,989,499	8,883,675	8,979,005	10,639,237	18,781,325	22,673,110
703,067	663,445	443,776	371,116	546,860	691,170
5,366,998	7,613,051	5,498,389	4,647,558	6,799,208	6,696,331
1,458,719	356,397	1,104,671	916,841	1,198,595	-
<u>24,224,450</u>	<u>25,326,916</u>	<u>24,009,603</u>	<u>26,655,780</u>	<u>38,232,239</u>	<u>47,651,582</u>
<u>(50,033,715)</u>	<u>(54,631,607)</u>	<u>(64,527,313)</u>	<u>(67,453,973)</u>	<u>(66,218,865)</u>	<u>(73,591,311)</u>
39,671,579	43,482,285	46,382,793	47,789,261	49,631,517	52,061,578
14,265,859	15,467,345	14,954,358	13,152,710	13,186,437	13,542,384
2,983,877	1,950,448	1,148,987	1,040,369	688,659	378,774
1,118,564	-	369,965	(803)	(49,267)	1,106,310
71,784	210,513	150,158	113,727	345,307	331,996
<u>58,111,663</u>	<u>61,110,591</u>	<u>63,006,261</u>	<u>62,095,264</u>	<u>63,802,653</u>	<u>67,421,042</u>
<u>\$ 8,077,948</u>	<u>\$ 6,478,984</u>	<u>\$ (1,521,052)</u>	<u>\$ (5,358,709)</u>	<u>\$ (2,416,212)</u>	<u>\$ (6,170,269)</u>



MCLENNAN COUNTY, TEXAS
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Property Taxes	\$ 28,162,392	\$ 31,126,569	\$ 34,379,131	\$ 37,573,209	\$ 39,671,579	\$ 43,482,285	\$ 46,382,793	\$ 47,789,261	\$ 49,631,517	\$ 52,061,578
Sales Taxes	9,662,504	10,278,307	10,512,117	11,459,220	11,845,607	12,273,951	12,336,697	12,495,585	12,523,389	12,942,889
Other Taxes	1,784,595	2,286,250	2,273,104	2,307,203	2,420,252	3,193,394	2,617,661	657,124	663,048	599,495
Total Taxes	\$ 39,609,491	\$ 43,691,126	\$ 47,164,352	\$ 51,339,632	\$ 53,937,438	\$ 58,949,630	\$ 61,337,151	\$ 60,941,970	\$ 62,817,954	\$ 65,603,962

Source: McLennan County Financial Records

MCLENNAN COUNTY, TEXAS
Governmental Fund Balances
Last Ten Fiscal Years
(unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund:				
Reserved for Prepays	\$ 457,296	\$ 329,657	\$ 305,649	\$ 211,578
Unreserved	19,769,413	18,757,829	19,663,517	23,611,104
Committed For:				
Economic Development	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	<u><u>\$ 20,226,709</u></u>	<u><u>\$ 19,087,486</u></u>	<u><u>\$ 19,969,166</u></u>	<u><u>\$ 23,822,682</u></u>
All Other Governmental Funds:				
Reserved for :				
Capital projects	\$ 15,081,580	\$ 2,072,835	\$ 683,083	\$ 4,735,797
Debt Service	1,444,655	1,764,950	1,795,381	1,920,477
Education	53,956	54,000	55,302	57,590
Unreserved, reported in:				
Special Revenue Funds	12,950,809	14,080,033	14,838,339	16,586,260
Capital Projects Funds	1,849,375	1,061,173	607,072	749,880
Restricted for :				
General Government	-	-	-	-
Judicial	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	-	-	-
Welfare	-	-	-	-
Debt Service	-	-	-	-
Committed for :				
Capital Projects	-	-	-	-
Judicial	-	-	-	-
Public Transportation	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u><u>\$ 31,380,375</u></u>	<u><u>\$ 19,032,991</u></u>	<u><u>\$ 17,979,177</u></u>	<u><u>\$ 24,050,004</u></u>

Source: McLennan County Financial Records

GASB 54 was implemented in 2011.

Table IV

2007	2008	2009	2010	2011	2012
\$ 204,210	\$ -	\$ -	\$ -	\$ -	\$ -
27,411,353	29,870,304	28,736,975	27,145,913	-	-
-	-	-	-	7,924,745	7,104,269
-	-	-	-	22,700,077	16,120,679
<u>\$ 27,615,563</u>	<u>\$ 29,870,304</u>	<u>\$ 28,736,975</u>	<u>\$ 27,145,913</u>	<u>\$ 30,624,822</u>	<u>\$ 23,224,948</u>
\$ 4,366,068	\$ 2,252,494	\$ 4,065,611	\$ -	\$ -	\$ -
2,054,747	2,228,786	9,320,659	7,160,883	-	-
60,440	62,078	54,593	54,429	-	-
17,547,553	19,569,926	19,063,412	18,550,287	-	-
1,214,204	933,887	3,268,413	4,181,989	-	-
-	-	-	-	600,933	1,091,977
-	-	-	-	1,447,799	709,533
-	-	-	-	2,469,399	2,445,038
-	-	-	-	108,080	403,057
-	-	-	-	30,865	25,665
-	-	-	-	7,714,967	7,625,710
-	-	-	-	3,921,256	4,315,410
-	-	-	-	416,355	367,358
-	-	-	-	6,910,810	6,431,863
-	-	-	-	(11,770)	-
<u>\$ 25,243,012</u>	<u>\$ 25,047,171</u>	<u>\$ 35,772,688</u>	<u>\$ 29,947,588</u>	<u>\$ 23,608,694</u>	<u>\$ 23,415,611</u>

MCLENNAN COUNTY, TEXAS
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	2003	2004	2005	2006
Revenues:				
Taxes	\$ 37,707,025	\$ 41,389,630	\$ 44,851,266	\$ 48,871,633
Licenses and Permits	1,784,595	1,810,976	1,786,102	1,820,253
Intergovernmental	8,079,601	6,887,086	8,493,880	8,512,786
Charges for Services	8,243,117	8,294,901	8,412,576	9,169,759
Fines and Forfeitures	1,875,732	2,057,102	2,132,639	2,323,514
Miscellaneous	6,212,642	6,134,187	6,482,995	8,357,361
Total Revenues	<u>63,902,712</u>	<u>66,573,882</u>	<u>72,159,458</u>	<u>79,055,306</u>
Expenditures				
Current:				
General Government	12,677,454	12,922,682	15,209,233	14,116,613
Judicial	4,783,359	4,926,142	5,366,157	5,516,560
Public Safety	27,247,039	27,837,675	29,782,974	30,989,699
Public Transportation	6,991,895	6,444,817	6,828,980	6,275,772
Health	4,288,371	4,705,664	4,458,959	4,613,184
Welfare	2,614,096	2,819,041	2,849,378	3,002,493
Culture - Recreation	545,340	543,990	570,007	603,470
Conservation	175,091	194,064	200,154	209,955
Economic Development and Assistance	1,183,298	398,113	290,206	959,154
Debt Service:				
Principal Retirement	2,771,384	3,410,486	3,525,089	3,665,635
Interest and Fiscal Charges	2,249,163	2,575,126	2,373,019	2,310,875
Capital Projects	6,904,656	13,511,774	2,284,006	1,784,761
Total Expenditures	<u>72,431,146</u>	<u>80,289,574</u>	<u>73,738,162</u>	<u>74,048,171</u>
Excess (Deficiency) Revenues over Expenditures	(8,528,434)	(13,715,692)	(1,578,704)	5,007,135
Other Financing Sources/Uses				
Transfers In	2,166,532	3,299,494	2,827,897	7,431,894
Transfers Out	(2,166,532)	(3,299,494)	(2,827,897)	(7,310,828)
Premium on Debt Issue	-	-	-	-
Issuance of Refunding Bonds	-	9,916,232	-	2,422,266
Payment to Refunded Bond Agent	-	(9,805,000)	-	(2,422,266)
Sale of Capital Assets	32,960	117,855	19,743	112,927
Proceeds of Lease Purchase Agreement	296,617	-	451,299	111,836
Issuance of Notes Payable	-	-	935,529	321,379
Issuance of General Obligation Bonds	8,000,000	-	-	4,250,000
Issuance of Revenue Bonds	-	-	-	-
Original Issue Discount	-	-	-	-
Total Other Financing Sources/Uses	<u>8,329,577</u>	<u>229,087</u>	<u>1,406,571</u>	<u>4,917,208</u>
Net Change in Fund Balances	<u>\$ (198,857)</u>	<u>\$ (13,486,605)</u>	<u>\$ (172,133)</u>	<u>\$ 9,924,343</u>
Debt Service as a percentage of noncapital expenditures	<u>8.50%</u>	<u>10.25%</u>	<u>8.68%</u>	<u>8.44%</u>

