

**La Salle County, Texas**  
**Annual Financial Report**  
**For the Year Ended**  
**December 31, 2013**

**LEAL & CARTER, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS  
SAN ANTONIO, TEXAS

# LaSalle County, Texas

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**LEAL & CARTER, P.C.**  
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INDEPENDENT AUDITOR'S REPORT

To the La Salle County Commissioners Court  
Cotulla Texas

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

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

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

**Auditor's Responsibility**

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

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

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

**Summary of Opinions**

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Blended Component Unit & related	
Enterprise Fund Activity	Qualified
General Fund	Unmodified
Road & Bridge Fund	Unmodified
County Jail Fund	Unmodified
C.O. Bonds Capital Projects Fund	Unmodified
Road Bonds Capital Projects Fund	Unmodified
La Salle County Nursing Home Fund	Unmodified
Fiduciary Fund	Qualified
Aggregate Remaining Fund Information	Unmodified

## **Basis for Qualified Opinion on Blended Component Unit & related Enterprise Fund and Qualified Opinion on Fiduciary Funds**

The financial statements referred to above do not include financial data for the County's legally separate component unit and the related enterprise fund. Accounting principles generally accepted in the United States of America require financial data for the component unit and the related enterprise fund to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component unit and the related enterprise fund. The County has not issued such reporting entity financial statements.

The Fiduciary Funds daily transactions and ending balances are not recorded in the general ledger, and opening balances could not be reconciled to the previous years audited ending balances.

### **Qualified Opinion**

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Blended Component Unit & related Enterprise Fund and Qualified Opinion on Fiduciary Funds" paragraphs, the financial statements referred to above present fairly, in all material respects, the financial position of the Blended Component Unit & related Enterprise Fund and the Fiduciary Funds of the County of La Salle, Texas, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Unmodified Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County of La Salle, Texas as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-10 and pages 40 and 41, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated January 12, 2015, on our consideration of the County's internal control over financial reporting and on 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.

January 12, 2015

*Leah F. Carter, P. C.*

# La Salle County, Texas

## Management's Discussion and Analysis (Un audited)

December 31, 2013

This section of La Salle County, Texas' (the "County") annual financial report presents our discussion and analysis of the county's financial performance during the year ended December 31, 2013. Please read it in conjunction with the County's financial statements, which follow this section.

### Financial Highlights

#### *Government-Wide Highlights*

- The County's total combined net assets were \$19,892,118 at December 31, 2013.
- During the year, the County's revenues were \$3,744,350 more than total expense of \$16,884,737.
- The total cost of the County's programs was virtually unchanged from last year.
- The General Fund reported a net increase in fund balance of \$1,874,019 from last year, with an ending fund balance this year of \$4,733,207.

### Overview of the Financial Statements

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplemental information*. The basic financial statements comprise three components: 1) government-side financial statements, 2) fund financial statements, 3) notes to financial statements, 4) required supplemental information, and 5) other supplemental information.

#### *Government-Wide Financial Statements*

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the County (including infrastructure) as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 regarding interfund activity, payables, and receivables.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets contrasted with budgetary decisions should serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

# La Salle County, Texas

## Management's Discussion and Analysis (Un audited)

December 31, 2013

(Continued)

The statement of activities presents information showing how net assets changed during the most recent fiscal year using the full accrual basis of accounting. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government, justice system, public safety, corrections and rehabilitation, health and human services, community and economic development, and infrastructure and environmental services.

### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated from specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements however, Governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County maintains 42 individual Governmental Funds (excluding Agency Funds), 40 Special Revenue Funds, 1 Proprietary Fund, and the General Fund. Information is

# La Salle County, Texas

## Management's Discussion and Analysis (Un audited)

December 31, 2013

(Continued)

presented separately in the Governmental Funds balance sheet and in the Governmental Funds balance sheet and in the Governmental Funds statement of revenues, expenditures, and changes in fund balances for the General Fund , the Road and Bridge Fund, the County Jail Fund , the C.O. and Road Bond Capital Project Funds which are classified as major funds. Data from the other nonmajor Governmental funds are combined into a single, aggregated presentation.

The County adopts an annual appropriated budget as a management control device during the year for the General Fund and for all Special Revenue Funds. A budgetary comparison schedule has been provided for the General Fund and the Road and Bridge Fund to demonstrate compliance with the budget.

### *Fiduciary Funds*

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations and must ensure the assets reported in these funds are used for their intended purposes.

### *Notes to Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### *Required Supplemental Information*

In addition to the basic financial statements and accompanying notes, this report presents certain required supplemental information concerning the County's major funds, the General Fund and the Road and Bridge Fund, budgetary comparison schedules. Also presented is a schedule of funding progress for the County's pension plan.

### **Financial Analysis of the County as a Whole**

Of the County's total assets of \$71,223,965, the largest components are 1) cash and investments of \$34,397,077, or 48%, 2) receivables (net of allowance for doubtful accounts) of \$6,766,420 or 10%, and 3) capital assets (net of accumulated depreciation) of \$23,528,196 or 33%. Capital assets are nonliquid and cannot be utilized to satisfy County obligations.



La Salle County, Texas

Management's Discussion and Analysis (Un audited)

December 31, 2013

(Continued)

The County's assets exceeded liabilities by \$19,892,118 as of December 31, 2013.

	Governmental-Type Activities	
	2013	2012
Current and Other Assets	\$ 47,695,769	\$ 22,469,855
Capital Assets	23,528,196	16,469,456
Total Assets	<u>71,223,965</u>	<u>38,939,311</u>
Current Liabilities	1,532,319	4,576,461
Long Term Liabilities	42,670,887	10,923,036
Total Liabilities	<u>44,203,206</u>	<u>15,499,497</u>
Deferred Inflow of Resources	<u>7,128,641</u>	<u>7,924,466</u>
Invested in Capital Assets, Net of Depreciation	13,858,307	5,546,420
Restricted	(3,892,777)	37,807
Unrestricted	9,926,588	9,931,121
Total Net Assets	<u>\$ 19,892,118</u>	<u>\$ 15,515,348</u>

Governmental activities increased the County's net assets by \$4,726,196. The key component of this increase is due to property tax revenues increase of \$6,712,869.

