The background of the cover is a photograph of the Panola County building. The building is a two-story, light-colored structure with a prominent entrance featuring a set of stairs and a glass door. Above the entrance, the words "PANOLA COUNTY" are visible in raised letters. To the left of the building, a tall flagpole holds the United States flag and the Texas state flag. The foreground is a well-maintained green lawn. The sky is blue with some light clouds.

# COUNTY AUDITOR'S COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED  
DECEMBER 31, 2013  
PANOLA COUNTY, TEXAS

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**PANOLA COUNTY, TEXAS**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

**Prepared by:**

**Office of the County Auditor  
Panola County, Texas**

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

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b><u>INTRODUCTORY SECTION</u></b>	
County Auditor’s Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	8
Directory of Officials	9
Organizational Chart	11
 <b><u>FINANCIAL SECTION</u></b>	
Independent Auditor’s Report	15
Management’s Discussion and Analysis	17
<b><u>Basic Financial Statements:</u></b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position	29
Statement of Activities	30
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds	31
Reconciliation of the Balance Sheet of Governmental Funds to Statement of Net Position	32
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	33
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	34
Statement of Net Position – Fiduciary Funds	35
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	36
Notes to the Financial Statements	37
 <b><u>Required Supplementary Information:</u></b>	
Budgetary Information	55
Schedule of Funding Progress for the Retirement Plan for the Employees of Panola County	56
Schedule of Funding Progress – Other Post-Employment Benefits (OPEB) Plan	57
Schedule of Employer Contributions – Other Post-Employment Benefits (OPEB) Plan	58
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	59
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Road and Bridge Special Revenue Fund	60
 <b><u>Supplementary Financial Information:</u></b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	67

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

**Table of Contents (continued)**

	<b>PAGE</b>
<b><u>Combining and Individual Fund Statements and Schedules:</u></b>	
Combining Balance Sheet – Non-Major Governmental Funds	87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	88
Combining Balance Sheet – Non-Major Governmental Funds – Non-Major Special Revenue funds	92
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds – Non-Major Special Revenue Funds	100
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – Non-Major Special Revenue Funds	109
Combining Balance Sheet – Non-Major Governmental Funds – Non-Major Capital Projects Funds	145
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds – Non-Major Capital Projects Funds	146
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – Non-Major Capital Projects Funds	147
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	153
Capital Assets Used in the Operation of Governmental Funds:	
Schedule by Source	161
Schedule by Function and Activity	163
Schedule of Changes by Function and Activity	165
 <b><u>STATISTICAL DATA (UNAUDITED)</u></b>	
TABLE 1 - Net Position By Component	171
TABLE 2 - Changes in Net Position	173
TABLE 3 - Fund Balances – Governmental Funds	177
TABLE 4 - Changes in Fund Balances – Governmental Funds	178
TABLE 5 - Assessed Value and Estimated Actual Value of Taxable Property	179
TABLE 6 - Direct and Overlapping Property Tax Rates	180
TABLE 7 - Principal Property Taxpayers	183
TABLE 8 - Property Tax Levies and Collections	184
TABLE 9 - Ratio of Outstanding Debt by Type	186
TABLE 10 - Direct and Overlapping Governmental Debt	187
TABLE 11 - Legal Debt Margin Information	188
TABLE 12 - Demographic and Economic Statistics	189
TABLE 13 - Principal Employers by Industry	191
TABLE 14 - Full-Time Equivalent County Government Employees	192
TABLE 15 - Capital Assets by Function/Program	194
TABLE 16 - Operating Indicators by Function/Program	195
TABLE 17 - Schedule of Insurance in Force	196

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

**Table of Contents (continued)**

	<b>PAGE</b>
<b><u>OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION</u></b>	
<b><u>Independent Auditor's Report:</u></b>	
<b>Report on Internal Control Over Financial Reporting and on Compliance and     Other Matters Based on an Audit of Financial Statements Performed in Accordance     with <i>Government Auditing Standards</i></b>	<b>205</b>
<b>Report on Compliance for Each Major Program and on Internal Control Required by     <i>The State of Texas Single Audit Circular</i></b>	<b>207</b>
<b>Schedule of Findings and Questioned Costs</b>	<b>209</b>
<b><u>SUPPLEMENTARY GRANT REVENUE AND EXPENSE SCHEDULES</u></b>	
<b>Schedule of Expenditures of Federal and State Awards</b>	<b>215</b>
<b>Notes to the Schedules of Expenditures of Federal and State Awards</b>	<b>217</b>

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# **INTRODUCTORY SECTION**

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**OFFICE OF  
PANOLA COUNTY AUDITOR**  
COURTHOUSE ANNEX • ROOM 213A  
CARTHAGE, TEXAS 75633  
903-693-0320

**June 20, 2014**

**Honorable District Judge Charles Dickerson  
Honorable County Judge David L. Anderson,  
Honorable County Commissioners,  
and Taxpayers and Citizens of Panola County**

Conforming to statutory requirements of the duties of the County Auditor, submitted herewith is the Comprehensive Annual Financial Report for Panola County, Texas, for the fiscal year ended December 31, 2013. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board, and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed public accountants.

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

The financial statements of Panola County have been audited by Richard P. Loughlin, CPA, a licensed certified public accountant. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the year ended December 31, 2013 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion on Panola County's financial statements for the year ended December 31, 2013, and that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. Panola County's MD&A can be found immediately following the Independent Auditor's Report.

## **PROFILE OF THE GOVERNMENT**

Located in East Texas, Panola County, Texas, was organized in 1846. Panola County currently occupies a land area of 801 square miles and serves a population of 23,870.

The County operates as specified under a County Judge – Commissioners’ Court type of government, consisting of one County Judge and four Commissioners. The County Judge is the presiding officer of the Commissioners’ Court, the governing body of the County, and is elected for a four-year term by the voters of the County. Each Commissioner represents one of the four Commissioner precincts into which the County is divided and is elected by the voters of his precinct for a four-year term. The Commissioners’ Court has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other duties, it proposes and approves the County budget, determines the County tax rates, approves contracts in the name of the County, determines whether a proposition to issue bonds should be submitted to the voters, appoints certain County officials, and makes other decisions concerning the operation of the County.

Panola County provides a full range of services, including public safety, public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services.

### **Budgets and Budgetary Controls**

The annual budget serves as the foundation for Panola County’s financial planning and control. The County Judge is by statute the County Budget Officer and is responsible for determining the Commissioners’ Court guidelines for the proposed County budget. After being furnished the budget guidelines by the County Judge, the County Auditor prepares an estimate of revenues and a compilation of expenditures as set out in the guidelines. The proposed budget is filed in the office of the County Clerk as public record.

A public hearing is held on the budget by the Commissioners’ Court. Department heads and any other interested citizens may appear. Before determining the final budget, the Commissioners’ Court may increase or decrease the amounts as proposed in the budget. Expenditure amounts finally budgeted may not exceed the estimated revenues and available cash. A tax rate is then set which will generate the estimated ad valorem tax revenues in the budget.

When the final budget has been adopted by the Commissioners’ Court, the County Auditor is responsible for monitoring the expenditures of the various departments to prevent expenditures from exceeding budgeted appropriations and for keeping the Commissioners’ Court advised of the condition of the various funds and accounts.

Each fund is budgeted on an annual basis, by the primary activities of salaries and benefits, supplies, other services and charges, and capital outlay. Budget to actual comparisons are provided in this report for the General Fund and all major special revenue funds.

### **Financial Administration**

The officials having responsibility for the financial administration of the County are the County Judge and four County Commissioners (the “Commissioners’ Court”), the Tax Assessor-Collector, the County Treasurer, and the County Auditor.

The Tax Assessor-Collector is elected for a four-year term and is responsible for collecting ad valorem taxes and collecting certain State and County fees and other taxes for the County. Duties of the County Treasurer, who is also elected for a four-year term, include depositing monies received by the County into the depository selected by the Commissioners’ Court, signing and registering all of the County’s checks (except certain agency funds), preparation of payroll, maintenance and

compilation of all personnel records, preparation of quarterly and monthly state, county, and federal reports and other financial functions.

The County Auditor is appointed for a two-year term by the State District Judge having jurisdiction within the County. The County Auditor is responsible for the accounting practices and audit control functions of county finances. His responsibilities include those for accounting, auditing, accounting systems design, assisting with financial planning and operations, financial reporting, insurance, budget preparation as instructed by the Commissioners' Court, preparation of claims for approval by Commissioners' Court and various other financial related activities. The County Auditor also serves as fiscal officer for the Community Supervision Corrections Department and the Juvenile Probation Department.

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

### **Local Economy**

Panola County continues to rank as one of the leading natural gas producers in East Texas. Continued lignite mining activities along with new natural gas wells contributed greatly to economic activities. Timber, poultry and cattle production also continue to contribute to the local economy. All of these activities have had a positive impact on employment and the County tax base. A great deal of credit should be given to the industrial, civic, and governmental leaders for these positive conditions.

Over the past few years, Panola County has faced the same problems as other smaller rural counties in Texas. Revenue sources have tended to be limited, while demand for services remained constant. Economic growth during the year changed somewhat due to a slight increase in natural gas prices.

The position of the County has continued to be sound over the past year. Some of the factors which enabled the County to maintain this constant level were:

1. All departments and agencies operated within budget appropriations.
2. Estimated revenue was achieved or exceeded.
3. Ad valorem taxes continued to be collected at a high percent.

Looking ahead, Panola County can expect to have some years of economic growth at the state and local level. Careful financial operation and planning will enable the County to remain financially sound. A spirit of cooperation will help to ensure that the future needs of the citizens of Panola County can be met.

### **Long-term Financial Planning**

The Commissioners' Court continues to be very active in budgeting financial resources to rehabilitate all County maintained infrastructure over a number of years in the most economical way. Various capital outlays for road and bridge equipment have been made and are planned to ensure that the department stays updated to meet future repair needs. In addition, the Commissioners' Court continued to fund the Other Post-Employment Benefits (OPEB) Trust Fund in compliance with Government Accounting Standards Board Statement 45 (GASB 45). Compliance with this accounting standard and funding in 2014 will minimize the cost to future taxpayers.

In 2012 Panola County began the renovation of the old Armory Building for use as the County library. This renovation was completed in 2013.

Various costs associated with fringe benefit expenses for active and retired employees had a significant effect on the financial statements in 2013. The County continues to participate in the health insurance program provided through the Texas Association of Counties. This insurance pool allows the County to limit increases in premiums at an amount less than the national average.

The County continues to maintain adequate financial resources in the Road Bond 1971 capital projects fund to meet the County's share of cost associated with new state highway construction. The County also maintains adequate financial resources in the Airport special revenue fund and in the Permanent Improvement capital projects fund for the County's match of grant programs for airport improvements and maintenance.

Also, Panola County continues the long-term lease of the county-owned hospital to East Texas Medical Center Regional Healthcare System. This financial agreement has provided very reasonable, low-cost indigent care program that provides needed health benefits for qualified citizens. The County maintains the Health Fund at an adequate balance to provide health care to indigent County residents.

Since the adoption of a Comprehensive Fund Balance Policy in 2011, the County has been successful in maintaining or exceeding the goals as defined in the policy. The Commissioners' Court's continuing fiscal restraints has resulted in the maintenance of stable fund balances to be available for future emergencies and revenue shortfalls. As a result of the trend of unfunded mandates by both Federal and State government, it is vitally important that the Commissioners' Court remain focused on maintaining the financial stability that now exists. This continued positive action will reduce the financial burden for future taxpayers.

#### **AWARDS AND ACKNOWLEDGEMENTS**

##### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to Panola County, Texas, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards of preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

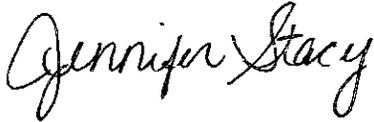
**Acknowledgements**

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of all County Departments. We would like to express our appreciation to all members of the County Departments that assisted and contributed to its preparation.

Respectfully submitted,



**Sidney Burns**  
County Auditor



**Jennifer Stacy**  
1<sup>st</sup> Assistant Auditor



**Donna Burchett**  
2<sup>nd</sup> Assistant Auditor



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Panola County  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

**PANOLA COUNTY, TEXAS  
DIRECTORY OF OFFICIALS  
DECEMBER 31, 2013**

**DISTRICT COURT: 123rd Judicial District**

**The Honorable Charles Dickerson, District Judge  
The Honorable Danny Buck Davidson, Criminal District Attorney  
Terri Hudson, Court Reporter  
Debra Johnson, District Clerk  
Bradley Wilburn, CSCD Director  
Tracy Anderson, Chief Juvenile Probation Officer**

**COMMISSIONERS COURT:**

**The Honorable David L. Anderson, County Judge  
The Honorable Ronnie LaGrone, Commissioner Precinct #1  
The Honorable John Gradberg, Commissioner Precinct #2  
The Honorable Frank Langley, Jr., Commissioner Precinct #3  
The Honorable Dale LaGrone, Commissioner Precinct #4  
Lee Ann Jones, Administrative Assistant**

**COUNTY COURT AT LAW:**

**The Honorable Terry Bailey, Judge  
Karen A. Clark, Court Reporter**

**COUNTY AUDITOR:**

**Sidney Burns**

**ASSISTANT COUNTY AUDITORS:**

**Jennifer Stacy  
Donna Burchett**

**COUNTY CLERK:**

**Clara Jones**

**COUNTY SHERIFF:**

**Kevin Lake**

**COUNTY SURVEYOR:**

**Don Austin**

**COUNTY TAX ASSESSOR-COLLECTOR:**

**Debbie Crawford**

**COUNTY TREASURER:**

**Gloria Portman**

**PANOLA COUNTY, TEXAS  
DIRECTORY OF OFFICIALS  
DECEMBER 31, 2013**

**COUNTY VETERAN SERVICE OFFICER:**

**Jim Young**

**JUSTICES OF THE PEACE:**

**Lora Taylor, Precincts #2 and #3**

**David Gray, Precincts #1 and #4**

**CONSTABLES:**

**Bryan Murff, Precincts #1 and #4**

**Mitch Norton, Precincts #2 and #3**

**ELECTIONS ADMINISTRATOR:**

**Cheyenne Lampley**



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## **FINANCIAL SECTION**

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**Richard P Loughlin**  
Certified Public Accountant

Telephone: 903.657.0240  
Fax: 903.655.1324

116 S Marshall  
P O Box 1716  
Henderson TX 75653

**INDEPENDENT AUDITOR'S REPORT**

Panola County Commissioners' Court  
Panola County, Texas

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

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

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Panola County, Texas, as of December 31, 2013, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 17-26; the Schedule of Funding Progress for the Retirement Plan for Employees of Panola County on page 56; the Schedule of Funding Progress – Other Post-Employment (OPEB) Plan on page 57; the Schedule of Employer Contributions –

MEMBER

Other Post-Employment (OPEB) Plan on page 58; and budgetary comparison information on pages 59-63, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

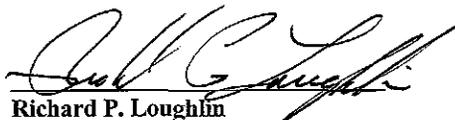
Our audit was conducted for the purpose of forming opinions on the financial statements that comprise Panola County, Texas', basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section and schedules listed in the accompanying table of contents under supplementary financial information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by the State of Texas Single Audit Circular, and is also not a required part of the basic financial statements of the County.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2014, on our consideration of Panola County, Texas, internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Richard P. Loughlin  
Certified Public Accountant

Henderson, Texas  
June 20, 2014

**PANOLA COUNTY, TEXAS**  
Management's Discussion and Analysis  
December 31, 2013

As management of Panola County, Texas (the County), we offer readers of the Panola County, Texas financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to look at the County's financial performance as a whole. Readers of this discussion and analysis should consider the information presented here in conjunction with additional information that we have furnished in our accompanying letter of transmittal, and in the basic financial statements and notes to the financial statements (which immediately follow this discussion).

**FINANCIAL HIGHLIGHTS**

- The assets of Panola County, Texas exceeded its liabilities at December 31, 2013 by \$63,382,280 (net position). Of this amount, \$39,042,172, (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$1,474,749.
- At December 31, 2013, the County's governmental funds reported combined ending fund balances of \$26,612,001, an increase of \$693,045 over the prior year. Of this amount, \$17,036 is nonspendable, \$11,505,906 is restricted, \$702,640 is committed, and \$14,386,419 is unassigned. Unassigned fund balance is available for spending at the County's discretion.
- At December 31, 2013, unassigned fund balance for the general fund was \$14,386,419, or 108.78% of total general fund expenditures.
- The County issued no new debt during the year ended December 31, 2013.

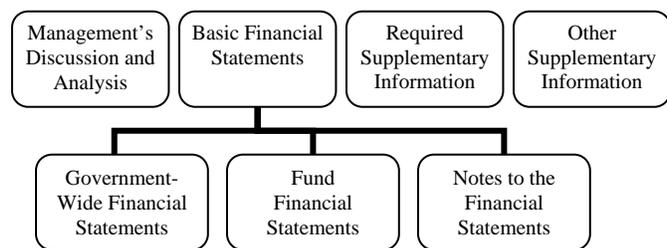
**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the Panola County, Texas', basic financial statements. The County's Comprehensive Annual Financial Report has been prepared in compliance with the financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments, as well as GASB Statement No. 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus, and GASB Statement No. 38, Certain Financial Statement Note Disclosures.

The financial section of the annual report presented herein includes four sections, consisting of the following:

- 1) Management's Discussion and Analysis
- 2) Basic Financial Statements
- 3) Required Supplementary Information
- 4) Other Supplementary Information

**Components of the Financial Section**



The basic financial statements are presented in two different formats. The government-wide statements are required under GASB Statement No. 34 reporting requirements. The government-wide statements report information about the County as a whole using the accrual basis of accounting and the economic resources measurement focus. The fund financial statements provide more detailed information about the County's most significant funds. Fund financial statements use the modified accrual basis of accounting and the current financial resources measurement focus.

**PANOLA COUNTY, TEXAS**  
Management's Discussion and Analysis  
December 31, 2013

**Government-Wide Financial Statements**

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

The statement of net position presents information on all of the County's assets, liabilities, and deferred inflows/outflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Panola County is improving or deteriorating, respectively.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. Because the statement of activities separates program revenue (revenue generated by specific programs through charges for services, fees, licenses, grants received, and other contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program relies on general revenues for funding.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Panola County has no separately identified discretely-presented component units included in the government-wide financial statements.

The government-wide financial statements can be found on pages 29 - 30 of this report.

**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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

**Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial 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 39 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 Road and Bridge special revenue fund, which are considered to be major funds. Data from the other 37 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 this report.

**PANOLA COUNTY, TEXAS**  
Management's Discussion and Analysis  
December 31, 2013

The County adopts an annual appropriated budget for 39 of its governmental funds. The Required Supplementary Information contains budget comparisons for the General Fund and the Road and Bridge special revenue fund. A budgetary comparison statement has been provided to demonstrate compliance with the budget, as both originally adopted and as finally amended.

The basic governmental fund financial statements can be found on pages 31 - 34 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 statement 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. The County's fiduciary funds consist of agency funds and the Retiree Health Benefits Trust Fund (RHBT). Agency funds are used as clearing accounts for assets held by the County in its role as custodian until the funds are allocated to the parties, organizations, or other government agencies to which they belong. The RHBT Fund was created in November 2007 for the purpose of funding for the County's obligation under GASB 45 regarding other post-employment benefits (OPEB) for eligible retired employees. Contributions by the County during 2013 totaled \$1,301,049. The RHBT will be used to provide for the future payment of health care insurance premiums for eligible retired employees.

The basic fiduciary fund financial statement can be found on pages 35 - 36 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 37 – 51 of this report.

#### **Other Information**

In addition to the Basic Financial Statements and accompanying Notes, this report also presents Combining and Individual Fund Financial Statements and Schedules. These statements and schedules provide greater detail in connection with Governmental Funds, Fiduciary Funds, and Capital Assets Used in the Operation of Governmental Funds. The Combining and Individual Fund Financial Statements and Schedules may be found on pages 87-166 of this report.

#### **Single Audit**

The County expended in excess of \$500,000 in state financial assistance during the year ended December 31, 2013. As a result, a single audit in accordance with the State of Texas *Single Audit Circular* was required. The Overall Compliance and Internal Controls section of this report begins on page 205.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Net position of the County as of December 31, 2013 and December 31, 2012 are summarized and analyzed on the following page.

Assets exceeded liabilities and deferred inflows of resources by \$63,382,280 as of December 31, 2013, and by \$61,907,531 as of December 31, 2012, an increase of \$1,474,749. As of December 31, 2013, the County's total assets were \$84,937,943. Capital assets, which include land, construction in progress, buildings and improvements, machinery, equipment, furniture, and infrastructure less any related debt used to acquire those assets that is still outstanding, represent 38.4% of total net position.

An amount of \$39,042,172 of the County's net position is unrestricted net position. This amount may be used to meet the County's ongoing obligations.

**PANOLA COUNTY, TEXAS**  
**Management's Discussion and Analysis**  
**December 31, 2013**

**Panola County, Texas**  
**Net Position of Governmental Activities**  
**(Table 1)**

	<u>2013</u>	<u>2012</u>
<b>Current and Other Assets</b>		
Capital Assets	\$ 60,597,835	\$ 57,515,471
Total Assets	<u>24,340,108</u>	<u>24,022,953</u>
	<u>84,937,943</u>	<u>81,538,424</u>
<b>Long-Term Liabilities Outstanding</b>	193,201	176,348
<b>Other Liabilities</b>	511,339	641,412
Total Liabilities	<u>704,540</u>	<u>817,760</u>
<b>Total Deferred Inflows of Resources</b>	<u>20,851,123</u>	<u>18,813,133</u>
<b>Net Position:</b>		
Net Investment in Capital Assets	24,340,108	24,022,953
Unrestricted	39,042,172	37,884,578
Total Net Position	<u>\$ 63,382,280</u>	<u>\$ 61,907,531</u>

Governmental activities increased the County's net position by \$1,474,749 in 2013. Total revenues for Panola County were \$24,230,018 and \$23,405,849 in 2013 and 2012, respectively. Total expenses were \$22,755,269 and \$20,814,424 in 2013 and 2012, respectively. Key elements of these changes are summarized below:

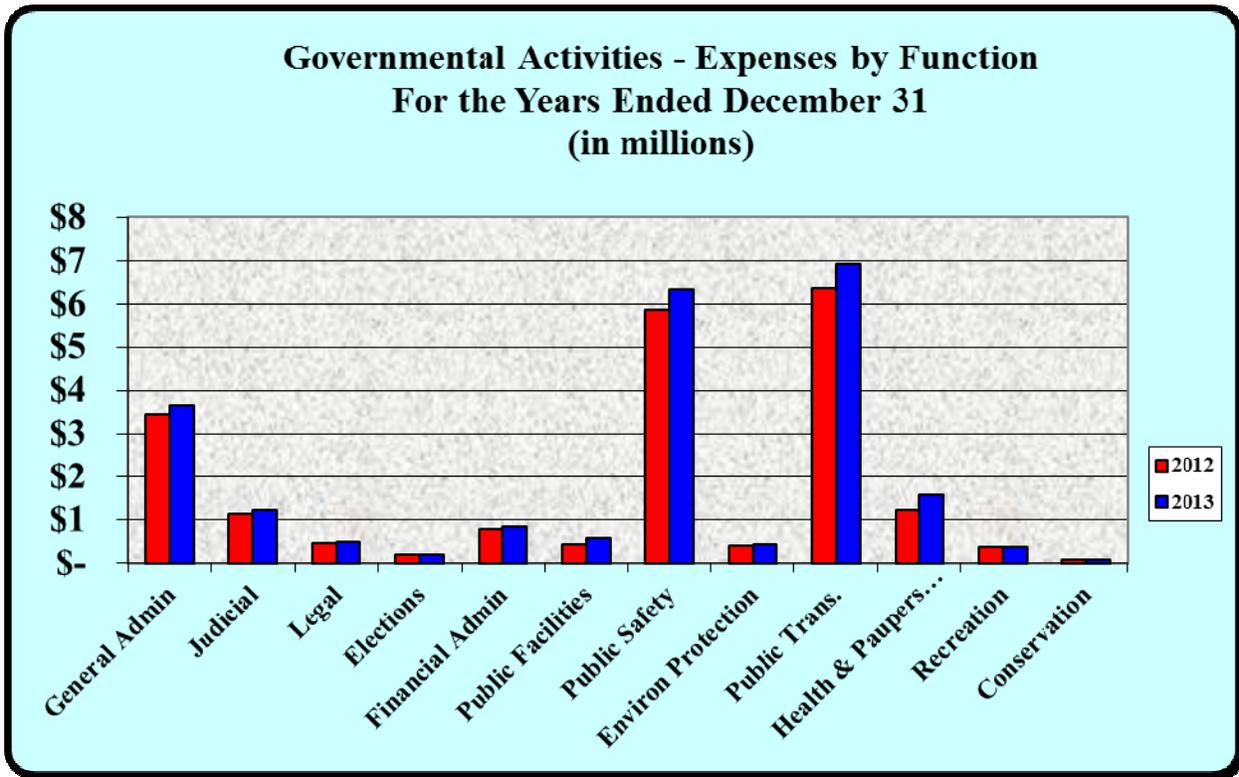
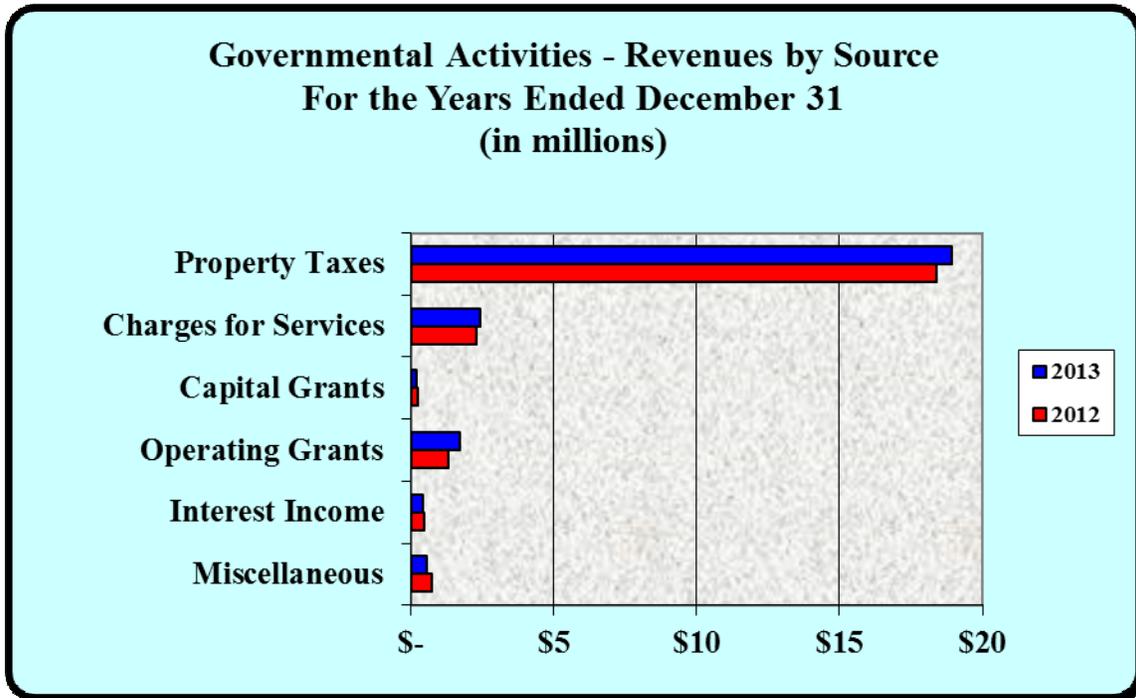
- Program revenues include charges for services, fines and forfeitures, as well as both operating and capital grants and contributions. Program revenues from governmental activities remained relatively constant, increasing \$824,169, or 3.5%. Charges for services increased by 5.2% from 2012. Operating grants and contributions increased by \$412,707. The principal reason for the increase was the receipt of a larger payment from the County owned hospital in the current year. Capital grants and contributions were virtually unchanged.
- General revenues consist of taxes and interest not allocable to specific programs, as well as miscellaneous transactions that are not attributable to a specific program. The largest of these revenues, taxes, increased slightly by \$533,966, or 2.9%. Other revenues decreased by \$222,614 principally due to decreased revenue from the sale of capital assets, which was significant in the prior year.
- Public safety, public transportation, and general administration are the three largest programs, in terms of expenses. These three activities accounted for 74.3% of total expenses.
- Public safety and public transportation activity expenses slightly increased from 2012, each increasing approximately 8%
- Health and paupers care activities for 2013 increased by \$334,858 as a result of the County's participation in the Texas Health and Human Services Commission's Rural Public Hospital Supplement Payments Program.

**PANOLA COUNTY, TEXAS**  
**Management's Discussion and Analysis**  
**December 31, 2013**

**Panola County, Texas**  
**Changes in Net Position of Governmental Activities**  
**(Table 2)**

	<u>2013</u>	<u>2012</u>
<b>Revenues:</b>		
<b>Program Revenues:</b>		
Charges for Services	\$ 2,426,678	\$ 2,305,349
Operating Grants and Contributions	1,719,294	1,306,587
Capital Grants and Contributions	197,663	218,882
<b>General Revenues:</b>		
Property Taxes	18,908,177	18,374,211
Other	978,206	1,200,820
<b>Total Revenues</b>	<u>24,230,018</u>	<u>23,405,849</u>
<b>Expenses:</b>		
General administration	\$ 3,654,495	\$ 3,447,218
Judicial	1,226,565	1,136,940
Legal	507,415	467,497
Elections	189,931	186,869
Financial administration	852,036	794,223
Public facilities	582,996	435,721
Public safety	6,351,980	5,889,883
Environmental protection	426,905	392,801
Public transportation	6,918,240	6,378,730
Health & paupers care	1,568,289	1,233,431
Recreation	381,777	363,850
Conservation	94,640	87,261
	<u>22,755,269</u>	<u>20,814,424</u>
<b>Increase in Net Position</b>	1,474,749	2,591,425
<b>Net Position - Beginning</b>	61,907,531	59,316,106
<b>Net Position - Ending</b>	<u>\$ 63,382,280</u>	<u>\$ 61,907,531</u>

**PANOLA COUNTY, TEXAS**  
 Management's Discussion and Analysis  
 December 31, 2013



**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

As noted earlier, Panola County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Following is an analysis of the County's governmental funds.

**PANOLA COUNTY, TEXAS**  
Management's Discussion and Analysis  
December 31, 2013

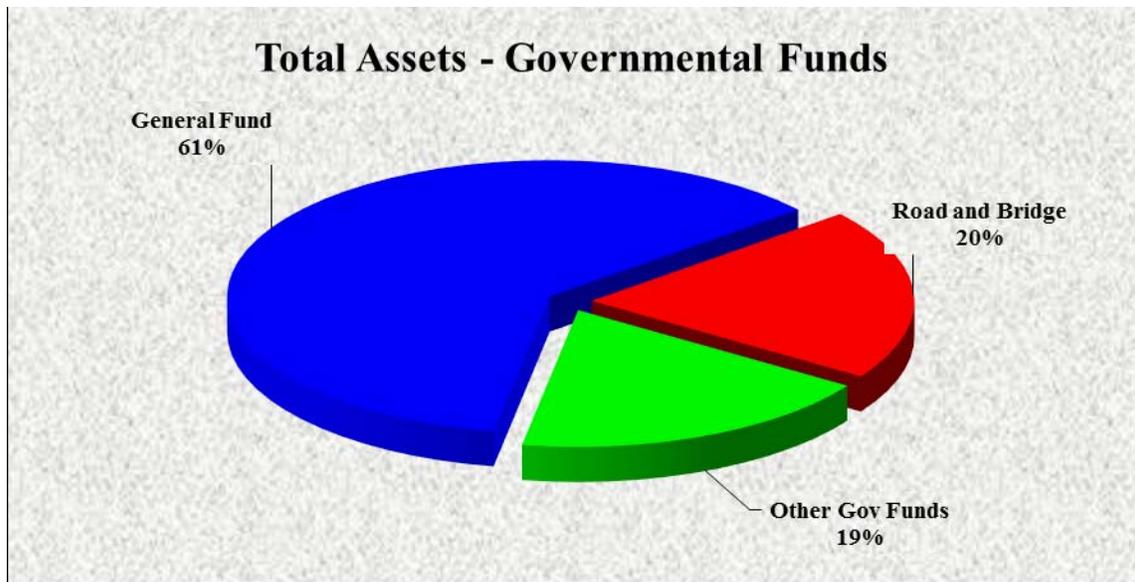
**Governmental Funds**

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

As of December 31, 2013, the County's governmental funds reported combined ending fund balances of \$26,612,001, an increase of \$693,045 over the prior year. Approximately 54.05% of this amount, \$14,386,419 constitutes unassigned fund balance, which is available for spending at the County's discretion.