Source: McLennan County Financial Records

Table V

2007	2008	2009	2010	2011	2012
\$ 51,552,447	\$ 56,359,250	\$ 58,498,187	\$ 60,011,671	\$ 61,979,009	\$ 64,960,096
1,887,215	1,913,187	1,990,933	2,001,988	2,031,610	2,100,914
5,907,990	7,529,708	6,210,605	6,948,891	8,415,401	7,496,194
9,299,340	10,031,263	9,770,566	13,673,785	25,212,776	28,339,619
1,870,289	1,871,241	2,251,821	2,045,098	1,832,035	1,911,203
8,705,285	7,004,436	6,218,473	5,871,302	2,725,383	2,716,456
<u>79,222,566</u>	<u>84,709,085</u>	<u>84,940,586</u>	<u>90,552,735</u>	<u>102,196,214</u>	<u>107,524,482</u>
14,456,603	15,368,379	17,693,742	16,947,450	17,336,335	17,805,065
5,993,688	6,446,573	6,596,838	6,727,611	6,926,972	7,144,816
31,715,864	33,202,863	36,754,437	40,461,232	46,257,859	54,229,892
6,651,633	7,177,322	7,908,710	7,443,205	7,106,349	8,233,340
5,235,375	6,005,100	6,269,271	6,736,717	7,473,464	7,530,747
3,262,859	3,595,216	3,547,708	3,639,835	3,949,629	4,332,591
633,514	660,270	738,272	805,849	750,345	743,610
232,401	233,962	232,982	270,402	276,939	309,416
616,903	1,018,783	521,606	1,491,617	1,150,231	2,294,597
3,962,713	4,337,593	4,437,441	4,247,504	4,676,092	4,939,514
2,227,671	2,054,590	2,990,415	4,889,397	4,741,295	4,394,411
1,896,997	2,947,063	36,738,978	4,561,517	4,163,985	2,227,440
<u>76,886,221</u>	<u>83,047,714</u>	<u>124,430,402</u>	<u>98,222,336</u>	<u>104,809,495</u>	<u>114,185,439</u>
2,336,345	1,661,371	(39,489,816)	(7,669,601)	(2,613,281)	(6,660,957)
3,103,306	3,466,318	3,553,999	6,616,775	8,071,343	5,512,804
(3,103,306)	(3,466,318)	(3,553,999)	(6,616,775)	(8,071,343)	(7,512,804)
-	-	-	-	278,793	177,331
-	-	6,307,527	-	5,885,000	-
-	-	(6,212,169)	-	(6,062,517)	-
1,299,262	67,049	218,355	116,591	115,933	890,669
1,051,495	116,845	1,558,022	136,850	-	-
298,788	213,636	-	-	-	-
-	-	-	-	-	-
-	-	49,015,000	-	-	-
-	-	(1,804,732)	-	-	-
<u>2,649,545</u>	<u>397,530</u>	<u>49,082,002</u>	<u>253,441</u>	<u>217,209</u>	<u>(932,000)</u>
<u>\$ 4,985,890</u>	<u>\$ 2,058,901</u>	<u>\$ 9,592,187</u>	<u>\$ (7,416,160)</u>	<u>\$ (2,396,072)</u>	<u>\$ (7,592,957)</u>
<u>8.64%</u>	<u>8.42%</u>	<u>15.99%</u>	<u>10.64%</u>	<u>9.43%</u>	<u>8.44%</u>



Table VI

MCLENNAN COUNTY, TEXAS
Taxable Assessed Value and Actual Value of Property
Last Ten Fiscal Years
(in thousands of dollars)
(Unaudited)

Fiscal Year	Real Property		Personal Property		Total		Direct Tax Rate per \$100 of valuation	Statutory Ratio of Assessed Value to True Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2003	\$ 6,782,069	\$ 6,782,069	\$ 1,760,346	\$ 1,760,346	\$ 8,542,415	\$ 8,542,415	\$ 0.4286	100.00%
2004	\$ 7,213,337	\$ 7,213,337	\$ 1,995,056	\$ 1,995,056	\$ 9,208,393	\$ 9,208,393	\$ 0.4407	100.00%
2005	\$ 7,922,995	\$ 7,922,995	\$ 2,196,989	\$ 2,196,989	\$ 10,119,984	\$ 10,119,984	\$ 0.4449	100.00%
2006	\$ 8,710,431	\$ 8,710,431	\$ 2,119,471	\$ 2,119,471	\$ 10,829,902	\$ 10,829,902	\$ 0.4599	100.00%
2007	\$ 9,438,987	\$ 9,438,987	\$ 2,184,785	\$ 2,184,785	\$ 11,623,772	\$ 11,623,772	\$ 0.4519	100.00%
2008	\$ 10,112,257	\$ 10,112,257	\$ 2,232,182	\$ 2,232,182	\$ 12,344,439	\$ 12,344,439	\$ 0.4652	100.00%
2009	\$ 11,021,761	\$ 11,021,761	\$ 2,303,630	\$ 2,303,630	\$ 13,325,391	\$ 13,325,391	\$ 0.4647	100.00%
2010	\$ 11,550,239	\$ 11,550,239	\$ 2,378,254	\$ 2,378,254	\$ 13,928,493	\$ 13,928,493	\$ 0.4647	100.00%
2011	\$ 12,228,624	\$ 12,228,624	\$ 2,351,188	\$ 2,351,188	\$ 14,579,812	\$ 14,579,812	\$ 0.4643	100.00%
2012	\$ 13,049,064	\$ 13,049,064	\$ 2,454,073	\$ 2,454,073	\$ 15,503,137	\$ 15,503,137	\$ 0.4643	100.00%

The assessment date is January 1

Source: McLennan County Tax Assessor-Collector

McLENNAN COUNTY, TEXAS
Property Tax Rates - Direct and Overlapping Governments
(Per \$100 of Assessed Value) (1)
Last Ten Fiscal Years
(Unaudited)