La Salle County, Texas

Management's Discussion and Analysis (Un audited)

December 31, 2013

Financial Analysis of the County as a Whole (continued)

Functions/Programs	Expenses	Charges for Services	2013	2012
			Net (Expenses) Revenue and Changes in Net Assets	Net (Expenses) Revenue and Changes in Net Assets
Government activities				
General administration	\$ 2,155,119	\$ 382,398	\$ (1,772,721)	\$ (1,037,201)
Legal	299,482	50,986	(248,496)	(178,223)
Judicial	504,059	101,972	(402,087)	756,359
Financial administration	409,401	76,480	(332,921)	(317,258)
Public safety	3,739,526	688,314	(3,051,212)	(2,378,379)
Public facilities	804,311	152,958	(651,353)	2,403,493
Public transportation	4,217,017	764,793	(3,452,224)	(2,080,235)
Health and welfare	390,806	76,480	(314,326)	(41,565)
Culture and Recreation	47,689	-	(47,689)	(300,797)
Conservation and Development	1,035	-	(1,035)	-
Conservation -	79,764	-	(79,764)	(55,528)
Debt Service	295,467	178,452	(117,015)	(214,495)
Capital Outlay	363,955	76,480	(287,475)	-
<b>Total governmental activities</b>	<b>\$ 13,307,631</b>	<b>\$ 2,549,313</b>	<b>\$ (10,758,318)</b>	<b>\$ (3,443,829)</b>
General revenues:				
Taxes			12,780,749	5,961,644
Grants & Contributions Unrestricted			1,257,830	-
Interest			21,619	14,394
Transfers			-	-
Miscellaneous			1,424,316	5,656,017
<b>Total general revenues</b>			<b>15,484,514</b>	<b>11,632,055</b>
Increase in net assets			4,726,196	8,188,226
Net assets at beginning of year			18,575,355	9,551,395
Prior period Adjustment			(157,554)	(131,585)
<b>Net assets at end of year</b>			<b>\$ 23,143,997</b>	<b>\$ 17,608,036</b>

# La Salle County, Texas

## Management's Discussion and Analysis

December 31, 2013

(Continued)

### **Financial Analysis of the County's Funds**

#### *General Fund Budgetary Highlights*

The budget is prepared in accordance with financial policies approved by the County Treasurer and the Commissioner's Court following a public hearing. The County Treasurer is required by policy to present the Commissioner's Court with a balanced budget.

The budget is prepared in accordance with accounting principles generally accepted in the United State of America by the County Treasurer and approved by the Commissioner's Court following a public hearing. Appropriated budgets are approved and employed as management control devise during the year. The County maintains strict budgetary controls and sets its appropriations at the line item level for each department. Appropriation transfers may be made between line item or departments only with the approval of the Commissioner's Court.

Over the course of the year, the County revised its budget. Excess of revenues over expenditures was \$256,652 over the final budgeted amounts in the General Fund. The County's revenues were \$436,795 under budgeted amounts and are attributed to an decrease in fines & forfeitures. The Road and Bridge Fund had expenditures over revenues in the amount of \$40,001 over final budgeted amounts. The excess expenditures over revenues was due to budget over expenditures in the maintenance and operations department, as a whole.

### **Capital Assets and Debt Administration**

#### Capital assets

La Salle County's' investment in capital assets for its governmental activities as of December 31, 2013, amounts to \$38,716,730 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. There was a total decrease in the La Salle County's' investment in capital assets for the current fiscal year of 3 percent, which was attributable to the annual depreciation of Capital Assets.

La Salle County, Texas

Management's Discussion and Analysis

December 31, 2013

(Continued)

	Governmental-Type Activities	
	2013	2012
Land	129,193	129,193
Infrastructure, net	11,111,998	308,400
Buildings and Improvements	2,242,160	2,001,785
Machinery and Equipment	2,606,264	458,898
Construction in Progress	3,038,801	8,996,385
<b>TOTAL CAPITAL ASSETS</b>	<b>\$ 19,128,416</b>	<b>\$ 11,894,661</b>

Long Term Debt

At the end of the current fiscal year, the County had a various bonds and notes outstanding of \$38,114,990 as follows.

	Governmental Activities	
	2013	2012
C.O. Series 2010	\$ 2,290,000	\$ 2,445,000
Refunding Bonds, 2010A	3,063,303	3,378,222
C.O. Series 2013A	2,665,000	
C.O. Series 2013	10,000,000	-
Road Bonds	20,000,000	-
<b>Total Bonds Payable</b>	<b>38,018,303</b>	<b>5,823,222</b>
Capital Lease Payable	69,352	98,502
Notes Payable	27,335	76,658
<b>TOTAL OUTSTANDING DEBT</b>	<b>\$ 38,114,990</b>	<b>\$ 11,821,604</b>

La Salle County, Texas

Management's Discussion and Analysis

December 31, 2013

(Continued)

**Economic Factors and Next Year's Budget and Rates**

The annual budget is developed to provide efficient, effective, and economic uses of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the County Commissioners set the direction of the County, allocate its resources, and establish its priorities.

**Economic Factors and Next Year's Budget and Rates (cont.)**

The budget was adopted based on estimated balances that would be available at the end of the fiscal year 2013 and estimated revenues to be received in the fiscal year 2013.

For 2013-2014, the property tax rate is \$0.37906 of \$100 assessed taxable valuation. Tax revenues are budgeted to increase, due to an increase in the tax base.

**Contacting the County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Treasurer at (830) 483-5143.

LA SALLE COUNTY  
STATEMENT OF NET POSITION  
DECEMBER 31, 2013

	Primary Government		Total
	Governmental Activities	Business Type Activities	
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 34,296,455	\$ 100,622	\$ 34,397,077
Receivables (net of allowance for uncollectibles)	6,429,959	336,461	6,766,420
Internal Balances	3,131,608	(3,131,608)	-
Due from Fiduciary Funds	6,531,272	-	6,531,272
Due from Others	-	1,000	1,000
Capital Assets:			
Land	129,193	-	129,193
Infrastructure, net	11,111,998	-	11,111,998
Buildings, net	2,242,160	4,229,737	6,471,897
Machinery and Equipment, net	2,606,264	170,043	2,776,307
Construction in Progress	3,038,801	-	3,038,801
Total Assets	<u>69,517,710</u>	<u>1,706,255</u>	<u>71,223,965</u>
<b>LIABILITIES</b>			
Accounts Payable	495,811	374,567	870,378
Accrued Wages Payable	174,482	27,870	202,352
Compensated Absences Payable	191,359	-	191,359
Intergovernmental Payable	268,230	-	268,230
Noncurrent Liabilities			
Due Within One Year	3,676,349	219,538	3,895,887
Due in More Than One Year	34,438,841	4,336,159	38,775,000
Total Liabilities	<u>39,245,072</u>	<u>4,958,134</u>	<u>44,203,206</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	7,128,641	-	7,128,641
Total Deferred Inflows of Resources	<u>7,128,641</u>	<u>-</u>	<u>7,128,641</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	13,858,307	-	13,858,307
Restricted for	(3,892,777)	-	(3,892,777)
Unrestricted Net Position	13,178,467	(3,251,879)	9,926,588
Total Net Position	<u>\$ 23,143,997</u>	<u>\$ (3,251,879)</u>	<u>\$ 19,892,118</u>

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

LA SALLE COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Expenses	Program Revenues <u>Charges for Services</u>
<b>Primary Government:</b>		
<b>GOVERNMENTAL ACTIVITIES:</b>		
General Administration	\$ 2,155,119	\$ 382,398
Legal	299,482	50,986
Judicial	504,059	101,972
Financial Administration	409,401	76,480
Public Safety	3,739,526	688,314
Public Facilities	804,311	152,958
Public Transportation	4,217,017	764,793
Health and Welfare	390,806	76,480
Culture and Recreation	47,689	-
Conservation and Development	1,035	-
Conservation	79,764	-
Debt - Debt Service	295,467	178,452
Capital Outlay	363,955	76,480
Total Governmental Activities:	13,307,631	2,549,313
<b>BUSINESS-TYPE ACTIVITIES:</b>		
	3,577,106	2,595,162
Total Business-Type Activities:	3,577,106	2,595,162
<b>TOTAL PRIMARY GOVERNMENT:</b>	\$ 16,884,737	\$ 5,144,475

