

**COUNTY OF
HAMILTON, TEXAS**

ANNUAL FINANCIAL REPORT

For the Year Ended September 30, 2012

Prepared by

**HAMILTON COUNTY AUDITOR'S OFFICE
L. MARLISSA CLARK, CPA
COUNTY AUDITOR
HAMILTON, TEXAS 76531**

HAMILTON COUNTY, TEXAS
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INTRODUCTORY SECTION

HAMILTON COUNTY, TEXAS
LIST OF PRINCIPAL OFFICIALS

GOVERNING BODY

Randy Mills..... County Judge
Johnny Wagner..... Commissioner, Precinct 1
Mark Tafel..... Commissioner, Precinct 2
Lloyd Huggins Commissioner, Precinct 3
Dickie Clary Commissioner, Precinct 4

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FINANCIAL SECTION

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Independent Auditors' Report

To the Honorable Randy Mills, County Judge
and Members of the Commissioners Court
Hamilton County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hamilton County, Texas (the County) 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 the 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 the County 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 October 10, 2013, 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 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 3 through 10, budgetary comparison and required pension system information on pages 34 through 36 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

To the Honorable Randy Mills, County Judge
and Members of the Commissioners Court
Hamilton County, Texas

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.

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 the County's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements and schedules, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major 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.

Whitley Penn LLP

Houston, Texas
October 10, 2013

HAMILTON COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Management's Discussion and Analysis* of the County of Hamilton's Annual Financial Report (AFR) presents a discussion and analysis of the County's financial performance during the fiscal year that ended September 30, 2012.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by 10.7 million (net assets). Of this amount, \$2.1 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$1 million.
- As of the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of 1.6 million, a decrease of 0.1 million from the prior year.
- At the end of the current fiscal year approximately \$1.1 million is available for spending at the government's discretion (unassigned general fund balance). This fund balance amounts to 34% of total general fund expenditures budgeted in 2013.
- The County's total long-term liabilities increased slightly during the current fiscal year. Precinct 3 retired one lease early by exercising the option on that lease, and the County entered into a new lease for a records management system.

Overview of the Financial Statements

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

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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. 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.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. 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. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned-but-unused vacation leave).

The government-wide financial statements present functions of the County that are principally supported by property taxes. The governmental activities of the County include general government, administration of justice, law enforcement, public safety, highway and streets, health and welfare, conservation, and interest on long-term debt. The government-wide financial statements can be found on pages 12 and 13 of this report.

HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are categorized as governmental funds or fiduciary funds.

Governmental funds

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

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

The County maintains 32 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Phase II – Construction Fund, which are considered to be major funds. Data from the other 30 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the annual financial report.

Hamilton County adopts an annual appropriated budget for its General Fund and other funds. Budgetary comparison statements have been provided for all these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 14 through 17 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds in that the measurement focus emphasizes changes in economic resources, much like that of a private-sector business.

The basic fiduciary fund financial statements can be found on pages 18 and 19 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 through 33 of this report.

HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. The County adopts an annual appropriated budget for its general, debt service, road and bridge funds and certain special revenue funds. Budgetary comparison statements have been provided for the General Fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 34 through 36 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Hamilton County, assets exceeded liabilities by \$10.6 million at the close of the most recent fiscal year.

By far, the largest portion of the County's net assets, \$8.0 million (76 %), reflects its investment in capital assets (e.g., land, buildings, vehicles, road equipment, office furniture and equipment, infrastructure, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CONDENSED SCHEDULE OF NET ASSETS
September 30, 2012 and 2011

	Primary Government Governmental Activities	
	2012	2011
Current and other assets	\$ 3,001,605	\$ 3,109,756
Capital assets, net	9,097,100	8,378,521
Total Assets	12,098,705	11,488,277
Long-term liabilities	1,096,541	1,213,712
Other liabilities	363,522	623,859
Total Liabilities	1,460,063	1,837,571
Net Assets:		
Invested in capital assets, net of debt	8,041,671	7,549,091
Restricted	493,636	677,530
Unrestricted	2,103,335	1,424,085
Total Net Assets	\$ 10,638,642	\$ 9,650,706

HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

A portion of the County's net assets, \$0.5 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$2.1 million, may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the County's fund designation, state statutes, and fiscal policies.

The overall financial condition of the County improved by \$1 million from 2011 to 2012 as shown by the increase in net assets. Overall total assets increased due to construction in progress and the purchase of other assets.

CONDENSED SCHEDULE OF CHANGES IN NET ASSETS
For the years ended September 30, 2012 and 2011

	Primary Government Governmental Activities	
	2012	2011
Revenues		
Program revenues:		
Charges for services	\$ 1,454,306	\$ 1,561,681
Operating grants and contributions	245,432	58,231
Capital grants and contributions	1,086,612	1,881,910
General revenues:		
Property taxes	2,955,151	2,522,573
Sales and use taxes	256,141	252,651
Earnings on investments	4,901	5,345
Other	278,628	212,253
Total Revenues	6,281,171	6,494,644
Expenses		
General administration	1,449,626	1,364,596
Administration of justice	636,500	542,028
Highways and streets	1,374,406	1,508,852
Health and welfare	56,132	66,273
Environmental	44,377	1,142
Public safety	1,595,355	1,743,358
Interest on long-term debt	136,839	61,325
Total Expenses	5,293,235	5,287,574
Change in Net Assets	987,936	1,207,070
Net Assets, Beginning	9,650,706	8,443,636
Net Assets, Ending	\$ 10,638,642	\$ 9,650,706

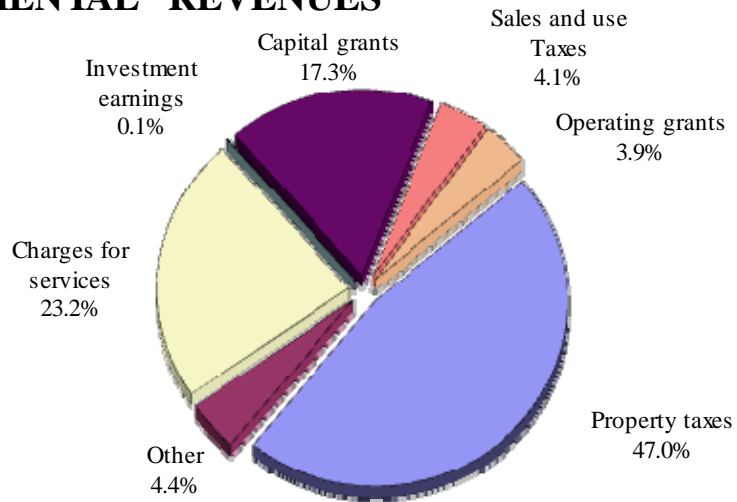
The total costs of all functions and programs was \$5.3 million. Ninety-nine percent (99%) of these costs relate directly to the costs of providing services.

Total revenues decreased mainly due to decreased capital grants for the Courthouse Restoration project. Tax revenues increased primarily due to the levy of the 2011 I&S rate not previously levied, as well as new property being added to the tax roll this year.

HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

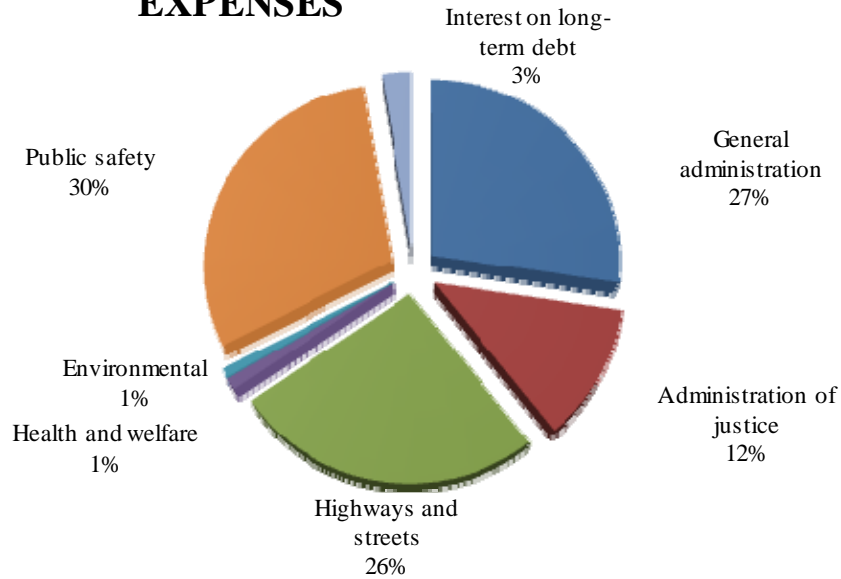
Governmental revenues for fiscal year 2012 are graphically displayed as follows:

GOVERNMENTAL REVENUES



Governmental functional expenses were as follows:

GOVERNMENTAL FUNCTIONAL EXPENSES



HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Financial Analysis of the County's Funds

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

The County's governmental funds reflect a combined fund balance of \$1,638,328. Of this amount, \$1,148,291 is unassigned and available for day-to-day operations of the County. In addition, \$52,530 is reserved for debt service. The remaining special revenue fund balance of \$437,507 is available for specific purposes of the special revenue funds.

There was a decrease in the combined fund balance of all governmental funds of \$88,880 from the prior year. This decrease primarily relates to the Construction Fund. The Construction Fund decreased by \$89,425. The Construction Fund shortfall can primarily be attributed to the County having to pay expenditures in excess of revenues for the Courthouse Restoration.