<u>Jurisdiction</u>	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Fiscal Year Ending Date - September 30	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Tax Roll Date - October 1 (2)										
Direct Government:										
<u>County-wide Taxing Entities:</u>										
McLennan County										
General Fund	0.3369	0.3619	0.3700	0.3833	0.3750	0.3958	0.3700	0.3852	0.3789	0.3908
Jury Fund	0.0011	0.0013	0.0012	0.0029	0.0004	0.0008	0.0005	0.0010	0.0008	0.0004
Debt Service Fund	0.0678	0.0682	0.0604	0.0574	0.0564	0.0534	0.0499	0.0432	0.0385	0.0360
Permanent Improvement Fund	0.0113	0.0000	0.0013	0.0050	0.0082	0.0029	0.0301	0.0137	0.0246	0.0155
Farm to Market Fund	0.0115	0.0093	0.0120	0.0113	0.0119	0.0123	0.0142	0.0216	0.0215	0.0215
Total Direct Rate:	0.4286	0.4407	0.4449	0.4599	0.4519	0.4652	0.4647	0.4647	0.4643	0.4643
Overlapping Governments:										
<u>County-wide Taxing Entities:</u>										
McLennan County College District	0.1165	0.1261	0.1261	0.1211	0.1204	0.1511	0.1511	0.1563	0.1528	0.1528
<u>Special Districts:</u>										
County-Line Special Districts:										
McLennan and Hill Counties Tehuacana										
Creek Water Control and Improvement										
District No. 1										
	0.0241	0.0283	0.0283	0.0283	0.0284	0.0250	0.0250	0.0237	0.0237	0.0252
McLennan and Hill Counties Tehuacana										
Creek Water Control and Improvement										
District - Benefit Tax										
	2.5000	2.5000	2.5000	2.5000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Other Special Districts:										
Castleman Creek Special Improvement District										
	0.1200	0.1370	0.1370	0.1370	0.1304	0.1304	0.1304	0.1000	0.1000	0.1000
Downtown Special Improvement District										
	0.1000	0.1000	0.1000	0.1000	0.1000	0.0000	0.0000	0.0000	0.0000	0.0000
Elm Creek Watershed Authority										
	0.0275	0.0286	0.0286	0.0294	0.0294	0.0283	0.0306	0.0327	0.0327	0.0327
<u>Cities:</u>										
Bellmead	0.3107	0.3103	0.3052	0.2964	0.2788	0.2533	0.2470	0.2656	0.2748	0.2986
Beverly Hills	-	-	0.2500	0.0000	0.2829	0.2829	0.2829	0.3298	0.3266	0.3625
Bruceville-Eddy	0.4644	0.4338	0.4239	0.4495	0.4495	0.4426	0.4637	0.4822	0.4841	0.4982
Crawford	0.3678	0.3543	0.3341	0.3267	0.3402	0.3822	0.3822	0.4998	0.4999	0.4995
Gholson	0.2334	0.2454	0.2454	0.2454	0.2340	0.2179	0.2179	0.2135	0.2135	0.2135

(continued)

(continued)

McLENNAN COUNTY, TEXAS
Property Tax Rates - Direct and Overlapping Governments
(Per \$100 of Assessed Value) (1)
Last Ten Fiscal Years
(Unaudited)

Jurisdiction	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011
Fiscal Year Ending Date - September 30	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010
Tax Roll Date - October 1 (2)										
Cities (continued):										
Hewitt	0.4550	0.4842	0.4842	0.4842	0.4842	0.4842	0.4842	0.4998	0.4998	0.5150
Lacy-Lakeview	0.2883	0.2927	0.2810	0.2920	0.3285	0.3285	0.3285	0.3659	0.3592	0.3592
Lorena	0.4234	0.4314	0.4353	0.5246	0.5004	0.5068	0.5068	0.5054	0.5389	0.5389
Mart	0.8000	0.3448	0.7099	0.8320	0.7842	0.7988	0.7988	0.8253	0.8067	0.8067
McGregor	0.5402	0.5349	0.5400	0.5700	0.5650	0.5577	0.5772	0.5414	0.5302	0.6000
Moody	0.6010	0.5973	0.6130	0.4886	0.5004	0.5396	0.5395	0.6173	0.6335	0.6261
Riesel	-	-	0.1627	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Robinson	0.3590	0.3570	0.3570	0.3870	0.3870	0.4170	0.4170	0.4065	0.4155	0.4155
Waco	0.7148	0.6997	0.6997	0.6997	0.6997	0.7862	0.7962	0.7862	0.7862	0.7862
West	0.6925	0.2990	0.3390	0.3590	0.3676	0.4140	0.4548	0.4548	0.4725	0.4925
Woodway	0.2900	0.4572	0.4572	0.4572	0.4572	0.4572	0.4572	0.4572	0.4569	0.4569
School Districts:										
County-Line School Districts:										
Axtell Independent School District	1.3800	1.5000	1.4970	1.5000	1.3700	1.1700	1.1700	1.1700	1.1700	1.1700
Bruceville-Eddy Independent School District	1.4100	1.4100	1.4500	1.4500	1.3257	1.3250	1.3250	1.3250	1.3250	1.3250
China Spring Independent School District	1.5600	1.5725	1.5380	1.5900	1.4595	1.4296	1.4296	1.4070	1.4114	1.4114
Crawford Independent School District	1.5299	1.5492	1.5492	1.6200	1.4915	1.2479	1.3778	1.2689	1.2266	1.2131
Lorena Independent School District	1.6894	1.6894	1.7546	1.7000	1.5815	1.2474	1.2474	1.2800	1.2900	1.3100
Mart Independent School District	1.6500	1.6500	1.6329	1.5380	1.4204	1.1954	1.1954	1.1912	1.2018	1.0400
Moody Independent School District	1.3800	1.4200	1.4200	1.4200	1.2591	0.9867	1.0280	1.3941	1.3850	1.3941
Oglesby Independent School District	1.5000	1.5000	1.5000	1.5000	1.3041	1.1052	1.1050	1.1100	1.1100	1.1137
Riesel Independent School District	1.6486	1.6334	1.6271	1.6454	1.5126	1.1963	1.1499	1.1100	1.2989	1.3029
Robinson Independent School District	1.6403	1.6571	1.6510	1.6274	1.5109	1.1800	1.3150	1.3150	1.3150	1.3150
Valley Mills Independent School District	1.6950	1.6750	1.6750	1.6700	1.5100	1.3140	1.3140	1.3140	1.3140	1.3140
West Independent School District	1.4974	1.6293	1.6964	1.7364	1.5510	1.2253	1.2253	1.2300	1.2250	1.2252
Other School Districts:										
Bosqueville Independent School District	1.5910	1.5898	1.4921	1.5300	1.4198	1.5613	1.5551	1.5453	1.5376	1.4785
Connally Independent School District	1.4985	1.6243	1.6470	1.6520	1.5118	1.2300	1.2300	1.2888	1.2811	1.2691
Gholson Independent School District	1.4052	1.4500	1.4524	1.4524	1.3278	1.0400	1.0400	1.0400	1.0400	1.0400
Hallsburg Independent School District	1.5000	1.5000	1.5000	1.5000	1.3700	1.0401	1.0400	1.0400	1.0400	1.0400
LaVega Independent School District	1.5080	1.5400	1.7200	1.6925	1.5366	1.1828	1.1828	1.3650	1.3650	1.4200
McGregor Independent School District	1.6500	1.6500	1.6500	1.6500	1.5211	1.2100	1.2100	1.1900	1.1900	1.1900
Midway Independent School District	1.6020	1.6220	1.6220	1.6220	1.5065	1.3200	1.3200	1.3200	1.3200	1.3200
Waco Independent School District	1.4850	1.5242	1.5383	1.5640	1.4438	1.3591	1.3664	1.3648	1.3610	1.3610

(1) Source - Tax Rates obtained from McLennan County Tax-Assessor/Collector's office.

(2) The tax roll generally provides funds for use in the fiscal year ending in the following calendar year.

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	McLennan County			Overlapping Rates								
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	McLennan Community College			City of Bellmead			City of Beverly Hills		
				Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	0.3589	0.0697	0.4286	0.0947	0.0218	0.1165	0.2381	0.0726	0.3107	-	-	-
2004	0.3710	0.0697	0.4407	0.1062	0.0199	0.1261	0.2421	0.0682	0.3103	-	-	-
2005	0.3828	0.0621	0.4449	0.1086	0.0175	0.1261	0.2296	0.0756	0.3052	0.2500	-	0.2500
2006	0.4010	0.0589	0.4599	0.1046	0.0165	0.1211	0.2197	0.0767	0.2964	-	-	-
2007	0.3940	0.0579	0.4519	0.1050	0.0154	0.1204	0.2101	0.0687	0.2788	0.2829	-	0.2829
2008	0.4103	0.0549	0.4652	0.0993	0.0518	0.1511	0.1883	0.0650	0.2533	0.2829	-	0.2829
2009	0.4132	0.0515	0.4647	0.1001	0.0510	0.1511	0.1840	0.0630	0.2470	0.2829	-	0.2829
2010	0.4194	0.0453	0.4647	0.1048	0.0515	0.1563	0.1958	0.0698	0.2656	0.3298	-	0.3298
2011	0.4258	0.0385	0.4643	0.1003	0.0526	0.1528	0.2114	0.0634	0.2748	0.3266	-	0.3266
2012	0.4283	0.0360	0.4643	0.1003	0.0526	0.1528	0.2111	0.0875	0.2986	0.3625	-	0.3625

Source - Tax Rates obtained from McLennan County Tax-Assessor/Collector's office.