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes

Other Taxes

Grants and Contributions Not Restricted

Miscellaneous Revenue

Investment Earnings

Total General Revenues

Change in Net Position

Net Position - Beginning

Prior Period Adjustment

Net Position--Ending

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

Net (Expense) Revenue and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (1,772,721)	\$ -	\$ (1,772,721)
(248,496)	-	(248,496)
(402,087)	-	(402,087)
(332,921)	-	(332,921)
(3,051,212)	-	(3,051,212)
(651,353)	-	(651,353)
(3,452,224)	-	(3,452,224)
(314,326)	-	(314,326)
(47,689)	-	(47,689)
(1,035)	-	(1,035)
(79,764)	-	(79,764)
(117,015)	-	(117,015)
(287,475)	-	(287,475)
<u>(10,758,318)</u>	<u>-</u>	<u>(10,758,318)</u>
-	(981,944)	(981,944)
-	(981,944)	(981,944)
<u>(10,758,318)</u>	<u>(981,944)</u>	<u>(11,740,262)</u>
12,708,208	-	12,708,208
72,541	-	72,541
1,257,830	-	1,257,830
1,424,316	98	1,424,414
21,619	-	21,619
<u>15,484,514</u>	<u>98</u>	<u>15,484,612</u>
4,726,196	(981,846)	3,744,350
18,575,355	(2,100,123)	16,475,232
(157,554)	(169,910)	(327,464)
<u>\$ 23,143,997</u>	<u>\$ (3,251,879)</u>	<u>\$ 19,892,118</u>



LA SALLE COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2013

	General Fund	Road & Bridge Fund	County Jail Fund
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,119,543	\$ 2,402,915	\$ 46,016
Taxes Receivable	4,227,052	1,915,846	-
Allowance for Uncollectible Taxes (credit)	(95,619)	(48,244)	-
Intergovernmental Receivables	-	-	-
Due from Other Funds	12,008,065	1,516,677	-
Total Assets	<u>\$ 17,259,041</u>	<u>\$ 5,787,194</u>	<u>\$ 46,016</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 152,084	\$ 293,235	\$ 38,697
Wages and Salaries Payable	119,283	21,738	14,834
Intergovernmental Payable	257,205	-	-
Due to Other Funds	830,736	88,145	1,936,297
Total Liabilities	<u>1,359,308</u>	<u>403,118</u>	<u>1,989,828</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	11,166,526	1,961,150	-
Total Deferred Inflows of Resources	<u>11,166,526</u>	<u>1,961,150</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted for Law Enforcement	-	-	-
Capital Acquisition and Contractual Obligation	-	-	-
Construction	-	-	-
Unassigned Fund Balance	4,733,207	3,422,926	(1,943,812)
Total Fund Balances	<u>4,733,207</u>	<u>3,422,926</u>	<u>(1,943,812)</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 17,259,041</u>	<u>\$ 5,787,194</u>	<u>\$ 46,016</u>

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

C.O.Bonds Capital Projects Fund	Road Bonds Capital Project Fund	Other Funds	Total Governmental Funds
\$ 8,852,927	\$ 18,132,618	\$ 3,742,436	\$ 34,296,455
-	-	-	6,142,898
-	-	-	(143,863)
-	-	430,924	430,924
-	447	1,591,668	15,116,857
<u>\$ 8,852,927</u>	<u>\$ 18,133,065</u>	<u>\$ 5,765,028</u>	<u>\$ 55,843,271</u>
\$ 5,169	\$ -	\$ 6,626	\$ 495,811
5,170	-	13,457	174,482
-	-	11,025	268,230
250	-	2,778,630	5,634,058
<u>10,589</u>	<u>-</u>	<u>2,809,738</u>	<u>6,572,581</u>
-	-	-	13,127,676
-	-	-	13,127,676
-	-	79,620	79,620
-	-	230	230
8,842,338	18,133,065	1,796,820	28,772,223
-	-	1,078,620	7,290,941
<u>8,842,338</u>	<u>18,133,065</u>	<u>2,955,290</u>	<u>36,143,014</u>
<u>\$ 8,852,927</u>	<u>\$ 18,133,065</u>	<u>\$ 5,765,028</u>	<u>\$ 55,843,271</u>

LA SALLE COUNTY  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
 STATEMENT OF NET POSITION  
 FOR THE YEAR ENDED DECEMBER 31, 2013

<b>Total Fund Balances - Governmental Funds</b>	\$	36,143,014
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$16,845,841 and the accumulated depreciation was \$4,951,180. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase (decrease) net position.		5,739,402
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2013 capital outlays and debt principal payments is to increase (decrease) net position.		(24,021,790)
The 2013 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(895,745)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net position.		6,179,116
<b>Net Position of Governmental Activities</b>	<u>\$</u>	<u>23,143,997</u>

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

LA SALLE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund	Road & Bridge Fund	County Jail Fund
<b>REVENUES:</b>			
Taxes:			
Property Taxes	\$ 9,102,553	\$ 3,591,655	\$ -
Other Taxes	72,541	-	-
Licenses and Permits	1,798	356,020	-
Intergovernmental Revenue and Grants	38,222	66,999	-
Charges for Services	517,663	-	-
Fines	919,287	38,979	-
Investment Earnings	3,034	3,008	-
Other Revenue	135,598	50,092	-
Total Revenues	<u>10,790,696</u>	<u>4,106,753</u>	<u>-</u>
<b>EXPENDITURES:</b>			
Current:			
General Administration	1,886,568	-	-
Legal	298,103	-	-
Judicial	495,705	-	-
Financial Administration	408,366	-	-
Public Safety	2,407,264	-	753,224
Public Facilities	297,472	-	-
Public Transportation	-	5,121,092	-
Health and Welfare	69,322	-	-
Culture and Recreation	39,000	-	-
Conservation and Development:			
Conservation	79,764	-	-
Debt Service:			
Define - Debt Service	1,023,740	-	-
Capital Outlay:			
Capital Outlay	303,811	265,457	54,314
Total Expenditures	<u>7,309,115</u>	<u>5,386,549</u>	<u>807,538</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,481,581</u>	<u>(1,279,796)</u>	<u>(807,538)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Capital-related Debt Issued (Regular Bonds)	-	-	-
Transfers In	-	44,040	437,103
Transfers Out (Use)	(622,393)	(44,040)	-
Total Other Financing Sources (Uses)	<u>(622,393)</u>	<u>-</u>	<u>437,103</u>
Net Change in Fund Balances	2,859,188	(1,279,796)	(370,435)
Fund Balance - JANUARY 1 (Beginning)	1,874,019	4,702,722	(1,573,377)
Prior Period Adjustment	-	-	-
Fund Balance - DECEMBER 31 (Ending)	<u>\$ 4,733,207</u>	<u>\$ 3,422,926</u>	<u>\$ (1,943,812)</u>