General Fund Budgetary Highlights

The County uses the cash basis for budgeting purposes. Over the course of the year, the County revised its budget several times as necessary. Even with these adjustments, actual expenditures were \$281,296 below final budget amounts. The positive variance is attributable to reduced spending in departmental budgets throughout all functions.

Revenues were a total of \$497,789 more than expected. Negative variances were experienced in Fines and Fees and Intergovernmental Revenues, while positive variances existed in other areas. The largest positive variance was a result of insurance proceeds received due to damages sustained in the Courthouse Annex.

During the budget year, the County was awarded monies for Energy Conservation, HAVA (Help Americans Vote Act), and wastewater treatment (OSSF). These items necessitated budget amendments increasing revenues and corresponding expenditures.

HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Capital Assets and Debt Administration

Capital Assets - At the end of fiscal year 2012, the County's governmental activities had invested \$9.1 million (net of accumulated depreciation) in capital assets. This investment in capital assets includes land, buildings, equipment, vehicles, infrastructure and construction in progress, as reflected in the following schedule. Capital acquisitions were approximately \$1.1 million, offset by \$375,000 in depreciation expense, showing a net increase in Capital Assets of approximately \$0.7 million over the previous fiscal year. The majority of the capital acquisitions relate to the restoration of the courthouse.

CAPITAL ASSETS

	Governmental Activities	
	2012	2011
Non-Depreciable Assets		
Land and intangibles	\$ 30,407	30,407
Construction in progress	6,782,137	5,800,107
Other Capital Assets, Net		
Vehicles	165,550	325,650
Machinery and equipment	556,033	624,734
Buildings, facilities and improvements	1,061,723	1,060,953
Infrastructure	501,250	536,670
Totals	\$ 9,097,100	\$ 8,378,521

Long-Term Debt - At the end of the current fiscal year, the County had total debt outstanding of \$1,055,429. This is a decrease from prior year of \$113,654 as the County did not issue any debt and provided payment for all required payments in the current year. The county also exercised the purchase option on one of the previously outstanding capital leases.

	Governmental Activities	
	2012	2011
Tax Notes	\$ 345,000	\$ 453,000
Certificates of Obligation	591,000	600,000
Capital Leases	119,429	116,083
Total	\$ 1,055,429	\$ 1,169,083

Additional information on capital assets and long-term debt is available in Notes 6 and 7 respectively in the financial statements.

HAMILTON COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

ECONOMIC FACTORS

Other economic factors include the following:

- Appraised value used for the 2013 budget preparation is up almost \$10 million, or 2%, from 2012. New construction for 2013 is slightly down from the previous year at \$5 million.
- In 2004, Hamilton County adopted a provision for a tax ceiling for homeowners age 65 or older or disabled. The total appraised value of "frozen values" for 2013 is \$83 million which is up \$6 million from 2012 and amounts to 17% of appraised values. As tax rates continue to decline, more of the tax burden continues to shift to the under 65 taxpayer.
- Beginning in the 2013 Budget a fund has been established to reserve monies for the anticipated need to fund a portion of Retiree Health Insurance in future years. Although this benefit is determined each budget cycle at the discretion of the Commissioners Court, the need to supplement the funding remains a concern if it is to continue..

Overall property tax revenue will continue to decrease if tax rates are not increased. The County will likely be unable to continue to finance programs it currently offers.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the County's finances. If you have questions about this report or need any additional information, contact the Hamilton County Auditor, Marliessa Clark, at 102 North Rice Street, Hamilton, Texas 76531.

BASIC FINANCIAL STATEMENTS

HAMILTON COUNTY, TEXAS

STATEMENT OF NET ASSETS

September 30, 2012

	<u>Primary Government Governmental Activities</u>
Assets	
Cash and equivalents	\$ 1,531,470
Receivables:	
Taxes, net	339,803
Due from other governments	382,484
Fees and fines	715,346
Other	32,502
Capital assets, not being depreciated	6,812,544
Capital assets, net of accumulated depreciation	<u>2,284,556</u>
Total Assets	<u>12,098,705</u>
Liabilities	
Accounts payable and accrued expenses	266,925
Accrued payroll	84,207
Accrued interest payable	12,310
Long-term liabilities due within one-year	164,660
Long-term liabilities due in more than one-year	<u>931,881</u>
Total Liabilities	<u>1,460,063</u>
Net Assets	
Invested in capital assets, net of related debt	8,041,671
Restricted for:	
Debt Service	56,129
Road and Bridge	203,869
Other	233,638
Unrestricted	<u>2,103,335</u>
Total net assets	<u>\$ 10,638,642</u>

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

HAMILTON COUNTY, TEXAS

STATEMENT OF ACTIVITIES

For the year ended September 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Primary Government
					Governmental Activities
Primary Government					
Governmental Activities:					
General administration	\$ 1,449,626	\$ 728,142	\$ 116,908	\$ 1,085,570	\$ 480,994
Administration of justice	636,500	77,756	78,994		(479,750)
Highways and Streets	1,374,406	519,592	4,583		(850,231)
Health and welfare	56,132	2,145	44,947		(9,040)
Conservation	44,377				(44,377)
Public safety	1,595,355	126,671		1,042	(1,467,642)
Interest on long-term debt	136,839				(136,839)
Total Primary Government	<u>\$ 5,293,235</u>	<u>\$ 1,454,306</u>	<u>\$ 245,432</u>	<u>\$ 1,086,612</u>	<u>(2,506,885)</u>

General revenues:

Property taxes, penalties, and interest	2,955,151
Sales and use taxes	256,141
Unrestricted earnings on investments	4,901
Miscellaneous	278,628
Total General Revenues	<u>3,494,821</u>
Changes in Net Assets	987,936
Net Assets, Beginning	<u>9,650,706</u>
Net Assets, Ending	<u>\$ 10,638,642</u>

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

HAMILTON COUNTY, TEXAS**BALANCE SHEET****GOVERNMENTAL FUNDS**

September 30, 2012

	<u>General Fund</u>	<u>Phase 2 - Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash and equivalents	\$ 998,961	\$	\$ 532,508	\$ 1,531,469
Taxes receivable, net	261,387		78,416	339,803
Fines and fees receivable, net	684,057			684,057
Other receivables	32,502		31,289	63,791
Due from other funds	79,827			79,827
Due from other governments	32,097	332,863	17,524	382,484
Total Assets	<u>\$ 2,088,831</u>	<u>\$ 332,863</u>	<u>\$ 659,737</u>	<u>\$ 3,081,431</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 62,108	\$ 169,813	\$ 37,971	\$ 269,892
Accrued payroll	59,216		22,024	81,240
Due to other funds		79,827		79,827
Deferred revenue	899,906		109,705	1,009,611
Total Liabilities	<u>1,021,230</u>	<u>249,640</u>	<u>169,700</u>	<u>1,440,570</u>
Fund Balances:				
Restricted for				
Debt Service			52,530	52,530
Capital Projects				
Other			437,507	437,507
Unassigned	1,067,601	83,223		1,150,824
Total Fund Balances	<u>1,067,601</u>	<u>83,223</u>	<u>490,037</u>	<u>1,640,861</u>
Total Liabilities and Fund Balances	<u>\$ 2,088,831</u>	<u>\$ 332,863</u>	<u>\$ 659,737</u>	<u>\$ 3,081,431</u>

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

HAMILTON COUNTY, TEXAS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET ASSETS
September 30, 2012

Total fund balance, governmental funds \$ 1,640,861

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets. 9,097,100

Other long-term assets are not available to pay for current-period expenditures and are therefore deferred in the funds. 1,009,611

Some liabilities (such as Long-term Compensated Absences, and Bonds Payable) are not due and payable in the current period and are not included in the fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.

Bonds payable	(936,000)
Capital lease obligation	(119,429)
Compensated absences	(41,112)

Accrued interest is not due and payable in the current period and therefore not reported in the funds. (12,310)

Net Assets of Governmental Activities \$ 10,638,721

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

HAMILTON COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2012

	General Fund	Phase 2 - Construction Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 1,979,100	\$	\$ 745,518	\$ 2,724,618
Sales and use taxes	300,644			300,644
Fees and fines	370,365		431,150	801,515
Intergovernmental	629,807	1,085,570	144,475	1,859,852
Earnings on investments	3,571	68	1,262	4,901
Miscellaneous	349,868		9,240	359,108
Total Revenues	<u>3,633,355</u>	<u>1,085,638</u>	<u>1,331,645</u>	<u>6,050,638</u>
Expenditures				
Current:				
General administration	1,172,830		122,298	1,295,128
Public safety	1,482,567			1,482,567
Administration of justice	508,299		20,065	528,364
Health and welfare	99,039			99,039
Conservation	1,470			1,470
Highways and streets			1,129,121	1,129,121
Capital Outlay		1,342,203		1,342,203
Debt Service:				
Principal			211,589	211,589
Interest and fiscal charges			39,504	39,504
Total Expenditures	<u>3,264,205</u>	<u>1,342,203</u>	<u>1,522,577</u>	<u>6,128,985</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>369,150</u>	<u>(256,565)</u>	<u>(190,932)</u>	<u>(78,347)</u>
Other Financing Sources (Uses)				
Transfers in		167,140		167,140
Transfers out			(167,140)	(167,140)
Bond issuance				
Total other financing sources (uses)		<u>167,140</u>	<u>(167,140)</u>	
Net change in fund balances	369,150	(89,425)	(358,072)	(78,347)
Fund balances - beginning	<u>698,451</u>	<u>172,648</u>	<u>848,109</u>	<u>1,719,208</u>
Fund balances - ending	<u>\$ 1,067,601</u>	<u>\$ 83,223</u>	<u>\$ 490,037</u>	<u>\$ 1,640,861</u>