The General Fund is the chief operating fund of the County. At December 31, 2013, 100% of the General Fund's total fund balance, or \$14,386,419, is unassigned. Total fund balance for the General Fund increased by \$1,471,524, or 11.3% from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance, which equals total fund balance, represents 108.78% of total General Fund expenditures. Key factors in the change in fund balance in the General Fund are as follows: revenues increased over the prior year and exceeded the estimated amounts and the County continued to spend well within its budget. The change in fund balance in the Road and Bridge Fund increased by \$466,576 principally due to sales of Road and Bridge heavy equipment at auction.

As shown below, as of December 31, 2013, total assets in the General Fund amounted to \$29,711,669, accounting for 61.2% of total governmental fund assets. The Road and Bridge special revenue fund, the County's other major fund's total asset amount is \$9,862,348. Together, these major funds account for 81%, of total governmental fund assets.



**PANOLA COUNTY, TEXAS**  
Management's Discussion and Analysis  
December 31, 2013

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original budget and the final amended budget amounted to a net increase in appropriations of \$589,514. Significant among the amendments were:

- **General Administration** – Budgetary transfers from the \$400,000 contingency line item to various other line items limited the increase in overall appropriations and an increase in the optional retirement line item of \$436,000.
- **Building Maintenance** – Increased appropriations of \$194,546 as a result of increases in professional services and repairs and renovations.
- **Environmental Protection** – Increased appropriations of \$45,000 as a result of an increase in trash disposal fees.
- **Sheriff** – Increased appropriations for additional capital outlay of \$78,888.

General Fund revenues exceeded the final budget by \$518,301. The majority of this increase was attributable to property taxes exceeding the final budget by \$177,612. Also, interest and miscellaneous revenues exceeded anticipated amounts by \$168,878. Fees of office exceeded the final budget by \$108,757, principally due to additional fees collected by the County Clerk and the Tax Assessor-Collector.

General Fund expenditures were \$878,803 less than final budgeted expenditures. Major contributors to lower than budgeted expenditures are as follows:

- Expenditures for public safety activities were \$348,537 less than final budgeted expenditures due to less than expected expenditures in the Sheriff's Office and Corrections.
- Expenditures for legal activities decreased \$56,600 as a result of less expenditures needed for prosecution and defending the County against litigation.
- Expenditures for general administration activities were \$235,133 less than final budgeted expenditures due to the timing of the County's computer upgrade completed in a prior.
- Expenditures for health and paupers care activities were \$44,077 less than final budgeted expenditures, due to less than expected attorney's fees and indigent care costs.
- Expenditures for public facility expenditures were \$46,980 less than final budgeted expenditures due to less than expected expenditures for building maintenance.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The County's investment in capital assets for its governmental activities as of December 31, 2013, amounts to \$24,340,108 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, furniture, and infrastructure. The net increase in the County's investment in capital assets, after depreciation expense of \$1,852,382, for the current year was \$317,155.

This year's additions included construction for the County's library totaling \$1,148,487 and machinery and equipment totaling \$1,054,272, which included additional rolling stock for the Sheriff's Department and heavy equipment purchases for the Road and Bridge Department.

Capital assets as of December 31, 2013 and 2012 are summarized on the following page.

Additional information on the County's capital assets can be found in Note 3, D on pages 44-45 of this report.

**PANOLA COUNTY, TEXAS**  
**Management's Discussion and Analysis**  
**December 31, 2013**

**Capital Assets**  
**As of December 31**

	<b>2013</b>	<b>2012</b>
Land	\$ 1,289,889	\$ 1,289,889
Buildings	20,932,815	19,062,848
Improvements other than buildings	259,303	259,303
Machinery and equipment	10,488,960	10,074,642
Infrastructure	10,371,442	10,371,442
Construction in Progress	-	721,480
Total Capital Assets	43,342,409	41,779,604
Less: Accumulated Depreciation	(19,002,301)	(17,756,651)
Total Capital Assets	\$ 24,340,108	\$ 24,022,953

**Long-Term Debt**

As of December 31, 2013, the County has no outstanding bonded debt. The only debt outstanding is in the form of accrued compensated absences.

Additional information on the County's long-term debt can be found in Note 3, I on page 50 of this report.

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

The following factors were considered in preparing the County's budget for 2014.

- The percentage decrease in total property assessed value for FY 2013 was 3.71% (FY 2012 decrease was 4.19%).
- Property tax receipts for FY 2013 were \$18.9 million, an increase of 3.39% from receipts of \$18.7 million for FY 2012.
- The County has consistently maintained an ad valorem tax collection rate over 97% for the last few years.
- The percentage increase in medical insurance premiums for employees was 1.1% for FY 2013 (FY 2012 increase was 0.6%).
- Fluctuating energy costs have affected the price of fuel and road surfacing materials.
- Property and liability insurance costs increased 1.47% for FY 2013 compared to an increase of 13.8% for FY 2012.

**PANOLA COUNTY, TEXAS**  
Management's Discussion and Analysis  
December 31, 2013

Original budgeted revenues for FY 2014 are \$21.9 million, an increase of 2.8% over original budgeted revenues of \$21.3 million for FY 2013. Property taxes account for the bulk of the revenues, as approximately 91.7% of the total budgeted revenues for the General Fund are related to property taxes.

The tax rate for the new fiscal year was set at \$0.4994/\$100. The continued natural gas production value allows the County to maintain a relatively low tax rate for the maintenance and operations budget.

Several other factors are expected to have an impact on the budgetary process in the next few years:

- Increased taxable value due to the higher price of natural gas will have an impact on the budget for the next year.
- Continued pressure from rising health insurance costs, demand for services, increased fuel costs and road maintenance costs will cause the County to adjust the tax rate in years to come. The natural gas production should minimize these increases.
- In spite of the demand for County services, the County enjoys a healthy tax base relying primarily on the natural gas field for a substantial amount of tax revenues. The County conservatively manages its resources and is in a sound financial position to meet the needs of citizens for years to come.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Panola County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Panola County Auditor's Office, Courthouse Annex Room 213A, Carthage, Texas 75633.

## **BASIC FINANCIAL STATEMENTS**

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**PANOLA COUNTY, TEXAS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2013**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and Cash Equivalents	\$ 4,659,300
Investments	37,600,000
Receivables (net of allowance for uncollectible taxes):	
Property Taxes	3,911,257
Due from Other Governments	1,994,445
Miscellaneous	339,404
Inventory	17,036
Capital Assets (not being depreciated):	
Land	1,289,889
Capital Assets (net of accumulated depreciation):	
Buildings	16,246,347
Improvements other than buildings	206,406
Machinery and equipment	4,686,162
Infrastructure	1,911,304
Negative net OPEB obligation asset	12,068,793
Other Assets	7,600
<b>Total Assets</b>	<b><u><u>84,937,943</u></u></b>
 <b>LIABILITIES:</b>	
Accounts Payable-Trade	511,339
Noncurrent liabilities:	
Due Within One Year	21,252
Due In More Than One Year	171,949
<b>Total Liabilities</b>	<b><u><u>704,540</u></u></b>
 <b>DEFERRED INFLOWS OF RESOURCES:</b>	
Unearned Revenues	20,851,123
<b>Total Deferred Inflows of Resources</b>	<b><u><u>20,851,123</u></u></b>
 <b>NET POSITION:</b>	
Net Investment in Capital Assets	24,340,108
Unrestricted	39,042,172
<b>Total Net Position</b>	<b><u><u>\$ 63,382,280</u></u></b>

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

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Primary Government:</b>					
<b>Government Activities:</b>					
General administration	\$ 3,654,495	\$ 355,323	\$ -	\$ -	\$ (3,299,172)
Judicial	1,226,565	453,591	77,250	-	(695,724)
Legal	507,415	32,428	33,020	23,342	(418,625)
Elections	189,931	1,150	5,829	-	(182,952)
Financial administration	852,036	822,522	-	-	(29,514)
Public facilities	582,996	-	-	144,321	(438,675)
Public safety	6,351,980	463,719	638,384	30,000	(5,219,877)
Environmental protection	426,905	-	-	-	(426,905)
Public transportation	6,918,240	139,815	30,441	-	(6,747,984)
Health & paupers care	1,568,289	1,006	934,370	-	(632,913)
Recreation	381,777	156,724	-	-	(225,053)
Conservation	94,640	400	-	-	(94,240)
<b>Total primary government</b>	<b>\$ 22,755,269</b>	<b>\$ 2,426,678</b>	<b>\$ 1,719,294</b>	<b>\$ 197,663</b>	<b>\$ (18,411,634)</b>

**General Revenues:**

Property Taxes	\$ 18,908,177
Interest Income	409,659
Gain/Loss on the Disposition of Capital Assets	(73,459)
Miscellaneous	642,006
<b>Total general revenues and transfers</b>	<b>19,886,383</b>

Change in net assets 1,474,749

Net position, Beginning of Year 61,907,531

Net position, End of Year \$ 63,382,280

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

**PANOLA COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2013**

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,889,025	\$ 789,427	\$ 1,980,848	\$ 4,659,300
Investments	23,491,322	7,431,683	6,676,995	37,600,000
Receivables (net of allowance for uncollectibles)				
Current Taxes	2,357,648	897,468	101,563	3,356,679
Delinquent Taxes	389,232	148,166	17,180	554,578
Due from Other Governments	1,404,101	530,093	60,251	1,994,445
Miscellaneous	172,741	65,511	101,152	339,404
Inventory	-	-	17,036	17,036
Other Assets	7,600	-	-	7,600
<b>Total Assets</b>	<u>29,711,669</u>	<u>9,862,348</u>	<u>8,955,025</u>	<u>48,529,042</u>
<b>LIABILITIES</b>				
Accounts Payable-Trade	265,947	10,241	235,151	511,339
<b>Total Liabilities</b>	<u>265,947</u>	<u>10,241</u>	<u>235,151</u>	<u>511,339</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unearned Revenue	12,312,423	4,652,776	529,246	17,494,445
Unearned Deferred Revenue	2,746,880	1,045,634	118,743	3,911,257
<b>Total Deferred Inflows of Resources</b>	<u>15,059,303</u>	<u>5,698,410</u>	<u>647,989</u>	<u>21,405,702</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	17,036	17,036
Restricted	-	4,153,697	7,352,209	11,505,906
Committed	-	-	702,640	702,640
Unassigned	14,386,419	-	-	14,386,419
<b>Total Fund Balances</b>	<u>14,386,419</u>	<u>4,153,697</u>	<u>8,071,885</u>	<u>26,612,001</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 29,711,669</u>	<u>\$ 9,862,348</u>	<u>\$ 8,955,025</u>	<u>\$ 48,529,042</u>

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

**PANOLA COUNTY, TEXAS  
RECONCILIATION OF THE BALANCE SHEET OF THE  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2013**

<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 26,612,001</b>
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>	
<b>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</b>	<b>24,340,108</b>
<b>Negative net OPEB obligation assets created by contributions made by the County to its OPEB plan to retire part of its unfunded obligations are not recognized in the funds.</b>	<b>12,068,793</b>
<b>Net Delinquent Property Taxes Receivable is a "long-term asset" and not available to pay for current period expenditures and therefore is deferred in the funds.</b>	<b>554,579</b>
<b>Long-term liabilities (Compensated Absences) are not due and payable in the current period and therefore are not reported in the funds.</b>	<b><u>(193,201)</u></b>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 63,382,280</u></u></b>

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

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

	General Fund	Road and Bridge	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 13,153,259	\$ 5,100,452	\$ 574,383	\$ 18,828,094
Licenses	-	401,952	-	401,952
Intergovernmental Receipts	390,135	77,172	821,956	1,289,263
Fees of Office	738,781	-	609,185	1,347,966
Fines	-	300,696	-	300,696
Miscellaneous	532,877	388,334	1,135,293	2,056,504
<b>TOTAL REVENUES</b>	<b>14,815,052</b>	<b>6,268,606</b>	<b>3,140,817</b>	<b>24,224,475</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Administration	3,917,222	-	74,868	3,992,090
Judicial	1,183,353	-	-	1,183,353
Legal	366,936	-	140,479	507,415
Elections	141,204	-	-	141,204
Financial Administration	852,036	-	-	852,036
Public Facilities	437,685	-	144,321	582,006
Public Safety	4,622,072	-	1,244,115	5,866,187
Environmental Protection	420,631	-	-	420,631
Public Transportation	-	3,831,413	551,378	4,382,791
Health and Paupers Care	447,823	-	1,052,830	1,500,653
Recreation	359,961	-	-	359,961
Conservation	94,640	-	-	94,640
Capital Outlay	381,596	1,970,617	1,296,250	3,648,463
<b>TOTAL EXPENDITURES</b>	<b>13,225,159</b>	<b>5,802,030</b>	<b>4,504,241</b>	<b>23,531,430</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,589,893	466,576	(1,363,424)	693,045
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	68,194	-	186,563	254,757
Transfers Out	(186,563)	-	(68,194)	(254,757)
<b>Total Other Financing Sources (Uses)</b>	<b>(118,369)</b>	<b>-</b>	<b>118,369</b>	<b>-</b>
Net Change in Fund Balances	1,471,524	466,576	(1,245,055)	693,045
<b>FUND BALANCE-BEGINNING</b>	<b>12,914,895</b>	<b>3,687,121</b>	<b>9,316,940</b>	<b>25,918,956</b>
<b>FUND BALANCE-ENDING</b>	<b>\$ 14,386,419</b>	<b>\$ 4,153,697</b>	<b>\$ 8,071,885</b>	<b>\$ 26,612,001</b>

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

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

Net Change in Fund Balances - Governmental Funds	\$ 693,045
 Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. (See Note 2)	317,156
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (Increase in Net OPEB position)	401,319
Delinquent property tax collections provide current financial resources to the funds but has no effect on net position.	(499,159)
Delinquent property taxes receivable, which do not provide current financial resources, are not reported as revenue in the funds.	579,241
The increase in accrued compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	<u>(16,853)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 1,474,749</u></u></b>

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

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

	<b>Panola County Retiree Health Benefits Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 661,925	\$ 10,295,408
Investments (Certificates of Deposit)	16,100,000	247,085
Interest receivable	94,255	-
<b>Total Assets</b>	<b>16,856,180</b>	<b>10,542,493</b>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable-Trade	3,234	-
Due to Other Governments	-	8,771,257
Court Ordered Deposits	-	366,338
Court Ordered Trust Funds	-	1,401,517
Other Payables	-	3,381
<b>Total Liabilities</b>	<b>3,234</b>	<b>\$ 10,542,493</b>
<b>NET POSITION</b>		
Held in trust for OPEB benefits	16,852,946	
<b>Total Net Position</b>	<b>\$ 16,852,946</b>	

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

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

	<u>Panola County Retiree Health Benefits Trust Fund</u>
<b>ADDITIONS</b>	
<b>Contributions:</b>	
Reimbursement from Medicare	\$ 54,484
Employer Contributions	<u>1,301,049</u>
<b>Total Employer Contributions</b>	<u>1,355,533</u>
<b>Total Contributions</b>	<u>1,355,533</u>
<b>Investment Income:</b>	
Interest earnings	<u>193,416</u>
<b>Total Investment Income</b>	<u>193,416</u>
<b>TOTAL ADDITIONS</b>	<u>1,548,949</u>
<b>DEDUCTIONS</b>	
Benefit Payments	<u>703,146</u>
<b>TOTAL DEDUCTIONS</b>	<u>703,146</u>
<b>CHANGE IN NET POSITION</b>	845,803
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>16,007,143</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 16,852,946</u></u>

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

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

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

The financial statements of Panola County, Texas have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**A. Reporting Entity**

Panola County, Texas (the County) was organized in 1846. The County operates under a County Judge – Commissioners' Court type of government and provides the following services: public safety, public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administration. The accompanying basic financial statements present the County's primary government and component units over which the County exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the County. There are no component units included within the reporting entity.

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

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report consolidated information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in the process of the government-wide consolidation. Governmental activities are primarily supported by taxes, intergovernmental, and fees of office revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The General Fund and Road and Bridge special revenue fund meet the criteria and are reported as major governmental funds. Non-major funds include other special revenue, capital projects, and the debt service funds. The combined amounts for these funds are reflected in a single column in the fund financial statements. Detailed statements for non-major funds are presented within the combining and individual fund statements and schedules.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. However, the Agency funds are custodial in nature and thus have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payments are due.

Property taxes, licenses, intergovernmental revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

**General Fund** – The General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

**Road and Bridge Special Revenue Fund** – The Road and Bridge special revenue fund is used to account for monies designated for use in road and bridge work of the County. Primary sources of revenues include ad valorem taxes, automobile registration fees, County and District fees, and State allotments of road funds. Revenues are used for public transportation maintenance and construction purposes.

Additionally, the government reports the following fund types:

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**Capital projects funds** – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Retiree Health Benefit Trust Fund** – The Panola County, Texas Retiree Health Benefit Trust fund is used to account for the single employer defined benefit healthcare plan administered by the County which provides medical insurance benefits to eligible retirees and their beneficiaries.

**Agency funds** – Agency funds are used to account for situations in which the County acts in a custodial capacity for individuals, firms, and State and local governments. Funds on hand in the County's agency funds may be funds held for legal reason, tax collections for other governmental entities, or fees collected on behalf of the State or other governmental entities. As a result, all assets reported in an agency fund are offset by a liability to the party on whose behalf the assets are held.

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

#### **D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

##### **1. Deposits and Investments**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit with an original maturity of less than 90 days.

**PANOLA COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

Panola County is legally authorized to invest in certificates of deposit, obligations of the United States or its agencies, direct obligations of the State of Texas or its agencies, and other obligations, the principal and interest of which are guaranteed by the State of Texas or the United States. The County may also invest in the obligations of states and the political subdivisions of any state having received a rating of not less than "A" by a nationally recognized investment rating firm, fully collateralized direct repurchase agreements secured by obligations of the United States or its agencies, and highly rated domestic "commercial paper" with a maturity of 90 days or less (as authorized by Public Funds Investment Act of 1987). The County reporting entity considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments for the County are reported at fair value. All investment income is recognized as revenue in the appropriate fund's statement of activity and/or statement of revenues, expenditures and changes in fund balance.

## **2. Receivables and Payables**

Property Taxes Receivable are shown net of an allowance for uncollectible taxes. The allowance is equal to seven (7) percent of current property taxes receivable plus twenty (20) percent of delinquent taxes receivable at December 31, 2013.

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

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

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "transfers to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Inter-fund activity reflected in "due to/from other funds" is eliminated on the government-wide financial statements.

## **3. Inventories**

Inventories of supplies on hand have not been recorded; such supplies are of an expendable nature and are expensed when purchased. As these amounts do not seem to fluctuate a great deal from year to year, the exclusion of inventories does not materially affect either the financial position or results of operations of these funds.

The inventory amount of \$17,036 in the Airport Special Revenue Fund consists of jet fuel held for consumption stated at cost on a first-in, first-out basis. Reported inventories are offset by nonspendable fund balance, which indicates that they are "not in spendable form" even though they are a component of net current assets.

## **4. Capital Assets**

Capital assets, which include land, buildings and improvements, machinery and equipment, and infrastructure are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of greater than 1 year. Infrastructure assets include County-owned roads and bridges. Capital

**PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Buildings and improvements	50
Computers and peripheral equipment	5
Machinery and equipment	10 to 50
Vehicles	5 to 10
Facilities and improvements	40
Furniture	10
Infrastructure – Roads	20
Infrastructure – Bridges	25 to 35

**5. Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item that qualifies for reporting in this category. Unearned Revenue is reported both in the government-wide Statement of Net Position and the governmental fund Balance Sheet. Any current taxes levied and collected between October 1 and December 31 are not available for use until January 1, the beginning of the next fiscal year. Therefore, all collections of current taxes during this period and all current taxes receivable as of December 31 are recorded as Unearned Revenue, respectively. These liabilities are reflected both in the Government-wide financial statements and the Fund Financial Statements, since the tax revenue has not been earned as of December 31, 2013.

**6. Net Position Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**7. Long-Term Obligations**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts,

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

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

As of December 31, 2013, long-term debt outstanding consists of compensatory time payable.

#### 8. Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

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

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

**Committed Fund Balance** - represents amounts that can only be used for a specific purpose because of a majority vote (adoption of an order) by the Commissioners' Court. Committed amounts cannot be used for any other purpose unless the Commissioners' Court removes those constraints by a majority vote. The Commissioners' Court is the highest level of decision-making authority for the County that can, by adoption of an order prior to the end of the fiscal year, commit fund balance.

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

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

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

#### E. Revenues and Expenditures/Expenses

##### 1. Program Revenues

Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**2. Property Taxes**

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

**3. Compensated Absences**

It is the County's policy to permit employees to accumulate earned but unused vacation benefits. Vacation benefits are accrued by County employees in accordance with guidelines suggested in the County's personnel policy. Since various departments are supervised by elected and appointed officials, departmental policies established within the guidelines vary by department.

Employees may accumulate a maximum of fifteen days of vacation leave and are not paid for any unused leave upon termination of employment. Consequently, no provision is made for accrued vacation in the financial statements.

Sick pay policies are uniform throughout the departments. Unused sick leave is non-vesting and terminates upon cessation of employment. Accordingly, no provision is made for accrued sick leave at year end.

Compensatory time is accrued by employees in lieu of paid overtime. Any compensatory time is accumulated and carried forward from year to year. Employees are paid for any accrued compensatory time upon termination. Consequently, a liability has been recorded in the government wide financial statements.

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of this \$317,156 difference are as follows:

Capital Outlay	\$ 2,242,997
Depreciation Expense	(1,852,382)
Capital Asset Retirements	<u>(73,459)</u>
Net Adjustment to Decrease Net Changes in Fund Balance-	
Total Governmental Funds to Arrive at Changes in Net Assets-	
Governmental Activities	<u><u>\$ 317,156</u></u>

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. Authorized Investments

Panola County is authorized to invest in obligations and instruments as defined in the Public Funds Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute. The investments of the County are in compliance with these investment policies.

B. Deposits and Investments

During the 2013 fiscal year, all deposits and investments were comprised of bank demand deposits and bank time deposits. The County's demand deposits and time deposits are fully covered by federal depository insurance and collateral held by the County's agent, First State Bank & Trust Co., in the name of the County.

Policies Governing Deposits and Investments

In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy. Specific policies applicable to deposits and investments of the County and the risks of such are described below.

*Interest rate risk.* This is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a specific policy regarding interest rate risk, as it does not contemplate the investment of funds in such instruments. During the year, the County was not exposed to interest rate risk.

*Credit risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At December 31, 2013, and throughout the year, the County's only investments were certificates of deposit and was not exposed to credit risk.

*Concentration of credit risk.* This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As discussed above, the County's only investments were certificates of deposit and consequently was not exposed to concentration of credit risk.

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

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

The County was not exposed to custodial credit risk.

*Foreign currency risk.* This is the risk that exchange rates will adversely affect the fair value of an investment. The County does not engage in foreign currency transactions. The County was not exposed to foreign currency risk.

PANOLA COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

C. Receivables

Receivables at December 31, 2013 for the County's individual major funds and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectibles, are as follows:

	General <u>Fund</u>	Road & Bridge <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	<u>Total</u>
Current Property Taxes	\$ 2,535,105	\$ 965,019	\$ 109,208	\$ 3,609,332
Delinquent Property Taxes	486,541	185,208	21,474	693,223
Due from Other Governments	1,404,101	530,093	60,251	1,994,445
Miscellaneous	172,741	65,511	101,152	339,404
	<hr/>	<hr/>	<hr/>	<hr/>
Total Gross Receivables	\$ 4,598,488	\$ 1,745,831	\$ 292,085	\$ 6,636,404
Less: Allowance for Uncollectible Tax	(274,766)	(104,593)	(11,939)	(391,298)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Total Receivables	<u>\$ 4,323,722</u>	<u>\$ 1,641,238</u>	<u>\$ 280,146</u>	<u>\$ 6,245,106</u>

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

	General <u>Fund</u>	Road & Bridge <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	<u>Total</u>
Net Current Property Taxes Receivable	\$ 2,357,648	\$ 897,468	\$ 101,563	\$ 3,356,679
Advanced Tax Collections	12,312,422	4,652,776	529,246	17,494,444
	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Revenue	<u>\$ 14,670,070</u>	<u>\$ 5,550,244</u>	<u>\$ 630,809</u>	<u>\$ 20,851,123</u>

D. Capital Assets

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

**PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

	Balance January 1, <u>2013</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2013</u>
<b>Capital Assets Not Being Depreciated:</b>				
Land	\$ 1,289,889	\$ -	\$ -	\$ 1,289,889
Construction in Progress	721,480	-	721,480	-
<b>Total Capital Assets Not Being Depreciated</b>	<u>\$ 2,011,369</u>	<u>\$ -</u>	<u>\$ 721,480</u>	<u>\$ 1,289,889</u>
<b>Capital Assets Being Depreciated:</b>				
Buildings	\$ 19,062,848	\$ 1,869,967	\$ -	\$ 20,932,815
Improvements other than Buildings	259,303	-	-	259,303
Machinery & Equipment	10,074,642	1,094,509	680,192	10,488,959
Infrastructure	10,371,442	-	-	10,371,442
<b>Total Capital Assets Being Depreciated</b>	<u>\$ 39,768,235</u>	<u>\$ 2,964,476</u>	<u>\$ 680,192</u>	<u>\$ 42,052,519</u>
<b>Less Accumulated Depreciation for:</b>				
Buildings	\$ 4,294,614	\$ 391,854	\$ -	\$ 4,686,468
Improvements other than Buildings	48,665	4,232	-	52,897
Machinery & Equipment	5,357,225	1,052,305	606,732	5,802,798
Infrastructure	8,056,147	403,991	-	8,460,138
<b>Total Accumulated Depreciation</b>	<u>\$ 17,756,651</u>	<u>\$ 1,852,382</u>	<u>\$ 606,732</u>	<u>\$ 19,002,301</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>\$ 22,011,584</u>	<u>\$ 1,112,094</u>	<u>\$ 73,460</u>	<u>\$ 23,050,218</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 24,022,953</u>	<u>\$ 1,112,094</u>	<u>\$ 794,940</u>	<u>\$ 24,340,107</u>

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

General Administration	\$ 46,871
Judicial	43,212
Elections	48,727
Public Facilities	2,070
Public Safety	485,793
Environmental Protection	6,274
Public Transportation	1,129,983
Health & Paupers Care	67,636
Recreation	21,816
<b>Total Depreciation Expense</b>	<u>\$ 1,852,382</u>

**E. Pension Plan**

**Plan Description**

Panola 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 TCERS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 641 nontraditional defined benefit pension plans. TCERS in the aggregate issues a

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034. The CAFR is also available at [www.tcdrs.org](http://www.tcdrs.org).

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by 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 County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. It was 23.50% for calendar year 2013. The contribution rate payable by the employee members is the rate of 7.00% as adopted by the Commissioners' Court of the County. 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.

**Annual Pension Cost**

For the employer's accounting year ending December 31, 2013, the annual pension cost for the TCDRS plan for its employees was \$1,608,594 and the actual contributions were \$1,608,594.

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

**Funded Status and Funding Progress**

As of December 31, 2012, the most recent actuarial valuation date, the funded status of the plan was as follows:

Actuarial Accrued Liability (AAL)	\$	29,705,216
Actuarial Value of Plan Assets	\$	25,958,705
Unfunded Actuarial Accrued Liability (UAAL)	\$	3,746,511
Funded Ratio		87.39%
Covered Payroll	\$	6,578,957
UAAL as a Percentage of Covered Payroll		56.95%

PANOLA COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

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

Actuarial Valuation Date	<u>Acuarial Valuation Information</u>		
	12/31/10	12/31/11	12/31/12
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Amortization Period in Years	4.7	4.1	3.5
Asset Valuation Method	SAF: 10-yr Smoothed Value ESF: Fund value	SAF: 10-yr Smoothed Value ESF: Fund value	SAF: 10-yr Smoothed Value ESF: Fund value
<b>Assumptions:</b>			
Investment Return (**)	8%	8%	8%
Projected Salary Increases (**)	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-Living Adjustments	0%	0%	0%

(\*\*) Includes inflation at the stated rate

<u>Trend Information for the Retirement Plan for the Employees of Panola County</u>			
Accounting Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/11	\$ 1,502,630	100%	\$ -
12/31/12	\$ 1,546,054	100%	\$ -
12/31/13	\$ 1,608,594	100%	\$ -

**F. Other Post-Employment Benefits Plan**

Plan Description

By order 2007-23, dated November 26, 2007, enacted by the Commissioners' Court of Panola County, the County has established the Panola County, Texas Retiree Health Benefit Trust (RHBT) providing for the payment of the health care insurance premiums for eligible retired employees. The plan is a continuation of a policy in effect for approximately twenty five years whereby the County provided certain group medical insurance continuation benefits to retirees of the County on a "pay-as-you-go" basis.

The County established the RHBT in order to restructure the manner in which it funds post-employment benefits so as to more accurately reflect the accounting of such benefits in accordance with Governmental Accounting Standards Board Statement No. 45 (GASB45).

The RHBT is a single employer defined benefit healthcare plan administered by the County which provides medical insurance benefits to eligible retirees and their beneficiaries.

The County does not issue a separate financial report that includes financial statements and required supplementary information for the RHBT. However the financial statements and the required supplementary information are included in the County's comprehensive annual financial

PANOLA COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

report at pages 35-36 (financial statements) and pages 57-58 (required supplementary information).

At December 31, 2013 the RHBT had 70 retirees receiving benefits and has a total of 170 active participants who are not yet eligible to receive benefits. Order 2007-23 of Panola County assigned the authority to establish and amend benefit provisions to the Commissioners' Court.

The RHBT was initially funded in December 2007 by transferring from the governmental funds and proprietary funds of the County a total of \$9,992,132 into the RHBT. The \$9,992,132 was an initial funding toward an estimated \$12,429,768 in past-service actuarially determined liabilities for active and retired employees. Based on a new actuarial valuation as of December 31, 2012, the estimated past-service actuarially determined liabilities for active and retired employees amounted to \$16,190,854.

**Annual OPEB Cost and Net OPEB Obligations**

For 2013, the County's annual required contribution for the RHBT was \$630,628. Contributions of \$1,301,049 were made by the County. The activity for the year is shown in tabular form below.

Annual Required Contribution	\$	630,628
Interest on Net OPEB Obligation		(466,699)
Amortization of Prior Year OPEB Obligation		735,801
Annual OPEB Cost (Expense)	\$	899,730
Contributions Made		(1,301,049)
Change in OPEB Obligation	\$	(401,319)
Net OPEB Obligation (Asset) - Beginning of Year		(11,667,474)
Net OPEB Obligation (Asset) - End of Year	\$	(12,068,793)

**Trend Information**

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Actual Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB (Obligation) Asset</u>
2011	\$ 1,073,960	\$ 1,692,323	157.58%	\$ 10,737,030
2012	\$ 859,874	\$ 1,790,318	208.21%	\$ 11,667,474
2013	\$ 899,730	\$ 1,301,049	144.60%	\$ 12,068,793

**Funding Policy**

The County funds the entire cost of retiree health insurance premiums. Retiree dependents or surviving spouses are able to remain in the plan but at no cost to the County. Dependent and surviving spouses are eligible for coverage, but the retiree is responsible for the entire cost. There is no direct RHBT subsidy. Dependent premiums are collected from the participants and remitted to the insurance provider on a monthly basis.

**Actuarial Methods and Assumptions**

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of plan costs. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspectives of the calculations. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to

PANOLA COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

The actuarial valuation for December 31, 2013, the unprojected unit credit cost method was used. The actuarial assumptions used included a 4.0% investment rate of return, compounded annually, net of investment expenses. The annual healthcare cost trend of 10%, grading down to an ultimate 5% rate. Both the rate of return and the healthcare cost rate include and assumed inflation rate of 2.5%. The actuarial valuation of RHBT assets was set at fair market value of the cash and certificates of deposit comprising the investment account at the measurement date.

The RHBT's initial unfunded actuarial accrued liability (UAAL) is being amortized at a level (decreasing yearly) over a 30-year closed period. At December 31, 2013, the remaining amortization period is 24 years.

Funded Status						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
12/31/13	\$ 16,856,180	\$ 16,190,854	\$ (665,326)	104.11%	\$ 6,110,077	(10.89%)

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limits.

**G. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. At no time during the last three fiscal years have claims exceeded commercial coverage.

**H. Operating Leases**

The County is obligated under certain leases for equipment accounted for as operating leases. General revenues of the General Fund will be used to pay these leases. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one (1) year as of December 31, 2013.

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2014	\$ 27,313
2015	22,545
2016	15,777
2017	13,621
2018	9,452
Total minimum lease payments	<u>\$ 88,708</u>

Total cost for these leases for the year ended December 31, 2013 was \$33,775.