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

C.O.Bonds Capital Projects Fund	Road Bonds Capital Project Fund	Other Funds	Total Governmental Funds
\$ -	\$ -	\$ 14,000	\$ 12,708,208
-	-	-	72,541
-	-	16,000	373,818
-	-	1,152,609	1,257,830
-	-	583,694	1,101,357
-	-	115,871	1,074,137
5,648	8,556	1,373	21,619
-	-	1,238,627	1,424,317
<u>5,648</u>	<u>8,556</u>	<u>3,122,174</u>	<u>18,033,827</u>
-	-	65,701	1,952,269
-	-	-	298,103
-	-	7,319	503,024
-	-	-	408,366
-	-	980,943	4,141,431
449,636	1,874,090	2,883,249	5,504,447
-	-	-	5,121,092
-	-	327,409	396,731
-	-	2,094	41,094
-	-	-	79,764
-	-	-	1,023,740
<u>713,674</u>	<u>1,401</u>	<u>426,459</u>	<u>1,765,116</u>
<u>1,163,310</u>	<u>1,875,491</u>	<u>4,693,174</u>	<u>21,235,177</u>
<u>(1,157,662)</u>	<u>(1,866,935)</u>	<u>(1,571,000)</u>	<u>(3,201,350)</u>
10,000,000	20,000,000	2,665,000	32,665,000
-	-	185,290	666,433
-	-	-	(666,433)
<u>10,000,000</u>	<u>20,000,000</u>	<u>2,850,290</u>	<u>32,665,000</u>
8,842,338	18,133,065	1,279,290	29,463,650
-	-	1,833,554	6,836,918
-	-	(157,554)	(157,554)
<u>\$ 8,842,338</u>	<u>\$ 18,133,065</u>	<u>\$ 2,955,290</u>	<u>\$ 36,143,014</u>

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

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	29,463,650
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2013 capital outlays and debt principal payments is to increase (decrease) the change in net position.		5,739,402
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.		(895,745)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) the change in net position.		(30,532,957)
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>3,774,350</u></b>

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

LA SALLE COUNTY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2013

	Business Type Activities
	La Salle County Nursing Home
<b>ASSETS</b>	
<b>Current Assets:</b>	
Cash and Cash Equivalents	\$ 100,622
Accounts Receivable-Net of Uncollectible Allowance	336,461
Due from Other Funds	1,000
Due from Others	1,000
Total Current Assets	439,083
<b>Noncurrent Assets:</b>	
<b>Capital Assets:</b>	
Buildings	4,499,720
Accumulated Depreciation - Buildings	(269,983)
Machinery and Equipment	425,107
Accumulated Depreciation - Machinery & Equipment	(255,064)
Total Noncurrent Assets	4,399,780
Total Assets	4,838,863
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Accounts Payable	374,567
Wages and Salaries Payable	27,870
Due to Other Funds	3,132,608
Bonds Payable - Current	219,538
Total Current Liabilities	3,754,583
<b>NonCurrent Liabilities:</b>	
Bonds Payable - Noncurrent	4,336,159
Total Noncurrent Liabilities	4,336,159
Total Liabilities	8,090,742
<b>NET POSITION</b>	
Unrestricted Net Position	(3,251,879)
Total Net Position	\$ (3,251,879)

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

LA SALLE COUNTY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business Type Activities
	La Salle County Nursing Home
<b>OPERATING REVENUES:</b>	
Charges for Services	\$ 2,595,162
Investment Earnings	98
Total Operating Revenues	2,595,260
<b>OPERATING EXPENSES:</b>	
Personnel Services - Salaries and Wages	1,265,179
Personnel Services - Employee Benefits	451,148
Purchased Professional & Technical Services	1,151,842
Purchased Property Services	22,413
Other Operating Expenses	76,099
Supplies	321,969
Depreciation	175,016
Interest Expense	113,440
Total Operating Expenses	3,577,106
Operating Income (Loss)	(981,846)
Total Net Position JANUARY 1 (Beginning)	(2,100,123)
Prior Period Adjustment	(169,910)
Total Net Position DECEMBER 31 (Ending)	\$ (3,251,879)

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



LA SALLE COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Business Type Activities
	La Salle County Nursing Home
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 2,595,260
Cash Received from - Other Funds	1,392,424
Cash Payments to Employees for Services	(1,573,721)
Cash Payments for Suppliers	(1,786,709)
Net Cash Provided by Operating Activities	<u>627,254</u>
<u>Cash Flows from Capital &amp; Related Financing Activities:</u>	
Payment on Long Term Debt	(212,081)
Net Increase in Cash and Cash Equivalents	415,173
Cash and Cash Equivalents at Beginning of the Year:	<u>(314,551)</u>
Cash and Cash Equivalents at the End of the Year:	<u>\$ 100,622</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By Operating Activities:</u>	
Operating Income (Loss):	\$ (981,846)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	175,016
Prior Period Adjustment	(169,910)
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Receivables	169,910
Increase (decrease) in Accounts Payable	74,070
Increase (decrease) in Accrued Expenses	(32,410)
Increase (decrease) in Due to Other Funds	1,392,424
Net Cash Provided by Operating Activities	<u>\$ 627,254</u>

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

LA SALLE COUNTY, TEXAS  
STATEMENT OF FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013

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	Agency Funds
<hr/>	
ASSETS:	
Cash and Cash Equivalents	\$ 8,510,304
Total Assets	<u>\$ 8,510,304</u>
LIABILITIES:	
Due to Others	\$ 8,510,304
Total Liabilities	<u>\$ 8,510,304</u>

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

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The authority of county governments and their specific functions and responsibilities are created by and dependent upon laws and legal regulations of the Texas State Constitution and V.A.C.S. La Salle County (the County) operates under a county judge/commissioners court type of government as provided by state statute. The financial and reporting policies of the County conform to accounting principles generally accepted in the United States of America ("GAAP") applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments include those principles prescribed by the Governmental Accounting Standards Board ("GASB"), which includes all statements and interpretations of the National Council on Governmental Accounting unless modified by the GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*.

**A. Reporting Entity**

The Commissioners' Court has governance responsibilities over all activities related to La Salle County, Texas. The County receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the County is not included in any other governmental "reporting entity" as defined by Governmental Accounting Standards Board ("GASB"), Statement No. 14, "The Financial Reporting Entity", since County Commissioners and the County Judge are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The La Salle County Public Facility Corporation (LSCPFC) is a non-profit organization (which is further described in Note 13 to the financial statements). All LSCPFC board members are appointed by the La Salle County Commissioners Court and the Court has the ability to remove those board members at will. Because of the significance of the above described relationship, GASB requires the inclusion of LSCPFC's financial statements within the financial statements of La Salle County as a "blended" component unit.