(1) Overlapping rates are those of local governments that apply to property owners within McLennan County. Not all overlapping rates apply to all McLennan County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	City of Bruceville-Eddy			City of Crawford			City of Gholson			City of Hewitt		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	0.4644	-	0.4644	0.3678	-	0.3678	0.2334	-	0.2334	0.2045	0.2505	0.4550
2004	0.4338	-	0.4338	0.3543	-	0.3543	0.2454	-	0.2454	0.2235	0.2607	0.4842
2005	0.4239	-	0.4239	0.3341	-	0.3341	0.2454	-	0.2454	0.2131	0.2711	0.4842
2006	0.4495	-	0.4495	0.3267	-	0.3267	0.2454	-	0.2454	0.2737	0.2105	0.4842
2007	0.4495	-	0.4495	0.3402	-	0.3402	0.2340	-	0.2340	0.2754	0.2088	0.4842
2008	0.4426	-	0.4426	0.3822	-	0.3822	0.2179	-	0.2179	0.2900	0.1942	0.4842
2009	0.4637	-	0.4637	0.3822	-	0.3822	0.2179	-	0.2179	0.2956	0.1886	0.4842
2010	0.4822	-	0.4822	0.4998	-	0.4998	0.2135	-	0.2135	0.3381	0.1617	0.4998
2011	0.4841	-	0.4841	0.4117	0.0882	0.4999	0.2135	-	0.2135	0.3601	0.1398	0.4998
2012	0.4982	-	0.4982	0.3790	0.1205	0.4995	0.2135	-	0.2135	0.3635	0.1515	0.5150

161

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	City of Lacy-Lakeview			City of Lorena			City of Mart			City of McGregor		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	0.2326	0.0557	0.2883	0.2890	0.1344	0.4234	0.4170	0.3830	0.8000	0.5105	0.0297	0.5402
2004	0.2423	0.0504	0.2927	0.2966	0.1348	0.4314	0.2016	0.1432	0.3448	0.5064	0.0285	0.5349
2005	0.2375	0.0435	0.2810	0.2973	0.1380	0.4353	0.5563	0.1536	0.7099	0.5018	0.0382	0.5400
2006	0.2561	0.0359	0.2920	0.3116	0.2130	0.5246	0.5826	0.2494	0.8320	0.4700	0.1000	0.5700
2007	0.2959	0.0327	0.3286	0.3176	0.1828	0.5004	0.4794	0.3048	0.7842	0.4700	0.0950	0.5650
2008	0.2975	0.0310	0.3285	0.3342	0.1726	0.5068	0.4986	0.3002	0.7988	0.4681	0.0896	0.5577
2009	0.2115	0.1170	0.3285	0.3448	0.1620	0.5068	0.3532	0.4456	0.7988	0.4753	0.1019	0.5772
2010	0.2417	0.1243	0.3660	0.3508	0.1546	0.5054	0.3671	0.4582	0.8253	0.4832	0.0582	0.5414
2011	0.2345	0.1247	0.3592	0.3817	0.1572	0.5389	0.3043	0.5025	0.8067	0.4872	0.0429	0.5302
2012	0.2445	0.1146	0.3592	0.3817	0.1572	0.5389	0.3043	0.5025	0.8067	0.4013	0.1987	0.6000

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	City of Moody			City of Riesel			City of Robinson			City of Waco		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	0.6010	-	0.6010	-	-	-	0.2146	0.1444	0.3590	0.5447	0.1701	0.7148
2004	0.5973	-	0.5973	-	-	-	0.2227	0.1343	0.3570	0.5505	0.1492	0.6997
2005	0.6130	-	0.6130	0.1627	-	0.1627	0.2731	0.0839	0.3570	0.5634	0.1363	0.6997
2006	0.4886	-	0.4886	0.2500	-	0.2500	0.2679	0.1191	0.3870	0.5663	0.1334	0.6997
2007	0.5004	-	0.5004	0.2500	-	0.2500	0.2794	0.1076	0.3870	0.5700	0.1297	0.6997
2008	0.5396	-	0.5396	0.2500	-	0.2500	0.2889	0.1281	0.4170	0.5802	0.2060	0.7862
2009	0.5395	-	0.5395	0.2500	-	0.2500	0.2998	0.1172	0.4170	0.6004	0.1958	0.7962
2010	0.6173	-	0.6173	0.2500	-	0.2500	0.2938	0.1127	0.4065	0.6037	0.1825	0.7862
2011	0.6335	-	0.6335	0.2500	-	0.2500	0.2947	0.1208	0.4155	0.6112	0.1750	0.7862
2012	0.6261	-	0.6261	0.2500	-	0.2500	0.2947	0.1208	0.4155	0.6133	0.1730	0.7862

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	City of West			City of Woodway			Axtell ISD			Bosqueville ISD		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	0.6925	-	0.6925	0.1837	0.1063	0.2900	1.3800	-	1.3800	1.5001	0.0909	1.5910
2004	0.2990	-	0.2990	0.3026	0.1546	0.4572	1.5000	-	1.5000	1.5000	0.0898	1.5898
2005	0.3390	-	0.3390	0.3167	0.1405	0.4572	1.4970	-	1.4970	1.4197	0.0724	1.4921
2006	0.3590	-	0.3590	0.3242	0.1330	0.4572	1.5000	-	1.5000	1.4599	0.0701	1.5300
2007	0.3676	-	0.3676	0.3347	0.1225	0.4572	1.3700	-	1.3700	1.3346	0.0852	1.4198
2008	0.4140	-	0.4140	0.3440	0.1132	0.4572	1.1700	-	1.1700	1.4021	0.1592	1.5613
2009	0.4548	-	0.4548	0.3600	0.0972	0.4572	1.1700	-	1.1700	1.1653	0.3898	1.5551
2010	0.3571	0.0977	0.4548	0.3775	0.0797	0.4572	1.1700	-	1.1700	1.1626	0.3827	1.5453
2011	0.3812	0.0913	0.4725	0.4084	0.0485	0.4569	1.1700	-	1.1700	1.1700	0.3676	1.5376
2012	0.4048	0.0877	0.4925	0.4078	0.0491	0.4569	1.1700	-	1.1700	1.1700	0.3085	1.4785

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	Bruceville-Eddy ISD			China Spring ISD			Connally ISD			Crawford ISD		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	1.3550	0.0550	1.4100	1.3300	0.2300	1.5600	1.3563	0.1422	1.4985	1.3545	0.1754	1.5299
2004	1.3550	0.0550	1.4100	1.3323	0.2402	1.5725	1.4800	0.1443	1.6243	1.3990	0.1502	1.5492
2005	1.4500	-	1.4500	1.3323	0.2057	1.5380	1.5000	0.1470	1.6470	1.4410	0.1082	1.5492
2006	1.4500	-	1.4500	1.4084	0.1816	1.5900	1.4996	0.1524	1.6520	1.5001	0.1199	1.6200
2007	1.3257	-	1.3257	1.2888	0.1707	1.4595	1.3700	0.1418	1.5118	1.3700	0.1215	1.4915
2008	1.1700	0.1550	1.3250	0.9860	0.4436	1.4296	0.9994	0.2306	1.2300	1.1168	0.1311	1.2479
2009	1.1700	0.1550	1.3250	1.0400	0.3896	1.4296	1.1653	0.3898	1.5551	1.1484	0.2294	1.3778
2010	1.1700	0.1550	1.3250	1.0181	0.3889	1.4070	1.1626	0.3827	1.5453	1.0596	0.2093	1.2689
2011	1.1700	0.1550	1.3250	1.0400	0.3714	1.4114	1.0400	0.2411	1.2811	1.0400	0.1866	1.2266
2012	1.1700	0.1550	1.3250	1.0400	0.3714	1.4114	1.0400	0.2291	1.2691	1.0400	0.1731	1.2131