PANOLA COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2013

I. Long-Term Debt

Changes in Long-Term Debt

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

	Balance January 1, 2013	<u>Additions</u>	<u>Reductions</u>	Balance December 31, 2013	Due Within <u>One Year</u>
Compensated Absences	\$ 176,348	\$ 34,255	\$ 17,402	\$ 193,201	\$ 21,252
Total Governmental Activity					
Long-Term Liabilities	<u>\$ 176,348</u>	<u>\$ 34,255</u>	<u>\$ 17,402</u>	<u>\$ 193,201</u>	<u>\$ 21,252</u>

Compensated absences are liquidated by the fund that records the employee's salary.

J. Governmental Fund Balances

Components of nonspendable fund balance and specific purposes for restricted and committed fund balances as of December 31, 2013 are as follows:

	<u>General Fund</u>	<u>Major Special Revenue Fund Road &amp; Bridge Fund</u>	<u>Other Funds</u>	<u>Total</u>
<b>Nonspendable:</b>				
Inventory	\$ -	\$ -	\$ 17,036	\$ 17,036
<b>Restricted:</b>				
Road & Bridge maintenance	-	4,153,697	1,516,166	5,669,863
Law Library	-	-	32,862	32,862
Juvenile Delinquency Prevention	-	-	155	155
Courthouse Security	-	-	223,933	223,933
Records Management & Preservation	-	-	600,176	600,176
Court Technology	-	-	83,730	83,730
VIT Interest	-	-	5,682	5,682
Elections	-	-	13,554	13,554
Adult Probation	-	-	487,376	487,376
Juvenile Probation	-	-	405,308	405,308
Law Enforcement	-	-	115,271	115,271
District Attorney	-	-	126,186	126,186
Child Protective Services	-	-	89,839	89,839
Health	-	-	3,339,177	3,339,177
Airport	-	-	312,794	312,794
<b>Committed:</b>				
Library Construction	-	-	-	-
Right-of-Way Purchases	-	-	272,506	272,506
Airport Improvements	-	-	218,465	218,465
Jail Improvement	-	-	211,669	211,669
Unassigned	14,386,419	-	-	14,386,419
<b>Total Fund Balances</b>	<u>\$ 14,386,419</u>	<u>\$ 4,153,697</u>	<u>\$ 8,071,885</u>	<u>\$ 26,612,001</u>

PANOLA COUNTY, TEXAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

**K. Interfund Transfers**

Interfund transfers for the year ended December 31, 2013 were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Totals</u>
	<u>Nonmajor Governmental Funds</u>			
	Juvenile Services <u>Fund</u>	Child Protective Services <u>Fund</u>	General <u>Fund</u>	
General Fund	\$ 158,563	\$ 28,000	\$ -	\$ 186,563
Debt Service Fund	-	-	68,194	68,194
<b>Total</b>	<u>\$ 158,563</u>	<u>\$ 28,000</u>	<u>\$ 68,194</u>	<u>\$ 254,757</u>

The purpose of these transfers was to supplement revenue.

**L. Contingent Liabilities**

The County is contingently liable in respect of law suits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized. The County's liability in specific cases is limited because of the Tort Claims Act to \$100,000. The County's legal counsel is of the opinion that, should the plaintiff prevail in any cases, the County's liability would be limited by the Tort Claims Act and would be covered by insurance.

The former Panola General Hospital adopted a program of self-insurance for professional liability pursuant to a resolution adopted by the Panola County Commissioners' Court. The former Hospital had no history of professional liability claims upon which to base an accrual; therefore, a provision for accrued liability claims is not provided for in the financial statements. Any claims successfully asserted against the former Hospital are planned to be paid from the County Health Care Special Revenue Fund.

The County is not a member of a public entity risk pool as defined by GASB Statement No. 10. The County manages and finances risk by purchasing commercial insurance and by retaining the risk of loss. All known claims related to the year ending December 31, 2013 have been accrued and expensed in the current financial statements. Disclosure of loss contingencies will be made when there is a reasonable possibility that a loss has been incurred. There have been no significant reductions in insurance coverage in the current year.

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

**M. Commitments**

During the course of routine business of the County, contract and agreements are entered into for various products and services. Although appropriations lapse at the end of the budget year, the County intends to honor any existing commitments and provide for future expenditures by inclusion in the next budget period.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**PANOLA COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2013**

**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Information**

The County Judge is by statute the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, the County Judge sets forth budget guidelines and recommendations to the Commissioners' Court. The County's budget is prepared annually on a modified accrual basis.

A public hearing is held on the budget by the Commissioners' Court. Department heads and any other interested citizens may appear. Before adopting the final budget, the Commissioners' Court may increase or decrease the amounts requested by the Judge. Amounts finally budgeted may not exceed the estimate of revenues and available cash. All appropriations lapse at fiscal year-end.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is on a line-item basis by department.

Budgeting is done in accordance with GAAP. The County does not utilize a formal encumbrance accounting system.

Amendments may not be made during the year without approval by the Commissioners' Court. The final amended budget is used in this report. Supplemental budgetary appropriations were approved during the year. During the year ended December 31, 2013, the following funds had legally adopted budgets:

General Fund	Hot Check Fee Fund
Road and Bridge Fund	Sheriff's State Forfeiture Fund
Law Library Fund	Jail Commissary Fund
County Juvenile Delinquency Prevention Fund	District Attorney Longevity Pay Supplement Fund
Courthouse Security Fund	District Attorney Forfeiture Fund
Records Management Fund	State Apportionment - District Attorney Fund
County & District Court Tech Fund	Constable Pct. #1 & 4 State Forfeiture Fund
Court Record Preservation Fund	Constable Pct. #2 & 3 State Forfeiture Fund
District Court Records Technology Fund	CDA Federal Forfeiture Fund
District Clerk Records Management & Preservation Fund	Constable Pct. #2 & 3 Federal Forfeiture Fund
Records Preservation Fund	Gary WSC Fund
Records Archive Fees Fund	South Murvaul WSC
Justice Court Technology Fund	Child Protective Services Fund
VIT Interest Fund	Health Fund
Election Services Contract Fund	Airport Fund
Farm to Market and Lateral Road Fund	Library Construction Fund
Community Supervision and Corrections Fund	Road Bond 1971 Fund
Drug Court Grant Fund	Permanent Improvement Fund
Juvenile Probation Fund	Jail Improvement Fund
Old Probation Fund	

**PANOLA COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2013**

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

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liabilities (AAL) (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll (b-a)/c)</b>
12/31/10	\$ 22,181,886	\$ 26,595,557	\$ 4,413,671	83.40%	\$ 6,141,094	71.87%
12/31/11	\$ 24,288,189	\$ 28,342,073	\$ 4,053,884	85.70%	\$ 6,332,694	64.02%
12/31/12	\$ 25,958,705	\$ 29,705,216	\$ 3,746,511	87.39%	\$ 6,578,957	56.95%

<sup>1</sup> The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

<sup>2</sup> Funding information may differ from prior year compliance data due to plan changes effective 01/01/07.

**PANOLA COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2013**

**SCHEDULE OF FUNDING PROGRESS  
OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Cost (b)	Unfunded (UAAL) (b - a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/(c))
12/31/11	\$ 14,590,761	\$ 14,058,743	\$ (532,018)	103.78%	\$ 5,865,144	(9.07)%
12/31/12	\$ 16,010,904	\$ 15,344,796	\$ (666,108)	104.34%	\$ 5,868,494	(11.35)%
12/31/13	\$ 16,856,180	\$ 16,190,854	\$ (665,326)	104.11%	\$ 6,110,077	(10.89)%

**NOTES TO THE SCHEDULE OF FUNDING PROGRESS**

Valuation Date	12/31/11	12/31/12	12/31/13
Actuarial Cost Method	Unprojected Unit Credit	Unprojected Unit Credit	Unprojected Unit Credit
Amortization Method	Decreasing Yearly	Decreasing Yearly	Decreasing Yearly
Asset Valuation Method	Market Value	Market Value	Market Value
Actuarial Assumptions: Investment Rate of Return*	4.00% per annum	4.00% per annum	4.00% per annum
Health Care Cost Trend	10% Pre-Medicare, grading to 5% ultimate	10% Pre-Medicare, grading to 5% ultimate	10% Pre-Medicare, grading to 5% ultimate

\*Includes inflation of 2.5%

**PANOLA COUNTY, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2013**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2013**

<b>Year Ended December 31</b>	<b>Actuarial Annual Required Contribution</b>	<b>Employer Contributions</b>	<b>Percentage Contributed</b>
2011	\$ 1,073,960	\$ 1,692,323	157.58%
2012	\$ 859,874	\$ 1,790,318	208.21%
2013	\$ 899,730	\$ 1,301,049	144.60%

PANOLA COUNTY, TEXAS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Property Taxes	\$ 12,539,626	\$ 12,975,647	\$ 13,153,259	\$ 177,612
Intergovernmental Receipts	304,270	327,081	390,135	63,054
Fees of Office	629,611	629,911	738,668	108,757
Total Miscellaneous	<u>233,730</u>	<u>364,112</u>	<u>532,990</u>	<u>168,878</u>
Total Revenues	<u>13,707,237</u>	<u>14,296,751</u>	<u>14,815,052</u>	<u>518,301</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Administration	4,115,542	4,152,356	3,917,222	235,133
Judicial	1,201,737	1,215,669	1,183,353	32,316
Legal	423,536	423,536	366,936	56,600
Elections	157,747	162,747	141,204	18,598
Financial Administration	896,368	895,568	852,036	43,532
Public Facilities	290,119	484,665	437,685	46,980
Public Safety	4,853,898	4,971,889	4,622,072	348,537
Environmental Protection	375,000	420,641	420,631	10
Health and Paupers Care	486,900	491,900	447,823	44,077
Recreation	366,126	370,472	359,961	10,511
Conservation	103,462	104,392	94,640	9,752
Capital Outlay	248,239	414,353	381,596	32,757
Total Expenditures	<u>13,518,674</u>	<u>14,108,188</u>	<u>13,225,159</u>	<u>878,803</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,563	188,563	1,589,893	1,397,104
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	68,194	68,194
Transfers Out	(188,563)	(188,563)	(186,563)	2,000
Total Other Financing Sources (Uses)	<u>(188,563)</u>	<u>(188,563)</u>	<u>(118,369)</u>	<u>70,194</u>
Net Change in Fund Balance	-	-	1,471,524	1,467,298
FUND BALANCE, BEGINNING OF YEAR	<u>12,914,895</u>	<u>12,914,895</u>	<u>12,914,895</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 12,914,895</u>	<u>\$ 12,914,895</u>	<u>\$ 14,386,419</u>	<u>\$ 1,467,298</u>

Note: See accompanying independent auditor's report.

**PANOLA COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**ROAD AND BRIDGE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>Property Taxes:</b>				
Current	\$ 4,777,244	\$ 4,946,356	\$ 4,965,148	\$ 18,792
Delinquent	85,218	85,218	135,304	50,086
Total Property Taxes	<u>4,862,462</u>	<u>5,031,574</u>	<u>5,100,452</u>	<u>68,878</u>
<b>Licenses:</b>				
Motor Vehicle Registration	350,000	350,000	401,952	51,952
<b>Intergovernmental Receipts:</b>				
State Lateral Road Fund	29,000	29,000	30,441	1,441
Weight and Axle Fees	27,000	27,000	46,731	19,731
Total Intergovernmental Receipts	<u>56,000</u>	<u>56,000</u>	<u>77,172</u>	<u>21,172</u>
<b>Fines:</b>				
County and District Court Fines	300,000	298,971	300,696	1,725
<b>Miscellaneous:</b>				
Interest Earned	29,480	30,509	70,335	39,826
Miscellaneous	-	266,879	317,999	51,120
Total Miscellaneous	<u>29,480</u>	<u>297,388</u>	<u>388,334</u>	<u>90,946</u>
<b>Total Revenues</b>	<u>5,597,942</u>	<u>6,033,933</u>	<u>6,268,606</u>	<u>234,673</u>
<b>EXPENDITURES</b>				
<b>PUBLIC TRANSPORTATION</b>				
<b>MAINTENANCE-ROADS AND BRIDGES</b>				
<b>PRECINCT 1</b>				
Salaries - Road and Bridge Department	399,532	393,232	381,635	11,597
Benefits Termination Pay	3,612	9,912	6,371	3,541
Social Security Taxes	30,841	30,841	27,859	2,982
Group Insurance	108,900	108,900	104,138	4,762
Retirement and Death Benefits	96,755	96,755	89,778	6,977
Workers Compensation	37,804	37,804	15,327	22,477
Unemployment Insurance	2,004	2,004	770	1,234
Other Post Employment	37,453	37,453	34,751	2,702
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	73,583	73,583	-
Repairs and Maintenance	119,846	134,184	134,087	97
Parts and Supplies	31,750	26,250	24,577	1,673
Contingency	25,000	-	-	-
<b>TOTAL PRECINCT 1</b>	<u>988,651</u>	<u>1,014,767</u>	<u>956,725</u>	<u>58,042</u>

Note: See accompanying independent auditor's report.

**PANOLA COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**ROAD AND BRIDGE SPECIAL REVENUE FUND, continued**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>PRECINCT 2</b>				
Salaries - Road and Bridge Department	\$ 331,415	\$ 331,415	\$ 331,017	\$ 398
Benefits Termination Pay	3,612	3,612	2,963	649
Social Security Taxes	25,630	25,630	24,066	1,564
Group Insurance	89,100	89,100	87,724	1,376
Retirement and Death Benefits	80,407	80,407	76,691	3,716
Workers Compensation	37,804	37,804	13,012	24,792
Unemployment Insurance	1,666	1,666	653	1,013
Other Post Employment	31,125	31,125	29,686	1,439
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	73,583	73,583	-
Repairs and Maintenance	120,756	113,156	113,103	53
Parts and Supplies	56,750	40,813	40,665	148
<b>TOTAL PRECINCT 2</b>	<b>873,419</b>	<b>892,160</b>	<b>857,012</b>	<b>35,148</b>
<b>PRECINCT 3</b>				
Salaries - Road and Bridge Department	395,498	395,498	381,946	13,552
Benefits Termination Pay	3,612	3,612	446	3,166
Social Security Taxes	30,532	30,532	27,849	2,683
Group Insurance	108,900	108,900	104,138	4,762
Retirement and Death Benefits	95,787	95,787	88,628	7,159
Workers Compensation	37,804	37,804	15,493	22,311
Unemployment Insurance	2,021	2,021	767	1,254
Other Post Employment	37,078	37,078	34,307	2,771
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	73,583	73,583	-
Repairs and Maintenance	119,849	127,546	127,442	104
Parts and Supplies	31,250	31,250	31,165	85
Miscellaneous Supplies	25,500	-	-	-
<b>TOTAL PRECINCT 3</b>	<b>982,985</b>	<b>1,007,460</b>	<b>949,613</b>	<b>57,847</b>

Note: See accompanying independent auditor's report.

PANOLA COUNTY, TEXAS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 ROAD AND BRIDGE SPECIAL REVENUE FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>PRECINCT 4</b>				
Salaries - Road and Bridge Department	\$ 445,547	\$ 445,547	\$ 423,564	\$ 21,983
Benefits Termination Pay	8,578	8,578	3,885	4,693
Social Security Taxes	34,741	34,741	30,550	4,191
Group Insurance	128,700	128,700	116,369	12,331
Retirement and Death Benefits	108,990	108,990	99,176	9,814
Workers Compensation	37,804	37,804	17,623	20,181
Unemployment Insurance	2,190	2,190	845	1,345
Other Post Employment	42,189	42,189	38,390	3,799
Retiree Medical Insurance Trust	63,849	63,849	63,849	-
Optional Retirement	31,305	73,583	73,583	-
Repairs and Maintenance	119,086	168,209	167,689	520
Parts and Supplies	56,747	32,566	32,540	26
<b>TOTAL PRECINCT 4</b>	<b>1,079,726</b>	<b>1,146,946</b>	<b>1,068,063</b>	<b>78,883</b>
<b>Total Maintenance-Roads and Bridges</b>	<b>3,924,781</b>	<b>4,061,333</b>	<b>3,831,413</b>	<b>229,920</b>
<b>CAPITAL OUTLAY-ROAD AND BRIDGES</b>				
<b>PRECINCT 1</b>				
Furniture & Equipment	139,515	136,156	136,156	-
Road Oil	238,977	375,082	375,082	-
Lumber, Piling and Culverts	13,500	6,497	6,497	-
<b>TOTAL PRECINCT 1</b>	<b>391,992</b>	<b>517,735</b>	<b>517,735</b>	<b>-</b>
<b>PRECINCT 2</b>				
Furniture & Equipment	139,515	100,945	100,944	1
Road Oil	150,467	258,662	258,531	-
Lumber, Piling and Culverts	8,500	14,228	14,157	71
<b>TOTAL PRECINCT 2</b>	<b>298,482</b>	<b>373,835</b>	<b>373,632</b>	<b>72</b>
<b>PRECINCT 3</b>				
Furniture & Equipment	319,515	428,919	427,881	1,038
Road Oil	212,424	212,424	212,288	136
Lumber, Piling and Culverts	12,000	10,800	10,731	69
<b>TOTAL PRECINCT 3</b>	<b>543,939</b>	<b>652,143</b>	<b>650,900</b>	<b>1,243</b>

Note: See accompanying independent auditor's report.

**PANOLA COUNTY, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**ROAD AND BRIDGE SPECIAL REVENUE FUND, continued**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>PRECINCT 4</b>				
Furniture & Equipment	\$ 139,515	\$ 110,124	\$ 110,124	\$ -
Road Oil	283,233	310,808	310,808	-
Lumber, Piling and Culverts	16,000	7,955	7,418	537
<b>TOTAL PRECINCT 4</b>	<u>438,748</u>	<u>428,887</u>	<u>428,350</u>	<u>537</u>
Total Construction and Capital Outlay	<u>1,673,161</u>	<u>1,972,600</u>	<u>1,970,617</u>	<u>1,852</u>
Total Expenditures	<u>5,597,942</u>	<u>6,033,933</u>	<u>5,802,030</u>	<u>231,772</u>
Net Change in Fund Balances	-	-	466,576	466,445
FUND BALANCE, BEGINNING OF YEAR	<u>3,687,121</u>	<u>3,687,121</u>	<u>3,687,121</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 3,687,121</u>	<u>\$ 3,687,121</u>	<u>\$ 4,153,697</u>	<u>\$ 466,445</u>

Note: See accompanying independent auditor's report.

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## **SUPPLEMENTAL FINANCIAL INFORMATION**

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**PANOLA COUNTY, TEXAS**  
**SUPPLEMENTARY FINANCIAL INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>PROPERTY TAXES</b>				
Current	\$ 12,319,859	\$ 12,755,880	\$ 12,804,331	\$ 48,451
Delinquent	219,767	219,767	348,928	129,161
<b>Total Property Taxes</b>	<u>12,539,626</u>	<u>12,975,647</u>	<u>13,153,259</u>	<u>177,612</u>
<b>INTERGOVERNMENTAL RECEIPTS</b>				
State Judicial	33,000	33,000	77,250	44,250
State Voter Registration	-	5,030	5,829	799
City - Public Library	154,720	154,720	154,720	-
Housing Prisoners	-	17,009	25,440	8,431
Exposition Building	-	772	2,004	1,232
SAVNS Program	5,000	-	-	-
Indigent Defense Services Grant	10,000	15,000	23,342	8,342
Carthage and Gary School Tax				
Collection Contract	63,250	63,250	63,250	-
City of Carthage Tax				
Collection Contract	8,300	8,300	8,300	-
State 911 Rural Addressing	30,000	30,000	30,000	-
<b>Total Intergovernmental Receipts</b>	<u>304,270</u>	<u>327,081</u>	<u>390,135</u>	<u>63,054</u>
<b>FEES OF OFFICE</b>				
County Judge	4,000	4,000	10,208	6,208
Sheriff	20,000	20,000	27,209	7,209
District Attorney	3,000	3,000	4,460	1,460
County Clerk	185,611	185,911	228,139	42,228
Tax Assessor-Collector	300,000	300,000	330,390	30,390
District Clerk	50,000	50,000	53,926	3,926
County Treasurer	16,000	16,000	18,629	2,629
Justices of the Peace	51,000	51,000	65,707	14,707
<b>Total Fees of Office</b>	<u>629,611</u>	<u>629,911</u>	<u>738,668</u>	<u>108,757</u>

**PANOLA COUNTY, TEXAS**  
**SUPPLEMENTARY FINANCIAL INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND, continued**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
<b>MISCELLANEOUS</b>				
Interest Earned	\$ 179,730	\$ 179,730	\$ 248,988	\$ 69,258
Hospital Collections	-	-	1,006	1,006
Time Payment EFTIC	-	-	1,134	1,134
Exposition Building	-	-	400	400
Vital Archive - County Clerk	-	-	523	523
Judiciary Support Fee	-	-	1,670	1,670
Miscellaneous	52,000	182,778	274,421	91,643
County Clerk Civil	-	-	2,057	2,057
Family Protection Fee	2,000	1,604	1,679	75
Child Abuse Prevention	-	-	-	-
Miscellaneous Unclaimed Funds	-	-	1,112	1,112
<b>Total Miscellaneous</b>	<b>233,730</b>	<b>364,112</b>	<b>532,990</b>	<b>168,878</b>
<b>Total Revenues</b>	<b>13,707,237</b>	<b>14,296,751</b>	<b>14,815,052</b>	<b>518,301</b>
<b>EXPENDITURES</b>				
<b>CURRENT</b>				
<b>GENERAL ADMINISTRATION</b>				
<b>COUNTY JUDGE</b>				
Salary - County Judge	59,978	59,978	59,978	-
Salary - Co. Judge Admin. Assist	36,458	36,458	36,458	-
Social Security	7,378	7,378	7,182	196
Group Medical Insurance	19,800	19,800	19,676	124
Retirement and Death Benefits	23,145	23,145	23,144	1
Worker's Compensation	484	484	411	73
Unemployment Insurance	184	184	72	112
Other Post Employment Benefits	8,959	8,959	8,959	-
Office Supplies, Postage & Repairs	1,200	1,070	438	632
Law Books	2,000	2,130	2,127	3
Communication Telephone	400	400	15	385
Conferences and Dues	2,000	1,150	962	188
Miscellaneous	150	150	-	150
<b>Total County Judge</b>	<b>162,136</b>	<b>161,286</b>	<b>159,422</b>	<b>1,864</b>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>EXPENDITURES (cont'd.)</b>				
<b>GENERAL ADMINISTRATION (con'td.)</b>				
<b>COMMISSIONERS</b>				
Salaries - Commissioners	\$ 193,884	\$ 193,884	\$ 193,884	\$ -
Salaries - Secretaries	28,230	28,230	28,230	-
Social Security Taxes	16,992	16,992	15,698	1,294
Group Insurance	49,500	49,500	48,373	1,127
Retirement and Death Benefits	53,308	53,308	53,306	2
Worker's Compensation	7,034	7,034	963	6,071
Unemployment Insurance	142	142	55	87
Other Post Employment Benefits	20,635	20,635	20,635	-
Office Supplies, Postage and Repairs	1,200	1,200	521	679
Communication Telephone	800	800	12	788
Miscellaneous	250	250	-	250
Conferences and Dues	7,500	7,500	4,510	2,990
Total Commissioners	379,475	379,475	366,187	13,288
<b>COUNTY CLERK</b>				
Salary - County Clerk	48,471	48,471	48,471	-
Salary - Deputies	145,117	145,117	145,116	-
Social Security	14,810	14,810	13,841	969
Group Medical Insurance	59,400	59,400	59,026	374
Retirement and Death Benefits	46,462	46,462	46,460	2
Worker's Compensation	954	954	855	99
Unemployment Insurance	724	724	284	440
Other Post Employment Benefits	17,985	17,985	17,984	1
Office Supplies, Postage & Repairs	14,500	14,500	13,071	1,429
Communication Telephone	850	850	374	476
Rentals, Microfilming & Indexing	85,621	84,421	71,473	12,948
Copy Machine Rental	8,000	8,000	4,308	3,692
Conferences & Dues	1,400	2,600	2,337	263
Miscellaneous	250	250	299	(49)
Total County Clerk	444,544	444,544	423,899	20,644

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>EXPENDITURES (cont'd.)</b>				
<b>GENERAL ADMINISTRATION (con'td.)</b>				
<b>VETERANS SERVICE OFFICER</b>				
Salary - Service Officer	\$ 35,101	\$ 35,101	\$ 35,100	\$ 1
Salary - Secretary	28,230	28,230	28,230	-
Social Security	4,845	4,845	4,845	-
Group Medical Insurance	19,800	19,800	19,668	132
Retirement and Death Benefits	15,200	15,200	15,200	-
Worker's Compensation	318	318	270	48
Unemployment Insurance	158	158	97	61
Other Post Employment Benefits	5,884	5,884	5,883	1
Office Supplies, Postage & Repairs	600	275	238	37
Communication Telephone	500	300	19	281
Conferences and Dues	1,300	1,300	839	461
Programming & Computer	800	800	700	100
Miscellaneous	250	250	33	217
Total Vet. Service Officer	<u>112,986</u>	<u>112,461</u>	<u>111,122</u>	<u>1,339</u>
<b>AIRPORT</b>				
Airport Manager	35,956	35,956	35,955	1
Travel Allowance	1,200	1,200	1,200	-
Social Security	2,843	2,843	2,760	83
Group Insurance	9,900	9,900	9,838	62
Retirement	8,918	8,918	8,917	1
Worker's Compensation	1,639	1,639	957	682
Unemployment Insurance	186	186	73	113
Other Post Employment Benefits	3,452	3,452	3,452	-
Office Supplies	1,500	2,390	2,099	291
Professional Services	5,000	2,641	2,315	326
Communication Telephone	1,700	1,700	1,682	18
Conferences, Dues & Transports	400	-	-	-
Utilities	10,200	12,700	11,828	872
Repairs and Renovation	4,245	7,627	7,167	460
Rentals and Leases	2,200	3,010	3,009	1
Total Airport	<u>89,339</u>	<u>94,162</u>	<u>91,252</u>	<u>2,910</u>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
<b>EXPENDITURES (cont'd.)</b>				
<b>GENERAL ADMINISTRATION (con'td.)</b>				
<b>MISC AND NON-DEPT</b>				
Floating Secretary	\$ 28,230	\$ 28,230	\$ 28,230	\$ -
Emergency Management Coordinator	6,000	6,000	6,000	-
Benefits Termination Pay	11,177	40,177	35,096	5,081
Social Security	3,474	5,008	4,969	39
Group Insurance	9,900	9,900	9,845	55
Retirement	10,898	15,698	15,366	332
Worker's Compensation	5,572	5,572	298	5,274
Unemployment Insurance	229	229	115	114
Other Post Employment	4,218	6,077	5,919	158
Retiree Medical Insurance Trust	430,000	430,000	430,000	-
Optional Retirement	550,000	986,021	986,021	-
Advertising and Publications	12,000	12,000	8,108	3,892
Appraisal District	240,000	222,240	222,239	1
Outside Audit	39,000	39,000	35,701	3,299
Economic Development	16,800	17,334	17,333	1
Cotingency	400,000	-	-	-
Computer Services	590,000	556,378	430,845	125,533
Professional Services	20,000	25,000	23,325	1,675
Postage	70,000	69,940	53,429	16,511
Emergency Management	5,000	5,000	4,121	879
Physicals & Drug Screening	2,000	8,000	5,968	2,032
Dues, Memberships & Fees	7,500	7,560	7,560	-
Insurance	320,000	320,000	318,961	1,039
Historical Markers	1,000	1,000	-	1,000
Historical Commission	6,564	6,564	1,885	4,679
Miscellaneous	4,500	4,500	3,622	878
Copy Machine Rental & Supplies	24,000	24,000	18,726	5,274
Soil and Conservation Contract	1,000	1,000	1,000	-
Communication Telephone	55,000	55,000	45,025	9,975
Animal Control	50,000	50,000	45,633	4,367
Loss Control	3,000	3,000	-	3,000
Total Miscellaneous and Non-Depart.	<u>2,927,062</u>	<u>2,960,428</u>	<u>2,765,340</u>	<u>195,088</u>
<b>Total General Administration</b>	<u>4,115,542</u>	<u>4,152,356</u>	<u>3,917,222</u>	<u>235,133</u>

PANOLA COUNTY, TEXAS  
SUPPLEMENTARY FINANCIAL INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND, continued  
FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
<b>EXPENDITURES (cont'd.)</b>				
<b>JUDICIAL</b>				
<b>DISTRICT COURT</b>				
Salary - Court Reporter	\$ 31,532	\$ 31,532	\$ 31,532	\$ -
Salary - Secretary	35,815	35,815	35,815	-
Social Security	5,153	5,153	4,756	397
Group Medical Insurance	19,800	19,800	19,675	125
Retirement and Death Benefits	16,164	16,164	16,131	33
Worker's Compensation	327	327	287	40
Unemployment Insurance	338	338	134	204
Other Post Employment	6,257	6,257	6,257	-
Office Supplies, Postage & Repairs	1,000	2,000	1,335	665
Professional Services	2,500	2,500	1,854	646
Telephone	800	800	397	403
Conference and Dues	1,500	1,500	1,500	-
Visiting Court Reporters	750	750	725	25
Law Books for Law Library	2,900	3,171	3,170	1
Miscellaneous	600	600	149	451
Total District Court	125,436	126,707	123,717	2,990
<b>COUNTY COURT AT LAW</b>				
Salary - County Court at Law Judge	125,000	130,013	130,013	-
Salary - Court Reporter	54,983	54,983	54,983	-
Visiting Judges	1,000	1,000	604	396
Social Security	13,769	14,153	12,550	1,603
Group Medical Insurance	19,800	19,800	19,675	125
Retirement and Death Benefits	43,196	44,400	44,399	1
Worker's Compensation	1,106	1,106	767	339
Unemployment Insurance	277	277	101	176
Other Post Employment	16,721	17,186	17,186	-
Office Supplies, Postage & Repairs	1,400	1,400	1,241	159
Law Books	2,000	3,000	3,000	-
Telephone	750	750	209	541
Conferences and Dues	1,100	1,100	1,046	54
Miscellaneous	300	300	149	151
Total County Court at Law	281,402	289,468	285,923	3,545

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>EXPENDITURES (cont'd.)</b>				
<b>JUDICIAL (con'td.)</b>				
<b>DISTRICT CLERK</b>				
Salary - District Clerk	\$ 48,471	\$ 48,471	\$ 48,471	\$ -
Salaries - Deputies	145,117	145,117	144,322	795
Social Security	14,810	14,810	13,759	1,051
Group Medical Insurance	59,400	59,400	59,027	373
Retirement and Death Benefits	46,462	46,462	46,270	192
Worker's Compensation	953	953	855	98
Unemployment Insurance	723	723	287	436
Other Post Employment	17,985	17,985	17,910	75
Office Supplies, Postage & Repairs	13,000	11,000	10,957	43
Telephone	400	400	383	17
Conferences and Dues	2,000	7,500	5,506	1,994
Rentals, Microfilming, & Indexing	35,800	35,800	32,417	3,383
Miscellaneous	300	300	-	300
Total District Clerk	385,421	388,921	380,164	8,757
<b>JUSTICE OF THE PEACE PCT. 1 &amp; 4</b>				
Salaries - Justice of the Peace	48,471	48,471	48,471	-
Salaries - Secretary	42,345	42,345	42,345	-
Social Security	6,948	6,948	6,649	299
Group Medical Insurance	24,750	24,750	24,594	156
Retirement and Death Benefits	21,796	21,796	21,796	-
Worker's Compensation	427	427	387	40
Unemployment Insurance	212	212	83	129
Other Post Employment	8,437	8,437	8,437	-
Office Supplies and Repairs	3,500	4,950	4,792	158
Professional Services	4,500	4,500	4,106	394
Telephone	1,000	1,000	566	434
Travel	1,250	950	834	116
Conferences and Dues	1,800	1,450	1,398	52
Miscellaneous	200	-	-	-
Total Justices of the Peace Pct. 1 and 4	165,636	166,236	164,458	1,778