The LSCPFC's financial statements are not presented with the County's Fiscal Year 2013 audited financial statements, due to the fact that their audited financials have not been completed as of the date of the audit.

The County provides the following services to its citizens: public safety (law enforcement and detention, fire and ambulance), public transportation (roads and bridges), health and welfare (pauper care, health clinic facilities, meals for the elderly and indigent health care), culture and recreation facilities, conservation, public facilities, judicial and legal, election functions, and general and financial administrative services.

**B. Government-wide and fund financial statements**

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the La Salle County nonfiduciary activities with most of the interfund activities removed. Interfund services provided and used are not eliminated in the process of consolidation. Governmental Activities include programs supported primarily by taxes, fines and fees, grants and other intergovernmental revenues.

LA SALLE COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. continued**

The Statement of Activities presents a comparison between expenses and program revenues for each function of the County's governmental activities and for the business-type activities of the County. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include a) fees, fines and charges paid by the recipients of goods and services offered by the program, and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

All interfund transactions between governmental funds are eliminated on the government-wide statements.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories- governmental, proprietary and fiduciary. Since the resources in the fiduciary funds cannot be used for County operations, they are not included in the government-wide statements. The County considers some governmental funds major and reports their financial condition and results of operations in a separate column.

**C. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund financial statements. Fiduciary funds also utilize the accrual basis of accounting; however, the economic resources measurement focus is not applicable to agency funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual – that is, when they become both *measurable* and *available*. Available means collectible within the current period or expected to be collected within 60 days after year-end to be used to pay liabilities of the current period. Expenditures are generally recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are susceptible to accrual and have been recognized as revenues of the current fiscal period. Licenses and permits, fines and forfeits, and miscellaneous revenues are recorded as revenues when received because they are generally not measurable and available until cash is received by the government. Investment earnings are recorded on the accrual basis in all funds.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. continued**

Intergovernmental revenues are recorded on a basis applicable to the legal and contractual requirements of the individual grant programs. If funds must be expended on the specific purpose or project before any amounts will be paid to the county, revenues are recognized as the expenditures or expenses recorded. If funds are virtually unrestricted and irrevocable, except for failure to comply with required compliance requirements, revenues are recognized when received or susceptible to accrual. Federal and State grants awarded on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other federal reimbursable-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

The County reports the following major governmental funds:

General Fund -The General Fund is the County's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund balance is available for any purpose, provided it is expended or transferred in accordance with the legally adopted budget of the County.

Road & Bridge Fund -.The Road & Bridge Fund is a special revenue fund that accounts for and reports the financial resources received from a designated part of the annual property tax levy and auto registration fees and traffic fines, which are used for operating and maintaining County owned roads and bridges.

County Jail Fund – The County Jail Fund is used to account for the operations of the County Jail.

Courthouse Renovation - The Courthouse Renovation Fund is a Capital Projects Fund that is used to account for the construction renovation of the County Courthouse.

Nursing Home Construction - The Nursing Home Construction Fund is a Capital Projects Fund that is used to account for the construction of the La Salle County Nursing Home.

Encinal Jail Fund -The Encinal Jail Fund is used to account for the proceeds from the Detention Center contract with Emerald Correctional Management, L.L.C.

Additionally, the County reports the following fund types:

Governmental Funds:

Special Revenue Funds – The County uses these funds to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Project Fund – The County uses this fund to account for and report all financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

Fiduciary Funds:

Trust and Agency Funds - The County accounts for and reports resources held for others in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurements of results of operations. Agency funds are used to account bond money received and held for others as a result of action in the County or District Courts, and to account for monies received and held in trust for other individuals or entities as a result of action in County and District Courts.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. continued**

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

*1. Deposits and investments*

The County considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Investments for the County are recorded at fair value for all funds.

*2. Receivables and payables*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

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

*3. Inventories and prepaid items*

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

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

*4. Capital Assets*

Capital assets include land, buildings, furniture and equipment and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

LA SALLE COUNTY, TEXAS  
 NOTES TO THE FINANCIAL  
 STATEMENTS DECEMBER 31, 2013

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

The County depreciates capital assets using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	50
Buildings	50
Improvements (Other than Buildings)	30
Vehicles and Road Equipment	5
Office Equipment	5
Computer Equipment	5

1. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. Vacation pay is accrued in the government-wide financial statements. Comp time is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the government-wide financial statements.

**NOTE2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary information**

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

1. The County Judge, as budget officer, with the assistance of the County Treasure, prepares a budget to cover all proposed expenditures and the means of financing them, for the succeeding year and delivers the proposed budget to Commissioners' Court.
2. Commissioners' Court holds budget sessions with each department head.
3. Commissioners' Court holds budget hearings for the public at which all interested persons' comments concerning the budget are heard.
4. Commissioners' Court formally adopts the budget in an open court meeting. Annual budgets are legally adopted for the General Fund, the Road and Bridge Fund, Encinal Jail Fund, and the County Jail Fund. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. The adopted budget becomes the authorization for all legal expenditures for the County for the fiscal year. Unencumbered appropriation balances lapse at year end and revert to the respective funds from which they were originally appropriated, thus becoming available for future appropriation.

LA SALLE COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY continued**

Expenditures may not legally exceed appropriations at the departmental level for each legally adopted annual operating budget. Amendments to the 2013 budget were approved by the Commissioners' Court as provided by law. The reported budgetary data has been revised for amendments legally authorized during the year.

2. The formally adopted budget may legally be amended by commissioners in accordance with article 689A-11 or 689A-20 of Vernon's Annotated Civil Statutes. Management does not amend the budget above the departmental level without approval by the Commissioners' Court. The legal level of budgetary control is at the fund level.

**NOTE 3: PROPERTY TAXES**

Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature which affects the methods of property assessment and tax collection in the County. This legislation, with certain exceptions, exempts intangible personal property, household goods and family-owned automobiles from taxation. In addition, this legislation creates a "Property Tax Code" and provides, among other things, for the establishment of county-wide appraisal districts and for the State Property Tax Board which commenced operation in January, 1980.

As of October 1, 1981, the appraisal of property within the County was the responsibility of the county-wide appraisal district. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. Beginning January 1, 1984, the value of property within the Appraisal District must be reappraised every three years. The County may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on County property.

However, if the effective tax rates for bonds and other contractual obligations and adjustments for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the County may petition for an election to determine whether to limit the tax rate to no more than 8% above the effective tax rate of the previous year. The Appraisal District is governed by a Board of Directors elected by the governing bodies of the taxing entities within the District. The Board of Directors appoints a Chief Appraiser to act as Chief Administrator of the Appraisal District and an Appraisal Review Board to equalize appraised values.

The County's taxes on real property are a lien against such property until paid. The County may foreclose real property upon which it has a lien for unpaid taxes. Although the County makes little effort to collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title on property.

Property tax revenues are recognized in the accounting period in which they become both measurable and available. Property tax revenues are considered measurable at the time of levy and are recognized as deferred revenue and taxes receivable, net of an allowance for estimated uncollectible taxes, at that time. Property tax revenues are considered available if collected within 60 days subsequent to year end.