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

HAMILTON COUNTY, TEXAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (GOVERNMENTAL FUNDS) TO THE STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2012

Net change in fund balances - total governmental funds:	\$ (78,347)
Adjustments for the Statement of Activities:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$1,157,163) exceeded depreciation expense (\$438,584) in the current period.	718,579
Revenues that do not provide current financial resources are not reported as revenues in the governmental funds. This adjustment reflects the net change in receivables on the accrual basis of accounting.	230,533
Principal payments on debt are reported as expenditures in governmental funds but not as expenses in the government-wide statements.	113,654
Changes in long-term liabilities such as compensated absences are not reflected in fund-basis statements. This amount represents the change in long-term compensated absences.	<u>3,517</u>
Change in net assets of governmental activities	<u><u>\$ 987,936</u></u>

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

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
September 30, 2012

	<u>Private-Purpose Trust Fund</u>	
	<u>Historical Commission Trust Fund</u>	<u>Agency Funds</u>
Assets		
Cash and cash equivalents	\$ -	\$ 228,198
Total Assets	<u>\$ -</u>	<u>\$ 228,198</u>
Liabilities		
Accounts payable	\$ -	\$ 127,366
Due to other governments	-	98,582
Due to others	-	2,250
Total Liabilities	<u>\$ -</u>	<u>\$ 228,198</u>
Net Assets		
Held in trust	<u>\$ -</u>	

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

HAMILTON COUNTY, TEXAS
Statement of Changes in Fiduciary Net Assets
For the Year Ended September 30, 2012

	<u>Private Purpose</u> <u>Trust Fund</u>
Additions	
Interest	<u>2</u>
Total Additions	<u>\$ 2</u>
Deductions	
Fees Paid	<u>1,481</u>
Total Deductions	<u>\$ 1,481</u>
Net assets beginning of year	<u>1,479</u>
Net Assets end of year	<u><u>-</u></u>

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

Hamilton County, Texas ("County") is an independent governmental entity created under the laws of the State of Texas. The County is governed by an elected Commissioners' Court. The financial statements of the County include all funds and agencies over which the County is considered to be financially accountable.

The County is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the County's financial reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the County's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the County is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the County's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-wide and Fund Accounting

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. Typically, both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. All primary activities of the County are considered to be governmental type activities; therefore no business type activities are presented within the basic financial statements. In the government-wide Statement of Net Assets, governmental activities are presented on a full accrual, economic resource basis, which incorporates long-term assets and receivables, as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general administration, financial administration, public safety, etc.), which are otherwise being supported by general government revenues (property taxes, earnings on investments, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function (general administration, financial administration, public safety, etc.).

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to reconcile fund-based financial statements with the governmental column of the government-wide presentation.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Accounting (continued)

The County's fiduciary funds are presented in the fund financial statements by type. Since, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. Since the County only reports agency funds, a statement of changes in fiduciary net assets is not presented. All assets reported in agency funds should be offset by a corresponding liability, resulting in zero net assets.

In the fund financial statements, the accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

The County reports the following major governmental funds:

General Fund - The General Fund is the County's primary operating fund. It is used to account for all financial transactions not properly includable in other funds. The principal source of revenue is local property taxes. Expenditures include all costs associated with the daily operations of the County.

Construction Fund - The Construction fund is the fund in which the County uses to account for activities related to the courthouse restoration. The principal sources of revenues are the 2008 Tax Note Series and reimbursements received from the Texas Historical Commission. Expenditures include all costs incurred to complete the restoration of the courthouse.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund-types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing resources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The government-wide statements of net assets and statements of activities and all proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the balance sheet. Proprietary fund equity consists of net assets.

The accounts of the Governmental Fund Types (the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds) are maintained, and the financial statements have been prepared, on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Available means collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Substantially all revenues, except property taxes, are considered to be susceptible to accrual. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as expenditures when due.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

C. Basis of Accounting (continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is that interfund services provided and used within the County are not eliminated in the process of consolidation. Elimination of these services would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Revenues that are generated internally are reported as general revenues, including property taxes.

D. Cash and Cash Equivalents

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

E. Temporary Investments

The County's temporary investments are typically comprised of deposits in pooled investment accounts. Obligations with maturities of one year or less when purchased are reported on the balance sheet at their amortized cost, which approximates fair value. All other investments are typically reported at fair value. The County held no temporary investments at year end.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

G. Due to and Due From Other Funds

During the course of operations, transactions occur between individual funds for specified purposes, such as lending/borrowing arrangements. In addition, the County maintains numerous bank accounts among all the funds and occasionally monies are deposited into the incorrect account. Therefore, a receivable and payable are recorded in the proper funds. These receivables and payables are classified as "due from other funds" or "due to other funds" (or "due from component unit/primary government" or "due to component unit/primary government" if the transactions are between the primary government and its component unit).

H. Interest Receivable

Interest on investments is recorded as revenue in the year the interest is earned and available to pay liabilities of the current period.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

I. Capital Assets

Capital assets used in governmental fund types of the government are recorded as expenditures of the General, Special Revenue and Capital Projects Funds and as assets in the government-wide financial statements to the extent the County’s capitalization threshold (currently \$5,000) is met. Depreciation is recorded on capital assets on a government-wide basis. Major outlays for capital assets and improvements are capitalized as projects are constructed and subsequently depreciated over their estimated useful lives on a straight-line basis at both the fund and government-wide levels. All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their estimated fair value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and resulting gain or loss is included in the results of operations.

The County applies a half-year convention for depreciation on all assets. Therefore, one half of a year of depreciation is charged to operations the first and last year that an asset is in service. Depreciation has been provided for plant and equipment using the straight-line method over the estimated useful life for the type of assets as follows:

<u>Assets</u>	<u>Estimated Useful Life</u>
Buildings	10-35 years
Equipment	5-20 years
Vehicles	5-7 years
Infrastructure	15-45 years

J. Accrued Compensated Absences

The County’s full-time employees earn 10 to 20 days of vacation with pay per year based on years of continuous service. A maximum of 80 hours of vacation time is paid to employees upon termination after at least one year of service with the County. Unused sick leave, bereavement leave and jury leave are not paid upon termination.

K. Restricted/Unrestricted Net Assets

It is the County’s policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

L. Reclassifications

Certain reclassifications to prior-year balances have been made to conform to current-year presentation. Such reclassifications have had no effect on the excess of revenues over expenditures.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 1 - Summary of Significant Accounting Policies (continued)

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Note 2 - Deposits (Cash) and Investments

A. Authorization for Deposits and Investments

The Texas Public Funds Investment Act (PFIA), as prescribed in Chapter 2256 of the Texas Government Code, regulates deposits and investment transactions of the County.

In accordance with applicable statutes, the County has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the County incurs for banking services received. The County may place funds with the depository in interest and non-interest bearing accounts. State law provides that collateral pledged as security for bank deposits must have a market value of not less than the amount of the deposits and must consist of: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas; and/or (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent. County policy requires the collateralization level to be at least 100% of market value of principal and accrued interest.

Commissioners Court has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The investments of the County are in compliance with this policy. State statutes authorize the County to invest in fully collateralized or insured time deposits, direct debt obligations of the United States, and certain repurchase agreements. Investments in security repurchase agreements are authorized when the investment has a defined termination date, is secured by obligations described in the Public Funds Investment Act, is pledged to the County, is deposited with a third party selected and approved by the entity, and is placed through a primary government securities dealer or national bank domiciled in the State of Texas. The County did not invest in repurchase agreements for the year ended September 30, 2012.

The County's cash and investments are classified as: cash and cash equivalents, and investments. Cash and cash equivalents include cash on hand, deposits with financial institutions, and short-term investments in a privately-managed public funds investment pool account.

At September 30, 2012, the County's cash deposits are either insured by FDIC or covered by collateral held by the County's agent in the County's name.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 2 - Deposits (Cash) and Investments (continued)

B. Deposit and Investment Amounts

The following schedule shows the County's recorded cash and cash equivalents and investment pools at year-end, excluding Agency Fund:

	Total Fair Value
Cash deposits	\$ 1,531,470
Total cash deposits	\$ 1,531,470

Interest Rate Risk

In accordance with its investment policy, the government manages its exposure to declines in fair market values by limiting the average dollar weighted maturity of its investment portfolios to a maximum of 90 days.

At year-end, the County had no investments subject to interest rate risks as there were no investments and only cash deposits.

Concentration of Credit Risk

It is the County's policy to diversify its portfolio to eliminate the risk of loss resulting from a concentration of assets in a specific maturity (save and except zero duration funds), a specific issuer or a specific class of investments.

It is the County's policy to select investments in order to provide stability of income and reasonable liquidity.

Note 3 - Receivables

Receivables, including applicable allowances for uncollectible accounts, as of September 30, 2012, were as follows:

	General Fund	Phase II Construction Fund	Non Major Funds	Totals
Receivables:				
Taxes	\$ 261,387		\$ 78,416	\$ 339,803
Grants	32,097	332,863	17,524	382,484
Fees & fines	1,329,553		40,676	1,370,229
Other	32,502			32,502
Gross receivables	1,655,539		136,616	2,125,018
Less: allowance for uncollectibles	(645,496)		(9,467)	(654,963)
Total	\$ 1,010,043		\$ 127,149	\$ 1,470,055

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 3 - Receivables (continued)

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. As of September 30, 2012, the various components of deferred revenue reported in the governmental funds are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes	\$ 294,265	\$
Fees and fines	715,266	
Total deferred revenue for governmental funds	<u><u>\$ 1,009,531</u></u>	<u><u>\$</u></u>

Note 4 - Property Taxes

The County's tax year covers the period October 1 through September 30. The County's property taxes are levied annually in October on the basis of the Hamilton Central Appraisal District's (CAD) assessed values as of January 1 of that calendar year. Such taxes become delinquent on February 1 of the subsequent calendar year. The CAD establishes appraised values at 100% of market value less exemptions. The County's property taxes are billed and collected by the Hamilton County Appraisal District (CAD).