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>EXPENDITURES (cont'd.)</b>				
<b>JUDICIAL (con'td.)</b>				
<b>JUSTICE OF THE PEACE PCT. 2 &amp; 3</b>				
Salaries - Justice of the Peace	\$ 48,471	\$ 48,471	\$ 48,471	\$ -
Salaries - Secretary	42,345	42,345	42,035	310
Social Security	6,948	6,948	6,683	265
Group Medical Insurance	24,750	24,750	24,594	156
Retirement	21,796	21,796	21,720	76
Worker's Compensation	427	427	387	40
Unemployment Insurance	212	212	82	130
Other Post Employment	8,437	8,437	8,408	29
Office Supplies and Repairs	4,500	5,995	5,689	306
Computer Replacement	1,000	-	-	-
Professional Services	4,500	4,500	4,126	374
Telephone	1,200	1,200	368	832
Travel	2,000	2,000	1,780	220
Conferences and Dues	2,000	2,000	2,000	-
Miscellaneous	200	200	200	-
<b>Total Justices of the Peace Pct. 2 and 3</b>	<b>168,786</b>	<b>169,281</b>	<b>166,543</b>	<b>2,738</b>
<b>BAILIFFS AND JURORS</b>				
Bailiffs	23,000	23,000	23,000	-
Social Security Taxes	1,760	1,760	1,759	1
Group Medical Insurance	9,900	9,900	9,838	62
Retirement	5,520	5,520	5,520	-
Worker's Compensation	725	725	610	115
Unemployment Insurance	114	114	45	69
Other Post Employment	2,137	2,137	2,137	-
Telephone	800	800	171	629
Conferences and Dues	1,000	1,000	100	900
Jurors, District & County	30,000	30,000	19,344	10,656
Miscellaneous	100	100	24	76
<b>Total - Bailiffs, Jurors and Law Books</b>	<b>75,056</b>	<b>75,056</b>	<b>62,548</b>	<b>12,508</b>
<b>Total Judicial</b>	<b>1,201,737</b>	<b>1,215,669</b>	<b>1,183,353</b>	<b>32,316</b>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
<b>EXPENDITURES (Cont'd.)</b>				
<b>LEGAL</b>				
<b>DISTRICT ATTORNEY</b>				
Salary - Assistant District Attorney	\$ 76,548	\$ 76,548	\$ 76,548	\$ -
Administrative Assistant	4,866	7,624	7,622	2
Salary - Secretaries	84,690	81,932	81,120	812
Court Coordinator	32,359	32,359	32,359	-
Social Security	15,183	15,183	15,120	63
Group Medical Insurance	39,600	39,600	39,600	-
Retirement and Death Benefits	47,632	47,632	47,544	88
Worker's Compensation	1,278	1,278	1,278	-
Unemployment Insurance	992	992	389	603
Other Post Employment	18,438	18,438	18,438	-
Office Supplies and Repairs	12,000	10,380	5,604	4,776
Professional Services	36,450	33,652	10,372	23,280
Witness Expense	5,000	5,000	345	4,655
Telephone	2,000	2,000	1,497	503
Conference & Dues	5,000	5,000	3,177	1,823
Law Enforcement Officer Standard Traini	1,000	1,000	-	1,000
Law Books	17,000	20,418	20,415	3
Miscellaneous	1,000	2,000	1,971	29
Total District Attorney	<u>401,036</u>	<u>401,036</u>	<u>363,399</u>	<u>37,637</u>
<b>LAWSUITS AGAINST PANOLA COUNTY</b>				
Attorney Fees	12,500	12,500	3,537	8,963
Settlements and Other	10,000	10,000	-	10,000
Total Lawsuits	<u>22,500</u>	<u>22,500</u>	<u>3,537</u>	<u>18,963</u>
<b>Total Legal</b>	<u>423,536</u>	<u>423,536</u>	<u>366,936</u>	<u>56,600</u>
<b>ELECTIONS</b>				
<b>ELECTION JUDGES, CLERKS AND SUPPLIES</b>				
Election Judges and Clerks	16,000	16,000	6,505	9,495
Social Security	1,224	1,224	-	1,224
Worker's Compensation	182	182	68	114
Professional Services	6,000	11,000	9,259	1,741
Polling Place Rent	900	900	460	440
Hardware Maintenance	10,559	10,559	7,614	2,945
Supplies and Miscellaneous	3,034	3,034	2,028	1,006
Total Election Judges, Clerks, and Supplies	<u>37,899</u>	<u>42,899</u>	<u>25,934</u>	<u>14,020</u>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>EXPENDITURES (Cont'd.)</b>				
<b>ELECTIONS (Cont'd.)</b>				
<b>VOTER REGISTRATION</b>				
Salary - Voter Registrar	\$ 33,805	\$ 33,805	\$ 33,805	\$ -
Deputies	28,230	28,230	28,230	-
Social Security	4,746	4,746	4,589	157
Group Medical Insurance	19,800	19,800	19,675	125
Retirement and Death Benefits	14,889	14,889	14,888	1
Worker's Compensation	350	350	264	86
Unemployment Insurance	309	309	121	188
Other Post Employment	5,764	5,764	5,763	1
Office Supplies and Repairs	2,500	3,255	2,477	778
Telephone	900	1,300	1,135	165
Internet Service	7,200	7,200	4,123	3,077
Conferences and Dues	1,000	-	-	-
Miscellaneous	355	200	200	-
Total Voter Registration	<u>119,848</u>	<u>119,848</u>	<u>115,270</u>	<u>4,578</u>
<b>Total Elections</b>	<u>157,747</u>	<u>162,747</u>	<u>141,204</u>	<u>18,598</u>
<b>FINANCIAL ADMINISTRATION</b>				
<b>AUDITOR</b>				
Salary - Auditor	59,978	59,978	59,978	-
Salaries - Assistant Auditors	90,539	90,539	90,539	-
Social Security	11,515	11,515	10,351	1,164
Group Medical Insurance	29,700	29,700	29,513	187
Retirement and Death Benefits	36,125	36,125	36,124	1
Worker's Compensation	860	860	642	218
Unemployment Insurance	754	754	295	459
Other Post Employment	13,984	13,984	13,983	1
Office Supplies and Repairs	2,000	3,200	2,166	1,034
Professional Computer Services	1,700	500	-	500
Telephone	600	600	394	206
Conferences and Dues	5,000	5,500	4,800	700
Re-creation, printing	1,600	1,600	1,503	97
Miscellaneous	376	376	-	376
Total Auditor	<u>254,731</u>	<u>255,231</u>	<u>250,288</u>	<u>4,943</u>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>EXPENDITURES (Cont'd.)</b>				
<b>FINANCIAL ADMINISTRATION (Cont'd.)</b>				
<b>TREASURER</b>				
Salary - Treasurer	\$ 48,471	\$ 48,471	\$ 48,471	\$ -
Salary - Deputies	60,427	60,427	57,104	3,323
Social Security	8,331	8,331	7,585	746
Group Medical Insurance	29,700	29,700	27,882	1,818
Retirement and Death Benefits	26,136	26,136	25,338	798
Worker's Compensation	544	544	464	80
Unemployment Insurance	302	302	115	187
Other Post Employment	10,117	10,117	9,808	309
Office Supplies and Repairs	2,800	4,100	3,592	508
Telephone	600	600	357	243
Miscellaneous	200	-	-	-
Conferences and Dues	4,200	1,800	1,605	195
Total Treasurer	<u>191,828</u>	<u>190,528</u>	<u>182,321</u>	<u>8,207</u>
<b>TAX ASSESSOR-COLLECTOR</b>				
Salaries - Tax Assessor-Collector	48,471	48,471	48,471	-
Salaries - Deputies	177,314	177,314	170,087	7,227
Salaries - Extra Help	33,964	33,964	28,369	5,595
Social Security	19,871	19,871	17,962	1,909
Group Medical Insurance	69,300	69,300	65,602	3,698
Retirement and Death Benefits	62,340	62,340	59,262	3,078
Worker's Compensation	1,163	1,163	1,107	56
Unemployment Insurance	940	940	379	561
Other Post Employment	24,131	24,131	20,306	3,825
Office Supplies and Repairs	3,925	3,925	3,723	202
Telephone	1,390	1,390	1,246	144
Conference and Dues	4,000	4,000	1,043	2,957
Professional Services	2,500	2,500	1,870	630
Miscellaneous	500	500	-	500
Total Tax Assessor-Collector	<u>449,809</u>	<u>449,809</u>	<u>419,427</u>	<u>30,382</u>
<b>Total Financial Administration</b>	<u>896,368</u>	<u>895,568</u>	<u>852,036</u>	<u>43,532</u>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
<b>EXPENDITURES (Cont'd.)</b>				
<b>PUBLIC FACILITIES</b>				
<b>BUILDING MAINTENANCE</b>				
Salary - Building Superintendent	\$ 35,668	\$ 35,668	\$ 35,668	\$ -
Travel Allowance	1,200	1,200	1,200	-
Social Security	2,821	2,821	2,820	1
Group Medical Insurance	9,900	9,900	9,827	73
Retirement	8,849	8,849	8,848	1
Worker's Compensation	2,386	2,386	1,028	1,358
Unemployment Insurance	187	187	73	114
Other Post Employment	3,426	3,426	3,425	1
S.W.E.A.T. Supplies	5,000	6,000	5,032	968
Operating Supplies	30,000	30,000	28,602	1,398
Repair and Maintenance Supplies	19,720	19,720	4,152	15,568
Professional Services	70,006	119,012	97,836	21,176
Telephone	800	800	211	589
Utilities	60,000	60,994	60,994	-
Repairs and Renovations	40,000	183,546	177,969	5,577
Miscellaneous	156	156	-	156
Total Building Maintenance	<u>290,119</u>	<u>484,665</u>	<u>437,685</u>	<u>46,980</u>
<b>Total Public Facilities</b>	<u>290,119</u>	<u>484,665</u>	<u>437,685</u>	<u>46,980</u>
<b>PUBLIC SAFETY</b>				
<b>SHERIFF</b>				
Salary - Sheriff	48,711	52,715	50,646	2,069
Salary - Chief Deputy	47,010	47,010	46,752	258
Salary - Administrative Deputy	35,524	35,524	35,524	-
Salaries - Secretaries	58,652	58,652	48,361	10,291
Salaries - Juvenile Investigator				-
Salaries - Communication Officers	290,571	255,674	249,986	5,688
Salaries - Patrol and Investigative Deputies	586,746	622,393	616,922	5,471
Criminal Investigators	170,886	170,886	166,962	3,924
Captain				-
S.W.E.A.T. Coordinator				-
Social Security	94,688	95,030	89,694	5,336
Group Medical Insurance	316,800	317,616	304,313	13,303
Retirement and Death Benefits	297,060	298,130	293,975	4,155
Worker's Compensation	53,529	53,529	37,088	16,441
Unemployment Insurance	5,658	19,378	16,007	3,371
Other Post Employment	114,987	115,401	113,793	1,608
Office Supplies	24,500	28,704	28,695	9
911 Supplies & Repairs	2,000	1,496	-	1,496
Canine Expense	3,000	4,000	3,388	612

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>EXPENDITURES (Cont'd.)</b>				
<b>PUBLIC SAFETY (Cont'd.)</b>				
<b>SHERIFF (Cont'd)</b>				
Uniforms	\$ 10,000	\$ 20,000	\$ 18,882	\$ 1,118
Repair and Maintenance	3,000	2,800	1,091	1,709
Telephone and Radio Communications	11,000	18,537	18,536	1
Criminal Investigation	8,000	8,000	6,851	1,149
Animal Control	20,000	13,000	12,173	827
Utilities	30,000	26,500	19,895	6,605
Gasoline, Auto Parts and Repairs	250,000	212,364	207,493	4,871
Conference and Dues	22,000	13,963	12,745	1,218
Law Enforcement Officer Standard Traini	9,000	9,000	2,910	6,090
Miscellaneous	7,800	3,300	3,300	-
Total Sheriff	<u>2,521,122</u>	<u>2,503,602</u>	<u>2,405,982</u>	<u>97,620</u>
<b>CONSTABLE PCT. 1 AND 4</b>				
Salary - Constable Precinct #1	46,480	46,480	46,480	-
Part-Time Deputy	23,740	-	-	-
Social Security	5,372	5,372	3,448	1,924
Group Medical Insurance	9,900	9,900	9,022	878
Retirement and Death Benefits	16,853	16,853	11,155	5,698
Worker's Compensation	3,556	3,556	1,473	2,083
Unemployment	117	117	20	97
Other Post Employment	4,318	4,318	4,318	-
Law Enforcement Officer Standard Traini	1,000	1,000	330	670
Parts & Repairs	16,000	16,000	13,536	2,464
Telephone	800	500	412	88
Ammunition	1,000	1,000	919	81
Uniforms	880	880	805	75
Conferences & Dues	1,000	260	260	-
Miscellaneous	500	800	586	214
Total Constable Pct. 1 & 4	<u>131,516</u>	<u>107,036</u>	<u>92,764</u>	<u>14,272</u>
<b>CONSTABLE PCT. 2 AND 3</b>				
Salary - Constable Precinct #2	46,480	46,480	46,480	-
Part-Time Deputy	23,740	23,740	23,740	-
Social Security	5,372	5,372	5,197	175
Group Medical Insurance	9,900	9,900	9,838	62
Retirement and Death Benefits	16,853	16,853	16,853	-
Worker's Compensation	3,556	3,556	1,473	2,083
Unemployment	117	117	46	71
Other Post Employment	4,318	4,318	4,318	-
Ammunition	1,000	-	-	-
Uniforms	880	222	222	-
Telephone	800	800	660	140
Law Enforcement Officer Standard Traini	1,000	1,000	235	765
Parts & Repairs	16,565	19,378	19,104	274
Conferences & Dues	1,000	1,000	931	69
Total Constable Pct. 2 & 3	<u>131,581</u>	<u>132,736</u>	<u>129,097</u>	<u>3,639</u>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
EXPENDITURES (Cont'd.)				
PUBLIC SAFETY (Cont'd.)				
CORRECTIONS				
Salary - Sergeant and Jailors	\$ 739,765	\$ 815,101	\$ 751,623	\$ 63,478
Social Security	56,593	62,357	56,652	5,705
Group Medical Insurance	227,700	250,672	226,756	23,916
Retirement	177,544	195,628	179,353	16,275
Worker's Compensation	28,051	29,563	16,373	13,190
Unemployment Insurance	3,597	16,686	14,460	2,226
Other Post Employment	68,725	75,725	69,425	6,300
Clothing and Bedding	6,000	6,000	5,514	486
Jail Laundry	8,000	2,000	411	1,589
Office Supplies	3,000	4,100	4,099	1
Jail Board - Prisoners	175,000	165,000	154,788	10,212
Telephone	3,000	3,000	540	2,460
Medical - Prisoners	186,500	159,992	106,446	53,546
Utilities	100,000	88,500	69,249	19,251
Jail Repairs and Maintenance	25,000	23,000	18,539	4,461
Jail Repairs and Renovations	20,000	75,520	72,307	3,213
Rentals	3,000	1,000	-	1,000
Miscellaneous Supplies	40,000	57,908	57,908	-
Miscellaneous	5,000	5,000	3,220	1,780
Total Corrections	<u>1,876,475</u>	<u>2,036,752</u>	<u>1,807,663</u>	<u>229,089</u>
RURAL ADDRESSING				
Salaries - Coordinators	67,100	67,100	67,099	1
Social Security	5,134	5,134	4,901	233
Group Medical Insurance	19,800	19,800	19,675	125
Retirement	16,105	16,105	16,104	1
Worker's Compensation	713	713	97	616
Unemployment Insurance	345	345	133	212
Other Post Employment	6,234	6,234	6,234	-
Office Supplies	1,200	2,094	2,082	12
Signs & Posts	10,000	10,400	10,103	297
Software & Supplies	800	800	-	800
Telephone	1,600	1,600	1,137	463
Parts	2,000	2,400	1,120	-
Conferences & Dues	400	-	-	-
Rental	3,900	2,606	2,606	-
Miscellaneous	500	500	15	485
Total Rural Addressing	<u>135,831</u>	<u>135,831</u>	<u>131,306</u>	<u>3,245</u>

PANOLA COUNTY, TEXAS  
 SUPPLEMENTARY FINANCIAL INFORMATION  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL  
 GENERAL FUND, continued  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>EXPENDITURES (Cont'd.)</b>				
<b>PUBLIC SAFETY (Cont'd.)</b>				
<b>HIGHWAY PATROL</b>				
Salary - Secretary	\$ 28,230	\$ 28,230	\$ 28,230	\$ -
Social Security	2,160	2,160	2,160	-
Group Medical Insurance	9,900	9,900	9,838	62
Retirement and Death Benefits	6,776	6,776	6,775	1
Worker's Compensation	144	144	120	24
Unemployment Insurance	140	140	55	85
Other Post Employment	2,623	2,623	2,623	-
Telephone	1,000	500	12	488
Game Warden's Supplies	500	-	-	-
Highway Patrol's Cellular Phone	2,200	2,200	2,189	11
Office Supplies and Repairs	1,700	1,759	1,758	1
Miscellaneous	500	-	-	-
Total Highway Patrol	<u>55,873</u>	<u>54,432</u>	<u>53,760</u>	<u>672</u>
<b>FIRE SAFETY</b>				
Fire Services	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Total Fire Safety	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
<b>Total Public Safety</b>	<u>4,853,898</u>	<u>4,971,889</u>	<u>4,622,072</u>	<u>348,537</u>
<b>ENVIRONMENTAL PROTECTION</b>				
Trash Disposal	<u>375,000</u>	<u>420,641</u>	<u>420,631</u>	<u>10</u>
Total Trash Disposal	<u>375,000</u>	<u>420,641</u>	<u>420,631</u>	<u>10</u>
<b>Total Environmental Protection</b>	<u>375,000</u>	<u>420,641</u>	<u>420,631</u>	<u>10</u>
<b>HEALTH AND PAUPERS CARE</b>				
Medical Indigent	15,000	15,000	4,046	10,954
Aging Match	3,200	3,200	-	3,200
Indigent Health Care	100,000	100,000	100,000	-
Mental Health/Mental Retardation	28,000	28,000	28,000	-
Statements of Facts	14,000	14,000	11,659	2,341
Autopsies, Inquests, & Burials	80,000	80,000	78,146	1,854
Mental Evaluation of Prisoners	5,000	5,000	1,475	3,525
Retarded Citizens Association	6,500	6,500	6,500	-
Alcohol Abuse Program	4,000	4,000	4,000	-
Attorney Fees -Juveniles	20,000	20,000	2,184	17,816
Attorney Fees	200,000	205,000	200,813	4,187
Open Door/Juvenile Care	5,000	5,000	5,000	-
Miscellaneous	200	200	-	200
Health Officer	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<b>Total Health and Paupers Care</b>	<u>486,900</u>	<u>491,900</u>	<u>447,823</u>	<u>44,077</u>

PANOLA COUNTY, TEXAS  
SUPPLEMENTARY FINANCIAL INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL FUND, continued  
FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>RECREATION</b>				
<b>LIBRARY</b>				
Salaries - Librarians	\$ 181,537	\$ 181,537	\$ 181,535	\$ 2
Temporary Librarian	10,275	10,275	9,589	686
Social Security	14,674	14,674	14,413	261
Group Medical Insurance	59,400	59,400	59,027	373
Retirement & Death Benefits	46,035	46,035	45,869	166
Worker's Compensation	1,461	1,461	670	791
Unemployment Insurance	879	879	362	517
Other Post Employment Benefits	16,865	16,865	16,864	1
Supplies & Books	10,000	10,000	10,000	-
Software & Supplies	2,850	2,850	-	2,850
Insurance	2,150	5,724	5,724	-
Total Library	346,126	349,700	344,053	5,647
<b>YOUTH PROGRAMS</b>				
Carthage	10,000	10,000	10,000	-
Beckville	3,000	3,000	-	3,000
Gary	2,000	2,000	2,000	-
Exposition Bldg.-Maintenance	5,000	5,772	3,908	1,864
Total Youth Programs	20,000	20,772	15,908	4,864
<b>Total Recreation</b>	366,126	370,472	359,961	10,511
<b>CONSERVATION</b>				
<b>AGRICULTURAL EXTENSION SERVIC</b>				
Salary - County Extension Agent	14,751	14,751	14,751	-
Salary - Home Extension Agent	14,751	14,751	9,820	4,931
Expense Allowances - Agents	11,100	11,100	10,198	902
Salaries - Secretaries	28,230	28,230	28,230	-
Social Security	5,266	5,266	4,241	1,025
Group Medical Insurance	9,900	9,900	9,838	62
Retirement and Death Benefit	6,776	6,776	6,775	1
Worker's Compensation	1,868	1,868	293	1,575
Unemployment Insurance	347	347	128	219
Other Post Employment	2,623	2,623	2,623	-
Office Supplies, Postage & Repairs	1,650	3,105	2,128	977
Telephone	600	1,604	1,590	14
Travel	3,500	3,169	3,168	1
Conferences and Dues	1,500	734	689	45
Miscellaneous Supplies	372	168	168	-
Miscellaneous	228	-	-	-
Total Extension Service	103,462	104,392	94,640	9,752
<b>Total Conservation</b>	103,462	104,392	94,640	9,752

**PANOLA COUNTY, TEXAS**  
**SUPPLEMENTARY FINANCIAL INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND, continued**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>CAPITAL OUTLAY</b>				
<b>GENERAL ADMINISTRATION</b>				
County Judge	\$ 650	\$ 1,500	\$ 1,493	\$ 7
Commissioners	250	250	189	61
County Clerk	8,128	8,128	2,112	6,016
Veterans Service Officer	300	825	809	16
Miscellaneous and Non-Departmental	5,000	18,603	16,763	1,840
<b>JUDICIAL</b>				
District Court	3,500	2,229	977	1,252
County Court at Law	3,650	2,650	1,068	1,582
District Clerk	7,628	4,128	-	4,128
Justice of the Peace Pct. 1 & 4	695	95	-	95
Justice of the Peace Pct. 2 & 3	495	-	-	-
<b>LEGAL</b>				
District Attorney	4,250	4,250	4,137	113
<b>FINANCIAL ADMINISTRATION</b>				
Auditor	3,300	2,800	2,032	768
Treasurer	2,000	3,300	3,068	232
<b>PUBLIC SAFETY</b>				
Sheriff	125,000	203,888	191,656	12,232
Constable Pct. 1 and 4	40,500	72,658	72,438	220
Constable Pct. 2 and 3	30,893	29,738	29,738	-
Corrections	8,000	54,000	49,848	4,152
Highway Patrol	3,000	4,441	4,398	43
<b>CONSERVATION</b>				
Agriculture Extension Service	1,000	870	870	-
<b>Total Capital Outlay</b>	<u>248,239</u>	<u>414,353</u>	<u>381,596</u>	<u>32,757</u>
<b>Total Expenditures</b>	<u>13,518,674</u>	<u>14,108,188</u>	<u>13,225,159</u>	<u>878,803</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>188,563</u>	<u>188,563</u>	<u>1,589,893</u>	<u>1,397,104</u>

**PANOLA COUNTY, TEXAS**  
**SUPPLEMENTARY FINANCIAL INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**GENERAL FUND, continued**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	68,194	68,194
Transfers Out	(188,563)	(188,563)	(186,563)	2,000
<b>Total Other Financing Sources (Uses)</b>	<u>(188,563)</u>	<u>(188,563)</u>	<u>(118,369)</u>	<u>70,194</u>
Net Change in Fund Balance	-	-	1,471,524	1,467,298
<b>FUND BALANCE, BEGINNING</b>	<u>12,914,895</u>	<u>12,914,895</u>	<u>12,914,895</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 12,914,895</u></u>	<u><u>\$ 12,914,895</u></u>	<u><u>\$ 14,386,419</u></u>	<u><u>\$ 1,467,298</u></u>

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

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**PANOLA COUNTY, TEXAS  
COMBINED BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2013**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Other Governmental Funds</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,912,282	\$ 68,566	\$ 1,980,848
Investments	6,043,995	633,000	6,676,995
Receivables (net of allowance for uncolletable taxes)			
Current Taxes	101,563	-	101,563
Delinquent Taxes	17,180	-	17,180
Due from Other Governments	60,251	-	60,251
Miscellaneous	99,683	1,469	101,152
Inventory	17,036	-	17,036
<b>Total Assets</b>	<u><u>8,251,990</u></u>	<u><u>703,035</u></u>	<u><u>8,955,025</u></u>
<b>LIABILITIES:</b>			
Accounts Payable-Trade	234,756	395	235,151
<b>Total Liabilities</b>	<u>234,756</u>	<u>395</u>	<u>235,151</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unearned Revenue	529,246	-	529,246
Unearned Deferred Revenue	118,743	-	118,743
<b>Total Deferred Inflows of Resources</b>	<u>647,989</u>	<u>-</u>	<u>647,989</u>
<b>FUND BALANCES:</b>			
Nonspendable	17,036	-	17,036
Restricted	7,352,209	-	7,352,209
Committed	-	702,640	702,640
<b>Total Fund Balances</b>	<u>7,369,245</u>	<u>702,640</u>	<u>8,071,885</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u><u>\$ 8,251,990</u></u>	<u><u>\$ 703,035</u></u>	<u><u>\$ 8,955,025</u></u>

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

	Special Revenue	Capital Projects	Total Other Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 574,383	\$ -	\$ 574,383
Intergovernmental Receipts	821,956	-	821,956
Fees of Office	609,185	-	609,185
Miscellaneous	1,123,562	11,731	1,135,293
<b>TOTAL REVENUES</b>	<b>3,129,086</b>	<b>11,731</b>	<b>3,140,817</b>
<b>EXPENDITURES</b>			
Current:			
General Administration	74,868	-	74,868
Legal	140,479	-	140,479
Elections	-	-	-
Public Facilities	144,321	-	144,321
Public Safety	1,244,115	-	1,244,115
Public Transportation	551,378	-	551,378
Health & Paupers Care	1,052,830	-	1,052,830
Capital Outlay:			
General Administration	1,433	-	1,433
Public Safety	21,182	-	21,182
Public Transportation	-	-	-
Recreation	-	1,273,635	1,273,635
<b>TOTAL EXPENDITURES</b>	<b>3,230,606</b>	<b>1,273,635</b>	<b>4,504,241</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(101,520)</b>	<b>(1,261,904)</b>	<b>(1,363,424)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	186,563	-	186,563
Transfers Out	-	(68,194)	(68,194)
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>186,563</b>	<b>(68,194)</b>	<b>118,369</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>85,043</b>	<b>(1,330,098)</b>	<b>(1,245,055)</b>
<b>FUND BALANCE-BEGINNING OF YEAR</b>	<b>7,284,202</b>	<b>2,032,738</b>	<b>9,316,940</b>
<b>FUND BALANCE-END OF YEAR</b>	<b>\$ 7,369,245</b>	<b>\$ 702,640</b>	<b>\$ 8,071,885</b>

PANOLA COUNTY, TEXAS  
NON-MAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS

**LAW LIBRARY FUND** – This fund is used to account for the maintenance and operations of a library open to all residents of the County. Financing is provided by fees collected in connection with court costs.

**JUVENILE DELINQUENCY PREVENTION FUND** – This fund is used to account for fees collected for the prevention of juvenile delinquency and graffiti eradication.

**COURTHOUSE SECURITY FUND** – This fund was created to finance the cost of providing security services for buildings housing a district or county court. It is funded by fees collected on felony or misdemeanor convictions.

**RECORDS MANAGEMENT FUND** – This fund is to be used for the management of the County records and is similar to the Records Preservation Fund.

**COUNTY & DISTRICT COURT TECHNOLOGY FUND** – This fund is used to account for fees paid by defendants in county and district courts to be used to fund costs of education and training regarding technological enhancements and for purchase and maintenance of technological enhancements, including computer systems, networks, hardware, software, imaging systems, electronic kiosks, and docket management systems.

**COURT RECORD PRESERVATION FUND** – This fund is used to account for fees paid in each civil case filed in a county or district court to be used only to digitize court records to preserve them from natural disasters.

**DISTRICT COURT RECORDS TECHNOLOGY FUND** – This fund is used to account for fees paid by defendants in district court to be used to fund costs of education and training regarding technological enhancements and for purchase and maintenance of technological enhancements, including computer systems, networks, hardware, software, imaging systems, electronic kiosks, and docket management systems.

**DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION FUND** – This fund is used to account for the collection of the District Clerk’s statutory document preservation fee and the expenditure of those fees for records management and preservation services.

**RECORDS PRESERVATION FUND** – This fund is to be used for records preservation services performed by the County Clerk after the filing and recording of a document in the records of the office of the clerk.

**RECORD ARCHIVE FEES FUND** – This fund is used to account for the preservation and restoration services of any instrument, document, or paper maintained by the County Clerk. According to statutes governing this fee, “record archive” means public documents filed with the county clerk before January 1, 1990.

**JUSTICE COURT TECHNOLOGY FUND** – This fund was created to finance the purchase of technological enhancements for a justice court. It is funded by fees on misdemeanor convictions.

**VIT INTEREST FUND** – This fund was created to account for interest earned on the County’s vehicle inventory tax escrow account, which is used for the administration of the prepayment procedure.

**ELECTION SERVICES CONTRACT FUND** – This fund is used to account for the revenues and expenditures associated with various contracts with other local governments in which County provides election services.

**FARM TO MARKET AND LATERAL ROAD FUND** – This fund is similar to the Road and Bridge Fund. Primary sources of revenues are ad valorem taxes. These taxes are authorized by the State and allow counties to include in their tax rates ad valorem taxes levied by the State in previous years.

**COMMUNITY SUPERVISION AND CORRECTIONS FUND** – This fund is used to account for the revenues and expenditures generated by the Community Supervision and Correction Department in the supervision and administration of probationers reportable to the 123rd jurisdiction. Financing is provided by probation fees collected by the department and funding by the State of Texas based on probationers' supervision caseloads. Payment of operating expenditures is administered by the County.

PANOLA COUNTY, TEXAS  
NON-MAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS

**DRUG COURT GRANT FUND** – This fund is used to account for the revenues and expenditures associated with the Drug Court Program initiated by Panola and Shelby Counties. Financing is provided by federal grant monies and funding from both Panola and Shelby Counties. This program is operated by the 123<sup>rd</sup> Judicial District – Community Supervision and Correction Department.

**JUVENILE PROBATION FUND** – This fund is used to account for the revenues and expenditures associated with the supervision and administration of juvenile probationers reportable in Panola County. Financing is provided by State aid. Fiscal services are provided by the County.

**OLD PROBATION FUND** – This fund represents remaining carryover funds from the old tri-county probation system before the jurisdiction of probation departments in the State were placed under the authority of the Texas Adult Probation Commission. Current revenues are primarily from interest earnings on invested funds. Certain capital outlay expenditures and certain repairs to capital items are not authorized in the adult probation fund. This fund is used to account for these types of expenditures.

**HOT CHECK FEE FUND** – The scope of the District Attorney's responsibilities include the collection of "hot checks" issued to merchants and others in the County. A fee is assessed to the maker of the "hot check." These fees are generally available for use at the discretion of the District Attorney without Commissioners' Court approval.

**SHERIFF'S STATE FORFEITURE FUND** – This fund is used to account for funds allocated by the State from drug money confiscated within County boundaries.

**JAIL COMMISARY FUND** – This fund is used to account for proceeds received from the sale of goods to inmates and expenditures of same.

**DISTRICT ATTORNEY LONGEVITY PAY SUPPLEMENT FUND** – This fund is used to account for funds received from the Criminal Justice Division. These funds are used to supplement the salary of the Assistant District Attorney.

**DISTRICT ATTORNEY FORFEITURE FUND** – This fund is used to account for the funds received after forfeiture proceedings are final involving drug cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for illegal drug investigation matters. The funds do not require approval by the Commissioners' Court. However, the District Attorney is required to submit a budget to the Court before expenditures are made.

**STATE APPORTIONMENT D.A. FUND** – This fund is used to account for revenues and expenditures used for purposes of the Criminal District Attorney's Office. It is used primarily to defray salary expenses of the District Attorney Office employees. Funding is provided by the State of Texas.

**CONSTABLE PCT. 1 & 4 STATE FORFEITURE FUND** – This fund is used to account for state funds received after forfeiture proceedings are final involving cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for investigation matters.

**CONSTABLE PCT. 2 & 3 STATE FORFEITURE FUND** – This fund is used to account for state funds received after forfeiture proceedings are final involving cases where cash or property has been seized. State statutes governing these funds allow the monies to be used for investigation matters.

**CDA FEDERAL FORFEITURE FUND** – This fund is used to account for funds received from the federal government. These funds represent cash seized and forfeited relative to certain drug cases. Federal statutes governing these funds allow the monies to be used for investigation matters.

**CONSTABLE PCT. 2 & 3 FEDERAL FORFEITURE FUND** – This fund is used to account for federal funds received after forfeiture proceedings are final involving cases where cash or property has been seized. Federal statutes governing these funds allow the monies to be used for investigation matters.

**PANOLA COUNTY, TEXAS  
NON-MAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS**

**GARY WATER SUPPLY CORPORATION FUND** – This fund is used to account for funds received from the State to be used for a water improvement system. The grant monies were awarded from the Texas Community Development Block Grant Program (TXCDBG).

**SOUTH MURVAUL WATER SUPPLY CORPORATION FUND** – This fund is used to account for funds received from the State to be used to provide first-time water service to 44 households within the South Murvaul Water Supply Corporation service area. The grant monies were awarded from the Texas Community Development Block Grant Program (TXCDBG).

**CHILD PROTECTIVE SERVICES FUND** – This fund is used to account for services which are provided to meet the needs of dependent and neglected children; children with special needs; and children in danger of being judged delinquent. Child Protective Services are governed by the Children’s Services Board, which is funded in part by the County and is dependent upon the County for accomplishment of its purposes.

**HEALTH FUND** – This fund is used only to finance items related to providing health care to County residents, including indigent residents.

**AIRPORT FUND** – This fund is used to account for hangar rentals and miscellaneous upkeep of Sharpe Field, the airport serving Panola County. The Panola County Airport Authority Board serves as an advisory Board and is appointed by the Commissioners’ Court.