165

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Overlapping Rates

Fiscal Year	Gholson ISD			Hallsburg ISD			LaVega ISD			Lorena ISD		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	1.4052	-	1.4052	1.5000	-	1.5000	1.4480	0.0600	1.5080	1.4002	0.2892	1.6894
2004	1.4500	-	1.4500	1.5000	-	1.5000	1.4825	0.0575	1.5400	1.5000	0.1894	1.6894
2005	1.4524	-	1.4524	1.5000	-	1.5000	1.4825	0.2375	1.7200	1.5000	0.2546	1.7546
2006	1.4524	-	1.4524	1.5000	-	1.5000	1.5000	0.1925	1.6925	1.5000	0.2000	1.7000
2007	1.3278	-	1.3278	1.3700	-	1.3700	1.3700	0.1666	1.5366	1.3700	0.2115	1.5815
2008	1.0400	-	1.0400	1.0401	-	1.0401	1.0201	0.1627	1.1828	1.0392	0.2082	1.2474
2009	1.0400	-	1.0400	1.0400	-	1.0400	1.0400	0.1428	1.1828	1.0400	0.2074	1.2474
2010	1.0400	-	1.0400	1.0400	-	1.0400	1.1459	0.2191	1.3650	1.0672	0.2128	1.2800
2011	1.0400	-	1.0400	1.0400	-	1.0400	1.1700	0.1950	1.3650	1.1700	0.1200	1.2900
2012	1.0400	-	1.0400	1.0400	-	1.0400	1.1700	0.2500	1.4200	1.1700	0.1400	1.3100

166

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	Mart ISD			McGregor ISD			Midway ISD			Moody ISD		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	1.5000	0.1500	1.6500	1.4400	0.2100	1.6500	1.3180	0.2840	1.6020	1.3800	-	1.3800
2004	1.5000	0.1500	1.6500	1.4600	0.1900	1.6500	1.3380	0.2840	1.6220	1.4200	-	1.4200
2005	1.5000	0.1329	1.6329	1.4800	0.1700	1.6500	1.3600	0.2620	1.6220	1.4200	-	1.4200
2006	1.3882	0.1498	1.5380	1.4900	0.1600	1.6500	1.3720	0.2500	1.6220	1.4200	-	1.4200
2007	1.2709	0.1495	1.4204	1.3611	0.1600	1.5211	1.2565	0.2500	1.5065	1.2591	-	1.2591
2008	1.0416	0.1538	1.1954	1.0575	0.1525	1.2100	1.0642	0.2558	1.3200	0.9867	-	0.9867
2009	1.0401	0.1553	1.1954	1.0400	0.1700	1.2100	1.0400	0.2800	1.3200	1.0280	-	1.0280
2010	1.0155	0.1757	1.1912	1.0400	0.1500	1.1900	1.0400	0.2800	1.3200	0.9004	0.4937	1.3941
2011	1.0400	0.1618	1.2018	1.0400	0.1500	1.1900	1.0400	0.2800	1.3200	1.0400	0.3450	1.3850
2012	1.0400	-	1.0400	1.0400	0.1500	1.1900	1.0400	0.2800	1.3200	1.0400	0.3541	1.3941

167

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates											
	Oglesby ISD			Riesel ISD			Robinson ISD			Valley Mills ISD		
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate
2003	1.3300	0.1700	1.5000	1.5000	0.1486	1.6486	1.4865	0.1538	1.6403	1.5000	0.1950	1.6950
2004	1.3300	0.1700	1.5000	1.5000	0.1334	1.6334	1.4866	0.1705	1.6571	1.5000	0.1950	1.6950
2005	1.3300	0.1700	1.5000	1.5000	0.1271	1.6271	1.5000	0.1510	1.6510	1.5000	0.1750	1.6750
2006	1.3300	0.1700	1.5000	1.4999	0.1455	1.6454	1.4999	0.1275	1.6274	1.5000	0.1600	1.6600
2007	1.2370	0.0671	1.3041	1.3700	0.1426	1.5126	1.3700	0.1409	1.5109	1.3500	0.1600	1.5100
2008	1.0400	0.0652	1.1052	1.0562	0.1401	1.1963	1.0443	0.1357	1.1800	1.0400	0.2740	1.3140
2009	1.0400	0.0650	1.1050	0.9996	0.1503	1.1499	1.1590	0.1560	1.3150	1.0400	0.2740	1.3140
2010	1.0400	0.0700	1.1100	1.0039	0.1061	1.1100	1.1691	0.1459	1.3150	1.0400	0.2740	1.3140
2011	1.0400	0.0700	1.1100	1.0400	0.2589	1.2989	1.1700	0.1450	1.3150	1.0400	0.2740	1.3140
2012	1.0400	0.0737	1.1137	1.0400	0.2629	1.3029	1.1700	0.1450	1.3150	1.0400	0.2740	1.3140

168

(continued)

(continued)

McLENNAN COUNTY, TEXAS
 Components of Property Tax Rates
 Direct and Overlapping Governments (1)
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Table VIII

Fiscal Year	Overlapping Rates												Total Direct and Overlapping Rates
	Waco ISD			West ISD			Special Districts						
	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Maint & Operating Tax Rate	Debt Service Tax Rate	Total Tax Rate	Tehuacana Creek WCID #1	Tehuacana Creek WCID Benefit Tax	Castleman Creek SID	Downtown SID	Elm Creek Watershed Authority		
2003	1.3665	0.1185	1.4850	1.3666	0.1308	1.4974	0.0241	2.5000	0.1200	0.1000	0.0275	40.4441	
2004	1.4057	0.1185	1.5242	1.4729	0.1564	1.6293	0.0283	2.5000	0.1370	0.1000	0.0286	40.3635	
2005	1.4198	0.1185	1.5383	1.5000	0.1964	1.6964	0.0283	2.5000	0.1370	0.1000	0.0286	41.1201	
2006	1.4455	0.1185	1.5640	1.5000	0.2364	1.7364	0.0283	2.5000	0.1370	0.1000	0.0294	41.4427	
2007	1.3218	0.1220	1.4438	1.3700	0.1810	1.5510	0.0284	-	0.1304	0.1000	0.0294	36.1870	
2008	1.2165	0.1426	1.3591	1.0426	0.1827	1.2253	0.0250	-	0.1304	-	0.0283	31.9842	
2009	1.0456	0.3208	1.3664	1.0400	0.1853	1.2253	0.0250	-	0.1304	-	0.0306	32.6567	
2010	1.0389	0.3259	1.3648	1.0441	0.1859	1.2300	0.0237	-	0.1000	-	0.0327	33.2605	
2011	1.0400	0.3210	1.3610	1.0400	0.1850	1.2250	0.0237	-	0.1000	-	0.0327	33.1891	
2012	1.0400	0.3210	1.3610	1.0400	0.1852	1.2252	0.0252	-	0.1000	-	0.0327	33.1712	

McLENNAN COUNTY, TEXAS
Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	2012			2003		
	2011 Tax Roll* Assessed Value	Rank	Percentage of Total Assessed Value	2002 Tax Roll* Assessed Value	Rank	Percentage of Total Assessed Value
Sandy Creek Energy Assoc LP	\$ 402,237,068	1	2.5946%			
Oncor Electric Delivery Co.	126,458,728	2	0.8157%	130,858,580	1	1.5319%
Mars SnackFood U.S.	77,680,964	3	0.5011%	\$ 84,815,040	3	0.9929%
Coca-Cola Company	76,913,991	4	0.4961%	57,479,100	5	0.6729%
L-3 Communications	69,209,402	5	0.4464%			
Allergan Inc.	54,547,891	6	0.3519%	39,442,340	8	0.4617%
Inland Western Waco Central LP	50,709,220	7	0.3271%			
Butt H E Grocery Co	42,946,272	8	0.2770%			
CBL/Richland Mall LP	41,360,203	9	0.2668%			
Sherwin Williams Co., Inc.	40,508,288	10	0.2613%	30,747,010	10	0.3599%
Southwestern Bell Telephone Co.				89,603,420	2	1.0489%
Raytheon E-Systems, Inc.				55,923,649	6	0.6547%
Owens-Brockway Glass Services				59,462,110	4	0.6961%
Huck International, Inc.				41,952,270	7	0.4911%
Paragon Trade Brands, Inc.				35,011,530	9	0.4099%
	<u>\$ 982,572,027</u>		<u>6.3379%</u>	<u>\$ 625,295,049</u>		<u>7.3199%</u>

Total Assessed Valuation \$ 15,503,137,019

\$ 8,542,415,830

* The Tax Roll provides funds for the following Fiscal Year.