A. 2011 Tax Year

Property taxes are prorated between the General, Debt Service, and Road and Bridge Funds based on rates adopted for the year of the levy. For the 2012 fiscal year (2011 tax year), the County levied property taxes of \$0.5599 per \$100 of assessed valuation. The 2011 rates resulted in total tax levies of approximately \$2.7 million based on a total adjusted valuation of approximately \$420 million. In 2011, the CAD mistakenly neglected to levy the I&S portion. Taxes were assessed for an additional \$110 thousand dollars during the 2012 fiscal year to correct this error.

B. Hamilton Central Appraisal District

The Hamilton Central Appraisal District (CAD), a separate governmental entity, is responsible for the recording and appraisal of property for all taxing units in the County.

The CAD is required by state law to assess property at 100% of its appraised value. Further, real property must be appraised at least every four years. Under certain circumstances, the taxpayers and taxing units, including the County, may challenge orders of the CAD's Appraisal Review Board through various appeals and, if necessary, legal action may be taken.

The Commissioners Court will continue to set the tax rates on the property. State law also provides that, if approved by the qualified voters in the County, collection functions may be assigned to the CAD.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 5 - Interfund Activity

During the year, cash advances are occasionally made between funds for various projects and situations, which create receivables and payables between these funds. Interfund balances are expected to be paid within one year. At September 30, 2012, there were the following interfund receivables and payables outstanding:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 79,827	\$
Other Governmental Funds		79,827
Total Governmental Activity	<u>\$ 79,827</u>	<u>\$ 79,827</u>

Note 6 - Capital Assets

A summary of changes in the primary government's capital assets for the year ended September 30, 2012, follows:

	<u>Primary Government</u>			
	<u>Balance 10/01/11</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 09/30/12</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 30,407	\$	\$	\$ 30,407
Construction In Progress	5,800,107	982,030		6,782,137
Total capital assets not being depreciated	<u>5,830,514</u>	<u>982,030</u>		<u>6,812,544</u>
Other capital assets:				
Vehicles	1,222,252		(27,751)	1,194,501
Machinery and equipment	3,039,871	125,770	(36,000)	3,129,641
Buildings, facilities and improvements	1,994,818	49,363		2,044,181
Infrastructure	17,773,284			17,773,284
Total other capital assets	<u>24,030,225</u>	<u>175,133</u>	<u>(63,751)</u>	<u>24,141,607</u>
Accumulated depreciation for:				
Vehicles	(896,602)	(160,100)	27,751	(1,028,951)
Machinery and equipment	(2,415,137)	(194,471)	36,000	(2,573,608)
Buildings, facilities and improvements	(933,865)	(48,593)		(982,458)
Infrastructure	(17,236,614)	(35,420)		(17,272,034)
Total accumulated depreciation	<u>(21,482,218)</u>	<u>(438,584)</u>	<u>63,751</u>	<u>(21,857,051)</u>
Other capital assets, net	2,548,007	(263,451)	-	2,284,556
Total Net Assets	<u>\$ 8,378,521</u>	<u>\$ 718,579</u>	<u>\$ -</u>	<u>\$ 9,097,100</u>

Depreciation expenses were charged to the following functions in the statement of activities:

Depreciation Expense	
General Administration	\$ 32,126
Public Safety	111,824
Highway & Streets	270,653
Administration of Justice	23,981
Total Depreciation Expense	<u>\$ 438,584</u>

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Debt

A. General Obligation Debt and Certificates of Obligation

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Long-term bonded debt at September 30, 2012, is as follows:

<u>Original Issue</u>	<u>Description</u>	<u>Interest Rate</u> <u>%</u>	<u>Matures</u>	<u>Debt</u> <u>Outstanding</u>
Tax Note				
\$ 800,000	Tax Note, Series 2008	3.25	2015	\$ 345,000
Certificate of Obligation				
\$ 600,000	Combination Tax and Revenue Certificates of Obligation, Series 2010	3.73%	2020	\$ 591,000

A summary of long-term liability transactions of the County for the year ended September 30, 2012, follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Within One</u> <u>Year</u>
Tax Note Series 2008	\$ 453,000	\$	\$ 108,000	\$ 345,000	\$ 111,000
Certificates of Obligation	600,000		9,000	591,000	9,000
Capital lease obligation	116,083	97,935	94,589	119,429	44,660
Compensated Absences	44,629		3,517	41,112	41,112
Total Long-Term Liabilities	\$ 1,213,712	\$ 97,935	\$ 215,106	\$ 1,096,541	\$ 205,772

In prior years, the general fund's resources have been used to liquidate other long-term liabilities, including accrued compensated absences.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 7 - Long-Term Debt (continued)

A. General Obligation Debt and Certificates of Obligation (continued)

Annual debt service requirements to maturity are summarized as follows:

	Tax Notes			Certificates of Obligation		
	Principal	Interest	Totals	Principal	Interest	Totals
2013	111,000	9,409	120,409	2013	9,000	20,899
2014	115,000	5,736	120,736	2014	10,000	20,632
2015	119,000	1,934	120,934	2015	10,000	20,330
Totals	\$ 345,000	\$ 17,079	\$ 362,079	2016	133,000	17,952
				2017	138,000	13,309
				2018	143,000	8,271
				2019	148,000	2,827
				Totals	\$ 591,000	\$ 104,220
						\$ 695,220

B. Obligations Under Capital Leases

The County also finances acquisition of equipment through capital leases which are paid by the fund acquiring the underlying asset. At September 30, 2012, the County had the following obligations under capital lease:

Purpose	Cost	Date Acquired	Date Matures	Annual Payment	Interest Rate	Balance 9/30/2012
M802AA Pct. 4 - Motor grader	\$ 100,000	2/18/2008	2/18/2013	20,914	4.80%	\$ 21,918
M10-814 Pct. 3 - John Deere Tractor	83,000	8/23/2010	11/18/2013	62,046*	4.00%	-
M11-6A - Records Management System	97,511	11/15/2011	11/15/2016	19,502	3.70%	97,511
M909A Pct. 1 - Boom mower	34,189	9/14/2009	3/10/2012	11,629	4.20%	-
						\$ 119,429

* Includes a one-time payment of \$42,306 as a result of exercising the option to purchase.

Annual debt service requirements to maturity for capital lease obligations:

Due Fiscal Year Ending September 30,	Government Activities
2013	45,712
2014	22,140
2015	21,516
2016	20,869
2017	20,198
Total Payments	130,435
Less imputed interest	(11,006)
	\$ 119,429

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - 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 (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 602 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (AFR) on a calendar year basis. The AFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

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

The employer has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 6.72% for the months of the accounting year in 2010, and 6.01% for the months of the accounting year in 2011. The deposit rate payable by the employee members for calendar year 2011 is the rate of 6% as adopted by the governing body of the employer. The employee deposit rate and the employer deposit rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

B. Contributions

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 8.80% for calendar year 2011. The contribution rate payable by the employee members is the rate of 6% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 8 - Employee Retirement System (continued)

B. Contributions (continued)

The County's total payroll in fiscal year 2012 was approximately 2.0 million and the County's contributions were based on payroll. Contributions made by employees totaled \$115 thousand, and the County made contributions of \$121 thousand during the fiscal year ended September 30, 2012.

Three-year trend information for the Pension Plan is presented below:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Annual Pension Cost (APC)	\$ 120,940	\$ 135,958	\$ 130,070
Percentage of APC Contributed	100%	100%	100%
Net Pension Obligation at the End of Period	0	0	0

For the year ended September 30, 2012, the pension cost for the TCDRS plan and the actual contributions made were \$236,350. Because all contributions are made as required, no pension obligation existed at September 30, 2012.

<u>Actuarial Information</u>	<u>12/31/2011</u>
Actuarial cost method	Entry age
Amortization method	level percentage of payroll, closed
Amortization period	20 years
Asset valuation method	10-year smoothed value ESF; Fund value
Assumptions:	
Investment return	8.0%
Projected salary increases	5.4%
Inflation	3.5%
Costs-of-living adjustments	0.0%

Funded Status and Funding Progress

A schedule of funded status as of the most recent actuarial valuation is as follows:

<u>Schedule of Funding Information</u>	
Actuarial valuation date	12/31/2011
Actuarial value of assets	\$ 2,873,257
Actuarial accrued liability (AAL)	\$ 3,395,596
Unfunded/(Overfunded) actuarial accrued liability (UAAL or OAAL)	\$ 522,339
Funded ratio	84.62%
Annual covered payroll (actuarial)	\$ 2,014,291

HAMILTON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 9 - Contingencies and Commitments

Litigation and Other Contingencies

The County is contingently liable with respect to lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would not materially affect the financial position of the County as of September 30, 2012.