**PANOLA COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2013**

	<b>LAW LIBRARY</b>	<b>JUVENILE DELINQUENCY PREVENTION</b>	<b>COURT- HOUSE SECURITY</b>	<b>RECORDS MANAGEMENT</b>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 3,926	\$ 155	\$ 43,010	\$ 14,712
Investments	29,000	-	180,000	137,000
Receivables (net of allowance for uncollectible taxes)				
Current Taxes	-	-	-	-
Delinquent Taxes	-	-	-	-
Due from Other Governments	-	-	-	-
Miscellaneous	536	-	923	835
Inventory	-	-	-	-
<b>Total Assets</b>	<b>33,462</b>	<b>155</b>	<b>223,933</b>	<b>152,547</b>
 <b>LIABILITIES:</b>				
Accounts Payable-Trade	600	-	-	-
<b>Total Liabilities</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>-</b>
 <b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unearned Revenue	-	-	-	-
Unearned Deferred Revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
 <b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	32,862	155	223,933	152,547
<b>Total Fund Balances</b>	<b>32,862</b>	<b>155</b>	<b>223,933</b>	<b>152,547</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 33,462</b>	<b>\$ 155</b>	<b>\$ 223,933</b>	<b>\$ 152,547</b>

<b>COUNTY &amp; DISTRICT COURT TECH</b>	<b>COURT RECORD PRESERVATION</b>	<b>DISTRICT COURT RECORDS TECHNOLOGY</b>	<b>DISTRICT CLERK RECORDS MANAGEMENT &amp; PRESERVATION</b>	<b>RECORDS PRESERVATION</b>
\$ 2,294	\$ 12,864	\$ 2,420	\$ 4,978	\$ 142,583
-	-	-	-	230,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
7	140	35	85	950
-	-	-	-	-
<b>2,301</b>	<b>13,004</b>	<b>2,455</b>	<b>5,063</b>	<b>373,533</b>
-	-	-	-	2,800
-	-	-	-	2,800
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,301	13,004	2,455	5,063	370,733
2,301	13,004	2,455	5,063	370,733
<b>\$ 2,301</b>	<b>\$ 13,004</b>	<b>\$ 2,455</b>	<b>\$ 5,063</b>	<b>\$ 373,533</b>

**PANOLA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2013**

	<u>RECORDS ARCHIVE FEES</u>	<u>JUSTICE COURT TECHNOLOGY</u>	<u>VIT INTEREST</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 35,676	\$ 17,817	\$ 5,424
Investments	23,000	61,000	-
Receivables (net of allowance for uncollectible taxes)			
Current Taxes	-	-	-
Delinquent Taxes	-	-	-
Due from Other Governments	-	-	-
Miscellaneous	153	167	258
Inventory	-	-	-
	<u>58,829</u>	<u>78,984</u>	<u>5,682</u>
<b>Total Assets</b>	<b><u>58,829</u></b>	<b><u>78,984</u></b>	<b><u>5,682</u></b>
<b>LIABILITIES:</b>			
Accounts Payable-Trade	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unearned Revenue	-	-	-
Unearned Deferred Revenue	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>			
Nonspendable	-	-	-
Restricted	58,829	78,984	5,682
<b>Total Fund Balances</b>	<u>58,829</u>	<u>78,984</u>	<u>5,682</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$ 58,829</u></b>	<b><u>\$ 78,984</u></b>	<b><u>\$ 5,682</u></b>

<b>ELECTION SERVICES CONTRACT</b>	<b>FM &amp; LATERAL</b>	<b>COMMUNITY SUPERVISION AND CORRECTIONS</b>	<b>DRUG COURT GRANT</b>	<b>JUVENILE PROBATION</b>	<b>OLD PROBATION</b>
\$ 13,544	\$ 190,040	\$ 296,318	\$ 61,427	\$ 301,122	\$ 883
-	1,792,995	100,000	-	100,000	10,000
-	101,563	-	-	-	-
-	17,180	-	-	-	-
-	60,251	-	-	-	-
-	7,291	29,605	22,067	364	22
-	-	-	-	-	-
<b>13,544</b>	<b>2,169,320</b>	<b>425,923</b>	<b>83,494</b>	<b>401,486</b>	<b>10,905</b>
-	5,165	14,510	7,531	7,083	-
-	5,165	14,510	7,531	7,083	-
-	529,246	-	-	-	-
-	118,743	-	-	-	-
-	647,989	-	-	-	-
-	-	-	-	-	-
13,544	1,516,166	411,413	75,963	394,403	10,905
13,544	1,516,166	411,413	75,963	394,403	10,905
<b>\$ 13,544</b>	<b>\$ 2,169,320</b>	<b>\$ 425,923</b>	<b>\$ 83,494</b>	<b>\$ 401,486</b>	<b>\$ 10,905</b>

**PANOLA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2013**

	<u>HOT CHECK FEE</u>	<u>SHERIFF'S STATE FORFEITURE</u>	<u>JAIL COMM</u>	<u>DIST ATTY LONGEVITY PAY SUPPLEMENT</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 8,989	\$ 82,310	\$ 7,676	\$ 112
Investments	30,000	24,000	-	-
Receivables (net of allowance for uncollectible taxes)				
Current Taxes	-	-	-	-
Delinquent Taxes	-	-	-	-
Due from Other Governments	-	-	-	-
Miscellaneous	1,147	70	-	-
Inventory	-	-	-	-
<b>Total Assets</b>	<u><u>40,136</u></u>	<u><u>106,380</u></u>	<u><u>7,676</u></u>	<u><u>112</u></u>
<b>LIABILITIES:</b>				
Accounts Payable-Trade	-	-	-	-
<b>Total Liabilities</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unearned Revenue	-	-	-	-
Unearned Deferred Revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>FUND BALANCES:</b>				
Nonspendable	-	-	-	-
Restricted	40,136	106,380	7,676	112
<b>Total Fund Balances</b>	<u><u>40,136</u></u>	<u><u>106,380</u></u>	<u><u>7,676</u></u>	<u><u>112</u></u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u><u>\$ 40,136</u></u>	<u><u>\$ 106,380</u></u>	<u><u>\$ 7,676</u></u>	<u><u>\$ 112</u></u>

<u>D.A.</u> <u>FORFEITURE</u>	<u>STATE</u> <u>APPORTION-</u> <u>MENT - DA</u>	<u>CONSTABLE</u> <u>PCT. 1&amp;4</u> <u>STATE</u> <u>FORFEITURES</u>	<u>CONSTABLE</u> <u>PCT. 2 &amp; 3</u> <u>STATE</u> <u>FORFEITURES</u>	<u>CDA</u> <u>FEDERAL</u> <u>FORFEITURE</u>	<u>CONSTABLE</u> <u>PCT. 2 &amp; 3</u> <u>FEDERAL</u> <u>FORFEITURES</u>
\$ 23,621 5,000	\$ 630 -	\$ 186 -	\$ 997 -	\$ 56,405 -	\$ 32 -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
351	-	-	-	-	-
-	-	-	-	-	-
<u>28,972</u>	<u>630</u>	<u>186</u>	<u>997</u>	<u>56,405</u>	<u>32</u>
<u>69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,903</u>	<u>630</u>	<u>186</u>	<u>997</u>	<u>56,405</u>	<u>32</u>
<u>28,903</u>	<u>630</u>	<u>186</u>	<u>997</u>	<u>56,405</u>	<u>32</u>
<u>\$ 28,972</u>	<u>\$ 630</u>	<u>\$ 186</u>	<u>\$ 997</u>	<u>\$ 56,405</u>	<u>\$ 32</u>

**PANOLA COUNTY, TEXAS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
NON-MAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2013**

	<b>GARY WATER SUPPLY CORPORATION</b>	<b>SOUTH MURVAUL WATER SUPPLY CORPORATION</b>	<b>CHILD PROTECTIVE SERVICES</b>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ -	\$ -	\$ 48,066
Investments	-	-	39,000
Receivables (net of allowance for uncollectible taxes)			
Current Taxes	-	-	-
Delinquent Taxes	-	-	-
Due from Other Governments	-	-	-
Miscellaneous	1,080	16,300	3,003
Inventory	-	-	-
<b>Total Assets</b>	<b>1,080</b>	<b>16,300</b>	<b>90,069</b>
<b>LIABILITIES:</b>			
Accounts Payable-Trade	1,080	16,300	230
<b>Total Liabilities</b>	<b>1,080</b>	<b>16,300</b>	<b>230</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unearned Revenue	-	-	-
Unearned Deferred Revenue	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>			
Nonspendable			-
Restricted	-	-	89,839
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>89,839</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,080</b>	<b>\$ 16,300</b>	<b>\$ 90,069</b>

HEALTH FUND	AIRPORT	NON-MAJOR SPECIAL REVENUE FUNDS TOTAL
\$ 334,694	\$ 199,371	\$ 1,912,282
3,170,000	113,000	6,043,995
-	-	101,563
-	-	17,180
-	-	60,251
13,871	423	99,683
	17,036	17,036
<u>3,518,565</u>	<u>329,830</u>	<u>8,251,990</u>
<u>179,388</u>	-	<u>234,756</u>
<u>179,388</u>	-	<u>234,756</u>
-	-	529,246
-	-	118,743
-	-	647,989
-	17,036	17,036
<u>3,339,177</u>	<u>312,794</u>	<u>7,352,209</u>
<u>3,339,177</u>	<u>329,830</u>	<u>7,369,245</u>
<u>\$ 3,518,565</u>	<u>\$ 329,830</u>	<u>\$ 8,251,990</u>

**PANOLA COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>LAW LIBRARY</u>	<u>JUVENILE DELINQUENCY PREVENTION</u>	<u>COURT- HOUSE SECURITY</u>	<u>RECORDS MANAGEMENT</u>
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Receipts	-	-	-	-
Fees of Office	14,945	-	22,380	8,431
Miscellaneous	329	1	2,325	1,523
<b>TOTAL REVENUES</b>	<u>15,274</u>	<u>1</u>	<u>24,705</u>	<u>9,954</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Administration	-	-	23,357	-
Legal	13,670	-	-	-
Elections	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	-	-	-
Health & Paupers Care	-	-	-	-
<b>Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
General Administration	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>13,670</u>	<u>-</u>	<u>23,357</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues</b>				
Over (Under) Expenditures	<u>1,604</u>	<u>1</u>	<u>1,348</u>	<u>9,954</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,604</b>	<b>1</b>	<b>1,348</b>	<b>9,954</b>
<b>FUND BALANCE-BEGINNING OF YEAR</b>	<u>31,258</u>	<u>154</u>	<u>222,585</u>	<u>142,593</u>
<b>FUND BALANCE-END OF YEAR</b>	<u>\$ 32,862</u>	<u>\$ 155</u>	<u>\$ 223,933</u>	<u>\$ 152,547</u>

<u>COUNTY &amp; DISTRICT COURT TECH</u>	<u>COURT RECORD PRESERVATION</u>	<u>DISTRICT COURT RECORDS TECHNOLOGY</u>	<u>DISTRICT CLERK RECORDS MANAGEMENT &amp; PRESERVATION</u>	<u>RECORDS PRESERVATION</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
709	2,753	675	1,661	53,152
15	93	17	34	3,416
<u>724</u>	<u>2,846</u>	<u>692</u>	<u>1,695</u>	<u>56,568</u>
-	-	-	-	16,800
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	16,800
<u>724</u>	<u>2,846</u>	<u>692</u>	<u>1,695</u>	<u>39,768</u>
-	-	-	-	-
-	-	-	-	-
724	2,846	692	1,695	39,768
<u>1,577</u>	<u>10,158</u>	<u>1,763</u>	<u>3,368</u>	<u>330,965</u>
<u>\$ 2,301</u>	<u>\$ 13,004</u>	<u>\$ 2,455</u>	<u>\$ 5,063</u>	<u>\$ 370,733</u>

**PANOLA COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>RECORDS ARCHIVE FEES</u>	<u>JUSTICE COURT TECHNOLOGY</u>	<u>VIT INTEREST</u>
<b>REVENUES</b>			
Property Taxes	\$ -	\$ -	\$ -
Intergovernmental Receipts	-	-	-
Fees of Office	43,100	10,316	-
Miscellaneous	509	735	304
<b>TOTAL REVENUES</b>	<u>43,609</u>	<u>11,051</u>	<u>304</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
General Administration	29,913	4,000	798
Legal	-	-	-
Elections	-	-	-
Public Facilities	-	-	-
Public Safety	-	-	-
Public Transportation	-	-	-
Health & Paupers Care	-	-	-
<b>Capital Outlay</b>			
General Administration	-	1,433	-
Public Safety	-	-	-
Public Transportation	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>29,913</u>	<u>5,433</u>	<u>798</u>
<b>Excess (Deficiency) of Revenues</b>			
Over (Under) Expenditures	<u>13,696</u>	<u>5,618</u>	<u>(494)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>13,696</b>	<b>5,618</b>	<b>(494)</b>
<b>FUND BALANCE-BEGINNING OF YEAR</b>	<u>45,133</u>	<u>73,366</u>	<u>6,176</u>
<b>FUND BALANCE-END OF YEAR</b>	<u>\$ 58,829</u>	<u>\$ 78,984</u>	<u>\$ 5,682</u>

<u>ELECTION SERVICES CONTRACT</u>	<u>FM &amp; LATERAL</u>	<u>COMMUNITY SUPERVISION AND CORRECTIONS</u>	<u>DRUG COURT GRANT</u>	<u>JUVENILE PROBATION</u>	<u>OLD PROBATION</u>
\$ -	\$ 574,383	\$ -	\$ -	\$ -	\$ -
-	-	338,078	86,361	188,505	-
1,150	-	427,544	8,966	380	-
104	24,586	3,001	462	4,506	105
<u>1,254</u>	<u>598,969</u>	<u>768,623</u>	<u>95,789</u>	<u>193,391</u>	<u>105</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	780,292	75,961	345,582	-
-	463,555	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>463,555</u>	<u>780,292</u>	<u>75,961</u>	<u>345,582</u>	<u>-</u>
<u>1,254</u>	<u>135,414</u>	<u>(11,669)</u>	<u>19,828</u>	<u>(152,191)</u>	<u>105</u>
-	-	-	-	158,563	-
-	-	-	-	158,563	-
1,254	135,414	(11,669)	19,828	6,372	105
<u>12,290</u>	<u>1,380,752</u>	<u>423,082</u>	<u>56,135</u>	<u>388,031</u>	<u>10,800</u>
<u>\$ 13,544</u>	<u>\$ 1,516,166</u>	<u>\$ 411,413</u>	<u>\$ 75,963</u>	<u>\$ 394,403</u>	<u>\$ 10,905</u>

**PANOLA COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>HOT CHECK FEE</u>	<u>SHERIFF'S STATE FORFEITURE</u>	<u>JAIL COMM</u>	<u>DIST ATTY LONGEVITY PAY SUPPLEMENT</u>
<b>REVENUES</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Receipts	-	-	-	5,520
Fees of Office	13,023	-	-	-
Miscellaneous	-	26,150	3,060	4
<b>TOTAL REVENUES</b>	<u>13,023</u>	<u>26,150</u>	<u>3,060</u>	<u>5,524</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Administration	-	-	-	-
Legal	59,161	-	-	5,520
Elections	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	42,280	-	-
Public Transportation	-	-	-	-
Health & Paupers Care	-	-	-	-
<b>Capital Outlay</b>				
General Administration	-	-	-	-
Public Safety	-	21,182	-	-
Public Transportation	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>59,161</u>	<u>63,462</u>	<u>-</u>	<u>5,520</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(46,138)</u>	<u>(37,312)</u>	<u>3,060</u>	<u>4</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(46,138)</b>	<b>(37,312)</b>	<b>3,060</b>	<b>4</b>
<b>FUND BALANCE-BEGINNING OF YEAR</b>	<u>86,274</u>	<u>143,692</u>	<u>4,616</u>	<u>108</u>
<b>FUND BALANCE-END OF YEAR</b>	<u>\$ 40,136</u>	<u>\$ 106,380</u>	<u>\$ 7,676</u>	<u>\$ 112</u>

<u>D.A.</u> <u>FORFEITURE</u>	<u>STATE</u> <u>APPORTION-</u> <u>MENT - DA</u>	<u>CONSTABLE</u> <u>PCT. 1&amp;4</u> <u>STATE</u> <u>FORFEITURES</u>	<u>CONSTABLE</u> <u>PCT. 2 &amp; 3</u> <u>STATE</u> <u>FORFEITURES</u>	<u>CDA</u> <u>FEDERAL</u> <u>FORFEITURE</u>	<u>CONSTABLE</u> <u>PCT. 2 &amp; 3</u> <u>FEDERAL</u> <u>FORFEITURES</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	27,499	-	-	-	-
-	-	-	-	-	-
13,734	28	1	8	451	1
<u>13,734</u>	<u>27,527</u>	<u>1</u>	<u>8</u>	<u>451</u>	<u>1</u>
-	-	-	-	-	-
34,628	27,500	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>34,628</u>	<u>27,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(20,894)	27	1	8	451	1
-	-	-	-	-	-
-	-	-	-	-	-
(20,894)	27	1	8	451	1
49,797	603	185	989	55,954	31
<u>\$ 28,903</u>	<u>\$ 630</u>	<u>\$ 186</u>	<u>\$ 997</u>	<u>\$ 56,405</u>	<u>\$ 32</u>

**PANOLA COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>GARY WATER SUPPLY CORPORATION</u>	<u>SOUTH MURVAUL WATER SUPPLY CORPORATION</u>	<u>CHILD PROTECTIVE SERVICES</u>
<b>REVENUES</b>			
Property Taxes	\$ -	\$ -	\$ -
Intergovernmental Receipts	122,421	21,900	2,928
Fees of Office	-	-	-
Miscellaneous	-	-	2,187
<b>TOTAL REVENUES</b>	<u>122,421</u>	<u>21,900</u>	<u>5,115</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
General Administration	-	-	-
Legal	-	-	-
Elections	-	-	-
Public Facilities	122,421	21,900	-
Public Safety	-	-	-
Public Transportation	-	-	-
Health & Paupers Care	-	-	17,525
<b>Capital Outlay</b>			
General Administration	-	-	-
Public Safety	-	-	-
Public Transportation	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>122,421</u>	<u>21,900</u>	<u>17,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(12,410)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>-</u>	<u>-</u>	<u>28,000</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>28,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>-</u>	<u>-</u>	<u>15,590</u>
<b>FUND BALANCE-BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>74,249</u>
<b>FUND BALANCE-END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,839</u>

<u>HEALTH FUND</u>	<u>AIRPORT</u>	<u>NON-MAJOR SPECIAL REVENUE FUNDS TOTAL</u>
\$ -	\$ -	\$ 574,383
28,744	-	821,956
-	-	609,185
<u>939,877</u>	<u>95,996</u>	<u>1,123,562</u>
<u>968,621</u>	<u>95,996</u>	<u>3,129,086</u>
-	-	74,868
-	-	140,479
-	-	-
-	-	144,321
-	-	1,244,115
-	87,823	551,378
1,035,305	-	1,052,830
-	-	1,433
-	-	21,182
-	-	-
<u>1,035,305</u>	<u>87,823</u>	<u>3,230,606</u>
<u>(66,684)</u>	<u>8,173</u>	<u>(101,520)</u>
-	-	186,563
-	-	186,563
(66,684)	8,173	85,043
<u>3,405,861</u>	<u>321,657</u>	<u>7,284,202</u>
<u>\$ 3,339,177</u>	<u>\$ 329,830</u>	<u>\$ 7,369,245</u>

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**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**LAW LIBRARY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>BUDGET</b>			<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
Law Library Fees	\$ 16,000	\$ 14,490	\$ 14,945	\$ 455
<b>MISCELLANEOUS</b>				
Interest Earnings	200	200	329	129
<b>Total Revenues</b>	<u>16,200</u>	<u>14,690</u>	<u>15,274</u>	<u>584</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Legal	<u>16,200</u>	<u>14,690</u>	<u>13,670</u>	<u>1,020</u>
<b>Total Expenditures</b>	<u>16,200</u>	<u>14,690</u>	<u>13,670</u>	<u>1,020</u>
<b>Net Change in Fund Balances</b>	-	-	1,604	1,604
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>31,258</u>	<u>31,258</u>	<u>31,258</u>	-
<b>FUND BALANCE, END OF YEAR</b>	<u><u>\$ 31,258</u></u>	<u><u>\$ 31,258</u></u>	<u><u>\$ 32,862</u></u>	<u><u>\$ 1,604</u></u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**COUNTY JUVENILE DELINQUENCY PREVENTION SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>BUDGET</b>			<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
Law Library Fees	\$ 80	\$ -	\$ -	\$ -
<b>MISCELLANEOUS</b>				
Interest Earnings	-	1	1	-
<b>Total Revenues</b>	<u>80</u>	<u>1</u>	<u>1</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Legal	80	1	-	1
<b>Total Expenditures</b>	<u>80</u>	<u>1</u>	<u>-</u>	<u>1</u>
<b>Net Change in Fund Balances</b>	-	-	1	1
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>154</u>	<u>154</u>	<u>154</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 154</u>	<u>\$ 154</u>	<u>\$ 155</u>	<u>\$ 1</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**COURTHOUSE SECURITY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
District Clerk Fees	\$ 2,000	\$ 1,607	\$ 1,683	\$ 76
County Clerk Fees	10,000	10,000	10,382	382
JP Offices	9,000	9,557	10,315	758
<b>Total Fees of Office</b>	<u>21,000</u>	<u>21,164</u>	<u>22,380</u>	<u>1,216</u>
<b>MISCELLANEOUS</b>				
Interest Earnings	2,489	2,325	2,325	-
<b>Total Revenues</b>	<u>23,489</u>	<u>23,489</u>	<u>24,705</u>	<u>1,216</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Administration:</b>				
Baliff and Security	16,308	16,308	16,307	1
Social Security Taxes	1,248	1,248	1,247	1
Retirement & Death Benefits	3,914	3,914	3,914	-
Workers Compensation	423	423	342	81
Unemployment Insurance	81	81	32	49
Other Post Employment	1,515	1,515	1,515	-
<b>Total Expenditures</b>	<u>23,489</u>	<u>23,489</u>	<u>23,357</u>	<u>132</u>
<b>Net Change in Fund Balances</b>	-	-	1,348	1,348
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>222,585</u>	<u>222,585</u>	<u>222,585</u>	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 222,585</u>	<u>\$ 222,585</u>	<u>\$ 223,933</u>	<u>\$ 1,348</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**RECORDS MANAGEMENT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
District Clerk Fees	\$ 2,888	\$ 2,888	\$ 2,988	\$ 100
County Clerk Fees	4,196	4,196	5,443	1,247
<b>Total Fees of Office</b>	<b>7,084</b>	<b>7,084</b>	<b>8,431</b>	<b>1,347</b>
<b>MISCELLANEOUS</b>				
Interest Earnings	900	900	1,523	623
<b>Total Revenues</b>	<b>7,984</b>	<b>7,984</b>	<b>9,954</b>	<b>1,970</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Administration:</b>				
Seasonal Help	7,354	7,354		7,354
Retirement	-	-		-
Social Security Taxes	563	563		563
Workers Compensation	35	35		35
Unemployment Insurance	32	32		32
<b>Total Expenditures</b>	<b>7,984</b>	<b>7,984</b>	<b>-</b>	<b>7,984</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>9,954</b>	<b>9,954</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>142,593</b>	<b>142,593</b>	<b>142,593</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 142,593</b>	<b>\$ 142,593</b>	<b>\$ 152,547</b>	<b>\$ 9,954</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**COUNTY & DISTRICT COURT TECH SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>BUDGET</b>			<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
District Clerk Fees	\$ 50	\$ 50	\$ 68	\$ 18
County Clerk Fees	100	100	641	541
<b>Total Fees of Office</b>	<b>150</b>	<b>150</b>	<b>709</b>	<b>559</b>
<b>MISCELLANEOUS</b>				
Interest Earnings	1	1	15	14
<b>Total Revenues</b>	<b>151</b>	<b>151</b>	<b>724</b>	<b>573</b>
<b>EXPENDITURES</b>				
<b>Capital Outlay:</b>				
General Administration	151	151	-	151
<b>Total Expenditures</b>	<b>151</b>	<b>151</b>	<b>-</b>	<b>151</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>724</b>	<b>724</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>1,577</b>	<b>1,577</b>	<b>1,577</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 1,577</b>	<b>\$ 1,577</b>	<b>\$ 2,301</b>	<b>\$ 724</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**COURT RECORD PRESERVATION SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>BUDGET</b>		<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>FINAL BUDGET</b>
			<b>POSITIVE</b>
		<b>ACTUAL</b>	<b>(NEGATIVE)</b>
<b>REVENUES</b>			
<b>FEES OF OFFICE</b>			
District Clerk Fees	\$ 1,790	\$ 1,790	\$ 2,753
Total Fees of Office	<u>1,790</u>	<u>1,790</u>	<u>963</u>
<b>MISCELLANEOUS</b>			
Interest Earnings	10	10	93
Total Revenues	<u>1,800</u>	<u>1,800</u>	<u>1,046</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General Administration	1,800	1,800	-
Total Expenditures	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>
Net Change in Fund Balances	-	-	2,846
FUND BALANCE, BEGINNING OF YEAR	<u>10,158</u>	<u>10,158</u>	<u>10,158</u>
FUND BALANCE, END OF YEAR	<u>\$ 10,158</u>	<u>\$ 10,158</u>	<u>\$ 13,004</u>
			<u>\$ 2,846</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**DISTRICT COURT RECORDS TECHNOLOGY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>BUDGET</b>			<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
District Clerk Fees	\$ 800	\$ 800	\$ 675	\$ (125)
<b>Total Fees of Office</b>	<u>800</u>	<u>800</u>	<u>675</u>	<u>(125)</u>
<b>MISCELLANEOUS</b>				
Interest Earnings	-	-	17	17
<b>Total Revenues</b>	<u>800</u>	<u>800</u>	<u>692</u>	<u>(108)</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
General Administration	800	800	-	800
<b>Total Expenditures</b>	<u>800</u>	<u>800</u>	<u>-</u>	<u>800</u>
<b>Net Change in Fund Balances</b>	-	-	692	692
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,763</u>	<u>1,763</u>	<u>1,763</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,763</u>	<u>\$ 1,763</u>	<u>\$ 2,455</u>	<u>\$ 692</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**DISTRICT CLERK RECORDS MANAGEMENT & PRESERVATION SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>BUDGET</b>		<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>FINAL BUDGET</b>
			<b>POSITIVE</b>
		<b>ACTUAL</b>	<b>(NEGATIVE)</b>
<b>REVENUES</b>			
<b>FEES OF OFFICE</b>			
District Clerk Fees	\$ 600	\$ 600	\$ 1,661
<b>Total Fees of Office</b>	<u>600</u>	<u>600</u>	<u>1,061</u>
<b>MISCELLANEOUS</b>			
Interest Earnings	-	-	34
<b>Total Revenues</b>	<u>600</u>	<u>600</u>	<u>1,095</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General Administration	600	600	-
<b>Total Expenditures</b>	<u>600</u>	<u>600</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	1,695
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>3,368</u>	<u>3,368</u>	<u>3,368</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 3,368</u>	<u>\$ 3,368</u>	<u>\$ 5,063</u>
			<u>\$ 1,695</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**RECORDS PRESERVATION SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
County Clerks Fees	\$ 33,704	\$ 33,704	\$ 53,152	\$ 19,448
<b>Total Fees of Office</b>	<u>33,704</u>	<u>33,704</u>	<u>53,152</u>	<u>19,448</u>
<b>MISCELLANEOUS</b>				
Interest Earnings	2,284	2,284	3,416	1,132
<b>Total Revenues</b>	<u>35,988</u>	<u>35,988</u>	<u>56,568</u>	<u>20,580</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Administration:</b>				
Seasonal Help	7,354	7,354	-	7,354
Social Security Taxes	563	563	-	563
Retirement	-	-	-	-
Workers Compensation	40	40	-	40
Unemployment Insurance	31	31	-	31
Rentals, Microfilm	24,400	24,400	16,800	7,600
Internet Download	3,600	3,600	-	3,600
<b>Total Expenditures</b>	<u>35,988</u>	<u>35,988</u>	<u>16,800</u>	<u>19,188</u>
<b>Net Change in Fund Balances</b>	-	-	39,768	39,768
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>330,965</u>	<u>330,965</u>	<u>330,965</u>	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 330,965</u>	<u>\$ 330,965</u>	<u>\$ 370,733</u>	<u>\$ 39,768</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**RECORDS ARCHIVE FEES SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
County Clerk Fees	\$ 29,500	\$ 29,500	\$ 43,100	\$ 13,600
Total Fees of Office	<u>29,500</u>	<u>29,500</u>	<u>43,100</u>	<u>13,600</u>
<b>MISCELLANEOUS</b>				
Interest Earnings	500	500	509	9
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>43,609</u>	<u>13,609</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Administration:</b>				
Digitizing	30,000	30,000	29,913	87
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>29,913</u>	<u>87</u>
Net Change in Fund Balances	-	-	13,696	13,696
FUND BALANCE, BEGINNING OF YEAR	<u>45,133</u>	<u>45,133</u>	<u>45,133</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 45,133</u>	<u>\$ 45,133</u>	<u>\$ 58,829</u>	<u>\$ 13,696</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**JUSTICE COURT TECHNOLOGY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
JP Offices	\$ 9,500	\$ 9,500	\$ 10,316	\$ 816
Total Fees of Office	<u>9,500</u>	<u>9,500</u>	<u>10,316</u>	<u>816</u>
<b>MISCELLANEOUS</b>				
Interest Earnings	500	500	735	235
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>11,051</u>	<u>1,051</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Administration:</b>				
Professional Services	5,000	5,000	4,000	1,000
Supplies	5,000	5,000	1,433	3,567
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>5,433</u>	<u>4,567</u>
Net Change in Fund Balances	-	-	5,618	5,618
FUND BALANCE, BEGINNING OF YEAR	<u>73,366</u>	<u>73,366</u>	<u>73,366</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 73,366</u>	<u>\$ 73,366</u>	<u>\$ 78,984</u>	<u>\$ 5,618</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**VIT INTEREST SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Miscellaneous Revenue:				
Interest Earnings	\$ 100	\$ 100	\$ 304	\$ 204
<b>Total Revenues</b>	<b>100</b>	<b>100</b>	<b>304</b>	<b>204</b>
<b>EXPENDITURES</b>				
Current:				
Deputy Supplement	564	564	564	-
Social Security Taxes	44	44	43	1
Retirement	136	136	135	1
Workers Compensation	10	10	3	7
Unemployment Insurance	3	3	1	2
Other Post Employment	53	53	52	1
<b>Total Expenditures</b>	<b>810</b>	<b>810</b>	<b>798</b>	<b>12</b>
<b>Net Change in Fund Balances</b>	<b>(710)</b>	<b>(710)</b>	<b>(494)</b>	<b>216</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>6,176</b>	<b>6,176</b>	<b>6,176</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 5,466</b>	<b>\$ 5,466</b>	<b>\$ 5,682</b>	<b>\$ 216</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**ELECTION SERVICES CONTRACT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
Election Services	\$ -	\$ -	\$ 1,150	\$ 1,150
<b>Total Fees of Office</b>	<b>-</b>	<b>-</b>	<b>1,150</b>	<b>1,150</b>
<b>MISCELLANEOUS</b>				
Interest Earnings	\$ -	\$ -	\$ 104	\$ 104
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>1,254</b>	<b>1,254</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Elections	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>1,254</b>	<b>1,254</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>12,290</b>	<b>12,290</b>	<b>12,290</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 12,290</b>	<b>\$ 12,290</b>	<b>\$ 13,544</b>	<b>\$ 1,254</b>