Source: McLennan County Tax Assessor-Collector

McLENNAN COUNTY, TEXAS
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Tax Levy	Through June 30 Fiscal Year		Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
		Current Tax Collections	Percent of Levy Collected			
2003	28,604,693	27,218,896	95.16%	767,544	27,986,440	97.84%
2004	31,233,306	30,272,749	96.92%	575,551	30,848,300	98.77%
2005	35,047,055	33,409,321	95.33%	560,371	33,969,692	96.93%
2006	37,993,593	36,878,049	97.06%	551,825	37,429,874	98.52%
2007	40,322,975	39,184,618	97.18%	627,846	39,812,464	98.73%
2008	44,027,709	42,941,073	97.53%	658,412	43,599,485	99.03%
2009	47,547,908	46,815,670	98.46%	556,311	47,371,981	99.63%
2010	46,339,667	45,320,194	97.80%	574,612	45,894,806	99.04%
2011	47,702,573	46,734,210	97.97%	671,124	47,405,334	99.38%
2012	50,223,877	49,324,870	98.21%	649,153	49,974,023	99.50%

Source: McLennan County Financial Records

MCLENNAN COUNTY, TEXAS
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Obligation Bonds	Revenue Bonds	Bank Notes Payable	Capital Leases Obligation	Total Long Term Debt (1)	Percent of Personal Income	Per Capita
2003	46,780,000		-	7,331,564	54,111,564	1.04	250
2004	44,135,000		-	6,186,160	50,321,160	0.90	229
2005	41,410,000		806,476	5,966,422	48,182,898	0.80	217
2006	43,150,000		852,505	5,580,479	49,582,984	0.78	221
2007	40,040,000		768,009	6,162,545	46,970,554	0.67	208
2008	36,720,000		561,038	5,682,403	42,963,441	0.59	188
2009	33,245,000	49,015,000	200,958	6,643,065	89,104,023	1.27	387
2010	30,020,000	49,015,000	49,176	5,910,763	84,994,939	1.17	364
2011	26,985,000	48,265,000	-	4,963,847	80,213,847	0.95	341
2012	23,875,000	47,465,000	148,343	3,963,322	75,451,665	0.87	316

(1) Excludes Compensated Absences and Net OPEB Obligations
Source: McLennan County Financial Records

Table XII

MCLENNAN COUNTY, TEXAS
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Population	Assessed Value (in thousands of dollars)	Gross Bonded Debt	Less: Amounts Available for Debt Service	Net Bonded Debt	Percent of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2003	216,517	8,542,415	46,780,000	1,444,655	45,335,345	0.5307%	209
2004	219,807	9,208,393	44,135,000	1,764,950	42,370,050	0.4601%	193
2005	222,500	10,119,984	41,410,000	1,795,381	39,614,619	0.3914%	178
2006	224,668	10,829,902	43,150,000	1,920,477	41,229,523	0.3807%	184
2007	226,189	11,623,772	40,040,000	2,054,747	37,985,253	0.3268%	168
2008	228,123	12,344,439	36,720,000	2,228,786	34,491,214	0.2794%	151
2009	230,213	13,325,391	82,260,000	9,320,659	72,939,341	0.5474%	317
2010	233,378	13,928,493	79,035,000	6,896,087	72,138,913	0.5179%	309
2011	234,906	14,579,812	75,250,000	7,351,772	67,898,228	0.4657%	289
2012	238,564	15,503,137	71,340,000	6,940,186	64,399,814	0.4154%	270

Source: McLennan County Financial Records

McLENNAN COUNTY, TEXAS

Computation of Direct and Overlapping Debt

September 30, 2012
(Unaudited)

Jurisdiction	As of	Net Debt Outstanding (1)	Percentage Applicable to County (2)	Amount Applicable to County
Overlapping Debt:				
<u>County-Wide Taxing Entities:</u>				
McLennan County College District	8/31/2012	97,015,000	100%	97,015,000
<u>Special Districts:</u>				
County-Line Special Districts:				
Aquilla-Hackberry Creek Conservation District	9/30/2012	-	25%	-
McLennan and Hill Counties Tehuacana Creek Water Control and Improvement District No. 1	9/30/2012	-	99.46%	-
McLennan and Hill Counties Tehuacana Creek Water Control and Improvement District - Benefit Tax	9/30/2012	-	79.87%	-
Other Special Districts:				
Elm Creek Watershed Authority	9/30/2012	-	100%	-
McLennan County Water Control and Improvement District No. 2	9/30/2012	-	100%	-
Tax Increment District No. 1	9/30/2012	-	100%	-
Tax Increment District No. 2	9/30/2012	-	100%	-
Castlemen Creek	9/30/2012	-	100%	-
<u>Cities:</u>				
Bellmead	9/30/2012	1,365,000	100%	1,365,000
Beverly Hills	9/30/2012	-	100%	-
Bruceville-Eddy	12/31/2012	-	100%	-
Crawford	10/31/2012	1,907,000	100%	1,907,000
Gholson	9/30/2012	-	100%	-
Hewitt	9/30/2012	31,930,000	100%	31,930,000
Lacy-Lakeview	9/30/2012	3,713,498	100%	3,713,498
Lorena	9/30/2012	1,149,046	100%	1,149,046
Mart	9/30/2012	62,223	100%	62,223
McGregor	9/30/2012	6,456,465	100%	6,456,465
Moody	9/30/2012	177,294	100%	177,294
Riesel	9/30/2012	1,035,555	100%	1,035,555
Robinson	9/30/2012	4,740,000	100%	4,740,000
Waco	9/30/2012	93,949,731	100%	93,949,731
West	9/30/2012	-	100%	-
Woodway	9/30/2012	3,755,000	100%	3,755,000

(continued)

(continued)

McLENNAN COUNTY, TEXAS

Computation of Direct and Overlapping Debt

September 30, 2012

(Unaudited)

Jurisdiction	As of	Net Debt Outstanding (1)	Percentage Applicable to County (2)	Amount Applicable to County	
School Districts:					
County-Line School Districts:					
Axtell Independent School District	8/31/2012	\$ -	93.41%	\$ -	
Bruceville-Eddy Independent School District	6/30/2012	6,960,000	97.41%	6,779,736	
China Spring Independent School District	6/30/2012	33,770,083	97.01%	32,760,358	
Crawford Independent School District	8/31/2012	5,427,595	96.64%	5,245,228	
Lorena Independent School District	8/31/2012	11,470,150	97.98%	11,238,453	
Mart Independent School District	8/31/2012	2,750,000	79.04%	2,173,600	
Moody Independent School District	8/31/2012	11,702,932	53.77%	6,292,667	
Oglesby Independent School District	8/31/2012	485,000	7.11%	34,484	
Riesel Independent School District	8/31/2012	26,604,833	49.98%	13,297,096	
Robinson Independent School District	8/31/2012	9,254,988	98.51%	9,117,089	
Valley Mills Independent School District	8/31/2012	8,190,000	46.38%	3,798,522	
West Independent School District	8/31/2012	3,698,670	98.48%	3,642,450	
Other School Districts:					
Bosqueville Independent School District	6/30/2012	11,334,508	100%	11,334,508	
Connally Independent School District	8/31/2012	19,732,274	100%	19,732,274	
Gholson Independent School District	8/31/2012	-	100%	-	
Hallsburg Independent School District	6/30/2012	-	100%	-	
LaVega Independent School District	8/31/2012	70,528,896	100%	70,528,896	
McGregor Independent School District	8/31/2012	7,340,708	100%	7,340,708	
Midway Independent School District	8/31/2012	106,656,198	100%	106,656,198	
Waco Independent School District	8/31/2012	191,258,703	100%	191,258,703	
Total Overlapping Debt:				\$ 748,486,782	
Total Direct Debt:		9/30/2012	\$ 75,451,665	100%	\$ 75,451,665
Total Direct and Overlapping Debt:				\$ 823,938,447	

(1) Source - Except as otherwise indicated, the net debt information in this table was obtained by direct contact with individual jurisdictions without further verification.