Note 10 - Risk Management

The County is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County's risk management program encompasses various means of protecting the County against loss through self-insurance and obtaining property, casualty, and liability coverage through commercial insurance carriers. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

REQUIRED SUPPLEMENTARY INFORMATION

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues				
Property taxes	\$ 1,996,361	\$ 1,960,261	\$ 1,979,100	\$ 18,839
Sales and use taxes	282,000	282,000	300,644	18,644
Fees and fines	456,068	455,901	370,365	(85,536)
Intergovernmental	525,751	655,420	629,807	(25,613)
Earnings on investments	3,000	3,000	3,571	571
Miscellaneous	37,347	(221,016)	349,868	570,884
Total Revenues	3,300,527	3,135,566	3,633,355	497,789
Expenditures				
Current:				
General administration	1,069,552	1,263,475	1,172,830	90,645
Public safety	1,574,434	1,572,383	1,482,567	89,816
Administration of justice	535,422	535,271	508,299	26,972
Health and welfare	137,238	172,299	99,039	73,260
Conservation	3,604	3,605	1,470	2,135
Capital Outlay	8,002	1,001	1,001	1,001
Total Expenditures	3,328,252	3,548,034	3,264,205	283,829
Net Changes in Fund Balances	(27,725)	(412,468)	369,150	781,618
Fund Balances, Beginning of Year	698,451	698,451	698,451	
Fund Balances, End of Year	\$ 670,726	\$ 285,983	\$ 1,067,601	\$ 781,618

HAMILTON COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY DATA

Budgets are adopted on the cash basis of accounting. Annual appropriated budgets are adopted for the General Fund and Special Revenue Funds. All annual appropriations lapse at fiscal year-end. The County Judge serves as the budget officer for the Commissioners Court and submits the annual budget for approval where the legal level of control is by line item. Amendments to the budget and additional appropriations must be approved by Commissioners Court. Following is a summary of the budget calendar:

1. The proposed budget is filed with the County Clerk and made available for public inspection.
2. Budgets are prepared on the cash basis for the General Fund and Special Revenue Funds.
3. The Commissioners Court holds a public hearing on the proposed budget and subsequently makes changes and approves the budget including the adoption of a property tax levy which is effective on October 1 preceding the beginning of the fiscal year.
4. The approved budget is filed with the County Clerk.
5. During the course of the budget year, it may be necessary to amend the budget. The Commissioners Court may, by order, authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable diligent thought and attention. The Commissioners Court may issue an order to amend the budget by transferring an amount budgeted for one line item to another budgeted line item without authorizing an emergency expenditure.

During the year, the Commissioners Court authorized numerous supplemental amendments to the annual budget. The County did not exceed its budget for 2012.

HAMILTON COUNTY, TEXAS
REQUIRED PENSION SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
September 30, 2012

Actuarial valuation date		12/31/2009		12/31/2010		12/31/2011
Actuarial value of assets	\$	2,391,203	\$	2,685,745	\$	2,873,257
Actuarial accrued liability (AAL)	\$	2,787,619	\$	3,139,426	\$	3,395,596
Unfunded/(Overfunded) actuarial accrued liability (UAAL or OAAL)	\$	396,416	\$	453,681	\$	522,339
Funded ratio		85.78%		85.55%		84.62%
Annual covered payroll (actuarial)	\$	2,080,285	\$	2,023,189	\$	2,014,291
UAAL or OAAL as % of covered payroll		19.06%		22.42%		25.93%

OTHER SUPPLEMENTARY INFORMATION

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

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HAMILTON COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS

Special Revenue Funds

Vital Statistics

This fund is used to account for receipts of fees collected by the County Clerk and expenditures for administration of vital statistic information.

County Clerk Records Management

This fund is used to account for the receipt and expenditure of records management fees assessed by the County Clerk. Such fees may only be used for records management or records management projects for the County Clerk.

Vital Statistics District Court

This fund is used to account for receipts of fees collected by the District Clerk and expenditures for administration of vital statistic information by the District Clerk.

County Clerk Records Archive

This fund is used to account for the receipt of funds collected by the County Clerk and expenditures for the archival of the records of the County Clerk.

Justice Court Technology - Precinct 3

This fund is used to account for receipts and disbursements of technology fees collected by the Justice Court Clerks. The funds may be used only to finance the purchase of technological enhancements for Justice Court - Precinct 3.

Court Reporter

This fund is used to account for receipts collected by the District Clerk and disbursements of fees for court reporting activity of the District Court.

Justice Court Technology - Precinct 1

This fund is used to account for receipts of technology fees collected by the Justice Court Clerks. The funds may be used only to finance the purchase of technological enhancements for Justice Court - Precinct 1.

County Clerk Probate

This fund is used to account for receipts or fees collected in probate cases and expenditures for education relating to probate statutes.

Election Contracting

This fund is used to account for the receipt and expenditure of funds for election services by the County Clerk.

Transaction Fee Justice of the Peace

This fund is used to account for fees collected by the Justice Courts and expenditures thereof.

County Court Technology

This fund is used to account for receipts and disbursements of technology fees collected by the County Court Clerk. The funds may be used only to finance the purchase of technological enhancements for a County Court.

Special Revenue Funds (continued)

District Court Technology

This fund is used to account for receipts and disbursements of technology fees collected by the District Clerk. The funds may be used only to finance the purchase of technological enhancements for a District Court.

LEOSE Sheriff's Office

This fund is used to account for the receipt and expenditure of state funding for the professional training of law enforcement officers. All funds are collected locally, remitted to the state and allocated back to the County.

LEOSE Constable Precinct #3

This fund is used to account for the receipt and expenditure of state funding for the professional training of Precinct #3 and constable. All funds are collected locally, remitted to the state and allocated back to the County.

Law Library Fund

This fund is used to account for the receipts collected by the courts and the disbursement of funds to benefit the County's Law Library.

Record County Clerk Management and Preservation

This fund is used to account for receipts collected by the County Clerk and expenditures of fees assessed on civil findings in the County court as required by state law. Such fees may only be spent on records management or preservation projects for the County Clerk.

Courthouse Security Fund

This fund is used to account for the receipts collected by the courts and the disbursements of funds for courthouse security.

District Clerk Records Preservation

This fund is used to account for receipts and disbursements of resources relating to the archiving of records maintained by the District Clerk.

County Judge Judiciary Fund

This fund is used to account for excess fees collected for the salary supplement paid to the County judge and disbursements of resources relating to the County Judge's department activity.

Justice Court Building Security Fund

This fund is used to account for the receipts and disbursements for justice courthouse security activity off of courthouse premises.

Supplemental Court-Initiated Guardianship Fund

This fund is used to account for receipts collected by the County Clerk to be disbursed as needed for legal representation in court initiated guardianship cases.

Sheriff Trust Fund

This fund is used to account for the receipt and expenditure of forfeitures funds by the Sheriff's department.

HAMILTON COUNTY, TEXAS
NON-MAJOR FUND DESCRIPTIONS (continued)

Special Revenue Funds (continued)

VIT Escrow

This fund is used to account for the receipt and expenditure of VIT funds and the expenditure by the tax assessor of interest earned from these receipts.

County Attorney

This fund is used to account for fees collected by the County Attorney under the “Hot Check” statute. Expenditures from this fund shall be at the sole discretion of the County Attorney and may be used only to defray the salaries and expenses of his office.

Capital Project Funds

Phase 2 Construction Fund

This fund is used to account for financial resources to be used for the courthouse restoration project, Phase 2.

HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2012

	Special Revenue Funds			
	Road and Bridge Pct 1	Road and Bridge Pct 2	Road and Bridge Pct 3	Road and Bridge Pct 4
Assets				
Cash and equivalents	\$ 64,381	\$ 3,493	\$ 158,981	\$ 57,837
Taxes receivable, net	15,628	15,629	15,625	15,625
Other receivables				
Due from other governments	4,381	4,381	4,381	4,381
Total Assets	\$ 84,390	\$ 23,503	\$ 178,987	\$ 77,843
Total Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 7,608	\$ 1,804	\$ 10,141	\$ 6,490
Accrued payroll	5,401	5,586	5,589	5,448
Deferred revenues	15,628	15,629	15,625	15,625
Total Liabilities	28,637	23,019	31,355	27,563
Fund Balances:				
Restricted for:				
Debt service				
Other	55,753	484	147,632	50,280
Total Fund Balances	55,753	484	147,632	50,280
Total Liabilities and Fund Balances	\$ 84,390	\$ 23,503	\$ 178,987	\$ 77,843

Special Revenue Funds					
Vital Statistics	CC Records Management	Vital Statistics District Court	County Clerk Record Archive	Justice Court Tech PCT 3	Court Reporter
\$ 879	\$ 40,841	\$ 464	\$ 1,660	\$ 5,777	\$ 8,433
	768	103		1,900	780
<u>\$ 879</u>	<u>\$ 41,609</u>	<u>\$ 567</u>	<u>\$ 1,660</u>	<u>\$ 7,677</u>	<u>\$ 9,213</u>
\$	\$	\$	\$	\$	\$
	768	103		1,900	780
	<u>768</u>	<u>103</u>		<u>1,900</u>	<u>780</u>
<u>879</u>	<u>40,841</u>	<u>464</u>	<u>1,660</u>	<u>5,777</u>	<u>8,433</u>
<u>879</u>	<u>40,841</u>	<u>464</u>	<u>1,660</u>	<u>5,777</u>	<u>8,433</u>
<u>\$ 879</u>	<u>\$ 41,609</u>	<u>\$ 567</u>	<u>\$ 1,660</u>	<u>\$ 7,677</u>	<u>\$ 9,213</u>

HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2012

	Special Revenue Funds			
	Justice Court Technology	County Clerk Probate Fund	Election Contracting	Transaction Fee JP 1/SO
Assets				
Cash and equivalents	\$ 2,794	\$ 1,226	\$ 5,323	\$ 12,725
Taxes receivable, net				
Other receivables	6,468			3,740
Due from other governments				
Total Assets	\$ 9,262	\$ 1,226	\$ 5,323	\$ 16,465
Total Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Accrued payroll				
Deferred revenues	6,468			3,740
Total Liabilities	6,468			3,740
Fund Balances:				
Restricted for:				
Debt service				
Other	2,794	1,226	5,323	12,725
Total Fund Balances	2,794	1,226	5,323	12,725
Total Liabilities and Fund Balances	\$ 9,262	\$ 1,226	\$ 5,323	\$ 16,465