PANOLA COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FARM TO MARKET AND LATERAL ROAD SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>PROPERTY TAXES</b>				
Current	\$ 537,888	\$ 557,299	\$ 559,455	\$ 2,156
Delinquent	9,595	9,595	14,928	5,333
<b>Total Property Taxes</b>	<u>547,483</u>	<u>566,894</u>	<u>574,383</u>	<u>7,489</u>
<b>MISCELLANEOUS</b>				
Interest Earned	9,897	18,642	18,643	1
Miscellaneous	-	4,777	5,943	1,166
<b>Total Miscellaneous</b>	<u>9,897</u>	<u>23,419</u>	<u>24,586</u>	<u>1,167</u>
<b>Total Revenues</b>	<u>557,380</u>	<u>590,313</u>	<u>598,969</u>	<u>8,656</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Public Transportation</b>				
Salaries - Road and Bridge Department	135,312	135,312	84,714	50,598
Benefits Termination	1,406	1,406	-	1,406
Social Security Taxes	10,459	10,459	6,357	4,102
Group Insurance	29,700	29,700	19,675	10,025
Retirement and Death Benefits	32,813	32,813	20,331	12,482
Other Post Employment	12,702	12,702	6,859	5,843
Retiree Medical Insurance Trust	14,604	14,604	14,604	-
Workers Compensation	35,145	35,145	1,202	33,943
Optional Retirement	29,961	49,372	49,372	-
Unemployment Insurance	1,328	1,328	321	1,007
Repair and Maintenance	12,400	31,931	31,783	148
Parts and Repairs	20,000	12,000	11,847	153
Contingency	10,000	-	-	-
Conferences and Dues	900	391	-	391
Utilities	12,000	17,900	15,678	2,222
Contractor Service	8,000	-	-	-
Physicals and Drug	1,000	2,540	2,539	1
Rentals and Leases	5,000	4,000	3,822	178
Beaver Control	32,400	32,400	32,400	-
Liability and Other Insurance	145,000	165,500	161,315	4,185
Miscellaneous	1,250	810	736	74
<b>Capital Outlay:</b>				
Public Transportation	16,000	-	-	-
<b>Total Expenditures</b>	<u>567,380</u>	<u>590,313</u>	<u>463,555</u>	<u>126,758</u>
<b>Net Change in Fund Balances</b>	(10,000)	-	135,414	135,414
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,380,752</u>	<u>1,380,752</u>	<u>1,380,752</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,370,752</u>	<u>\$ 1,380,752</u>	<u>\$ 1,516,166</u>	<u>\$ 135,414</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
State Aid	\$ 208,187	\$ 208,187	\$ 208,187	\$ -
C.S.R. Coordinator	32,791	32,791	32,791	-
CSCD Sex Offender	5,238	5,238	5,238	-
Indirect Services	45,693	45,693	45,693	-
Specialized Caseload-Sex Offender	46,169	46,169	46,169	-
<b>Total Intergovernmental Receipts</b>	<b>338,078</b>	<b>338,078</b>	<b>338,078</b>	<b>-</b>
<b>FEES OF OFFICE</b>				
Probation Fees	427,544	427,544	427,544	-
<b>Total Fees of Office</b>	<b>427,544</b>	<b>427,544</b>	<b>427,544</b>	<b>-</b>
<b>MISCELLANEOUS</b>				
Interest Earned	3,001	3,001	3,001	-
Miscellaneous	-	-	-	-
<b>Total Miscellaneous</b>	<b>3,001</b>	<b>3,001</b>	<b>3,001</b>	<b>-</b>
<b>Total Revenues</b>	<b>768,623</b>	<b>768,623</b>	<b>768,623</b>	<b>-</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Public Safety:</b>				
Supervision	652,074	652,074	652,074	
C.S.R. Coordination	34,158	34,158	34,158	
Indirect Services	44,432	44,432	44,432	
Specialized Caseload	46,028	46,028	46,028	
CSCD Sex Offender	3,600	3,600	3,600	
<b>Total Expenditures</b>	<b>780,292</b>	<b>780,292</b>	<b>780,292</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(11,669)</b>	<b>(11,669)</b>	<b>(11,669)</b>	<b>-</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>423,082</b>	<b>423,082</b>	<b>423,082</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 411,413</b>	<b>\$ 411,413</b>	<b>\$ 411,413</b>	<b>\$ -</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**DRUG COURT GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
State Aid	\$ 86,361	\$ 86,361	\$ 86,361	\$ -
<b>Total Intergovernmental Receipts</b>	<b>86,361</b>	<b>86,361</b>	<b>86,361</b>	<b>-</b>
<b>FEES OF OFFICE</b>				
Drug Court Fees	8,966	8,966	8,966	-
<b>Total Fees of Office</b>	<b>8,966</b>	<b>8,966</b>	<b>8,966</b>	<b>-</b>
<b>MISCELLANEOUS</b>				
Interest Earned	462	462	462	-
<b>Total Miscellaneous</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>-</b>
<b>Total Revenues</b>	<b>95,789</b>	<b>95,789</b>	<b>95,789</b>	<b>-</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Public Safety:</b>				
Salaries - Officers	23,808	23,808	23,808	-
Social Security	2,199	2,199	2,199	-
Group Medical Insurance	2,352	2,352	2,352	-
Retirement	6,914	6,914	6,914	-
Unemployment Insurance	50	50	50	-
Workers Compensation	-	-	-	-
Prosecutor	1,671	1,671	1,671	-
Contractual & Professional Services	38,967	38,967	38,967	-
<b>Total Expenditures</b>	<b>75,961</b>	<b>75,961</b>	<b>75,961</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>19,828</b>	<b>19,828</b>	<b>19,828</b>	<b>-</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>56,135</b>	<b>56,135</b>	<b>56,135</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 75,963</b>	<b>\$ 75,963</b>	<b>\$ 75,963</b>	<b>\$ -</b>

PANOLA COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
JUVENILE PROBATION SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS:</b>				
C.C.A.P. Program Funding	\$ 152,117	\$ 152,117	\$ 152,117	\$ -
Commitment Reduction Program	23,777	23,777	23,777	-
Mental Health Services	6,705	6,705	6,705	-
Federal Title IV-E Funding	5,906	5,906	5,906	-
<b>Total Intergovernmental Receipts</b>	<b>188,505</b>	<b>188,505</b>	<b>188,505</b>	<b>-</b>
<b>FEES OF OFFICE</b>				
Probation Fees	380	380	380	-
<b>Total Fees of Office</b>	<b>380</b>	<b>380</b>	<b>380</b>	<b>-</b>
<b>MISCELLANEOUS</b>				
Interest Earned	4,506	4,506	4,506	-
<b>Total Miscellaneous</b>	<b>4,506</b>	<b>4,506</b>	<b>4,506</b>	<b>-</b>
<b>Total Revenues</b>	<b>193,391</b>	<b>193,391</b>	<b>193,391</b>	<b>-</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Public Safety:</b>				
Local Match Expenditures	153,062	153,062	153,062	-
TJPC/A	163,755	163,755	163,755	-
Federal Title IV-E Funding	16,830	16,830	16,830	-
Mental Health Services	2,258	2,258	2,258	-
Commitment Reduction Program	9,677	9,677	9,677	-
<b>Total Expenditures</b>	<b>345,582</b>	<b>345,582</b>	<b>345,582</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(152,191)</b>	<b>(152,191)</b>	<b>(152,191)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	158,563	158,563	158,563	-
<b>Total Other Financing Sources (Uses)</b>	<b>158,563</b>	<b>158,563</b>	<b>158,563</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>6,372</b>	<b>6,372</b>	<b>6,372</b>	<b>-</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>388,031</b>	<b>388,031</b>	<b>388,031</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 394,403</b>	<b>\$ 394,403</b>	<b>\$ 394,403</b>	<b>\$ -</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**OLD PROBATION SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ 100	\$ 100	\$ 105	\$ 5
<b>Total Revenues</b>	<u>100</u>	<u>100</u>	<u>105</u>	<u>5</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Public Safety:</b>				
Miscellaneous	100	100		100
<b>Total Expenditures</b>	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
<b>Net Change in Fund Balances</b>	-	-	105	105
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>10,800</u>	<u>10,800</u>	<u>10,800</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 10,800</u>	<u>\$ 10,800</u>	<u>\$ 10,905</u>	<u>\$ 105</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**HOT CHECK FEE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>FEES OF OFFICE</b>				
Hot Check Fees	\$ 14,000	\$ 14,000	\$ 13,023	\$ (977)
Total Fees of Office	<u>14,000</u>	<u>14,000</u>	<u>13,023</u>	<u>(977)</u>
<b>Total Revenues</b>	<u>14,000</u>	<u>14,000</u>	<u>13,023</u>	<u>(977)</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Legal:</b>				
Administrative Assistant	22,488	22,488	19,731	2,757
Secretaries	7,100	7,100	7,099	1
Social Security Taxes	4,790	4,014	3,028	986
Group Medical & Life Insurance	19,980	8,266	8,266	-
Retirement	15,207	12,673	12,097	576
Workers Compensation	500	500	500	-
Unemployment Insurance	350	350	92	258
Other Post Employment	5,817	4,906	4,906	-
Professional Liability Insurance	6,000	3,332	3,332	-
Cellular Phone	1,200	120	110	10
Miscellaneous	500	500	-	500
Total Hot Check Fee	<u>83,932</u>	<u>64,249</u>	<u>59,161</u>	<u>5,088</u>
<b>Net Change in Fund Balances</b>	<b>(69,932)</b>	<b>(50,249)</b>	<b>(46,138)</b>	<b>4,111</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>86,274</u>	<u>86,274</u>	<u>86,274</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 16,342</u>	<u>\$ 36,025</u>	<u>\$ 40,136</u>	<u>\$ 4,111</u>

PANOLA COUNTY, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP) BASIS AND ACTUAL  
SHERIFF'S STATE FORFEITURE SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Forfeitures/Auction & Seizure	\$ -	\$ 17,674	\$ 23,972	\$ 6,298
Interest Earnings	-	508	2,179	1,671
<b>Total Revenues</b>	<b>-</b>	<b>18,182</b>	<b>26,151</b>	<b>7,969</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Public Safety:</b>				
Deputies and Partrol	6,206	6,206	6,162	44
Secretaries	1,713	1,713	1,712	1
Jail Administrator	796	796	795	1
Social Security Taxes	4,002	4,002	1,201	2,801
Group Medical & Life Benefits	9,900	9,900	4,405	5,495
Retirement & Death Benefits	12,558	12,558	3,908	8,650
Workers Compensation	1,500	1,500	819	681
Unemployment Insurance	250	250	61	189
Other Post Employment Benefits	4,861	4,861	1,513	3,348
Ammunition for Department	-	5,000	2,959	2,041
Supplies and Equipment	-	1,000	-	1,000
Uniforms	4,000	4,000	4,000	-
Criminal Investigation	43,610	48,610	8,746	39,864
K/9 Drug Dog	-	10,000	6,000	4,000
<b>Capital Outlay:</b>				
Public Safety	8,000	46,182	21,182	25,000
<b>Total Expenditures</b>	<b>97,396</b>	<b>156,578</b>	<b>63,463</b>	<b>68,069</b>
<b>Net Change in Fund Balances</b>	<b>(97,396)</b>	<b>(138,396)</b>	<b>(37,312)</b>	<b>101,084</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>143,692</b>	<b>143,692</b>	<b>143,692</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 46,296</b>	<b>\$ 5,296</b>	<b>\$ 106,380</b>	<b>\$ 101,084</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**JAIL COMMISSARY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Commissary Profits	\$ -	\$ -	\$ 3,011	\$ 3,011
Interest Earnings	-	-	49	49
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>3,060</u>	<u>3,060</u>
<b>EXPENDITURES</b>				
<b>Capital Outlay:</b>				
Public Safety	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	3,060	3,060
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>4,616</u>	<u>4,616</u>	<u>4,616</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u><u>\$ 4,616</u></u>	<u><u>\$ 4,616</u></u>	<u><u>\$ 7,676</u></u>	<u><u>\$ 3,060</u></u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**DISTRICT ATTORNEY LONGEVITY PAY SUPPLEMENT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
State Longevity Funds	\$ 5,520	\$ 5,520	\$ 5,520	\$ -
<b>MISCELLANEOUS</b>				
Interest Earnings	-	-	4	4
<b>Total Revenues</b>	<b>5,520</b>	<b>5,520</b>	<b>5,524</b>	<b>4</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Legal	5,520	5,520	5,520	-
<b>Total Expenditures</b>	<b>5,520</b>	<b>5,520</b>	<b>5,520</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>108</b>	<b>108</b>	<b>108</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 108</b>	<b>\$ 108</b>	<b>\$ 112</b>	<b>\$ 4</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**DISTRICT ATTORNEY FORFEITURE SPECIAL REVENUE**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Forfeitures	\$ -	\$ 9,517	\$ 12,908	\$ 3,391
Interest Earnings	-	-	826	826
<b>Total Revenues</b>	<u>-</u>	<u>9,517</u>	<u>13,734</u>	<u>4,217</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>Legal:</b>				
Appointed Official	6,101	6,101	6,101	-
Court Coordinator and Spec.	3,867	3,867	3,867	-
Social Security Taxes	764	1,540	1,540	-
Group Insurance		11,714	10,292	1,422
Retirement	2,393	4,927	4,927	-
Workers Compensation	200	200	200	-
Unemployment Insurance	50	50	42	8
Other Post Employment	927	1,838	1,649	189
Parts, Repairs & Gas	4,500	4,500	4,338	162
Office Supplies	1,500	1,500	914	586
Advertising and Publications	500	500	-	500
Cellular Phone	2,200	2,200	-	2,200
Miscellaneous	3,409	3,409	758	2,651
<b>Total Expenditures</b>	<u>26,411</u>	<u>42,346</u>	<u>34,628</u>	<u>7,718</u>
<b>Net Change in Fund Balances</b>	(26,411)	(32,829)	(20,894)	11,935
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>49,797</u>	<u>49,797</u>	<u>49,797</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 23,386</u>	<u>\$ 16,968</u>	<u>\$ 28,903</u>	<u>\$ 11,935</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**STATE APPORTIONMENT - DISTRICT ATTORNEY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
State Comptroller Payments	\$ 27,500	\$ 27,500	\$ 27,499	\$ (1)
Total Intergovernmental Receipts	<u>27,500</u>	<u>27,500</u>	<u>27,499</u>	<u>(1)</u>
<b>MISCELLANEOUS</b>				
Interest Earnings	1	1	28	27
Total Revenues	<u>27,501</u>	<u>27,501</u>	<u>27,527</u>	<u>26</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
<b>Public Safety:</b>				
Administrative Assistant	13,364	13,364	13,363	1
Court Coordinator & Specialist	14,137	14,137	14,137	-
Total Expenditures	<u>27,501</u>	<u>27,501</u>	<u>27,500</u>	<u>1</u>
Net Change in Fund Balances	-	-	27	25
FUND BALANCE, BEGINNING OF YEAR	<u>603</u>	<u>603</u>	<u>603</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 603</u>	<u>\$ 603</u>	<u>\$ 630</u>	<u>\$ 27</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**CONSTABLE PCT. 1 & 4 STATE FORFEITURE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ -	\$ -	\$ 1	\$ 1
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public Safety				
Furniture & Equipment	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	1	1
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>185</u>	<u>185</u>	<u>185</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 185</u>	<u>\$ 185</u>	<u>\$ 186</u>	<u>\$ 1</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**CONSTABLE PCT. 2 & 3 STATE FORFEITURE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ -	\$ -	\$ 8	\$ 8
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public Safety				
Uniforms	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	8	8
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>989</u>	<u>989</u>	<u>989</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 989</u>	<u>\$ 989</u>	<u>\$ 997</u>	<u>\$ 8</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**CDA FEDERAL FORFEITURE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ -	\$ -	\$ 451	\$ 451
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>451</u>	<u>451</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>451</u>	<u>451</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Legal	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	451	451
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>55,954</u>	<u>55,954</u>	<u>55,954</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u><u>\$ 55,954</u></u>	<u><u>\$ 55,954</u></u>	<u><u>\$ 56,405</u></u>	<u><u>\$ 451</u></u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**CONSTABLE PCT. 2 & 3 FEDERAL FORFEITURE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ -	\$ -	\$ 1	\$ 1
Total Miscellaneous Receipts	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public Safety				
Uniforms	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	-	1	1
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>31</u>	<u>31</u>	<u>31</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 31</u>	<u>\$ 31</u>	<u>\$ 32</u>	<u>\$ 1</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**GARY WATER SUPPLY CORPORATION GRANT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
Federal Receipts	\$ -	\$ 210,463	\$ 122,421	\$ (88,042)
Total Intergovernmental Receipts	<u>-</u>	<u>210,463</u>	<u>122,421</u>	<u>(88,042)</u>
<b>Total Revenues</b>	<u>-</u>	<u>210,463</u>	<u>122,421</u>	<u>(88,042)</u>
<b>EXPENDITURES</b>				
Current:				
Public Facilities	-	210,463	122,421	88,042
Total Expenditures	<u>-</u>	<u>210,463</u>	<u>122,421</u>	<u>88,042</u>
<b>Net Change in Fund Balances</b>	-	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**SOUTH MURVAUL WATER SUPPLY CORPORATION GRANT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
Federal Receipts	\$ -	\$ 247,000	\$ 21,900	\$ (225,100)
Total Intergovernmental Receipts	<u>-</u>	<u>247,000</u>	<u>21,900</u>	<u>(225,100)</u>
<b>Total Revenues</b>	<u>-</u>	<u>247,000</u>	<u>21,900</u>	<u>(225,100)</u>
<b>EXPENDITURES</b>				
Current:				
Public Facilities	-	247,000	21,900	225,100
Total Expenditures	<u>-</u>	<u>247,000</u>	<u>21,900</u>	<u>225,100</u>
<b>Net Change in Fund Balances</b>	-	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**CHILD PROTECTIVE SERVICES SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
Federal receipts	\$ -	\$ -	\$ 2,928	\$ 2,928
<b>Total Intergovernmental Receipts</b>	<b>-</b>	<b>-</b>	<b>2,928</b>	<b>2,928</b>
<b>MISCELLANEOUS</b>				
Interest Earned	-	-	1,490	1,490
Donations	-	-	697	697
<b>Total Miscellaneous Receipts</b>	<b>-</b>	<b>-</b>	<b>2,187</b>	<b>2,187</b>
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>5,115</b>	<b>5,115</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Health & Paupers Care	28,000	28,000	17,525	10,475
<b>Total Expenditures</b>	<b>28,000</b>	<b>28,000</b>	<b>17,525</b>	<b>10,475</b>
<b>Excess (Deficiency) of Revenues</b>				
Over (Under) Expenditures	(28,000)	(28,000)	(12,410)	15,590
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	28,000	28,000	28,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>28,000</b>	<b>28,000</b>	<b>28,000</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>15,590</b>	<b>15,590</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>74,249</b>	<b>74,249</b>	<b>74,249</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 74,249</b>	<b>\$ 74,249</b>	<b>\$ 89,839</b>	<b>\$ 15,590</b>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**HEALTH CARE SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>INTERGOVERNMENTAL RECEIPTS</b>				
Tobacco Settlement	\$ -	\$ 2,819	\$ 28,744	\$ 25,925
Total Intergovernmental Receipts	<u>-</u>	<u>2,819</u>	<u>28,744</u>	<u>25,925</u>
<b>MISCELLANEOUS</b>				
Hospital Lease	1,000,000	1,303,798	902,696	(401,102)
Interest Earnings	40,000	37,181	37,181	-
Total Miscellaneous Revenue	<u>1,040,000</u>	<u>1,340,979</u>	<u>939,877</u>	<u>(401,102)</u>
<b>Total Revenues</b>	<u>1,040,000</u>	<u>1,343,798</u>	<u>968,621</u>	<u>(375,177)</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Health & Paupers Care	1,150,000	1,453,798	1,035,305	418,493
<b>Total Expenditures</b>	<u>1,150,000</u>	<u>1,453,798</u>	<u>1,035,305</u>	<u>418,493</u>
<b>Net Change in Fund Balances</b>	(110,000)	(110,000)	(66,684)	43,316
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>3,405,861</u>	<u>3,405,861</u>	<u>3,405,861</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 3,295,861</u>	<u>\$ 3,295,861</u>	<u>\$ 3,339,177</u>	<u>\$ 43,316</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) BASIS AND ACTUAL**  
**AIRPORT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Miscellaneous	\$ 152,000	\$ 93,083	\$ 93,084	\$ 1
Interest Earned	3,000	2,504	2,912	408
<b>Total Revenues</b>	<u>155,000</u>	<u>95,587</u>	<u>95,996</u>	<u>409</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
Public Transportation	155,000	95,587	87,823	7,764
<b>Total Expenditures</b>	<u>155,000</u>	<u>95,587</u>	<u>87,823</u>	<u>7,764</u>
<b>Net Change in Fund Balances</b>	-	-	8,173	8,173
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>321,657</u>	<u>321,657</u>	<u>321,657</u>	-
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 321,657</u>	<u>\$ 321,657</u>	<u>\$ 329,830</u>	<u>\$ 8,173</u>

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## CAPITAL PROJECT FUNDS

**LIBRARY CONSTRUCTION FUND** – This fund is used to account for the funds used to renovate the Old Armory into the County library.

**1971 ROAD BOND FUND** – This fund is used to account for funds remaining from bonds that were issued in 1971 and have been retired. Remaining funds represent the excess of bond proceeds and accumulated earnings on investments over debt retirement and expenditures. The remaining funds are used primarily for right of way purchases and utility adjustments.

**PERMANENT IMPROVEMENT FUND** - Currently, this fund is used to account for grants from the State and Federal Aviation Administration to be used for capital outlay expenditures of the County's airport.

**JAIL IMPROVEMENT FUND** - This fund is used to account for funds that are available for future improvements to the County Jail.

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**PANOLA COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**DECEMBER 31, 2013**

	LIBRARY CONSTRUCTION	ROAD BOND 1971	PERMANENT IMPROVEMENT	JAIL IMPROVEMENT	NON-MAJOR CAPITAL PROJECTS FUNDS TOTAL
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 395	\$ 28,891	\$ 27,859	\$ 11,421	\$ 68,566
Investments	-	243,000	190,000	200,000	633,000
Receivables (net of allowance for uncollectibles)					
Miscellaneous	-	615	606	248	1,469
<b>Total Assets</b>	<b>\$ 395</b>	<b>\$ 272,506</b>	<b>\$ 218,465</b>	<b>\$ 211,669</b>	<b>\$ 703,035</b>
<b>LIABILITIES:</b>					
Accounts Payable-Trade	395	-	-	-	395
<b>Total Liabilities</b>	<b>395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>395</b>
<b>FUND BALANCES:</b>					
Committed	-	272,506	218,465	211,669	702,640
<b>Total Fund Balances</b>	<b>-</b>	<b>272,506</b>	<b>218,465</b>	<b>211,669</b>	<b>702,640</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 395</b>	<b>\$ 272,506</b>	<b>\$ 218,465</b>	<b>\$ 211,669</b>	<b>\$ 703,035</b>

**PANOLA COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	LIBRARY CONSTRUCTION	ROAD BOND 1971	PERMANENT IMPROVEMENT	JAIL IMPROVEMENT	NON-MAJOR CAPITAL PROJECTS FUNDS TOTAL
<b>REVENUES</b>					
Miscellaneous	\$ 4,914	\$ 2,604	\$ 2,207	\$ 2,006	\$ 11,731
<b>TOTAL REVENUES</b>	<u>4,914</u>	<u>2,604</u>	<u>2,207</u>	<u>2,006</u>	<u>11,731</u>
<b>EXPENDITURES</b>					
Capital Outlay					
Recreation	1,273,635	-	-	-	1,273,635
<b>TOTAL EXPENDITURES</b>	<u>1,273,635</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,273,635</u>
<b>Excess (Deficiency) of Revenues</b>					
Over (Under) Expenditures	<u>(1,268,721)</u>	<u>2,604</u>	<u>2,207</u>	<u>2,006</u>	<u>(1,261,904)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	<u>(68,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,194)</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>(68,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,194)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(1,336,915)</u>	<u>2,604</u>	<u>2,207</u>	<u>2,006</u>	<u>(1,330,098)</u>
<b>FUND BALANCE-BEGINNING OF YEAR</b>	<u>1,336,915</u>	<u>269,902</u>	<u>216,258</u>	<u>209,663</u>	<u>2,032,738</u>
<b>FUND BALANCE-END OF YEAR</b>	<u>\$ -</u>	<u>\$ 272,506</u>	<u>\$ 218,465</u>	<u>\$ 211,669</u>	<u>\$ 702,640</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**LIBRARY CONSTRUCTION CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ -	\$ 4,914	\$ 4,914	\$ -
<b>Total Miscellaneous Revenues</b>	<u>-</u>	<u>4,914</u>	<u>4,914</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Capital Outlay:</b>				
Recreation	-	1,273,636	1,273,635	1
<b>Total Expenditures</b>	<u>-</u>	<u>1,273,636</u>	<u>1,273,635</u>	<u>1</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>-</u>	<u>(1,268,722)</u>	<u>(1,268,721)</u>	<u>1</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out		(68,193)	(68,194)	1
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(68,193)</u>	<u>(68,194)</u>	<u>1</u>
<b>Net Change in Fund Balances</b>	-	(1,336,915)	(1,336,915)	2
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,336,915</u>	<u>1,336,915</u>	<u>1,336,915</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,336,915</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**1971 ROAD BOND CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ 3,086	\$ 2,604	\$ 2,604	\$ -
<b>Total Revenues</b>	<u>3,086</u>	<u>2,604</u>	<u>2,604</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Public Transportation	3,086	2,604	-	2,604
<b>Total Expenditures</b>	<u>3,086</u>	<u>2,604</u>	<u>-</u>	<u>2,604</u>
Net Change in Fund Balances	-	-	2,604	2,604
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>269,902</u>	<u>269,902</u>	<u>269,902</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 269,902</u>	<u>\$ 269,902</u>	<u>\$ 272,506</u>	<u>\$ 2,604</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**PERMANENT IMPROVEMENT CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ 2,208	\$ 2,207	\$ 2,207	\$ -
<b>Total Miscellaneous Revenues</b>	<u>2,208</u>	<u>2,207</u>	<u>2,207</u>	<u>-</u>
<b>EXPENDITURES</b>				
<b>Capital Outlay:</b>				
General Administration	2,208	2,207	-	2,207
<b>Total Expenditures</b>	<u>2,208</u>	<u>2,207</u>	<u>-</u>	<u>2,207</u>
Net Change in Fund Balances	-	-	2,207	2,207
FUND BALANCE, BEGINNING OF YEAR	<u>216,258</u>	<u>216,258</u>	<u>216,258</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 216,258</u>	<u>\$ 216,258</u>	<u>\$ 218,465</u>	<u>\$ 2,207</u>

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**JAIL IMPROVEMENT CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
<b>REVENUES</b>				
<b>MISCELLANEOUS</b>				
Interest Earned	\$ 1,600	\$ 1,306	\$ 2,006	\$ 700
<b>Total Miscellaneous Revenues</b>	<u>1,600</u>	<u>1,306</u>	<u>2,006</u>	<u>700</u>
<b>EXPENDITURES</b>				
<b>Capital Outlay:</b>				
Public Safety	1,600	1,306	-	1,306
<b>Total Expenditures</b>	<u>1,600</u>	<u>1,306</u>	<u>-</u>	<u>1,306</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>2,006</u>	<u>2,006</u>
<b>Net Change in Fund Balances</b>	-	-	2,006	2,006
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>209,663</u>	<u>209,663</u>	<u>209,663</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 209,663</u>	<u>\$ 209,663</u>	<u>\$ 211,669</u>	<u>\$ 2,006</u>

**PANOLA COUNTY, TEXAS  
AGENCY FUNDS**

**AUTOMOBILE REGISTRATION** – This fund is used to account for activities related to automobile registration collections. The collections flow through to the general and special revenue funds as the character of the collections dictate. Those collections for which the County acts as an agent are remitted to other local governments and the State.

**TAX ASSESSOR - COLLECTOR** – This fund is used to account for activities related to ad valorem taxes. The portion of these collections designated for Panola County flow through to the general, special revenue, or debt service funds as the character of the collections dictate. Those collections for which the County acts as an agent are remitted to other local governments and the State.

**COUNTY CLERK** – This fund is used to account for transactions for two types of funds maintained by the County Clerk: operating and court cost deposits. The operating fund is used to account for the transactions that ultimately flow through to the general or special revenue funds as the character of the transaction dictates. The court cost account represents those monies placed into the court registry pending final disposition of matters in the court docket.

**DISTRICT CLERK** – This fund is used to account for transactions for three types of funds maintained by the District Clerk: "trust" funds, court cost deposits, and child support funds. The "trust" funds represent monies placed into the registry of the court pending final disposition of matters in litigation involving parties who have petitioned the court. Court cost deposits are maintained until final disposition of cases at which time the funds are recorded as revenues into the general or special revenue funds. The child support funds represent monies collected from those individuals whom the court has ordered child support payments be made through the court. As monies are collected, they are remitted to the intended recipient.

**COMMUNITY SUPERVISION AND CORRECTION DEPARTMENT** – This fund is used to account for the collection of probationers' fees, fines, restitution and attorney fees. Fees for the ultimate use of the County flow through to the general or special revenue funds. Restitution and attorney fees are remitted to those parties for whom the monies are intended.

**JUVENILE PROBATION** – This fund is used to account for the collection of restitution by the Juvenile Probation Department from juvenile offenders. These collections are then remitted to the damaged parties.

**CRIMINAL DISTRICT ATTORNEY FORFEITURE** – This fund, which is maintained by the Criminal District Attorney, is used to account for the processing of forfeited funds, pending court ordered distribution.

**CRIMINAL DISTRICT ATTORNEY RESTITUTION** – The restitution fund, also maintained by the Criminal District Attorney, is used to collect and remit to merchants proceeds of collection of "hot checks."

**SHERIFF** – This fund is used to account for the collection of monies by the Sheriff's office, for other county jurisdictions, other local governments, and fees of office. Fees of office flow through to the general or special revenue funds. Those monies collected for other governments are remitted directly to the other government.

**JAIL INMATE** – This fund is used to account for proceeds received from the sale of goods to inmates and other expenditures of the same.