(2) Source - The portion of the debt of any jurisdiction which is considered to be applicable to McLennan County is determined by the ratio of the total assessed value of property of the jurisdiction located within McLennan County to the total assessed value of all property taxed by the entity. This information is obtained by direct contact with the various appraisal districts.

MCLENNAN COUNTY, TEXAS
Legal Debt Margin
Last Ten Fiscal Years
(in thousands of dollars)
(Unaudited)

	2003	2004	2005	2006
<u>Debt Limit (Article 3, Section 52 of the Texas Constitution)</u>				
Assessed Value of Real Property	\$ 6,782,069	\$ 7,213,337	\$ 7,922,995	\$ 8,710,431
Debt Limit (One-fourth of the assessed value of Real Property	1,695,517	1,803,334	1,980,749	2,177,608
Road Bonds Outstanding	-	-	-	-
Legal Debt Margin	<u>\$ 1,695,517</u>	<u>\$ 1,803,334</u>	<u>\$ 1,980,749</u>	<u>\$ 2,177,608</u>
 <u>Debt Limit (Under Texas General Laws)</u>				
Assessed Value of All Taxable Property	\$ 8,542,415	\$ 9,208,393	\$ 10,119,984	\$ 10,829,902
Debt Limit (5%)	427,121	460,420	505,999	541,495
Outstanding General Obligation Bonds, Net of Assets in Debt Service Funds	45,335	42,370	39,615	41,230
Legal Debt Margin	<u>\$ 381,786</u>	<u>\$ 418,050</u>	<u>\$ 466,384</u>	<u>\$ 500,265</u>

Source: McLennan County Financial Records

As to bonds issued under Article 3, Section 52e of the Texas Constitution, counties "may issue bonds or otherwise lend its credit in any amount not to exceed one-fourth of the assessed valuation of the real property of such district or territory.

Government Code 1301.003(c) states "the total indebtedness of any county for the purpose provided in this chapter, shall not be increased by any issue of bonds to a sum exceeding five percent of its said taxable values.

Table XIV

2007	2008	2009	2010	2011	2012
\$ 9,438,987	\$ 10,112,257	\$ 11,021,761	\$ 11,550,239	\$ 12,228,624	\$ 13,049,064
2,359,747	2,528,064	2,755,440	2,887,560	3,057,156	3,262,266
-	-	-	-	-	-
<u>\$ 2,359,747</u>	<u>\$ 2,528,064</u>	<u>\$ 2,755,440</u>	<u>\$ 2,887,560</u>	<u>\$ 3,057,156</u>	<u>\$ 3,262,266</u>
\$ 11,623,772	\$ 12,344,439	\$ 13,325,391	\$ 13,928,493	\$ 14,579,812	\$ 15,503,137
581,189	617,222	666,270	696,425	728,991	775,157
37,985	34,491	72,939	73,671	67,898	64,400
<u>\$ 543,204</u>	<u>\$ 582,731</u>	<u>\$ 593,331</u>	<u>\$ 622,754</u>	<u>\$ 661,093</u>	<u>\$ 710,757</u>

MCLENNAN COUNTY, TEXAS
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Year	Population (1)	Personal Income (in thousands of dollars) (2)	Per Capita Personal Income (2)	School Enrollment (3)	Median Age (4)	Unemployment Rate (5)
2003	216,517	5,197,924	24,007	39,916	-	4.7%
2004	219,807	5,607,716	25,512	40,491	-	4.0%
2005	225,500	5,991,480	26,928	40,835	32.4	4.7%
2006	224,668	6,385,514	28,422	41,066	-	4.8%
2007	226,189	7,014,000	30,265	41,086	-	4.2%
2008	228,123	7,323,133	31,410	41,366	-	4.6%
2009	230,213	6,998,191	29,845	41,685	-	6.7%
2010	234,906	7,270,047	30,579	42,439	31.3	7.1%
2011	234,906	8,400,653	34,922	44,840	-	8.0%
2012	238,564	8,658,391	35,601	45,361	32.5	6.5%

Source:

- (1) U.S. Census Bureau
- (2) Perryman Group
- (3) Texas Education Agency
- (4) U.S. Census Bureau (available only for selected years)
- (5) Texas Workforce Commission

**MCLENNAN COUNTY, TEXAS
Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	Industry	2012			2003 *		
		Full Time Equivalent Employees	Rank	Percentage of Total County Workforce	Full Time Equivalent Employees	Rank	Percentage of Total County Workforce
Baylor University	Education	2,675	1	2.43 %	>1000	-	N/A
Waco Independent School District	Public Education	2,500	2	2.27 %	>1000	-	N/A
Providence Health Center	Healthcare	2,397	3	2.18 %	>1000	-	N/A
L-3 Communications	Aerospace	2,300	4	2.09 %	>1000	-	N/A
Hillcrest Baptist Medical Center	Healthcare	1,800	5	1.64 %	>1000	-	N/A
Wal-Mart (all locations)	Retail	1,656	6	1.51 %	>1000	-	N/A
City of Waco	Local Government	1,506	7	1.37 %	>1000	-	N/A
H.E. Butt Grocery Co. (all stores)	Retail	1,500	8	1.36 %	>1000	-	N/A
Midway Independent School District	Public Education	1,067	9	0.97 %	>700	-	N/A
Sanderson Farms Inc.	Manufacturing	1,041	10	0.95 %	-	-	-

Source: Greater Waco Chamber of Commerce

* The exact number of full time employees was not available for 2003, thus we are unable to provide the totals as a percentage of the total county workforce or a rank among the top ten employers



Table XVII

MCLENNAN COUNTY, TEXAS
County Employees by Function
Last Ten Fiscal Years
(Unaudited)

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Administration	50	50	51	56	56	56	55	54	56	56
Judicial	89	92	90	96	97	104	105	102	103	105
Legal Services	39	39	39	44	46	47	47	47	45	47
Elections	5	5	5	5	5	5	5	5	5	5
Financial Administration	83	83	83	84	85	86	85	86	87	87
Public Safety	363	378	392	395	417	501	502	497	519	501
Health and Welfare	30	30	30	30	42	39	38	39	42	42
Conservation	7	7	7	7	7	7	7	7	7	6
Public Transportation	82	86	86	77	78	80	80	79	79	79
Total	<u>748</u>	<u>770</u>	<u>783</u>	<u>794</u>	<u>833</u>	<u>925</u>	<u>924</u>	<u>916</u>	<u>943</u>	<u>928</u>

(1) Information derived from the annual salary schedules adopted by McLennan County Commissioner's Court.