Special Revenue Funds

<u>County Court Technology</u>	<u>District Court Technology</u>	<u>LEOSE- Sheriff's Office</u>	<u>LEOSE- Constable Precinct #3</u>	<u>Law Library Fund</u>	<u>Records Mgmt Preservation</u>
\$ 420	\$ 2,215	\$ 498	\$ 262	\$ 26,630	\$ 11,806
208	770			1,865	5
<u>\$ 628</u>	<u>\$ 2,985</u>	<u>\$ 498</u>	<u>\$ 262</u>	<u>\$ 28,495</u>	<u>\$ 11,811</u>
\$	\$	\$	\$	\$	\$
208	770			1,865	5
<u>208</u>	<u>770</u>			<u>1,865</u>	<u>5</u>
420	2,215	498	262	26,630	11,806
<u>420</u>	<u>2,215</u>	<u>498</u>	<u>262</u>	<u>26,630</u>	<u>11,806</u>
<u>\$ 628</u>	<u>\$ 2,985</u>	<u>\$ 498</u>	<u>\$ 262</u>	<u>\$ 28,495</u>	<u>\$ 11,811</u>

HAMILTON COUNTY, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2012

	Special Revenue Funds			
	Courthouse Security	District Clerk Records Preservation	County Judge Judiciary Fund	Justice Court Bldg Security
Assets				
Cash and equivalents	\$ 27,535	\$ 5,755	\$ 4,475	\$ 9,348
Taxes receivable, net				
Other receivables	7,768	3,097		1,810
Due from other governments				
Total Assets	\$ 35,303	\$ 8,852	\$ 4,475	\$ 11,158
Total Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Accrued payroll				
Deferred revenues	7,768	3,097		1,810
Total Liabilities	7,768	3,097		1,810
Fund Balances:				
Restricted for:				
Debt service				
Other	27,535	5,755	4,475	9,348
Total Fund Balances	27,535	5,755	4,475	9,348
Total Liabilities and Fund Balances	\$ 35,303	\$ 8,852	\$ 4,475	\$ 11,158

Special Revenue Funds					
Supplemental Guardianship Fund	Sheriff Trust	VIT Escrow	County Attorney CK Coll	Debt Service Fund	TOTALS
\$ 5,260	\$ 8,173	\$ 12,134	\$ 653	\$ 52,530	\$ 532,508
				15,909	78,416
40			1,967		31,289
					17,524
<u>\$ 5,300</u>	<u>\$ 8,173</u>	<u>\$ 12,134</u>	<u>\$ 2,620</u>	<u>\$ 68,439</u>	<u>\$ 659,737</u>
\$	\$	\$ 11,928	\$	\$	\$ 37,971
					22,024
40			1,967	15,909	109,705
<u>40</u>		<u>11,928</u>	<u>1,967</u>	<u>15,909</u>	<u>169,700</u>
				52,530	52,530
5,260	8,173	206	653		437,507
<u>5,260</u>	<u>8,173</u>	<u>206</u>	<u>653</u>	<u>52,530</u>	<u>490,037</u>
<u>\$ 5,300</u>	<u>\$ 8,173</u>	<u>\$ 12,134</u>	<u>\$ 2,620</u>	<u>\$ 68,439</u>	<u>\$ 659,737</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2012

Special Revenue Funds

	Road and Bridge Pct 1	Road and Bridge Pct 2	Road and Bridge Pct 3	Road and Bridge Pct 4
Revenues				
Taxes	\$ 143,131	\$ 143,131	\$ 143,131	\$ 143,131
Fees and fines	5,029	124,869	124,869	124,869
Intergovernmental	124,869	5,515	8,626	5,029
Earnings on Investments	180	242	336	221
Miscellaneous	3,279	2,953		
Total Revenues	276,488	276,710	276,962	273,250
Expenditures				
Current:				
General administration				
Administration of justice				
Highways and streets	242,920	288,493	325,100	271,643
Debt Service:				
Principal	11,629		62,046	20,914
Interest and fiscal charges	488		2,253	2,056
Total Expenditures	255,037	288,493	389,399	294,613
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,451	(11,783)	(112,437)	(21,363)
Other Financing Sources (Uses)				
Transfers out				
Total other financing sources (uses)				
Net change in fund balances	21,451	(11,783)	(112,437)	(21,363)
Fund balances - beginning of year	34,302	12,267	260,069	71,643
Fund balances - end of year	\$ 55,753	\$ 484	\$ 147,632	\$ 50,280

Special Revenue Funds

<u>Vital Statistics</u>	<u>CC Records Management</u>	<u>Vital Statistics District Court</u>	<u>County Clerk Record Archive</u>	<u>Justice Court Tech PCT 3</u>	<u>Court Reporter</u>
\$ 545	\$ 12,609	\$ 68	\$ 8,495	\$ 466	\$ 1,380
	2,850				
<u>545</u>	<u>15,459</u>	<u>68</u>	<u>8,495</u>	<u>466</u>	<u>1,380</u>
9,238	24,828		25,172	90	851
<u>9,238</u>	<u>24,828</u>	<u></u>	<u>25,172</u>	<u>90</u>	<u>851</u>
(8,693)	(9,369)	68	(16,677)	376	529
<u>(8,693)</u>	<u>(9,369)</u>	<u>68</u>	<u>(16,677)</u>	<u>376</u>	<u>529</u>
9,572	50,210	396	18,337	5,401	7,904
<u>9,572</u>	<u>50,210</u>	<u>396</u>	<u>18,337</u>	<u>5,401</u>	<u>7,904</u>
\$ 879	\$ 40,841	\$ 464	\$ 1,660	\$ 5,777	\$ 8,433
<u>\$ 879</u>	<u>\$ 40,841</u>	<u>\$ 464</u>	<u>\$ 1,660</u>	<u>\$ 5,777</u>	<u>\$ 8,433</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2012

	Special Revenue Funds			
	Justice Court Technology	County Clerk Probate Fund	Election Contracting	Transaction Fee JP 1/SO
Revenues				
Taxes	\$	\$	\$	\$
Fees and fines	3,198	248	350	2,359
Intergovernmental				
Earnings on Investments				
Miscellaneous				
Total Revenues	<u>3,198</u>	<u>248</u>	<u>350</u>	<u>2,359</u>
Expenditures				
Current:				
General administration				
Administration of justice	4,066			866
Highways and streets				
Debt Service:				
Principal				
Interest and fiscal charges				
Total Expenditures	<u>4,066</u>	<u></u>	<u></u>	<u>866</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(868)</u>	<u>248</u>	<u>350</u>	<u>1,493</u>
Other Financing Sources (Uses)				
Transfers out				
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>	<u></u>
Net change in fund balances	(868)	248	350	1,493
Fund balances - beginning of year	<u>3,662</u>	<u>978</u>	<u>4,973</u>	<u>11,232</u>
Fund balances - end of year	<u>\$ 2,794</u>	<u>\$ 1,226</u>	<u>\$ 5,323</u>	<u>\$ 12,725</u>

Special Revenue Funds

<u>County Court Technology</u>	<u>District Court Technology</u>	<u>LEOSE- Sheriff's Office</u>	<u>LEOSE- Constable Precinct #3</u>	<u>Law Library Fund</u>	<u>Records Mgmt Preservation</u>
\$ 228	\$ 875	\$	\$	\$ 5,110	\$ 565
<u>228</u>	<u>875</u>	<u></u>	<u></u>	<u>5,110</u>	<u>565</u>
				6,311	
		675	290		
		<u>675</u>	<u>290</u>	<u>6,311</u>	
<u>228</u>	<u>875</u>	<u>(675)</u>	<u>(290)</u>	<u>(1,201)</u>	<u>565</u>
<u>228</u>	<u>875</u>	<u>(675)</u>	<u>(290)</u>	<u>(1,201)</u>	<u>565</u>
<u>192</u>	<u>1,340</u>	<u>1,173</u>	<u>552</u>	<u>27,831</u>	<u>11,241</u>
<u>\$ 420</u>	<u>\$ 2,215</u>	<u>\$ 498</u>	<u>\$ 262</u>	<u>\$ 26,630</u>	<u>\$ 11,806</u>

HAMILTON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2012

	Special Revenue Funds			
	Courthouse Security	District Clerk Records Preservation	County Judge Judiciary Fund	Justice Court Bldg Security
Revenues				
Taxes	\$	\$	\$	\$
Fees and fines	6,087	2,344		884
Intergovernmental			436	
Earnings on Investments				
Miscellaneous				
Total Revenues	<u>6,087</u>	<u>2,344</u>	<u>436</u>	<u>884</u>
Expenditures				
Current:				
General administration	56,749			
Administration of justice		5,927	3,702	
Highways and streets				
Debt Service:				
Principal				
Interest and fiscal charges				
Total Expenditures	<u>56,749</u>	<u>5,927</u>	<u>3,702</u>	<u></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(50,662)</u>	<u>(3,583)</u>	<u>(3,266)</u>	<u>884</u>
Other Financing Sources (Uses)				
Transfers out				
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>	<u></u>
Net change in fund balances	(50,662)	(3,583)	(3,266)	884
Fund balances - beginning of year	<u>78,197</u>	<u>9,338</u>	<u>7,741</u>	<u>8,464</u>
Fund balances - end of year	<u>\$ 27,535</u>	<u>\$ 5,755</u>	<u>\$ 4,475</u>	<u>\$ 9,348</u>