**NOTE 4: DEPOSITS, SECURITIES, AND INVESTMENTS**

Legal and Contractual Provisions Governing Deposits and Investments

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

At December 31, 2013, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$34,397,077 and the bank balance was \$34,035,075.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

The County had the following investments at December 31, 2013:

None

Policies Governing Deposits and Investments

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

*Custodial Credit Risk- Deposits:* This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County's policy regarding types of deposits allowed and collateral requirements is to deposit funds in FDIC insurance banks which have sufficient pledged collateral. The County was not exposed to custodial credit risk since its deposits at year-end and during the year ended December 31, 2013 was covered by depository insurance or by pledged collateral held by the County's agent bank in the County's name.

LA SALLE COUNTY, TEXAS  
 NOTES TO THE FINANCIAL  
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 DECEMBER 31, 2013

**NOTE 5: INTERFUND BALANCES AND TRANSFERS**

Interfund balances at December 31, 2013 consisted of the following individual fund balances:

<u>Governmental Funds</u>	<u>Due From Other Funds</u>	<u>Due To Other FUNDS</u>
General Fund	\$ 12,008,065	\$ 830,736
Road and Bridge Fund	1,516,677	88,145
Jail Fund	-	1,936,297
C.O. Bonds Capital Projects Fund	-	250
Road Bonds Capital Projects Fund	447	-
Non Major Governmental Fund	1,591,668	2,778,630
Proprietary Funds	1,000	3,132,608
Agency Funds	-	6,351,272
	<u>\$ 15,117,857</u>	<u>\$ 15,117,857</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances are expected to be collected in the subsequent year.

Interfund transfers during the year ended December 31, 2013 consisted of the following:

<u>Governmental Funds</u>	<u>Transfer From Other Funds</u>	<u>Transfer To Other Funds</u>
General Fund	\$ -	\$ 622,393
Road and Bridge Fund	44,040	44,040
Jail Fund	437,103	-
Non Major Governmental Funds	185,290	-
	<u>\$ 666,433</u>	<u>\$ 666,433</u>

The transfers from the General Fund were made to cover operating expenses of the Special Revenue Funds.

LA SALLE COUNTY, TEXAS  
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**NOTE 6: CAPITAL ASSET ACTIVITY**

Capital asset activity for the County for the year ended December 31, 2013 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 129,193	\$ -	\$ -	\$ 129,193
Construction in Progress	8,996,385	3,038,801	8,996,385	3,038,801
Total capital assets not being depreciated	<u>9,125,578</u>	<u>3,038,801</u>	<u>8,996,385</u>	<u>3,167,994</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	628,424	470,779	-	1,099,203
Buildings and Improvements	3,545,135	11,084,756	-	14,629,891
Furniture and Equipment	3,546,704	2,531,549	-	6,078,253
Total capital assets being depreciated	<u>7,720,263</u>	<u>14,087,084</u>	<u>-</u>	<u>21,807,347</u>
Less accumulated depreciation for:				
Infrastructure	320,024	15,709	-	335,733
Buildings and Improvements	1,543,350	290,957	-	1,834,307
Furniture and Equipment	3,087,806	589,079	-	3,676,885
Total accumulated depreciation	<u>4,951,180</u>	<u>895,745</u>	<u>-</u>	<u>5,846,925</u>
Total capital assets being depreciated, net	<u>2,769,083</u>	<u>13,191,339</u>	<u>-</u>	<u>15,960,422</u>
Governmental activities capital assets, net	<u>\$ 11,894,661</u>	<u>\$ 16,230,140</u>	<u>\$ 8,996,385</u>	<u>\$ 19,128,416</u>
<b>Business type activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total capital assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	4,499,720	-	-	4,499,720
Furniture and Equipment	425,107	-	-	425,107
Total capital assets being depreciated	<u>4,924,827</u>	<u>-</u>	<u>-</u>	<u>4,924,827</u>
Less accumulated depreciation for:				
Buildings and Improvements	179,988	89,994	-	269,982
Furniture and Equipment	170,042	85,021	-	255,063
Total accumulated depreciation	<u>350,030</u>	<u>175,015</u>	<u>-</u>	<u>525,045</u>
Total capital assets being depreciated, net	<u>4,574,797</u>	<u>(175,015)</u>	<u>-</u>	<u>4,399,782</u>
Business type activities capital assets, net	<u>\$ 4,574,797</u>	<u>\$ (175,015)</u>	<u>\$ -</u>	<u>\$ 4,399,782</u>

Depreciation was charged to functions as follows:

Governmental Activities:		Business-type Activities:	
General Administration	\$ 208,309	Nursing Home	\$ 175,015
Public Facilities	18,090		<u>\$ 175,015</u>
Public Safety	404,281		
Public Transportation	221,596		
Culture and Recreation	6,595		
Health and Welfare	<u>36,874</u>		
	<u>\$ 344,884</u>		

LA SALLE COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

**NOTE 7: COMMITMENTS UNDER LEASES**

Capital Leases

The County has entered into several leases for the financing of equipment for the Road and Bridge Fund. The debt service for the equipment is paid out of the Road and Bridge Fund. The lease agreements meet the criteria of a capital lease for accounting purposes, and therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

A summary of the commitments, by year, follows:

<u>Year Ending December 31</u>	Capital Lease Payable		
	Principal	Interest	Total
2014	69,353	265	69,618

Operating Leases

Commitments under operating (non-capitalized) lease agreements for equipment provide for minimum future rental payments as of December 31st as follows:

<u>Year Ending December 31</u>	<u>Amount</u>
2014	10,495
Total Minimum Rentals	\$ 10,495
Rental Expenditures in Current Year	\$ 17,991

**NOTE 8: LONG-TERM DEBT**

Notes Payable

As of December 31, 2013 the County was obligated for the following Notes Payable:

Stockmens National Bank- Payable in Monthly installments of \$829.65, Interest rate 5.25% due August 23, 2014, secured by 2012 Chevrolet Tahoe.

Stockmens National Bank- Payable in Monthly installments of \$997.36, Interest rate 5.25% due December 22, 2014, secured by Mack Dump Truck.

Stockmens National Bank- Payable in Monthly installments of \$995.89, Interest rate 5.25% due August 23, 2014, secured by 2012 Dodge Truck.

COTULLA COUNTY, TEXAS  
 NOTES TO THE FINANCIAL  
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**NOTE 8: LONG-TERM DEBT- Continued**

The following table summarizes the annual debt service requirements for the Notes Payable December 31, 2013 to maturity:

Year Ending December 31	Principal	Interest	Total Requirements
2014	\$ 27,535	\$ 673	\$ 28,208

**Bonds and Certificates of Obligation**

Current requirements for bonded indebtedness of the County are accounted for in the County Jail Fund and the General Fund.

On June 1, 2010, the County issued \$6,115,000 in Certificates of Obligation, Series 2010, with interest rates ranging from 3.59% to 5.96%, maturing in 20. The proceeds from the sale of the Certificates were used to build a new Nursing Home facility in Cotulla, Texas, and for the renovation of the existing courthouse in Cotulla, Texas.