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**PANOLA COUNTY, TEXAS  
 COMBINING STATEMENT OF CHANGES  
 IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
<b>AUTOMOBILE REGISTRATION FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 399,580	\$ 5,419,611	\$ 5,332,993	\$ 486,198
<b>Total Assets</b>	<b>\$ 399,580</b>	<b>\$ 5,419,611</b>	<b>\$ 5,332,993</b>	<b>\$ 486,198</b>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 399,580	\$ 5,419,611	\$ 5,332,993	\$ 486,198
<b>Total Liabilities</b>	<b>\$ 399,580</b>	<b>\$ 5,419,611</b>	<b>\$ 5,332,993</b>	<b>\$ 486,198</b>
<b>TAX ASSESSOR-COLLECTOR ADVALOREM TAX FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 3,362,473	\$ 72,979,052	\$ 68,066,466	\$ 8,275,059
<b>Total Assets</b>	<b>\$ 3,362,473</b>	<b>\$ 72,979,052</b>	<b>\$ 68,066,466</b>	<b>\$ 8,275,059</b>
<b>LIABILITIES</b>				
Due to Other Governments	\$ 3,362,473	\$ 72,979,052	\$ 68,066,466	\$ 8,275,059
<b>Total Liabilities</b>	<b>\$ 3,362,473</b>	<b>\$ 72,979,052</b>	<b>\$ 68,066,466</b>	<b>\$ 8,275,059</b>
<b>COUNTY CLERK FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 183,214	\$ 10,137	\$ 173,974	\$ 19,377
<b>Total Assets</b>	<b>\$ 183,214</b>	<b>\$ 10,137</b>	<b>\$ 173,974</b>	<b>\$ 19,377</b>
<b>LIABILITIES</b>				
Court Ordered Deposits	\$ 5,579	\$ -	\$ -	\$ 5,579
Court Ordered Trust Funds	177,635	10,137	173,974	13,798
<b>Total Liabilities</b>	<b>\$ 183,214</b>	<b>\$ 10,137</b>	<b>\$ 173,974</b>	<b>\$ 19,377</b>

**PANOLA COUNTY, TEXAS  
 COMBINING STATEMENT OF CHANGES  
 IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Balance January 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2013</u>
<b>DISTRICT CLERK FUNDS</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,682,953	\$ 1,156,058	\$ 1,454,935	\$ 1,384,076
Investments	264,654	11,263	28,832	247,085
<b>Total Assets</b>	<u>\$ 1,947,607</u>	<u>\$ 1,167,321</u>	<u>\$ 1,483,767</u>	<u>\$ 1,631,161</u>
<b>LIABILITIES</b>				
Court Ordered Deposits	\$ 775,589	\$ 208,469	\$ 623,299	\$ 360,759
Court Ordered Trust Funds	1,172,018	958,852	860,468	1,270,402
<b>Total Liabilities</b>	<u>\$ 1,947,607</u>	<u>\$ 1,167,321</u>	<u>\$ 1,483,767</u>	<u>\$ 1,631,161</u>
<b>COMMUNITY SUPERVISION AND CORRECTIONS DEPARTMENT FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 9,951	\$ 906,224	\$ 907,387	\$ 8,788
<b>Total Assets</b>	<u>\$ 9,951</u>	<u>\$ 906,224</u>	<u>\$ 907,387</u>	<u>\$ 8,788</u>
<b>LIABILITIES</b>				
Court Ordered Trust Funds	\$ 9,951	\$ 906,224	\$ 907,387	\$ 8,788
<b>Total Liabilities</b>	<u>\$ 9,951</u>	<u>\$ 906,224</u>	<u>\$ 907,387</u>	<u>\$ 8,788</u>

**PANOLA COUNTY, TEXAS  
 COMBINING STATEMENT OF CHANGES  
 IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Balance January 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2013</u>
<b>JUVENILE PROBATION FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 90	\$ 3,092	\$ 1,857	\$ 1,325
<b>Total Assets</b>	<u>\$ 90</u>	<u>\$ 3,092</u>	<u>\$ 1,857</u>	<u>\$ 1,325</u>
<b>LIABILITIES</b>				
Court Ordered Trust Funds	\$ 90	\$ 3,092	\$ 1,857	\$ 1,325
<b>Total Liabilities</b>	<u>\$ 90</u>	<u>\$ 3,092</u>	<u>\$ 1,857</u>	<u>\$ 1,325</u>
<b>CRIMINAL DISTRICT ATTORNEY FORFEITURE FUNDS</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 123,745	\$ 11,811	\$ 28,352	\$ 107,204
<b>Total Assets</b>	<u>\$ 123,745</u>	<u>\$ 11,811</u>	<u>\$ 28,352</u>	<u>\$ 107,204</u>
<b>LIABILITIES</b>				
Court Ordered Trust Funds	\$ 123,745	\$ 11,811	\$ 28,352	\$ 107,204
<b>Total Liabilities</b>	<u>\$ 123,745</u>	<u>\$ 11,811</u>	<u>\$ 28,352</u>	<u>\$ 107,204</u>
<b>CRIMINAL DISTRICT ATTORNEY RESTITUTION FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ 142,799	\$ 142,799	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 142,799</u>	<u>\$ 142,799</u>	<u>\$ -</u>
<b>LIABILITIES</b>				
Restitution Payable	\$ -	\$ 142,799	\$ 142,799	\$ -
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ 142,799</u>	<u>\$ 142,799</u>	<u>\$ -</u>

**PANOLA COUNTY, TEXAS  
 COMBINING STATEMENT OF CHANGES  
 IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Balance January 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2013</u>
<b>SHERIFF COLLECTIONS FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ -	\$ 20,849	\$ 10,849	\$ 10,000
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 20,849</u>	<u>\$ 10,849</u>	<u>\$ 10,000</u>
<b>LIABILITIES</b>				
Due to Other Governments	\$ -	\$ 20,849	\$ 10,849	\$ 10,000
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ 20,849</u>	<u>\$ 10,849</u>	<u>\$ 10,000</u>
<b>JAIL INMATE FUND</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 4,278	\$ 52,916	\$ 53,813	\$ 3,381
<b>Total Assets</b>	<u>\$ 4,278</u>	<u>\$ 52,916</u>	<u>\$ 53,813</u>	<u>\$ 3,381</u>
<b>LIABILITIES</b>				
Other Payables	\$ 4,278	\$ 52,916	\$ 53,813	\$ 3,381
<b>Total Liabilities</b>	<u>\$ 4,278</u>	<u>\$ 52,916</u>	<u>\$ 53,813</u>	<u>\$ 3,381</u>

**PANOLA COUNTY, TEXAS  
 COMBINING STATEMENT OF CHANGES  
 IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Balance January 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2013</u>
<b>TOTAL ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 5,766,284	\$ 80,702,549	\$ 76,173,425	\$ 10,295,408
Investments	264,654	11,263	28,832	247,085
<b>Total Assets</b>	<u><u>\$ 6,030,938</u></u>	<u><u>\$ 80,713,812</u></u>	<u><u>\$ 76,202,257</u></u>	<u><u>\$ 10,542,493</u></u>
<b>LIABILITIES</b>				
Due to Other Governments	3,762,053	78,419,512	73,410,308	8,771,257
Court Ordered Deposits	781,168	208,469	623,299	366,338
Court Ordered Trust Funds	1,483,439	1,890,116	1,972,038	1,401,517
Restitution Payable	-	142,799	142,799	-
Other Payables	4,278	52,916	53,813	3,381
<b>Total Liabilities</b>	<u><u>\$ 6,030,938</u></u>	<u><u>\$ 80,713,812</u></u>	<u><u>\$ 76,202,257</u></u>	<u><u>\$ 10,542,493</u></u>

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**CAPITAL ASSETS  
USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

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**PANOLA COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY SOURCE**  
**DECEMBER 31, 2013**

**CAPITAL ASSETS:**

<b>Land</b>	<b>\$ 1,289,889</b>
<b>Buildings</b>	<b>20,932,815</b>
<b>Improvements Other Than Buildings</b>	<b>259,303</b>
<b>Machinery and Equipment</b>	<b>10,488,960</b>
<b>Infrastructure</b>	<b><u>10,371,442</u></b>
 <b>Total Capital Assets</b>	 <b><u><u>\$ 43,342,409</u></u></b>

**INVESTMENTS IN CAPITAL ASSETS:**

<b>Current Revenues - Current Year</b>	<b>\$ 1,562,805</b>
<b>Current Revenues - Prior Years</b>	<b>31,344,898</b>
<b>Capital Assets of Former Panola General Hospital</b>	<b>3,879,706</b>
<b>General Obligation Debt - Prior Years</b>	<b>5,555,000</b>
<b>Certificates of Obligation - Prior Years</b>	<b><u>1,000,000</u></b>
	 <b><u><u>\$ 43,342,409</u></u></b>

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**PANOLA COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**DECEMBER 31, 2013**

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>
<b>GENERAL ADMINISTRATION</b>						
County Clerk	\$ 20,645	\$ -	\$ -	\$ -	\$ 20,645	\$ -
<b>Total General Administration</b>	<b>20,645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,645</b>	<b>-</b>
<b>JUDICIAL</b>						
District Court	892,484	-	892,484	-	-	-
County Court at Law	892,487	-	892,487	-	-	-
District Clerk	16,623	-	-	-	16,623	-
Peace Justices	18,772	-	-	-	18,772	-
<b>Total Judicial</b>	<b>1,820,366</b>	<b>-</b>	<b>1,784,971</b>	<b>-</b>	<b>35,395</b>	<b>-</b>
<b>LEGAL</b>						
District Attorney	356,995	-	356,995	-	-	-
<b>Total Legal</b>	<b>356,995</b>	<b>-</b>	<b>356,995</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ELECTIONS</b>						
Voter Registration	360,084	-	-	-	360,084	-
<b>Total Elections</b>	<b>360,084</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,084</b>	<b>-</b>
<b>PUBLIC TRANSPORTATION</b>						
Road and Bridge	18,355,818	139,656	11,778	-	7,832,942	10,371,442
Airport	587,965	188,639	315,909	-	83,417	-
<b>Total Public Transportation</b>	<b>18,943,783</b>	<b>328,295</b>	<b>327,687</b>	<b>-</b>	<b>7,916,359</b>	<b>10,371,442</b>
<b>PUBLIC FACILITIES</b>						
Courthouse	1,628,461	815,452	623,114	-	189,895	-
Miscellaneous & Non-Departmental	308,933	-	-	169,270	139,663	-
<b>Total Public Facilities</b>	<b>1,937,394</b>	<b>815,452</b>	<b>623,114</b>	<b>169,270</b>	<b>329,558</b>	<b>-</b>

PANOLA COUNTY, TEXAS  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION AND ACTIVITY, continued  
DECEMBER 31, 2013

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements Other than Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>
<b>PUBLIC SAFETY</b>						
Sheriff	\$ 1,601,309	\$ -	\$ 537,675	\$ -	\$ 1,063,634	\$ -
Constables	158,294	-	-	-	158,294	-
Corrections and Jail	11,425,614	60,754	11,211,314	-	153,546	-
Emergency Management	144,286	-	-	-	144,286	-
911 Rural Addressing	47,681	-	-	-	47,681	-
Probation Services - Adult	222,809	-	-	-	222,809	-
Probation Services - Juvenile	36,669	-	-	-	36,669	-
<b>Total Public Safety</b>	<u>13,636,662</u>	<u>60,754</u>	<u>11,748,989</u>	<u>-</u>	<u>1,826,919</u>	<u>-</u>
<b>HEALTH AND WELFARE</b>						
Hospital	3,879,706	32,138	3,757,535	90,033	-	-
Incinerator	401,782	53,250	348,532	-	-	-
<b>Total Health and Welfare</b>	<u>4,281,488</u>	<u>85,388</u>	<u>4,106,067</u>	<u>90,033</u>	<u>-</u>	<u>-</u>
<b>CULTURE AND RECREATION</b>						
Exposition Center	115,025	-	115,025	-	-	-
Library	1,869,967	-	1,869,967	-	-	-
<b>Total Culture and Recreation</b>	<u>1,984,992</u>	<u>-</u>	<u>1,984,992</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL CAPITAL ASSETS</b>	<u>\$ 43,342,409</u>	<u>\$ 1,289,889</u>	<u>\$ 20,932,815</u>	<u>\$ 259,303</u>	<u>\$ 10,488,960</u>	<u>\$ 10,371,442</u>

**PANOLA COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	General Capital Assets January 1, 2013	Additions	Deductions	Transfers	General Capital Assets December 31, 2013
<b>GENERAL ADMINISTRATION</b>					
County Clerk	\$ 20,645	\$ -	\$ -	\$ -	\$ 20,645
Total General Administration	<u>20,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,645</u>
<b>JUDICIAL</b>					
District Court	892,484	-	-	-	892,484
County Court at Law	892,487	-	-	-	892,487
District Clerk	16,623	-	-	-	16,623
Peace Justices	7,585	11,187	-	-	18,772
Total Judicial	<u>1,809,179</u>	<u>11,187</u>	<u>-</u>	<u>-</u>	<u>1,820,366</u>
<b>LEGAL</b>					
District Attorney	356,995	-	-	-	356,995
Total Legal	<u>356,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>356,995</u>
<b>ELECTIONS</b>					
Voter Registration	360,084	-	-	-	360,084
Total Elections	<u>360,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,084</u>
<b>PUBLIC TRANSPORTATION</b>					
Road and Bridge-Equipment	7,736,257	779,608	531,488	-	7,984,377
Road and Bridge-Infrastructure	10,371,442	-	-	-	10,371,442
Airport	587,965	-	-	-	587,965
Total Public Transportation	<u>18,695,664</u>	<u>779,608</u>	<u>531,488</u>	<u>-</u>	<u>18,943,784</u>
<b>PUBLIC FACILITIES</b>					
Courthouse	1,617,103	11,358	-	-	1,628,461
Miscellaneous and Non- Departmental	308,933	-	-	-	308,933
Total Public Facilities	<u>1,926,036</u>	<u>11,358</u>	<u>-</u>	<u>-</u>	<u>1,937,394</u>

**PANOLA COUNTY, TEXAS**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY, continued**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	General Capital Assets January 1, 2013	Additions	Deductions	Transfers	General Capital Assets December 31, 2013
<b>PUBLIC SAFETY</b>					
Sheriff	\$ 1,533,524	\$ 166,102	\$ 98,318	\$ -	\$ 1,601,308
Constables	111,475	97,205	50,386	-	158,294
Corrections and Jail	11,396,564	29,050	-	-	11,425,614
Emergency Management	144,286	-	-	-	144,286
911 Rural Addressing	47,681	-	-	-	47,681
Probation Services - Adult	222,809	-	-	-	222,809
Probation Services - Juvenile	36,669	-	-	-	36,669
Criminal Investigations	-	-	-	-	-
<b>Total Public Safety</b>	<b>13,493,008</b>	<b>292,357</b>	<b>148,704</b>	<b>-</b>	<b>13,636,661</b>
<b>HEALTH AND WELFARE</b>					
Hospital	3,879,706	-	-	-	3,879,706
Incinerator	401,782	-	-	-	401,782
<b>Total Health and Welfare</b>	<b>4,281,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,281,488</b>
<b>CULTURE AND RECREATION</b>					
Exposition Center	115,025	-	-	-	115,025
Library	721,480	1,148,487	-	-	1,869,967
<b>Total Culture and Recreation</b>	<b>836,505</b>	<b>1,148,487</b>	<b>-</b>	<b>-</b>	<b>1,984,992</b>
<b>TOTAL GENERAL CAPITAL ASSETS</b>	<b>\$ 41,779,604</b>	<b>\$ 2,242,997</b>	<b>\$ 680,192</b>	<b>\$ -</b>	<b>\$ 43,342,409</b>

**STATISTICAL DATA SECTION  
(UNAUDITED)**

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## Panola County, Texas Statistical Section Overview

The Statistical Section of the comprehensive annual financial report of Panola County, Texas provides additional information and details to assist users in understanding and assessing the overall economic condition of the County. The Statistical Section is organized in five sections, listed below.

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### **Financial Trends:**

These schedules compile information reported in the comprehensive annual financial report over the past ten years. These schedules report how the County's financial position and well-being have changed over time.

TABLE 1 – Net Position by Component

TABLE 2 – Changes in Net Position

TABLE 3 – Fund Balances, Governmental Funds

TABLE 4 – Net Changes in Fund Balance, Governmental Funds

### **Revenue Capacity Information:**

These schedules provide information regarding the County's major own-source revenue (property taxes) and the stability and growth of that revenue.

TABLE 5 – Assessed Value and Estimated Actual Value of Taxable Property

TABLE 6 – Direct and Overlapping Property Tax Rates

TABLE 7 – Principal Property Taxpayers

TABLE 8 – Property Tax Levies and Collections

### **Debt Capacity Information:**

These schedules provide information regarding the County's outstanding debt, the ability to repay the debt, and the ability to issue new debt.

TABLE 9 – Ratio of Outstanding Debt by Type

TABLE 10 – Direct and Overlapping Governmental Debt

TABLE 11 – Legal Debt Margin Information

### **Demographic and Economic Information:**

These schedules provide information regarding the County's socioeconomic environment, specifically its taxpayers and employers, and the changes to those groups over the past ten years.

TABLE 12 – Demographic and Economic Statistics

TABLE 13 – Principle Employers by Industry

### **Operating Information:**

These schedules provide information regarding the County's employees, operations, and facilities.

TABLE 14 – Full-Time Equivalent County Government Employees

TABLE 15 – Capital Assets by Function/Program

TABLE 16 – Operating Indicators by Function/Program

TABLE 17 – Schedule of Insurance Policies in Force

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PANOLA COUNTY, TEXAS  
 NET POSITION BY COMPONENT  
 LAST TEN FISCAL YEARS  
 (Unaudited)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
Net Investment in Capital Assets	\$ 24,340,108	\$ 24,022,953	\$ 23,802,873	\$ 22,812,862	\$ 21,868,287	\$ 18,861,947	\$ 16,661,147	\$ 16,881,438	\$ 17,299,813	\$ 17,438,024
Restricted for Debt Service	-	-	-	224,103	161,924	93,036	2,610	-	-	-
Restricted for Capital Projects	-	-	-	-	491,596	3,212,248	4,750,323	-	-	-
Restricted for Other Purposes	-	-	-	-	15,994	-	-	-	-	-
Unrestricted	39,042,172	37,884,578	35,513,233	33,209,420	29,525,131	26,134,625	13,814,903	25,740,509	23,081,440	21,556,174
Total governmental activities net position	\$ 63,382,280	\$ 61,907,531	\$ 59,316,106	\$ 56,246,385	\$ 52,062,932	\$ 48,301,856	\$ 35,228,983	\$ 42,621,947	\$ 40,381,253	\$ 38,994,198

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PANOLA COUNTY, TEXAS  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
General administration	\$ 3,654,495	\$ 3,447,218	\$ 3,727,822	\$ 3,267,777	\$ 2,814,331	\$ 3,358,623	\$ 3,096,305	\$ 2,524,507	\$ 2,261,577	\$ 1,950,152
Judicial	1,226,565	1,136,940	1,091,066	1,120,449	1,134,624	953,205	931,862	922,265	839,466	818,993
Legal	507,415	467,497	483,307	490,452	350,538	377,261	346,592	400,559	369,369	294,366
Elections	189,931	186,869	153,511	163,105	167,952	137,636	139,319	128,458	121,455	120,751
Financial administration	852,036	794,223	786,036	766,574	755,563	630,297	648,448	617,867	582,235	539,091
Public facilities	582,996	435,721	417,517	297,677	258,652	238,315	225,256	272,874	245,345	266,789
Public safety	6,351,980	5,889,883	5,713,426	5,572,574	5,364,448	4,175,436	4,183,927	4,232,178	4,055,915	3,523,072
Environmental protection	426,905	392,801	363,458	361,383	363,925	339,837	307,438	382,184	354,714	301,933
Public transportation	6,918,240	6,378,730	6,279,662	6,333,001	5,642,668	5,825,025	5,604,489	4,963,793	4,884,111	4,391,725
Health and Paupers care	1,568,289	1,233,431	931,689	2,402,045	734,454	618,051	581,604	564,173	557,335	576,106
Recreation	381,777	363,850	384,378	320,529	305,744	278,591	263,934	247,134	257,177	287,491
Conservation	94,640	87,261	93,050	92,987	90,679	73,981	76,901	77,840	73,242	70,072
Debt Service - Interest	-	-	17,694	69,800	119,877	167,161	138,052	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Expenses</b>	\$ 22,755,269	\$ 20,814,424	\$ 20,442,616	\$ 21,258,353	\$ 18,103,455	\$ 17,173,419	\$ 16,544,127	\$ 15,333,832	\$ 14,601,941	\$ 13,140,541
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges for Services	\$ 355,323	\$ 320,353	\$ 339,152	\$ 348,974	\$ 383,448	\$ 421,277	\$ 380,871	\$ 396,728	\$ 302,054	\$ 314,748
General administration	453,591	464,969	460,165	453,019	116,763	136,563	139,673	156,932	131,831	137,484
Judicial	32,428	37,505	37,671	45,235	77,514	134,391	61,487	269,754	257,946	87,766
Legal	1,150	4,450	-	5,061	2,400	22,203	200	11,712	-	-
Elections	822,522	830,492	807,132	758,081	338,835	291,567	266,226	245,162	218,408	204,701
Financial administration	-	-	-	-	8,658	1,053	-	3,158	-	-
Public facilities	463,719	453,190	482,476	520,674	531,439	501,528	428,739	842,383	739,526	442,640
Public safety	-	-	-	-	-	871	14,425	15,082	13,667	9,695
Environmental protection	139,815	38,894	182,614	176,809	748,835	795,779	808,936	849,388	786,067	886,405
Public transportation	1,006	1,375	1,525	1,400	5,351	19,966	114,372	121,428	109,346	100,729
Health and Paupers care	156,724	152,856	144,471	136,592	136,024	121,372	114,718	105,137	98,065	121,989
Recreation	400	1,265	1,950	4,132	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-	-	-	-
<b>Total Charges for Services</b>	\$ 2,426,678	\$ 2,305,349	\$ 2,457,156	\$ 2,449,977	\$ 2,349,267	\$ 2,446,570	\$ 2,329,647	\$ 3,016,864	\$ 2,656,910	\$ 2,306,157

PANOLA COUNTY  
 CHANGES IN NET POSITION, Continued  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Operating Grants and Contributions</b>										
Judicial	\$ 77,250	\$ 75,000	\$ 80,489	\$ 85,889	\$ 74,192	\$ 67,116	\$ 33,766	\$ 38,304	\$ 39,008	\$ 36,914
Legal	33,020	38,199	74,543	63,391	4,320	4,080	3,840	3,600	3,360	-
Elections	5,829	-	988	47,669	12,337	-	10,561	6,250	-	-
Financial administration	-	-	-	-	-	-	-	-	-	-
Public facilities	-	-	-	-	-	-	103,960	86,642	29,180	-
Public safety	638,384	573,135	652,019	662,193	963,272	904,822	806,355	978,516	949,305	1,072,061
Environmental protection	-	-	-	-	-	-	-	-	-	1,664
Public transportation	30,441	29,620	30,041	30,222	30,279	30,284	30,276	30,905	35,720	30,504
Health and Paupers care	934,370	590,633	271,457	1,980,960	69,548	101,349	72,308	58,249	87,591	43,574
Recreation	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Grants and Contributions</b>	<b>\$ 1,719,294</b>	<b>\$ 1,306,587</b>	<b>\$ 1,109,537</b>	<b>\$ 2,870,324</b>	<b>\$ 1,153,948</b>	<b>\$ 1,107,651</b>	<b>\$ 1,061,066</b>	<b>\$ 1,202,466</b>	<b>\$ 1,144,164</b>	<b>\$ 1,184,717</b>
<b>Program Revenues, Continued:</b>										
<b>Capital Grants and Contributions</b>										
Legal	\$ 23,342	\$ 15,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,872	\$ -
Public Facilities	144,321	163,133	144,558	31,650	-	-	-	-	-	-
Public Safety	30,000	40,092	78,382	200,468	-	-	-	-	-	-
<b>Total Capital Grants and Contrib</b>	<b>\$ 197,663</b>	<b>\$ 218,882</b>	<b>\$ 222,940</b>	<b>\$ 232,118</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,872</b>	<b>\$ -</b>
<b>Total Governmental Activities Program Revenues</b>	<b>\$ 4,343,635</b>	<b>\$ 3,830,818</b>	<b>\$ 3,789,633</b>	<b>\$ 5,552,419</b>	<b>\$ 3,503,215</b>	<b>\$ 3,554,221</b>	<b>\$ 3,390,713</b>	<b>\$ 4,219,330</b>	<b>\$ 4,051,946</b>	<b>\$ 3,490,874</b>
<b>Net (Expense) Revenue Governmental Activities:</b>	<b>\$ (18,411,634)</b>	<b>\$ (16,983,606)</b>	<b>\$ (16,652,983)</b>	<b>\$ (15,705,934)</b>	<b>\$ (14,600,240)</b>	<b>\$ (13,619,198)</b>	<b>\$ (13,153,414)</b>	<b>\$ (11,114,502)</b>	<b>\$ (10,549,995)</b>	<b>\$ (9,649,667)</b>

PANOLA COUNTY  
CHANGES IN NET POSITION, Continued  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Property Taxes	\$ 18,908,177	\$ 18,374,211	\$ 18,742,731	\$ 18,542,362	\$ 16,744,039	\$ 15,328,340	\$ 12,714,869	\$ 11,324,789	\$ 10,636,866	\$ 10,179,315
Interest Income	409,659	454,697	483,015	470,991	826,889	962,442	1,572,387	1,343,345	767,685	485,990
Gain on Sale of Capital Assets	(73,459)	236,219	-	-	90,507	-	-	-	-	-
Miscellaneous	642,006	509,904	496,958	729,736	699,881	1,232,637	641,846	687,062	532,499	205,988
<b>Total Governmental Activities</b>	<u>\$ 19,886,383</u>	<u>\$ 19,575,031</u>	<u>\$ 19,722,704</u>	<u>\$ 19,743,089</u>	<u>\$ 18,361,316</u>	<u>\$ 17,523,419</u>	<u>\$ 14,929,102</u>	<u>\$ 13,355,196</u>	<u>\$ 11,937,050</u>	<u>\$ 10,871,293</u>
Increase in Net Position Before Transfers	1,474,749	2,591,425	3,069,721	4,037,155	3,761,076	3,904,221	1,775,688	2,240,694	1,387,055	1,221,626
Transfers	-	-	-	-	-	-	(9,168,652)	-	-	-
<b>Change in Net Position</b>	<u>\$ 1,474,749</u>	<u>\$ 2,591,425</u>	<u>\$ 3,069,721</u>	<u>\$ 4,037,155</u>	<u>\$ 3,761,076</u>	<u>\$ 3,904,221</u>	<u>\$ (7,392,964)</u>	<u>\$ 2,240,694</u>	<u>\$ 1,387,055</u>	<u>\$ 1,221,626</u>
<b>Total Primary Government</b>	<u>\$ 1,474,749</u>	<u>\$ 2,591,425</u>	<u>\$ 3,069,721</u>	<u>\$ 4,037,155</u>	<u>\$ 3,761,076</u>	<u>\$ 3,904,221</u>	<u>\$ (7,392,964)</u>	<u>\$ 2,240,694</u>	<u>\$ 1,387,055</u>	<u>\$ 1,221,626</u>
<b>% Change from Prior Year</b>	(43.09%)	(15.58%)	(23.96%)	7.34%	(3.67%)	152.81%	(429.94%)	61.54%	13.54%	N/A

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PANOLA COUNTY, TEXAS  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Fund:</b>										
Committed	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	14,386,419	12,914,895	11,152,902	11,572,586	9,427,291	6,918,110	5,354,493	13,021,195	11,584,311	10,704,447
<b>Total General Fund</b>	<b>14,386,419</b>	<b>12,914,895</b>	<b>13,152,902</b>	<b>11,572,586</b>	<b>9,427,291</b>	<b>6,918,110</b>	<b>5,354,493</b>	<b>13,021,195</b>	<b>11,584,311</b>	<b>10,704,447</b>
<b>All Other Governmental Funds:</b>										
Nonspendable, Reported in:										
Special Revenue Funds	17,036	29,129	16,053	24,346	15,994	47,998	35,022	27,068	30,668	10,996
Restricted, Reported in:										
Special Revenue Funds	11,505,906	10,942,194	10,575,529	10,582,426	9,980,628	9,315,359	8,496,426	10,435,845	9,140,388	8,563,498
Debt Service Fund	-	-	207,556	201,590	161,924	93,036	2,610	-	-	-
Capital Projects Funds	-	-	-	-	-	2,734,465	8,844,339	-	-	-
Committed, Reported in:										
Capital Projects Funds	702,640	2,032,738	520,303	647,974	491,596	477,783	461,548	441,702	422,175	410,687
<b>Total All Other Governmental Funds</b>	<b>12,225,582</b>	<b>13,004,061</b>	<b>11,319,441</b>	<b>11,456,336</b>	<b>10,650,142</b>	<b>12,668,641</b>	<b>17,839,945</b>	<b>10,904,615</b>	<b>9,593,231</b>	<b>8,985,181</b>
<b>Total Governmental Funds</b>	<b>\$ 26,612,001</b>	<b>\$ 25,918,956</b>	<b>\$ 24,472,343</b>	<b>\$ 23,028,922</b>	<b>\$ 20,077,433</b>	<b>\$ 19,586,751</b>	<b>\$ 23,194,438</b>	<b>\$ 23,925,810</b>	<b>\$ 21,177,542</b>	<b>\$ 19,689,628</b>
<b>% Change from Prior Year</b>	<b>2.67%</b>	<b>5.91%</b>	<b>6.27%</b>	<b>14.70%</b>	<b>2.51%</b>	<b>(15.55%)</b>	<b>(3.06%)</b>	<b>12.98%</b>	<b>7.56%</b>	<b>N/A</b>

PANOLA COUNTY, TEXAS  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>REVENUES</b>										
Property Taxes	\$ 18,828,094	\$ 18,364,115	\$ 18,708,889	\$ 18,316,629	\$ 16,745,188	\$ 15,320,932	\$ 12,723,922	\$ 11,325,188	\$ 10,652,164	\$ 10,073,746
Licenses	401,952	367,773	416,086	413,439	449,020	448,726	455,247	455,632	459,902	461,437
Inter-Governmental	1,289,263	1,236,451	1,362,230	1,367,929	1,297,019	1,317,459	1,274,782	1,526,620	1,578,406	1,366,830
Fees of Office	1,347,853	1,354,699	1,325,782	1,333,598	1,316,252	1,351,374	1,218,383	1,248,867	1,078,243	1,082,685
Fines	300,696	311,936	309,141	295,442	267,732	316,701	325,430	369,783	326,165	326,263
Miscellaneous	2,056,617	1,964,666	1,399,682	3,423,614	1,783,828	2,373,096	2,257,336	2,611,688	1,936,574	928,512
Total Revenues	24,224,475	23,599,640	23,521,810	25,150,651	21,859,039	21,128,288	18,255,100	17,537,778	16,031,454	14,239,473
<b>EXPENDITURES</b>										
General Administration	3,992,090	3,582,755	3,798,181	3,231,245	2,831,669	3,581,289	3,067,307	2,487,117	2,204,858	1,939,667
Judicial	1,183,353	1,169,242	1,098,165	1,072,245	1,111,988	940,346	879,692	864,318	791,433	776,783
Legal	507,415	497,360	503,153	488,344	358,200	392,174	345,467	398,169	364,125	294,651
Elections	141,204	160,792	135,413	139,068	146,889	118,052	114,875	100,937	117,570	120,832
Financial Administration	852,036	851,633	824,190	762,011	763,587	661,127	643,287	615,465	581,258	539,639
Public Facilities	582,006	438,005	418,341	295,300	257,823	231,189	489,745	270,839	243,352	264,801
Public Safety	5,866,187	5,733,918	5,473,887	5,138,215	7,262,290	3,019,226	4,482,400	4,060,125	3,940,628	3,613,004
Environmental Protection	420,631	386,527	357,184	355,109	357,651	333,563	301,164	375,910	348,440	295,659
Conservation	4,382,791	91,770	4,268,009	92,668	91,964	76,540	76,719	77,868	73,284	70,116
Public Transportation	1,500,653	4,249,786	864,053	3,784,509	4,603,800	4,374,680	4,565,117	4,033,234	4,079,484	3,868,038
Health & Paupers Care	359,961	1,165,795	398,531	2,334,409	666,818	291,280	513,968	496,537	189,699	508,470
Culture & Recreation	94,640	385,146	96,046	318,498	308,098	76,540	263,064	247,265	257,394	287,713
Debt Service - Principal	-	-	1,340,000	1,285,000	1,240,000	1,190,000	72,920	-	-	-
Debt Service - Interest	-	-	26,465	78,308	128,041	174,995	104,773	-	-	-
Capital Outlay	3,648,463	3,440,298	2,476,771	2,824,234	1,239,539	810,738	831,170	954,181	1,352,016	230,211
Total Expenditures	23,531,430	22,153,027	22,078,589	22,199,163	21,368,357	16,271,739	16,751,668	14,981,965	14,543,541	12,809,584
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	693,045	1,446,613	1,443,421	2,951,488	490,682	4,856,549	1,503,432	2,555,813	1,487,913	1,429,889
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from Capital Lease Financing Agreement	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Bonds Transfers In	254,757	2,423,518	266,000	567,482	523,977	-	4,174,944	-	-	-
Transfers Out	(254,757)	(2,423,518)	(266,000)	(567,482)	(523,977)	-	(11,464,748)	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	(2,234,804)	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	\$ 693,045	\$ 1,446,613	\$ 1,443,421	\$ 2,951,488	\$ 490,682	\$ 4,856,549	\$ (731,372)	\$ 2,555,813	\$ 1,487,913	\$ 1,429,889
Debt Service as a percentage of Noncapital Expenditures	0.00%	0.00%	6.61%	6.55%	6.80%	8.83%	1.12%	0.00%	0.00%	0.00%

**PANOLA COUNTY, TEXAS**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year	Estimated Market Value			Total Taxable Assesed Value	Total Direct Tax Rate
	Real Property	Personal Property	Less: Tax-Exempt Property		
2013	2,708,044,440	1,425,049,578	188,983,380	3,944,110,638	0.4994
2012	2,879,044,410	1,414,793,228	197,839,570	4,095,998,068	0.4611
2011	3,217,848,326	1,247,184,966	189,749,780	4,275,283,512	0.4274
2010	3,906,344,700	1,022,545,130	162,767,220	4,766,122,610	0.3887
2009	3,989,087,500	1,143,264,835	151,231,090	4,981,121,245	0.3632
2008	4,443,456,210	995,452,149	129,631,210	5,309,277,149	0.3096
2007	3,845,247,267	634,948,073	123,038,850	4,357,156,490	0.3441
2006	3,894,896,147	479,011,483	118,394,230	4,255,513,400	0.2869
2005	2,981,872,892	418,440,315	114,613,060	3,285,700,147	0.3330
2004	2,511,868,481	387,538,653	111,254,590	2,788,152,544	0.3811

Source: Panola County Appraisal District

**PANOLA COUNTY, TEXAS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b><u>Panola County Direct Rates</u></b>					
GENERAL	0.48420	0.32210	0.29650	0.24926	0.23612
SPECIAL REVENUE	0.01520	0.13900	0.13090	0.11112	0.09938
DEBT SERVICE	-	-	-	0.02832	0.02770
<b>TOTAL DIRECT RATE</b>	<b>0.49940</b>	<b>0.46110</b>	<b>0.42740</b>	<b>0.38870</b>	<b>0.36320</b>
<b><u>Overlapping Rates</u></b>					
<b>City and Town Rates:</b>					
CARTHAGE	0.50000	0.48000	0.46000	0.46000	0.41000
BECKVILLE	0.42723	0.38552	0.36430	0.31239	0.26044
<b>School Districts Rates:</b>					
CARTHAGE ISD	1.14000	1.14000	1.14000	1.14000	1.14000
GARY ISD	1.29000	1.24000	1.22900	1.18251	1.20459
BECKVILLE ISD	1.10000	1.10000	1.10000	1.06320	1.04000
ELYSIAN FIELDS ISD	1.23700	1.22500	1.21500	1.20000	1.20000
TATUM ISD	1.17000	1.17000	1.04000	1.04000	1.04000
TENAHA ISD	1.18000	1.18658	1.17937	1.21930	1.20438
JOAQUIN ISD	1.60600	1.54530	1.54700	1.55800	1.34110
<b>Other Special District Rates:</b>					
PANOLA JR. COLLEGE	0.21483	0.14519	0.13407	0.11813	0.10579
PANOLA COUNTY ESD	0.02130	0.02130	0.02130	0.01844	0.01605
PANOLA GWCD	0.00970	0.00855	0.00739	0.00612	0.00637

Source: Various taxing entities

TABLE 6

2008	2007	2006	2005	2004
0.19374	0.21039	0.19350	0.22450	0.25690
0.08962	0.10140	0.09340	0.10850	0.12420
0.02624	0.03231	-	-	-
<b>0.30960</b>	<b>0.34410</b>	<b>0.28690</b>	<b>0.33300</b>	<b>0.38110</b>
0.41000	0.39000	0.45940	0.45940	0.55000
0.22289	0.26684	0.26000	0.27415	0.27260
1.14000	1.14000	1.50000	1.53000	1.53000
1.13855	1.12310	1.24560	1.36930	1.21480
1.05586	1.10865	1.36860	1.51314	1.46450
1.22110	1.26990	1.40800	1.53600	1.24500
1.04000	1.04000	1.37000	1.56840	1.56800
1.41210	1.39762	1.37000	1.50000	1.50000
1.12050	1.11010	1.28130	1.47620	1.51480
0.09593	0.10477	0.09430	0.10850	0.11717
0.01393	0.01515	0.01360	0.01571	0.01700
0.00637				

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TABLE 7

PANOLA COUNTY, TEXAS  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT YEAR AND TEN YEARS AGO  
 (Amounts expressed in thousands)  
 (UNAUDITED)

Name of Taxpayer	Fiscal Year 2013		Fiscal Year 2003	
	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Percentage of Total County Taxable Assessed Value
Devon Energy Production Co LP	\$ 328,213	8.01 %	\$ -	-
Anadarko E&P Company LP	256,521	6.26 %	-	-
Markwest Eastern TX Gas Co LP	153,956	3.76 %	-	-
DCP Midstream LP	136,947	3.34 %	-	-
XTO Energy Inc.	112,289	2.74 %	-	-
Markwest-Carthage Plant & East	78,245	1.91 %	-	-
ETC Tiger Pipeline	77,287	1.89 %	-	-
Chevron USD Inc	69,829	1.70 %	-	-
R. Lacy, Services LTD	66,240	1.62 %	-	-
Exxon Mobile Corp.	62,963	1.54 %	-	-
Anadarko E&P Company LP	-	-	266,324	10.86 %
Chevron	-	-	182,068	8.11 %
Devon Energy Production Co LP	-	-	168,996	7.15 %
EOG Resources Inc	-	-	81,152	3.84 %
BP American Production	-	-	76,329	3.38 %
R. Lacy, Inc.	-	-	69,056	2.75 %
Exxon Mobile Corp.	-	-	66,193	2.70 %
Duke Energy	-	-	50,587	2.11 %
Ocean Energy	-	-	43,692	2.00 %
TXU Mining Co. LP	-	-	41,649	1.79 %
<b>Total</b>	<b>\$ 1,342,490</b>		<b>\$ 1,046,046</b>	
<b>Total Assessed Value and Percentage of Total</b>	<b>\$ 4,095,998</b>	<b>32.78 %</b>	<b>\$ 2,346,491</b>	<b>44.58 %</b>

Source: Panola County Appraisal District

**PANOLA COUNTY, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Fiscal Year</b>	<b>Tax Levy</b>	<b>Current Tax Collection</b>	<b>Percent Of Levy Collected</b>	<b>Collections in Subsequent Years (2)</b>	<b>Total Collections</b>
2013	19,264,186	18,740,914	97.28%	255,731	18,996,645
2012	18,757,346	18,339,364	97.77%	305,231	18,644,595
2011	19,145,073	18,724,040	97.80%	361,453	19,085,493
2010	18,747,490	18,284,461	97.53%	401,196	18,685,657
2009	17,125,293	16,760,071	97.87%	332,846	17,092,917
2008	15,591,091	15,348,762	98.45%	218,939	15,567,701
2007	12,929,930	12,724,856	98.41%	187,262	12,912,118
2006	11,508,292	11,330,572	98.46%	163,234	11,493,806
2005	10,825,727	10,617,597	98.08%	194,755	10,812,352
2004	10,279,634	10,007,852	97.36%	255,041	10,262,893

Source: Tax Rolls

Notes:

(1) Delinquent taxes are reported by levy year.