Special Revenue Funds

Supplemental Guardianship Fund	Sheriff Trust	VIT Escrow	County Attorney CK Coll	Debt Service Fund	Tax Note Series 2008	TOTALS
\$ 860	\$	\$	\$ 4,843	\$ 172,994	\$	\$ 745,518
		13		134	136	431,150
	158					144,475
						1,262
						9,240
<u>860</u>	<u>158</u>	<u>13</u>	<u>4,843</u>	<u>173,128</u>	<u>136</u>	<u>1,331,645</u>
						122,298
			4,563			20,065
						1,129,121
				117,000		211,589
				34,707		39,504
			<u>4,563</u>	<u>151,707</u>		<u>1,522,577</u>
<u>860</u>	<u>158</u>	<u>13</u>	<u>280</u>	<u>21,421</u>	<u>136</u>	<u>(190,932)</u>
					(167,140)	(167,140)
					(167,140)	(167,140)
860	158	13	280	21,421	(167,004)	(358,072)
4,400	8,015	193	373	31,109	167,004	848,109
<u>\$ 5,260</u>	<u>\$ 8,173</u>	<u>\$ 206</u>	<u>\$ 653</u>	<u>\$ 52,530</u>	<u>\$</u>	<u>\$ 490,037</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Property taxes	\$ 158,454	\$ 172,994	\$ 14,540
Earnings on investments	90	134	44
Total Revenues	<u>158,544</u>	<u>173,128</u>	<u>14,584</u>
Expenditures			
Debt Service:			
Principal and interest	117,000	117,000	
Interest and fiscal charges	<u>34,707</u>	<u>34,707</u>	
Total Expenditures	<u>151,707</u>	<u>151,707</u>	
Net Changes in Fund Balances	6,837	21,421	14,584
Fund Balances - Beginning of Year	<u>31,109</u>	<u>31,109</u>	
Fund Balances - End of Year	<u>\$ 37,946</u>	<u>\$ 52,530</u>	<u>\$ 14,584</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE PCT 1
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Property taxes	\$ 143,000	\$ 143,131	\$ 131
Fees and Fines	5,052	5,029	(23)
Intergovernmental	125,000	124,869	(131)
Earnings on investments	175	180	5
Miscellaneous	0	3,279	3,279
Total Revenues	<u>273,227</u>	<u>276,488</u>	<u>3,261</u>
Expenditures			
Current:			
Highway and streets	261,108	242,920	18,188
Debt Service:			
Principal and interest	11,629	11,629	
Interest and fiscal charges	488	488	
Total Expenditures	<u>273,225</u>	<u>255,037</u>	<u>18,188</u>
Net Changes in Fund Balances	2	21,451	21,449
Fund Balances - Beginning of Year	<u>34,302</u>	<u>34,302</u>	
Fund Balances - End of Year	<u>\$ 34,304</u>	<u>\$ 55,753</u>	<u>\$ 21,449</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE PCT 2
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Property taxes	\$ 143,000	\$ 143,131	\$ 131
Fees and Fines	125,000	124,869	(131)
Intergovernmental	5,052	5,515	463
Earnings on investments	100	242	142
Miscellaneous	0	2,953	2,953
Total Revenues	<u>273,152</u>	<u>276,710</u>	<u>3,558</u>
Expenditures			
Current:			
Highway and streets	<u>420,463</u>	<u>288,493</u>	<u>131,970</u>
Total Expenditures	<u>420,463</u>	<u>288,493</u>	<u>131,970</u>
Net Changes in Fund Balances	(147,311)	(11,783)	135,528
Fund Balances - Beginning of Year	<u>12,267</u>	<u>12,267</u>	
Fund Balances - End of Year	<u>\$ (135,044)</u>	<u>\$ 484</u>	<u>\$ 135,528</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE PCT 3
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Property taxes	\$ 143,000	\$ 143,131	\$ 131
Fees and Fines	125,000	124,869	(131)
Intergovernmental	5,052	8,626	3,574
Earnings on investments	800	336	(464)
Total Revenues	<u>273,852</u>	<u>276,962</u>	<u>3,110</u>
Expenditures			
Current:			
Highway and streets	518,660	325,100	193,560
Debt Service:			
Principal and interest	62,047	62,046	
Interest and fiscal charges	2,253	2,253	
Total Expenditures	<u>582,960</u>	<u>389,399</u>	<u>193,560</u>
Net Changes in Fund Balances	(309,108)	(112,437)	196,670
Fund Balances - Beginning of Year	<u>260,069</u>	<u>260,069</u>	
Fund Balances - End of Year	<u>\$ (49,039)</u>	<u>\$ 147,632</u>	<u>\$ 196,670</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE PCT 4
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Property taxes	\$ 143,000	\$ 143,131	\$ 131
Fees and Fines	125,000	124,869	(131)
Intergovernmental	5,052	5,029	(23)
Earnings on investments	200	221	21
Total Revenues	<u>273,252</u>	<u>273,250</u>	<u>(2)</u>
Expenditures			
Current:			
Highway and streets	297,502	271,643	25,859
Debt Service:			
Principal and interest	20,914	20,914	
Interest and fiscal charges	2,056	2,056	
Total Expenditures	<u>320,472</u>	<u>294,613</u>	<u>25,859</u>
Net Changes in Fund Balances	(47,220)	(21,363)	25,857
Fund Balances - Beginning of Year	<u>71,643</u>	<u>71,643</u>	
Fund Balances - End of Year	<u>\$ 24,423</u>	<u>\$ 50,280</u>	<u>\$ 25,857</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VITAL STATISTICS
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 600	\$ 545	\$ (55)
Total Revenues	<u>600</u>	<u>545</u>	<u>(55)</u>
Expenditures			
Current:			
General administration	10,000	9,238	762
Total Expenditures	<u>10,000</u>	<u>9,238</u>	<u>762</u>
Net change in fund balances	(9,400)	(8,693)	707
Fund balances - beginning of year	<u>9,572</u>	<u>9,572</u>	
Fund balances - end of year	<u>\$ 172</u>	<u>\$ 879</u>	<u>\$ 707</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CC RECORDS MANAGEMENT
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 11,200	\$ 12,609	\$ 1,409
Miscellaneous		2,850	2,850
Total Revenues	<u>11,200</u>	<u>15,459</u>	<u>4,259</u>
Expenditures			
Current:			
General administration	47,207	24,828	22,379
Total Expenditures	<u>47,207</u>	<u>24,828</u>	<u>22,379</u>
Net change in fund balances	(36,007)	(9,369)	26,638
Fund balances - beginning of year	<u>50,210</u>	<u>50,210</u>	
Fund balances - end of year	<u>\$ 14,203</u>	<u>\$ 40,841</u>	<u>\$ 26,638</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VITAL STATISTICS DISTRICT COURT
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 75	\$ 68	\$ (7)
Total Revenues	<u>75</u>	<u>68</u>	<u>(7)</u>
Expenditures			
Current:			
General administration	350		350
Total Expenditures	<u>350</u>		<u>350</u>
Net change in fund balances	(275)	68	343
Fund balances - beginning of year	<u>396</u>	<u>396</u>	
Fund balances - end of year	<u>\$ 121</u>	<u>\$ 464</u>	<u>\$ 343</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK RECORD ARCHIVE
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 8,000	\$ 8,495	\$ 495
Total Revenues	<u>8,000</u>	<u>8,495</u>	<u>495</u>
Expenditures			
Current:			
General administration	55,000	25,172	29,828
Total Expenditures	<u>55,000</u>	<u>25,172</u>	<u>29,828</u>
Net change in fund balances	(47,000)	(16,677)	30,323
Fund balances - beginning of year	<u>18,337</u>	<u>18,337</u>	
Fund balances - end of year	<u>\$ (28,663)</u>	<u>\$ 1,660</u>	<u>\$ 30,323</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT TECH PCT 3
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 400	\$ 466	\$ 66
Total Revenues	<u>400</u>	<u>466</u>	<u>66</u>
Expenditures			
Current:			
Administration of justice	5,600	90	5,510
Total Expenditures	<u>5,600</u>	<u>90</u>	<u>5,510</u>
Net change in fund balances	(5,200)	376	5,576
Fund balances - beginning of year	<u>5,401</u>	<u>5,401</u>	
Fund balances - end of year	<u>\$ 201</u>	<u>\$ 5,777</u>	<u>\$ 5,576</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURT REPORTER
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 1,400	\$ 1,380	\$ (20)
Total Revenues	<u>1,400</u>	<u>1,380</u>	<u>(20)</u>
Expenditures			
Current:			
Administration of justice	11,000	851	10,149
Total Expenditures	<u>11,000</u>	<u>851</u>	<u>10,149</u>
Net change in fund balances	(9,600)	529	10,129
Fund balances - beginning of year	<u>7,904</u>	<u>7,904</u>	
Fund balances - end of year	<u>\$ (1,696)</u>	<u>\$ 8,433</u>	<u>\$ 10,129</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT TECHNOLOGY
For the Year Ended September 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
Revenues			
Fees and fines	\$ 3,400	\$ 3,198	\$ (202)
Total Revenues	<u>3,400</u>	<u>3,198</u>	<u>(202)</u>
Expenditures			
Current:			
Administration of justice	5,800	4,066	1,734
Total Expenditures	<u>5,800</u>	<u>4,066</u>	<u>1,734</u>
Net change in fund balances	(2,400)	(868)	1,532
Fund balances - beginning of year	<u>3,662</u>	<u>3,662</u>	
Fund balances - end of year	<u>\$ 1,262</u>	<u>\$ 2,794</u>	<u>\$ 1,532</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY CLERK PROBATE FUND
For the Year Ended September 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
Revenues			
Fees and fines	\$ 330	\$ 248	\$ (82)
Total Revenues	<u>330</u>	<u>248</u>	<u>(82)</u>
Expenditures			
Current:			
General administration	1,200		1,200
Total Expenditures	<u>1,200</u>		<u>1,200</u>
Net change in fund balances	(870)	248	1,118
Fund balances - beginning of year	<u>978</u>	<u>978</u>	
Fund balances - end of year	<u>\$ 108</u>	<u>\$ 1,226</u>	<u>\$ 1,118</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ELECTION CONTRACTING
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 100	\$ 350	\$ 250
Total Revenues	<u>100</u>	<u>350</u>	<u>250</u>
Expenditures			
Current:			
General administration			
Total Expenditures			
Net change in fund balances	100	350	250
Fund balances - beginning of year	4,973	4,973	
Fund balances - end of year	<u>\$ 5,073</u>	<u>\$ 5,323</u>	<u>\$ 250</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRANSACTION FEE JP 1/SO
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 2,281	\$ 2,359	\$ 78
Total Revenues	<u>2,281</u>	<u>2,359</u>	<u>78</u>
Expenditures			
Current:			
Administration of justice	8,001	866	7,135
Total Expenditures	<u>8,001</u>	<u>866</u>	<u>7,135</u>
Net change in fund balances	(5,720)	1,493	7,213
Fund balances - beginning of year	11,232	11,232	
Fund balances - end of year	<u>\$ 5,512</u>	<u>\$ 12,725</u>	<u>\$ 7,213</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY COURT TECHNOLOGY
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 150	\$ 228	\$ 78
Total Revenues	<u>150</u>	<u>228</u>	<u>78</u>
Expenditures			
Current:			
General administration	300		300
Total Expenditures	<u>300</u>		<u>300</u>
Net change in fund balances	(150)	228	378
Fund balances - beginning of year	<u>192</u>	<u>192</u>	
Fund balances - end of year	<u>\$ 42</u>	<u>\$ 420</u>	<u>\$ 378</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT COURT TECHNOLOGY
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 800	\$ 875	\$ 75
Total Revenues	<u>800</u>	<u>875</u>	<u>75</u>
Expenditures			
Current:			
General administration	2,000		2,000
Total Expenditures	<u>2,000</u>		<u>2,000</u>
Net change in fund balances	(1,200)	875	2,075
Fund balances - beginning of year	<u>1,340</u>	<u>1,340</u>	
Fund balances - end of year	<u>\$ 140</u>	<u>\$ 2,215</u>	<u>\$ 2,075</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LEOSE- SHERIFF'S OFFICE
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Intergovernmental	\$	\$	\$
Total Revenues			
Expenditures			
Current:			
Highways and streets	1,050	675	375
Total Expenditures	1,050	675	375
Net change in fund balances	(1,050)	(675)	375
Fund balances - beginning of year	1,173	1,173	
Fund balances - end of year	\$ 123	\$ 498	\$ 375