On January 1, 2011, the County authorized \$2,836,000 in Certificates of Obligation, Series 2010, with interest rates of 4.00%, maturing in 2050. The proceeds from the sale of the Certificates will be used to build a new Nursing Home facility in Cotulla, Texas.

On February 1, 2012, the County issued \$2,600,000 in Certificates of Obligation, Series 2010A, with interest rates ranging from 1.6% to 4.65%, maturing in 2025. The proceeds from the sale of the Certificates were used for renovation of the existing courthouse in Cotulla, Texas and purchase of 2 ambulances.

On January 24, 2013, the County issued \$10,000,000 in Certificates of Obligation, Series 2013, with an interest rate at 2.0%, maturing in 2023. The proceeds from the sale of the Certificates were used for capital projects in Cotulla, Texas.

On March 21, 2013, the County issued \$20,000,000 in Unlimited Tax Road Bonds, Series 2013, with an interest rate at 1.9%, maturing in 2023. The proceeds from the sale of the Certificates were used for capital projects in Cotulla, Texas.

On May 8, 2013, the County issued \$2,665,000 in Certificates of Obligation, Series 2013A, with an interest rate at 1.4%, maturing in 2018. The proceeds from the sale of the Certificates were used for capital projects in Cotulla, Texas

The following table summarizes the annual debt service requirements at December 31, 2013 to maturity:

Year Ended December 31,	Total Requirements		
	Principal	Interest	Total
2014	\$ 3,634,000	\$ 358,615	\$ 1,062,615
2015	3,910,000	342,751	1,062,751
2016	3,977,000	324,131	1,061,131
2017	4,058,000	302,383	1,055,383
2018-2022	16,830,000	1,130,609	4,550,609
2023-2027	3,561,000	534,389	4,095,389
2028-2032	346,000	406,400	752,400
	1,818,000	687,200	2,505,200
	\$ 38,134,000	\$ 4,086,478	\$ 16,145,478

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 8: LONG-TERM-DEBT-continued**

Description	Amount		Retired/ Refunded	Amount	
	Outstanding 01/01/13	Issued		Outstanding 12/31/13	Due Within One Year
<b><u>Governmental Type Activities</u></b>					
Refunding Bonds, Series 2010	\$ 3,378,222	\$ -	\$ 314,919	\$ 3,063,303	\$ 324,462
Cert. of Obligations, Series 2010A	2,445,000	-	155,000	2,290,000	160,000
Cert. of Obligations, Series 2013A	2,665,000	-	-	2,665,000	505,000
Unlimited Tax Road Bonds, Series 2013	20,000,000	-	-	20,000,000	1,680,000
Cert. of Obligations, Series 2013	10,000,000	-	-	10,000,000	910,000
<b>Total Governmental Type</b>	<b>\$ 38,488,222</b>	<b>\$ -</b>	<b>\$ 469,919</b>	<b>\$ 38,018,303</b>	<b>\$ 3,579,462</b>
<b><u>Business Type Activities</u></b>					
Refunding Bonds, Series 2010	\$ 1,931,778	\$ -	\$ 180,081	\$ 1,751,697	\$ 185,538
Cert. of Obligations, Series 2010	2,836,000	-	32,000	2,804,000	34,000
<b>Total Business Type</b>	<b>\$ 4,767,778</b>	<b>\$ -</b>	<b>\$ 212,081</b>	<b>\$ 4,555,697</b>	<b>\$ 219,538</b>

**NOTE 9: RISK MANAGEMENT**

The County's risk management program includes coverage for property, general liability, automobile liability, law enforcement liability, public officials' liability and employee dishonesty bonds. The County carries commercial insurance.

**NOTE 10: COMPENSATED ABSENCES**

Accumulated unpaid annual leave, compensatory time and holiday leave amounts are not accrued in governmental funds using the modified accrual basis of accounting, but are reflected in the Government-Wide Statement of Net Position. At December 31st, accrued employee benefits recorded on the Statement of Net Position was \$191,359. All unpaid employee leave is due to active employees. Any unpaid leave due to an employee who is terminated is paid immediately upon the termination. The liability has typically been liquidated primarily in the General Fund and Road and Bridge Fund.

NOTES TO THE FINANCIAL  
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DECEMBER 31,

2013 NOTE 11: EMPLOYEES' RETIREMENT PLAN

Plan Description:

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for administration of the statewide agent multiple-employer public employee retirement system consisting of 618 nontraditional defined benefit pension plans. TCDRS issues an aggregated comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034, and online at [www.tcdrs.org](http://www.tcdrs.org).

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

Funding Policy:

La Salle 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 La Salle County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of La Salle County is actuarially determined annually. La Salle County contributed using the actuarially determined rate of 10.54% for the year ended December 31, 2013.

The deposit rate payable by the employee members for year ended December 31 is the rate of 7.0% as adopted by the governing body of La Salle County. The employee deposit rate and the employer contribution rate may be changed by the governing body of La Salle County within the options available in the TCDRS Act.

Annual Pension Cost:

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

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 11: EMPLOYEES' RETIREMENT PLAN, continued**

**Actuarial Valuation Information**

Actuarial valuation date	12/31/11	12/31/12	12/31/13
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period in years	20.0	20.0	13.6
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
<b>Actuarial Assumptions</b>			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.4%	5.4%	4.9%
Inflation	3.5%	3.5%	3.0%
Cost-of-living adjustments	0.0%	0.0%	0.0%

**Trend Information**

**for the Retirement Plan for the Employees of La Salle County, Texas**

Accounting Year Ending	Annual Pension Cost CAPC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	212,396	100%	-0-
12/31/12	251,489	100%	-0-
12/31/13	370,342	100%	-0-

**Schedule of Funding Progress for the Retirement Plan  
For the Employees of La Salle County, Texas**

Actuarial Valuation Date	Actuarial Value of Assets {a}	Actuarial Accrued Liability (AAL) {b}	Unfunded AAL (UAAL) {b-a}	Funded Ratio {alb}	Annual Covered Payroll {c}	UAALasa Percentage of Covered Payroll {b-a}/c)
12/31/11	\$ 5,219,787	\$ 5,904,876	\$ 685,089	88.40%	\$ 2,503,654	27.36%
12/31/11	\$ 5,615,794	\$ 6,457,459	\$ 841,665	86.97%	\$ 3,611,817	23.30%
12/31/12	\$ 6,659,461	\$ 7,458,581	\$ 799,120	89.29%	\$ 4,915,689	16.26%



**NOTE 12: CONTINGENT LIABILITIES**

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

**NOTE 13: COMPONENT UNIT- LA SALLE COUNTY PUBLIC DETENTION FACILITIES CORPORATION**

On November 6, 2000 La Salle County formed the creation of La Salle County Public Detention Facility Corporation (the "Corporation") under the Public Facility Corporation Act Chapter 303 (the "Act") of the Texas Local Government Code. The Corporation is legally separate from the County, but the County appoints all of the board members and has the ability to remove those board members at will.