McLennan County, Texas
Operating Indicators by Function
Last Ten Fiscal Years
(unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
County Auditor:										
Employees full time	18	18	18	18	18	18	18	18	18	17
Vouchers processed	31,645	32,396	31,919	32,927	33,737	34,156	33,474	33,094	32,225	31,795
Accounts payable checks issued	16,936	17,304	17,773	18,213	18,551	18,906	18,994	18,982	17,972	16,541
Internal audit months completed	386	386	385	385	365	370	371	382	382	381
County Judge:										
Employees full time	4	4	4	4	4	4	4	4	4	4
Probate cases filed	N/A	N/A	436	605	553	559	534	580	563	584
Guardianship cases filed	N/A	N/A	51	70	69	48	51	61	52	51
Hearings held	N/A	N/A	563	734	682	651	647	639	617	595
County Treasurer:										
Employees full time	5	5	5	5	5	5	5	5	5	5
Payroll checks and advices issued	20,946	21,100	21,574	21,966	21,811	22,679	22,700	23,688	23,132	23,608
Cash receipts processed	3,611	3,594	3,229	3,514	3,407	3,479	3,638	3,590	3,621	4,685
Human Resources:										
Employees full time	4	4	4	4	4	4	4	4	4	4
New hires processed	136	115	138	132	141	165	127	108	119	81
Terminations processed	119	117	137	140	146	144	135	103	104	100
Purchasing:										
Employees full time	4	4	4	4	4	4	4	4	4	4
Purchase orders processed	6,367	6,004	6,049	6,144	6,376	6,259	5,997	6,015	5,954	6,098
Tax Assessor/Collector:										
Employees full time	35	37	37	37	36	37	36	36	36	36
Motor vehicle registrations	N/A	182,713	188,837	193,919	197,351	201,880	182,052	206,545	209,177	210,488
Ad valorem assessment notices issued	111,374	112,603	116,163	117,372	125,207	122,141	117,231	117,845	119,378	118,612
Judicial										
Bail Bond Office:										
Employees full time	2	2	2	2	2	2	2	2	2	2
Bonds Posted	11,384	11,565	12,673	12,301	13,393	12,606	11,500	10,906	10,847	9,785
Dismissals	986	1,249	1,152	980	1,298	1,421	855	782	722	890
Dispositions	6,916	8,007	11,154	8,384	9,270	9,389	7,046	6,633	4,777	5,230
County Clerk:										
Employees full time	24	24	24	24	25	26	26	26	26	25
Civil cases	1,583	1,727	1,859	2,298	2,627	2,128	1,901	1,750	1,895	1,782
Criminal cases	5,308	5,249	5,063	5,553	6,197	5,834	5,282	4,673	5,427	4,961
Probate cases	638	691	623	674	623	610	584	640	651	653
Marriage licenses	2,120	2,188	2,018	2,036	2,195	1,998	1,866	1,867	2,161	1,903

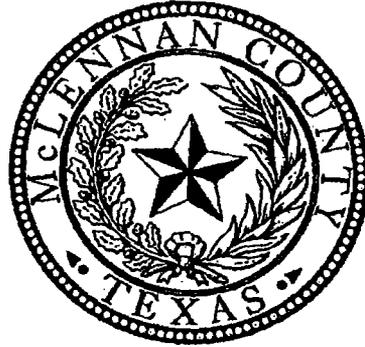
(Continued)

(Continued)

McLennan County, Texas
Operating Indicators by Function
Last Nine Fiscal Years
(unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Judicial (cont.)										
District Clerk:										
Employees full time	21	21	21	22	25	25	25	25	25	25
Civil cases	4,118	4,203	3,845	4,034	5,956	6,302	6,874	5,784	7,772	7,035
Criminal cases	2,004	2,273	2,316	2,678	3,175	3,311	2,132	2,554	2,961	2,710
Juvenile cases	604	662	535	662	648	640	640	614	495	421
Jurors Summoned	N/A	23,000	26,000	27,600	27,600	28,400	27,700	27,000	26,400	28,200
Jurors Impaneled	N/A	1,004	1,004	960	906	1,105	1,056	1,044	1,284	1,434
Justices of the Peace:										
Employees full time	25	25	25	25	24	24	24	24	24	24
Civil cases filed	2,691	2,945	2,814	3,735	3,987	4,912	3,732	4,247	4,073	3,082
Criminal cases filed	20,178	17,780	19,701	19,150	18,398	18,466	18,054	18,321	14,258	10,056
Mental Health Court Services:										
Employees full time	2	2	2	2	2	2	2	2	2	2
Mental health cases filed	393	438	401	366	396	252	217	219	309	250
90 day commitments	213	270	264	227	270	172	137	130	223	178
Warrants issued	172	230	212	254	287	291	293	395	464	453
Public Safety										
Constables:										
Employees full time	22	22	22	22	24	24	24	23	23	25
Civil process	13,181	12,704	12,673	10,896	12,670	12,004	10,857	9,758	12,961	12,520
County Sheriff:										
Employees full time	98	95	94	94	97	97	97	97	102	101
Total arrests	11,772	12,575	12,992	13,000	42,129	40,287	40,235	35,725	36,909	35,825
Total charges	31,717	35,622	38,673	39,185	42,411	40,646	40,417	36,032	37,337	37,866
Jail:										
Employees full time	177	187	185	185	186	229	232	227	230	202
Total prisoner days	285,891	282,662	271,184	309,781	328,777	322,175	315,133	312,150	322,965	322,651
Prisoner hospital expenditures	\$ 157,976	\$ 160,857	\$ 176,942	\$ 188,319	\$ 290,267	\$ 172,989	\$ 312,150	\$ 140,101	\$ 79,654	\$ 106,431
Prisoner physician expenditures	\$ 231,040	\$ 254,507	\$ 274,672	\$ 313,329	\$ 324,129	\$ 55,215	\$ 92,448	\$ 42,970	\$ 50,509	\$ 19,238
Prisoner pharmacy expenditures	\$ 277,369	\$ 363,479	\$ 362,797	\$ 346,818	\$ 336,296	\$ 638,187	\$ 540,354	\$ 481,655	\$ 288,870	\$ 272,393
Welfare										
County Welfare Department										
Employees full time	14	13	14	14	13	10	10	10	10	9
Clients registered	6,554	6,299	5,443	5,100	4,347	4,599	4,283	5,580	5,448	6,902
Clients seen	4,609	4,606	4,434	4,407	4,128	4,124	4,044	2,259	2,472	2,690
Clients screened	2,793	2,489	2,203	2,163	1,532	1,450	1,668	2,259	2,472	2,690
Pauper burials	40	52	47	62	75	48	64	72	88	97

Source: Various County departments



McLennan County
Capital Asset Statistics by Function
Last Ten Fiscal Years
(unaudited)

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
General Administration	61,159	61,159	62,359	61,159	61,159	61,159	59,808	67,551	70,837	70,837
Legal	13,295	13,295	13,295	13,295	13,295	13,295	13,295	18,458	18,458	18,458
Elections	6,662	6,662	6,662	6,662	6,662	6,662	6,662	6,662	6,662	6,662
Financial Administration	63,365	63,365	63,365	63,365	63,365	63,365	53,460	56,041	65,946	65,946
Judicial	61,105	61,105	61,105	61,105	65,151	65,151	65,151	67,018	70,314	70,314
Public Safety										
Law Enforcement	26,518	26,518	26,518	26,518	59,668	59,668	35,195	35,195	39,018	39,018
Corrections	251,323	251,323	236,187	298,079	296,343	298,243	240,704	229,857	291,570	428,570
Other Protection	390	390	390	390	390	390	390	390	390	390
Public Transportation										
Engineering	1,935	1,935	1,935	1,935	1,935	1,935	1,935	1,935	-	-
Maintenance	31,840	31,840	30,640	31,168	31,840	36,640	37,869	37,869	24,970	40,970
Health	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763	7,763
Welfare	51,832	51,832	51,832	51,832	4,193	4,193	4,418	4,418	5,343	5,343
Culture/Recreation	459,150	501,150	501,150	501,150	502,764	502,764	425,731	425,731	502,764	502,764
Conservation	5,000	5,000	5,000	5,000	5,000	5,000	5,311	5,311	5,000	5,000
Infrastructure:										
Road miles	1,071	1,074	1,074	1,074	1,074	1,074	1,074	1,078	1,078	1,078
Number of bridges	200	190	190	190	190	188	185	185	188	181

Source: McLennan County Auditor's Office

Note: All items show square footage unless otherwise indicated.