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LEOSE- CONSTABLE PRECINCT #3
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$	\$	\$
Total Revenues			
Expenditures			
Current:			
Highways and streets	400	290	110
Total Expenditures	400	290	110
Net change in fund balances	(400)	(290)	110
Fund balances - beginning of year	552	552	
Fund balances - end of year	\$ 152	\$ 262	\$ 110

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
LAW LIBRARY FUND
For the Year Ended September 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
Revenues			
Fees and fines	\$ 5,500	\$ 5,110	\$ (390)
Total Revenues	<u>5,500</u>	<u>5,110</u>	<u>(390)</u>
Expenditures			
Current:			
General administration	29,500	6,311	23,189
Total Expenditures	<u>29,500</u>	<u>6,311</u>	<u>23,189</u>
Net change in fund balances	(24,000)	(1,201)	22,799
Fund balances - beginning of year	<u>27,831</u>	<u>27,831</u>	
Fund balances - end of year	<u>\$ 3,831</u>	<u>\$ 26,630</u>	<u>\$ 22,799</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
RECORDS MGMT PRESERVATION
For the Year Ended September 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Amended Positive (Negative)</u>
Revenues			
Fees and fines	\$ 650	\$ 565	\$ (85)
Total Revenues	<u>650</u>	<u>565</u>	<u>(85)</u>
Administration of justice	11,000		11,000
Net change in fund balances	(10,350)	565	10,915
Fund balances - beginning of year	<u>11,241</u>	<u>11,241</u>	
Fund balances - end of year	<u>\$ 891</u>	<u>\$ 11,806</u>	<u>\$ 10,915</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COURTHOUSE SECURITY
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 6,150	\$ 6,087	\$ (63)
Total Revenues	<u>6,150</u>	<u>6,087</u>	<u>(63)</u>
Expenditures			
Current:			
General administration	22,000	56,749	(34,749)
Capital Outlay	38,213		38,213
Total Expenditures	<u>60,213</u>	<u>56,749</u>	<u>3,464</u>
Net change in fund balances	(54,063)	(50,662)	3,401
Fund balances - beginning of year	<u>78,197</u>	<u>78,197</u>	
Fund balances - end of year	<u>\$ 24,134</u>	<u>\$ 27,535</u>	<u>\$ 3,401</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DISTRICT CLERK RECORDS PRESERVATION
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 2,000	\$ 2,344	\$ 344
Total Revenues	<u>2,000</u>	<u>2,344</u>	<u>344</u>
Expenditures			
Current:			
Administration of justice	5,926	5,927	(1)
Total Expenditures	<u>5,926</u>	<u>5,927</u>	<u>(1)</u>
Net change in fund balances	(3,926)	(3,583)	343
Fund balances - beginning of year	<u>9,338</u>	<u>9,338</u>	
Fund balances - end of year	<u>\$ 5,412</u>	<u>\$ 5,755</u>	<u>\$ 343</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY JUDGE JUDICIARY FUND
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Intergovernmental	\$ 800	\$ 436	\$ (364)
Total Revenues	<u>800</u>	<u>436</u>	<u>(364)</u>
Expenditures			
Current:			
Administration of justice	4,000	3,702	298
Total Expenditures	<u>4,000</u>	<u>3,702</u>	<u>298</u>
Net change in fund balances	(3,200)	(3,266)	(66)
Fund balances - beginning of year	<u>7,741</u>	<u>7,741</u>	
Fund balances - end of year	<u>\$ 4,541</u>	<u>\$ 4,475</u>	<u>\$ (66)</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
JUSTICE COURT BLDG SECURITY
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 920	\$ 884	\$ (36)
Total Revenues	<u>920</u>	<u>884</u>	<u>(36)</u>
Expenditures			
Current:			
Highways and streets	9,000		9,000
Total Expenditures	<u>9,000</u>		<u>9,000</u>
Net change in fund balances	(8,080)	884	8,964
Fund balances - beginning of year	<u>8,464</u>	<u>8,464</u>	
Fund balances - end of year	<u>\$ 384</u>	<u>\$ 9,348</u>	<u>\$ 8,964</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SUPPLEMENTAL GUARDIANSHIP FUND
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 1,100	\$ 860	\$ (240)
Total Revenues	<u>1,100</u>	<u>860</u>	<u>(240)</u>
Expenditures			
Current:			
General administration	5,200		5,200
Total Expenditures	<u>5,200</u>		<u>5,200</u>
Net change in fund balances	(4,100)	860	4,960
Fund balances - beginning of year	<u>4,400</u>	<u>4,400</u>	
Fund balances - end of year	<u>\$ 300</u>	<u>\$ 5,260</u>	<u>\$ 4,960</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SHERIFF TRUST
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Miscellaneous	\$	\$ 158	\$ 158
Total Revenues		<u>158</u>	<u>158</u>
Expenditures			
Current:			
Highways and streets	3,400		3,400
Total Expenditures	<u>3,400</u>		<u>3,400</u>
Net change in fund balances	(3,400)	158	3,558
Fund balances - beginning of year	<u>8,015</u>	<u>8,015</u>	
Fund balances - end of year	<u>\$ 4,615</u>	<u>\$ 8,173</u>	<u>\$ 3,558</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
VIT ESCROW
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Earnings on Investments	\$ 15	\$ 13	\$ (2)
Total Revenues	<u>15</u>	<u>13</u>	<u>(2)</u>
Expenditures			
Current:			
General administration	180		180
Total Expenditures	<u>180</u>		<u>180</u>
Net change in fund balances	(165)	13	178
Fund balances - beginning of year	<u>193</u>	<u>193</u>	
Fund balances - end of year	<u>\$ 28</u>	<u>\$ 206</u>	<u>\$ 178</u>

HAMILTON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY ATTORNEY CK COLL
For the Year Ended September 30, 2012

	Final Budget	Actual	Variance from Amended Positive (Negative)
Revenues			
Fees and fines	\$ 7,808	\$ 4,843	\$ (2,965)
Total Revenues	<u>7,808</u>	<u>4,843</u>	<u>(2,965)</u>
Expenditures			
Current:			
Administration of justice	9,000	4,563	4,437
Total Expenditures	<u>9,000</u>	<u>4,563</u>	<u>4,437</u>
Net change in fund balances	(1,192)	280	1,472
Fund balances - beginning of year	<u>373</u>	<u>373</u>	
Fund balances - end of year	<u>\$ (819)</u>	<u>\$ 653</u>	<u>\$ 1,472</u>