**Component Unit—Financing: Agreements and Practical Considerations**

The Corporation was formed for the initial purpose of building and equipping a Detention facility (the "Facility"). November 7, 2002, the Corporation issued \$21.8 million of high-yield taxable lease revenue bonds to build a 500-bed private prison that would be operated by Emerald Correctional Management near the town of Encinal. The facility was completed in 2004 and started operating in May of that year. In April 2004 the La Salle County Commissioners Court agreed to issue an additional \$5.4 million in bonds to pay off contractors. The bonds are secured by the mortgage on the Facility and the Facility's revenues and are not secured by the full faith and credit of the County or tax revenues.

The form of the legal agreements was structured to ensure compliance with the local government code and provide security for the bond holders. In substance, to the extent revenues are available they will first be used to repay the bonds, then the operator and the County will be paid. If revenue is not available, there is no legal obligation for any of the parties to be paid. In that instance, the bond holders' only security interest will be with any remaining trust funds and mortgage of the property. Neither the Corporation nor the County has any obligation in this instance.

**NOTE 14: EXCESS EXPENDITURES OVER APPROPRIATIONS**

For the year ended December 31, 2013, the Road & Bridge Fund expenditures of \$5,386,549 and the County Jail Fund expenditures of \$807,538 exceeded appropriations of \$4,106,753 and \$ 437,103 by \$ 1,279,796 and \$307,435 respectively.

**NOTE 15: DEFICIT FUND EQUITY**

As of December 31, 2013 the County had a Deficit Fund Equity in the following funds:

County Jail Fund	\$(1,943,812)
La Salle County Nursing Home	\$(3,251,879)

**NOTE 16: PRIOR PERIOD ADJUSTMENT**

The County had prior period adjustments in the Courthouse Renovation Fund of (\$157,554) and the County Nursing Home Fund of (\$169,910). The adjustments were to correct prior period errors, and to write off receivable balances that were deemed to be uncollectable.

**NOTE 17: COMMITMENTS AND CONTINGENCIES**

No Commitments or contingencies that would require recognition in the financial statements noted in Fiscal Year 2013

**NOTE 16: SUBSEQUENT EVENTS**

A December 23, 2014 letter from the Jail operator's attorney (for the LSCPFC) to the La Salle County Attorney indicated Jail operator's intention to terminate jail operations (for the LSCPFC) effective February 21, 2015.

On February 10, 2014 the La Salle County Commissioners Court authorized the issuance of Certificate of Obligation 2014 Series Bonds in the amount of \$55,000,000 for various capital projects in La Salle County.

LA SALLE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original	Final	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes				
Property Taxes	\$ 9,061,416	\$ 9,061,416	\$ 9,102,553	\$ 41,137
Other Taxes	25,000	25,000	72,541	47,541
Intergovernmental	38,700	38,700	38,222	(478)
Licenses & Permits	1,500	1,500	1,798	298
Charges for Services	553,989	553,989	517,663	(36,326)
Fines & Forfeitures	1,459,700	1,459,700	919,287	(540,413)
Interest	5,570	5,570	3,034	(2,536)
Miscellaneous	95,000	81,616	135,598	53,982
Total Revenues	<u>\$ 11,240,875</u>	<u>\$ 11,227,491</u>	<u>\$ 10,790,696</u>	<u>\$ (436,795)</u>
<b>EXPENDITURES</b>				
Current:				
General Administration	3,580,616	3,330,638	1,960,106	1,370,532
Judicial	864,874	766,196	507,097	259,099
Legal	323,878	349,504	307,436	42,068
Financial Administration	607,074	644,683	414,373	230,310
Public Facilities	214,084	286,872	297,472	(10,600)
Public Safety	2,177,936	2,388,889	2,609,638	(220,749)
Culture and Recreation	39,000	39,000	39,000	-
Health and Welfare	555,038	555,038	69,322	485,716
Conservation - Agriculture	84,737	84,737	80,931	3,806
Debt Service				
Debt Service - Principal on long term debt	2,525,282	2,525,282	1,023,740	1,501,542
Debt Service - Interest on long term debt	-	-	-	-
Total Expenditures	<u>10,972,519</u>	<u>10,970,839</u>	<u>7,309,115</u>	<u>3,661,724</u>
Excess (Deficiency) Revenues Over Expenditures	268,356	256,652	3,481,581	3,224,929
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	(527,256)	(527,256)	(622,393)	(95,137)
Certificates of Obligations Issued	-	-	-	-
Total Financing Sources (Uses)	<u>(527,256)</u>	<u>(527,256)</u>	<u>(622,393)</u>	<u>(95,137)</u>
Net Change in Fund Balances	(258,900)	(270,604)	2,859,188	3,129,792
Fund Balance - January 1 (Beginning)	1,874,019	1,874,019	1,874,019	-
Fund Balance - December (Ending)	<u>\$ 1,615,119</u>	<u>\$ 1,603,415</u>	<u>\$ 4,733,207</u>	<u>\$ 3,129,792</u>

LA SALLE COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original	Final	Actual Amounts GAAP Basis	Variance With Final Budget Positive (Negative)
<b>REVENUES:</b>				
Taxes				
Property Taxes	\$ 2,090,414	\$ 2,090,414	\$ 3,591,655	\$ 1,501,241
Other Taxes	-	-	-	-
Intergovernmental	47,000	47,000	66,999	19,999
Licenses & Permits	237,000	237,000	356,020	119,020
Charges for Services	-	-	-	-
Fines & Forfeitures	44,000	44,000	38,979	(5,021)
Interest	400	400	3,008	2,608
Miscellaneous	188,370	188,370	50,092	(138,278)
Total Revenues	<u>2,607,184</u>	<u>2,607,184</u>	<u>4,106,753</u>	<u>1,499,569</u>
<b>EXPENDITURES</b>				
Current:				
General Administration	-	-	-	-
Legal	-	-	-	-
Judicial	-	-	-	-
Financial Administration	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	2,647,185	2,647,185	5,386,549	(2,739,364)
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Conservation - Agriculture	-	-	-	-
Debt Service				
Debt Service - Principal on long term debt	-	-	-	-
Debt Service - Interest on long term debt	-	-	-	-
Total Expenditures	<u>2,647,185</u>	<u>2,647,185</u>	<u>5,386,549</u>	<u>(2,739,364)</u>
Excess (Deficiency) Revenues				
Over Expenditures	(40,001)	(40,001)	(1,279,796)	(1,239,795)
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	44,000	44,000	44,040	(40)
Operating Transfers Out	(44,000)	(44,000)	(44,040)	40
Certificates of Obligations Issued	-	-	-	-
Total Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(40,001)	(40,001)	(1,279,796)	(1,239,795)
Fund Balance - January 1 (Beginning)	4,702,722	4,702,722	4,702,722	-
Fund Balance - December (Ending)	<u>\$ 4,662,721</u>	<u>\$ 4,662,721</u>	<u>\$ 3,422,926</u>	<u>\$ (1,239,795)</u>