(2) Property taxes become due January 1 and become delinquent on July 1. The amount collected from January 1 - June 30 is the "Current Tax Collection." For fiscal year 2013, the amount that was collected from July 1 - December 31 is represented in the "Collections in Subsequent Years" column.

**TABLE 8**

<b>Percent Of Total Collections To Tax Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent of Delinquent Taxes to Tax Levy</b>
98.61%	267,541	1.39%
99.40%	112,751	0.60%
99.69%	59,580	0.31%
99.67%	61,833	0.33%
99.81%	32,376	0.19%
99.85%	23,390	0.15%
99.86%	17,812	0.14%
99.87%	14,486	0.13%
99.88%	13,375	0.12%
99.84%	16,741	0.16%

**PANOLA COUNTY, TEXAS**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Estimated Actual Taxable Value of Property (1)	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Other Obligations				
2013	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-
2010	\$ 1,340,000	\$ 201,590	\$ -	\$ 1,138,410	0.02%	0.12%	49.30
2009	2,625,000	161,924	-	2,463,076	0.05%	0.29%	108.96
2008	3,865,000	93,036	-	3,771,964	0.07%	0.52%	163.40
2007	5,055,000	2,610	-	5,052,390	0.12%	0.74%	219.65
2006	-	-	72,920	72,920	0.00%	0.01%	3.14
2005	-	-	145,840	145,840	0.00%	0.02%	6.24
2004	-	-	287,171	287,171	0.01%	0.05%	12.63

**Notes:**

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 179.

(2) See the schedule of Demographic Statistics found on page 191 for personal income and population data.

TABLE 10

**PANOLA COUNTY, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL DEBT  
AS OF DECEMBER 31, 2013  
(UNAUDITED)**

<u>Jurisdiction</u>	<u>Net Debt Outstanding Amount (1)</u>	<u>Applicable to Panola County Percent (2)</u>	<u>Amount Applicable to Panola County</u>
<b>Cities:</b>			
Carthage	\$ 16,757,874	100.00%	\$ 16,757,874
<b>Total Cities</b>	<u>16,757,874</u>		<u>16,757,874</u>
<b>School Districts:</b>			
Carthage ISD	23,039,561	100.00%	23,039,561
Gary ISD	10,675,000	100.00%	10,675,000
Beckville ISD	5,798,300	100.00%	5,798,300
Elysian Fields ISD	10,830,000	52.55%	5,691,165
Tatum ISD	23,125,000	2.27%	524,938
Tenaha ISD	4,581,249	4.75%	217,609
Joaquin ISD	14,125,000	5.05%	713,313
<b>Total School Districts</b>	<u>92,174,110</u>		<u>46,659,885</u>
Panola Junior College	<u>4,570,644</u>	100.00%	<u>4,570,644</u>
<b>Subtotal, Overlapping Debt</b>	<b>113,502,628</b>		<b>67,988,403</b>
<b>Panola County (Direct Debt)</b>	<u>-</u>		<u>-</u>
<b>Total Direct and Overlapping Debt</b>	<u>\$ 113,502,628</u>		<u>\$ 67,988,403</u>

Note: Percentage of overlap is based on each entity's respective land area located within Panola County.

**Sources:**

- (1) Respective entities and auditors of respective entities.
- (2) Texas Municipal Reports

PANOLA COUNTY, TEXAS  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Debt Limit	724,256,955	769,022,995	851,899,527	\$ 1,017,277,980	\$ 1,035,079,648	\$ 1,143,271,855	\$ 988,691,307	\$ 963,182,428	\$ 716,822,523	\$ 697,045,701
Total net debt applicable to limit	-	-	-	1,340,000	2,625,000	3,865,000	5,055,000	-	-	-
Legal debt margin	724,256,955	769,220,995	851,899,527	\$ 1,015,937,980	\$ 1,032,454,648	\$ 1,139,406,855	\$ 983,636,307	\$ 963,182,428	\$ 716,822,523	\$ 697,045,701

Total net debt applicable to the limit as a percentage of debt limit

2013	0.00%	2012	0.00%	2011	0.00%	2010	0.13%	2009	0.25%	2008	0.34%	2007	0.51%	2006	0.00%	2005	0.00%	2004	0.00%
------	-------	------	-------	------	-------	------	-------	------	-------	------	-------	------	-------	------	-------	------	-------	------	-------

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed value	\$ 2,708,044,440
Add back: exempt real property	188,983,380
Total assessed value	\$ 2,897,027,820
Debt limit 25% of assessed value of real property (Article 3, Section 52, Constitution of the State of Texas)	\$ 724,256,955
Amount of Debt applicable to debt limit	-
Legal Debt Margin	\$ 724,256,955

Note: This constitutional limit applies only to the General Bonded Debt of the County.

TABLE 12

**PANOLA COUNTY, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income (in thousands)</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>	<b>College &amp; School Enrollment</b>
2013	23,870	\$ 1,070,065	\$ 44,549	5.10%	6,932
2012	24,020	1,000,264	40,962	5.60%	6,502
2011	24,058	953,996	39,654	6.70%	6,265
2010	23,826	883,688	37,089	7.30%	6,181
2009	23,678	799,987	33,786	7.30%	5,806
2008	23,537	871,091	37,009	4.00%	5,732
2007	23,351	751,002	32,161	3.90%	5,342
2006	23,456	662,733	28,254	4.40%	5,613
2005	23,140	609,972	26,360	4.90%	5,630
2004	22,892	579,763	25,326	5.70%	5,683

Sources: United States Census Bureau, Various Education Entities, Bureau of Economic Analysis, and Texas Association of Counties

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TABLE 13

**PANOLA COUNTY, TEXAS  
PRINCIPAL EMPLOYERS BY INDUSTRY  
CURRENT AND PRIOR FISCAL YEAR  
(UNAUDITED)**

<u>TYPE OF EMPLOYER</u>	<u>Fiscal Year 2013</u>		<u>Fiscal Year 2012</u>	
	<u>Number of Employees</u>	<u>Percentage of Total Employment</u>	<u>Number of Employees</u>	<u>Percentage of Total Employment</u>
Natural Resource and Mining	1,407	13.42 %	1,302	12.42 %
Construction	2,078	19.82 %	1,938	18.48 %
Manufacturing	865	8.25 %	834	7.95 %
Trade, Transportation, Utilities	2,254	21.50 %	1,971	18.80 %
Information	60	0.57 %	58	0.55 %
Financial Activities	248	2.37 %	209	1.99 %
Professional Business Services	697	6.65 %	665	6.34 %
Education Health Services	830	7.92 %	806	7.69 %
Leisure Hospitality	398	3.80 %	411	3.92 %
Other Services	267	2.55 %	226	2.16 %
Federal	73	0.70 %	75	0.72 %
State	61	0.58 %	56	0.53 %
Local	1,247	11.89 %	1,275	12.16 %
<b>Total</b>	<u><u>10,485</u></u>	<u><u>100.00 %</u></u>	<u><u>9,826</u></u>	<u><u>93.71 %</u></u>

Source: Texas Workforce Commission

Note: GASB Statement 44 was implemented in fiscal year 2006; in future years, data from the period nine years prior to the report, rather than the prior fiscal year, will be presented.

**PANOLA COUNTY, TEXAS  
 FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

<b>Function/Program</b>	<b>Fiscal Year</b>				
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>General Administration</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
<b>Judicial</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>
<b>Elections</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Financial Administration</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>
<b>Legal</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Public Facilities</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Public Safety</b>	<b>83</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>
<b>Public Transportation</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>
<b>Culture and Recreation</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Conservation-Agriculture</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Totals</b>	<b>194</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>190</b>

Source: Panola County Payroll History Report

**TABLE 14**

<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
17	17	17	17	17
16	16	16	16	16
2	2	2	2	2
13	13	13	13	12
6	6	6	6	6
1	1	1	2	2
66	65	61	65	63
47	46	45	48	48
6	6	6	6	6
3	3	3	3	3
<b>177</b>	<b>175</b>	<b>170</b>	<b>178</b>	<b>175</b>

PANOLA COUNTY, TEXAS  
CAPITAL ASSETS BY FUNCTION/PROGRAM  
DECEMBER 31, 2013  
(UNAUDITED)

Function/Program	Fiscal Year						
	2013	2012	2011	2010	2009	2008	2007
<b>General Administration</b>							
Furniture & Equipment	8	8	8	8	8	8	8
Facilities	5	5	5	5	5	5	5
Tracts of Land	10	10	10	10	10	10	10
<b>Judicial</b>							
Furniture & Equipment	3	3	3	3	3	3	3
Facilities	1	1	1	1	1	1	1
<b>Elections</b>							
Equipment	2	2	2	2	2	2	2
<b>Public Facilities</b>							
Facilities	1	1	1	1	1	1	1
<b>Public Safety</b>							
Vehicles	45	45	45	45	45	45	41
Equipment	13	13	13	13	13	13	13
Facilities	2	2	2	2	2	1	1
<b>Environmental Protection</b>							
Facilities	2	2	2	2	2	2	2
Landfill	1	1	1	1	1	1	1
<b>Public Transportation</b>							
Miles of County Roads	610	610	610	609	614	614	614
Number of Bridges	12	12	12	12	12	12	12
Facilities	5	5	5	5	5	5	5
Equipment & Vehicles	138	138	138	138	141	141	134
Tracts of Land	5	5	5	5	5	5	5
<b>Health/Paupers Care</b>							
Facilities	2	2	2	2	2	2	2
Tracts of Land	1	1	1	1	1	1	1

Source: Panola County Capital Asset Inventory Listing

Note: GASB Statement 44 was implemented in fiscal year 2006; in future years, additional years will be reported, cumulating a ten-year presentation.

TABLE 16

PANOLA COUNTY, TEXAS  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
DECEMBER 31, 2013  
(UNAUDITED)

Function/Program	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006		
<b>General Administration</b>										
Official Public Records Filed	8,699	7,386	8,080	9,245	9,564	10,804	10,325	9,780		
Vital Statistics Filed	281	251	464	382	247	233	324	288		
<b>Judicial</b>										
Number of Civil Cases	685	437	793	719	679	742	696	754		
Number of Criminal Cases	880	828	842	854	1,669	1,031	431	1,347		
<b>Legal</b>										
Number of Convictions - Misdemeanors	270	240	204	379	432	N/A	N/A	N/A		
Number of Convictions - Felony	212	131	174	276	381	95	94	353		
<b>Elections</b>										
Number of Registered Voters	15,708	15,894	15,667	15,779	15,648	15,658	16,197	15,924		
Number of Elections	1	4	1	3	3	3	2	3		
<b>Financial Administration</b>										
Number of mineral tax items	2,667,048	2,686,143	2,701,012	2,566,302	2,546,560	2,443,147	1,849,374	1,705,536		
Number of real estate tax items	175,413	173,608	174,490	171,175	170,678	168,619	136,656	137,864		
Number of registered vehicles	31,046	32,122	32,547	31,404	30,880	28,813	28,345	27,052		
<b>Public Facilities</b>										
Number of repair jobs	88	52	95	51	54	30	31	87		
<b>Public Safety</b>										
Number of emergency responses	4,719	4,567	4,917	4,924	4,852	3,526	5,054	5,145		
Number of book-ins	1,285	1,242	932	1,328	1,522	1,706	1,756	1,593		
<b>Environmental Protection</b>										
Number of solid waste transfers(tons)	13,034	12,170	12,176	12,457	12,588	12,557	12,606	17,482		
Number of Diversions (tons)	389	340	621	650	510	512	711	867		
<b>Public Transportation</b>										
Miles of road resurfaced	21	11	12	13	14	11	17	53		
Number of repairs	380	107	416	401	387	361	338	117		
<b>Health and Paupers Care</b>										
Number of autopsies performed	29	21	32	27	28	23	37	29		
Number of indigent admissions	479	738	686	671	771	503	666	878		
<b>Recreation</b>										
Number of patrons to Library	13,779	12,591	11,669	10,617	9,329	8,294	10,635	9,537		
Number of books in library	57,548	52,323	58,434	53,485	53,201	49,907	51,083	41,117		
Number of programs	83	52	49	51	60	77	48	80		
<b>Conservation</b>										
Number of programs	70	285	189	171	30	42	51	26		
Number of radio programs	52	64	55	135	130	67	-	-		
County Extension mailouts & emails	8,534	10,584	10,400	10,234	5,102	4,152	5,955	5,754		

Source: Individual County Departments

Note: GASB Statement 44 was implemented in fiscal year 2006; in future years, additional years will be reported, cumulating a ten-year presentation.

**PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2013  
(Unaudited)**

<b>Insurer or Name of Company</b>	<b>Number</b>	<b>Policy Period</b>	
		<b>From</b>	<b>To</b>
The St. Paul Ins. Co.	H8101171X911	1/1/2013	12/31/2013
The St. Paul Ins. Co.	ZAS-14P02174-12	1/1/2013	12/31/2013
The St. Paul Ins. Co.	H6301171X911	1/1/2013	12/31/2013
The St. Paul Ins. Co.	ZAS-14P02174-12	1/1/2013	12/31/2013
The St. Paul Ins. Co.	ZAS-14P02174-12	1/1/2013	12/31/2013
The St. Paul Ins. Co.	ZAS-14P02174-12	1/1/2013	12/31/2013
The St. Paul Ins. Co.	H6301171X911	1/1/2013	12/31/2013
The St. Paul Ins. Co.	ZAS-14P02174-12	1/1/2013	12/31/2013
EBCO	UA00134783-12	12/31/2013	12/31/2014
Texas Association of Counties	#1830	1/1/2013	12/31/2013
Texas Association of Counties	#1830	1/1/2013	12/31/2013
Texas Association of Counties - BCBS	62946	12/1/2011	11/30/2012
The CIMA Companies, Inc.	SPS900305	7/1/2011	7/31/2012

- (1) 2013 Funding
- (2) As prescribed by law Art. #8309H
- (3) As prescribed by law - Texas Unemployment Compensation Act
- (4) For covered expenses - Lifetime maximum \$2,000,000

TABLE 17

Building and/or Department & Description	Amount of Coverage	Premiums & Funding
Physical Damage-Comp. Limit PD; 500 Deduct; Bodily Injury - Limit; Comp. Auto liab. Ins. 1,000	\$ 2,000,000	\$ 105,749
General Liability; 2,000,000	2,000,000	52,364
Commercial Property and Equipment	3,779,145	131,139
Commercial Umbrella Liability- 1,000,000 each occurrence Aggregate 1,000,000; Retention 10,000	2,000,000	22,042
Law Enforcement Professional Liability; Each Person 1,000,000 Aggregate 3,000,000; Each occurrence 1,000,000	2,000,000	111,612
2,000,000 Limit Each 2,000,000 Aggregate 25,000 retention; Public Officials and Employees Legal Liability	2,000,000	41,202
Crime - Employee Theft, Forgery	2,000,000	INC. IN PKG.
General Liability - Cyberfirst Liab.	2,000,000	1,713
Property Damage 1,000,000; General Liability- Airport 1,000,000 each occurrence, 2,000,000 aggregate	2,000,000	2,850
Workers Compensation Self-Funded Insurance through Texas Association of Counties	(2)	127,086
Unemployment Insurance Self-Funded through Texas Association of Counties	(3)	6,990
Employee Group Ins - TAC Health and Employee Benefit Pool 500 deductible - 2,000 co-ins; Emp Life Ins 10,000 & Acc Death/ Dsmb 10,000	(4)	2,647,008
Volunteers Insurance Service Association (VIS) Work Release Volunteer Accident Insurance	25,000	1,740

**PANOLA COUNTY, TEXAS  
SCHEDULE OF INSURANCE IN FORCE  
DECEMBER 31, 2013  
(Unaudited)**

Insurer or Name of Company	Number	Policy Period	
		From	To
Safeco Ins.	6195460	1/1/2011	1/1/2015
Safeco Ins.	32S171170	1/1/2013	1/1/2017
	32S161126	1/1/2013	1/1/2015
Safeco Ins.	32S168657	1/1/2011	1/1/2015
	32S168658	1/1/2011	1/1/2015
Safeco Ins.	32S388163	1/1/2013	1/1/2017
	32S388164	1/1/2013	1/1/2014
Safeco Ins.	32S159904	1/1/2011	1/1/2015
	32S161129	1/1/2013	12/31/2016
Safeco Ins.	6604896	1/1/2011	1/1/2015
Safeco Ins.	E916865	12/31/2010	12/31/2014
RISC	MG836583	1/14/2013	1/14/2014
Safeco Ins.	6001533	1/1/2011	1/1/2015
Safeco Ins.	6464731	1/1/2011	1/1/2015
Safeco Ins.	E855300	12/31/2010	12/31/2012
RISC	MG836582	1/14/2013	1/14/2014
Travelers	6608010A867TCT	8/27/2013	8/27/2014
Safeco Ins.	32S163144	12/31/2012	12/31/2014
Safeco Ins.	E879393	1/1/2011	1/1/2015
Safeco Ins.	E879390	1/1/2011	1/1/2015
Safeco Ins.	6575455	6/1/2013	6/1/2014
Safeco Ins.	32S171003	2/28/2013	2/28/2015
	6224019	6/1/2012	2/28/2015
	32S163039	9/26/2012	2/28/2015
Safeco Ins.	EX879011	12/31/2010	12/31/2014
Safeco Ins.	32S168723	12/28/2012	12/28/2013
	32S168102	9/27/2013	9/27/2014

TABLE 17 (cont.)

<u>Building and/or Department &amp; Description</u>	<u>Amount of Coverage</u>	<u>Premiums &amp; Funding</u>
County Judge	\$ 1,000	\$ 355
Commissioner Precinct 1	3,000	355
	3,000	185
Commissioner Precinct 2	3,000	355
	3,000	355
Commissioner Precinct 3	3,000	325
	3,000	325
Commissioner Precinct 4	3,000	355
	3,000	270
County Clerk	150,000	1,864
Deputy County Clerks	160,000	1,988
County Clerk Errors & Omissions	500,000	650
County Court at Law Judge	1,000	355
District Clerk - Bond	100,000	1,243
District Clerk - Public Official Bond	25,000	1,243
District Clerk Errors & Omissions	500,000	3,934
Crime - Money & Securities - District Clerk	20,000	264
Justice of the Peace Pct 1&4	1,000	185
Justice of the Peace Pct 2&3	1,000	355
Criminal District Attorney	5,000	355
Elections Administrator	1,000	100
Auditor	5,000	185
1st Assistant Auditor	5,000	248
2nd Assistant Auditor	5,000	221
County Treasurer	1,000	355
Assistant Treasurer/Chief Deputy	25,000	125
Deputy Treasurer	25,000	125

**PANOLA COUNTY, TEXAS**  
**SCHEDULE OF INSURANCE IN FORCE**  
**DECEMBER 31, 2013**  
**(Unaudited)**

Insurer or Name of Company	Number	Policy Period	
		From	To
Safeco Ins.	32S376159	1/1/2013	1/1/2017
Safeco Ins.	01FL0122505	1/1/2013	1/1/2014
Safeco Ins.	32S401920	5/16/2013	11/12/2014
Safeco Ins.		12/31/2012	12/31/2013
Safeco Ins.	32S171169	1/1/2013	1/1/2014
Safeco Ins.	32S388169	1/1/2013	1/1/2014
The Travelers	660287X6078TCT12	12/30/2012	12/30/2013
The Travelers	660226X9543TCT12	12/30/2012	12/30/2013
Safeco Ins.	E850916	1/1/2011	1/1/2015
Safeco Ins.	32S399945	05/02/13	05/16/13
Safeco Ins.	32S401058	05/02/13	05/16/13
Safeco Ins.	32S393599	02/28/13	02/28/14
Safeco Ins.	32S393602	02/28/13	02/28/14
Safeco Ins.	32S393606	02/28/13	02/28/14
Safeco Ins.	32S393607	02/28/13	02/28/14
Safeco Ins.	32S393611	02/28/13	02/28/14
Safeco Ins.	32S159887	09/01/13	09/01/14
Safeco Ins.	32S171050	8/29/2013	8/26/2014
Safeco Ins.	32S159899	10/18/2013	10/18/2014
Safeco Ins.	32S388257	01/01/13	01/01/14
	32S388262	01/01/13	01/01/14
	32S377966	08/22/13	08/22/14
Safeco Ins.	32s419755	11/8/2013	11/8/2014

TABLE 17 (cont.)

<u>Building and/or Department &amp; Description</u>	<u>Amount of Coverage</u>	<u>Premiums &amp; Funding</u>
Tax Assessor/Collector (Ad Valorem Tax Office)	\$ 100,000	\$ 957
Tax Assessor/Collector (Deputies) Crime Bond	35,000	1,287
Sheriff	30,000	205
Reserve Deputies - Fifteen @ 2,000	30,000	100
Constable Precinct 2	1,000	355
Constable Precinct 1	1,000	355
123rd Judicial District Adult Probation	10,000	263
123rd Judicial District Juvenile Probation	10,000	250
County Surveyor	1,000	355
TRO	5,000	100
Cost Bond	5,000	487
Special Prosecutor	2,500	100
Court Coordinator LE & Forfeiture Spec.	2,000	100
Asst. District Attorney	5,000	100
Reserve Constable Deputy Pct. 1 - Three @ 2,000	6,000	300
Reserve Constable Deputy Pct. 2 - One @ 2,000	2,000	100

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**OVERALL COMPLIANCE AND  
INTERNAL CONTROLS SECTION**

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Certified Public Accountant

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Panola County Commissioners' Court  
Panola County, Texas

We have audited, 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 the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Panola County, Texas, ("County") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 20, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

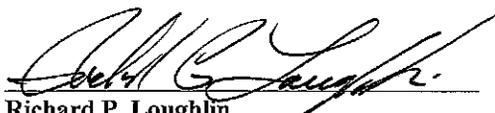
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

MEMBER

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Richard P. Loughlin  
Certified Public Accountant

Henderson, Texas  
June 20, 2014



**Richard P Loughlin**  
Certified Public Accountant

Telephone: 903.657.0240  
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116 S Marshall  
P O Box 1716  
Henderson TX 75653

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY STATE OF TEXAS SINGLE AUDIT CIRCULAR**

Panola County Commissioners' Court  
Panola County, Texas

**Report on Compliance for Each Major State Program**

We have audited Panola County, Texas' ("County") compliance with the types of compliance requirements described in the State of Texas Single Audit Circular that could have a direct and material effect on each of the County's major state programs for the year ended December 31, 2013. The County's major state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major state programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State of Texas Single Audit Circular. Those standards and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the County's compliance.

**Opinion on Each Major State Program**

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2013.

MEMBER

## Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with State of Texas Single Audit Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of State of Texas Single Audit Circular. Accordingly, this report is not suitable for any other purpose.

  
Richard P. Loughlin  
Certified Public Accountant

Henderson, Texas  
June 20, 2014

**Panola County, Texas  
 Summary of Auditor's Results and  
 Schedule of Findings and Questioned Costs  
 For the Year Ended December 31, 2013**

**A. Summary of Auditor's Results**

**1. Financial Statements**

Type of auditor's report issued: Unqualified

**Internal control over financial reporting:**

Material weaknesses identified?        Yes   X   No

Significant deficiencies identified that are not considered to be material weaknesses?        Yes   X   None Reported

Noncompliance material to financial statements noted?        Yes   X   No

**2. State Awards**

**Internal control over major programs:**

Material weaknesses identified?        Yes   X   No

Significant deficiencies identified that are not considered to be material weaknesses?        Yes   X   None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with State of Texas Single Audit Circular?        Yes   X   No

**Identification of major programs:**

Name of State Program or Cluster  
 Community Supervision & Correction Department CJAD Contracts.

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?   X   Yes        No

**B. Financial Statement Findings**

NONE

**C. State Award Findings and Questioned Costs**

NONE

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**FEDERAL AND STATE  
AWARD SECTION**

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**SCHEDULE OF EXPENDITURES  
OF  
FEDERAL AND STATE AWARDS**

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PANOLA COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
DECEMBER 31, 2013

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<b><u>FEDERAL FINANCIAL ASSISTANCE</u></b>			
<b>U.S. Department of Justice:</b>			
<b>Passed Through Office of the Governor, Criminal Justice Division:</b>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	SF13A101747009	<u>79,286</u>
<b>Total U.S. Department of Justice</b>			<u><u>79,286</u></u>
<b>U.S. Health and Human Services:</b>			
<b>Passed Through Texas Juvenile Probation Commission:</b>			
Title IV-E Foster Care Assistance	93.658	TJPC-E-2013-183	5,906
<b>Passed Through Texas Department of Family and Protective Services:</b>			
Title IV-E Foster Care Assistance	93.658	23939005	<u>2,854</u>
<b>Total U.S. Health &amp; Human Services:</b>			<u><u>8,760</u></u>
<b>U.S. Department of Housing and Urban Development:</b>			
<b>Passed Through Texas Department of Agriculture</b>			
Community Development Block Grant	14.228	712016	122,421
Community Development Block Grant	14.228	713016	<u>21,900</u>
			<u><u>144,321</u></u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u><u>\$ 232,367</u></u>

See notes to Schedule of Federal and State Financial Assistance.

PANOLA COUNTY, TEXAS  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
DECEMBER 31, 2013

<u>Grantor/Program Title</u>	<u>Grantor's Number</u>	<u>Expenditures</u>
<b><u>STATE FINANCIAL ASSISTANCE</u></b>		
Texas Task Force on Indigent Defense:		
Direct Program:		
Indigent Defense Formula Grant	212-13-183	\$ 23,342
<b>Total Task Force on Indigent Defense</b>		<b><u>23,342</u></b>
Texas Department of Criminal Justice - Community Justice Assistance Division		
Basic Supervision Program (*)	900-Panola-2013	91,679
Basic Supervision Program	900-Panola-2014	116,508
Community Corrections Program - Community Service Restitution	1-Panola-2014	18,034
Community Corrections Program - Community Service Restitutor	1-Panola-2013	17,562
Community Corrections Program - Sex Offender	8-Panola-2014	5,238
Diversionary Target Program - Specialized Caseload Sex Offender	13-Panola-2014	23,515
Diversionary Target Program - Specialized Caseload Sex Offender	13-Panola-2013	23,516
Indirect Services	20-Panola-2014	21,025
Indirect Services	20-Panola-2013	25,014
<b>Total Texas Department of Criminal Justice - Community Justice Assistance Divisior</b>		<b><u>342,091</u></b>
Texas Juvenile Probation Commission:		
Direct Programs:		
State Aid (*)	TJPC-A-2013-183	96,289
State Aid	TJPC-A-2014-183	55,828
Commitment Reduction (*)	TJPC-C-2013-183	4,204
Commitment Reduction	TJPC-C-2014-183	19,572
Mental Health Services Grant	TJPC-N-2014-183	6,705
<b>Total Texas Juvenile Probation Commission</b>		<b><u>182,598</u></b>
Texas Commission on State Emergency Communications:		
Passed Through East Texas Council of Governments:		
Rural Addressing Maintenance Reimbursement Program	2012-00609	30,000
<b>Total Texas Commission on State Emergency Communications</b>		<b><u>30,000</u></b>
Texas Department of State Health Services:		
Direct Program:		
Tobacco Settlement Funds	None	28,744
<b>Total Texas Department of State Health Services</b>		<b><u>28,744</u></b>
<b>TOTAL STATE FINANCIAL ASSISTANCE</b>		<b><u>\$ 606,775</u></b>

(\*) Includes reduction for prior year grant receipts refunded to granting agency.

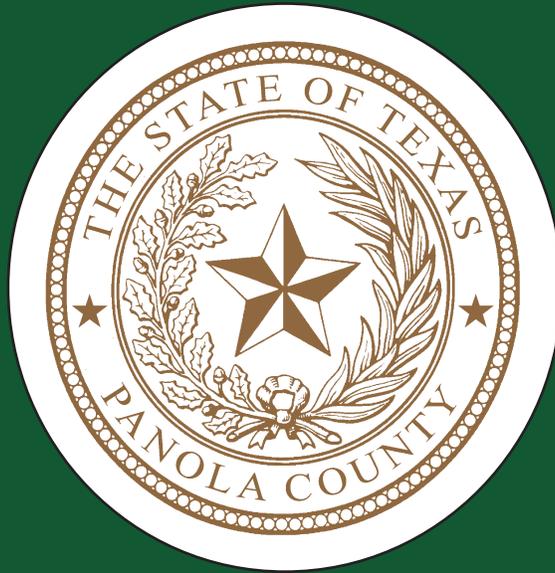
See notes to Schedule of Federal and State Financial Assistance.

**PANOLA COUNTY, TEXAS  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF FEDERAL AND STATE AWARDS  
DECEMBER 31, 2013**

**The federal program activity reflected in the schedules present only the activity applicable to each program. No other assets (cash, accounts receivable) or residual fund balances originating from other than federal sources are included in the schedule.**

**The state grants and assistance reflect residual fund balances, if any, in the funds used to account for the various programs of assistance.**

**During the year ended December 31, 2013, Panola County did not expend any Federal awards in the form of non-cash assistance, loans or loan guarantees.**



**Panola County**  
**Office of County Auditor**  
**Courthouse Annex Room 213A**  
**Carthage, TX 75633**