

THE STATE OF TEXAS

IN THE COMMISSIONERS COURT

MARCH TERM, 2013

COUNTY OF MONTAGUE

REGULAR SESSION

BE IN REMEMBERED, That on this 11th day of March, 2013, Commissioners Court of Montague County, Texas met at a regular meeting with the following present:

Tommie Sappington	County Judge	Herman Conway	Commissioner Precinct 1
James Gamblin	Commissioner Precinct 2	Mark Murphey	Commissioner Precinct 3
Bob Langford	Commissioner Precinct 4	Glenda Henson	County Clerk

#13-076- APPROVAL OF MINUTES

Motion by Commissioner Gamblin and seconded by Commissioner Murphey to approve minutes for February 25, 2013 meeting.

All Voted For

Motion Carried

#13-077-APPROVE MONTHLY REPORTS

Motion by Commissioner Langford and seconded by Commissioner Gamblin to approve the monthly reports as presented in open court: Ad Valorem, County Attorney, JP 1, Indigent Health Care, R & B 1, R & B 2, R & B 3, R & B 4, Constable 1 Fees, Constable 2 Fees, Budget Adjustments, Journal Entries, Cash Journal, and Payroll Report. Report Audits: JP 2, JP 1, District Clerk Fees, County Clerk Fees, and Ad Valorem.

All Voted For

Motion Carried

#13-078-PAY CLAIMS

Motion by Commissioner Langford and seconded by Commissioner Murphey to pay the claims as presented in court.

All Voted For

Motion Carried

#13-079-RANDY DUCKWORTH, MONTAGUE COUNTY VETERAN;S SERVICE OFFICER TO UPDATE COMMISSIONERS COURT OF THE RECENT ACTIVITY IN THE VETERAN'S OFFICE

The Veteran's Officer gave the Court updates.

No Action Taken

#13-080-DISCUSS AND CONSIDER 2011-2012 ANNUAL FINANCIAL REPORT WITH MICHEAL EDGIN OF EDGIN, EDGIN, FLEMING & FLEMING, PC

Motion by Judge Sappington and seconded by Commissioner Gamblin to approve the 2011-2012 Annual Financial Report presented by Edgin, Edgin, Fleming & Fleming, PC.

All Voted For

Motion Carried

#13-081-DISCUSS CONSIDER AND AUTHORIZE JUDGE SAPPINGTON TO SIGN THE MAP ENDORSEMENT AGREEMENT WITH LIBERTY MARKETING COMPANY

Motion by Commissioner Gamblin and seconded by Commissioner Murphey to authorize Judge Sappington to sign the Map Endorsement Agreement with Liberty Marketing at no cost, the County will receive 2,000 free copies, and to add the Court does not endorse a true copy of all County Roads to be stated.

THE STATE OF TEXAS

IN THE COMMISSIONERS COURT

MARCH TERM, 2013

COUNTY OF MONTAGUE

REGULAR SESSION

BE IN REMEMBERED, That on this 11th day of March, 2013, Commissioners Court of Montague County, Texas met at a regular meeting with the following present:

Tommie Sappington	County Judge	Herman Conway	Commissioner Precinct 1
James Gamblin	Commissioner Precinct 2	Mark Murphey	Commissioner Precinct 3
Bob Langford	Commissioner Precinct 4	Glenda Henson	County Clerk

All Voted For

Motion Carried

#13-082-DISCUSS AND CONSIDER MEMORANDUM OF UNDERSTANDING FOR COOPERATIVE FREQUENCY REUSE BETWEEN THE CITY OF DENTON FIRE DEPARTMENT AND MONTAGUE COUNTY

Motion by Commissioner Murphey and seconded by Commissioner Gamblin allow Emergency Management Coordinator, Kelly McNabb, to sign the Memorandum of Understanding for cooperative frequency reuse between the City of Denton Fire Department and Montague County.

All Voted For

Motion Carried

#13-083-DISCUSS AND CONSIDER REQUEST OF SHERIFF CUNNINGHAM TO SELL VEHICLES AT ON-LINE AUCTION

Motion by Commissioner Langford and seconded by Commissioner Murphey to approve the request of Sheriff Cunningham to sell 7 vehicles at online auction. Vehicles are:

2009 Dodge Vin# 7055
 2009 Dodge Vin# 7001
 2003 Ford Vin# 1759
 2004 Ford Vin# 4828
 2004 Ford Vin# 0643
 2002 Ford Vin# 7767
 1992 Ford Vin# 4938

All Voted For

Motion Carried

#13-084-DISCUSS AND CONSIDER BUDGET ADJUSTMENTS FOR SHERIFF'S OFFICE FROM UNANTICIPATED REVENUE

Motion by Commissioner Gamblin and seconded by Commissioner Murphey to approve the budget adjustment request for the Sheriff's Office from unanticipated revenue in the amount of \$2,837.20. This amount was an insurance payment from an accident with squad car, and to be placed in the Sheriff's Office repair line item.

All Voted For

Motion Carried

#13-085-DISCUSS AND CONSIDER ACCEPTING DONATIONS FOR IMPROVEMENTS TO WEAVER ROAD IN PCT # 4

Motion by Commissioner Langford and seconded by Commissioner Gamblin to accept a donation in the amount of \$2,063.75, to be used for improvements on seal coating on Weaver Road.

All Voted For

Motion Carried

THE STATE OF TEXAS

IN THE COMMISSIONERS COURT

MARCH TERM, 2013

COUNTY OF MONTAGUE

REGULAR SESSION

BE IN REMEMBERED, That on this 11th day of March, 2013, Commissioners Court of Montague County, Texas met at a regular meeting with the following present:

Tommie Sappington	County Judge	Herman Conway	Commissioner Precinct 1
James Gamblin	Commissioner Precinct 2	Mark Murphey	Commissioner Precinct 3
Bob Langford	Commissioner Precinct 4	Glenda Henson	County Clerk

#13-086- DISCUSS AND CONSIDER BUDGET ADJUSTMENTS FOR PCT # 4 FROM UNANTICIPATED REVENUE DUE TO DONATIONS FOR IMPROVEMENTS TO WEAVER ROAD.

Motion by Commissioner Langford and seconded by Commissioner Gamblin to approve the budget adjustment in the amount of \$2,063.75 from unanticipated revenue from donations for improvements to Weaver Road, this amount to be placed in Pct # 4 gravel/chip rock line item.

All Voted For

Motion Carried

#13-087-DISCUSS AND CONSIDER GOING OUT FOR BIDS TO REPLACE SIDEWALKS AND CURBS AROUND THE COURTHOUSE

Motion by Commissioner Langford and seconded by Commissioner Murphey to approve going out for bids to replace the Courthouse curbs and sidewalks.

All Voted For

Motion Carried

#13-088-DISCUSS AND CONSIDER GOING OUT FOR BIDS TO REPLACE WINDOWS IN THE COURTHOUSE

Motion by Commissioner Langford and seconded by Commissioner Murphey to approve going out for bids to replace the Courthouse windows.

All Voted For

Motion Carried

#13-089-DISCUSS AND CONSIDER WAVE SYSTEM PROPOSAL FROM SECURETECH SYSTEMS, INC.

Motion by Commissioner Langford and seconded by Commissioner Gamblin to upgrade the current alarm panic system at the Courthouse, Annex, and Sheriff's Office, in the amount of \$11,340.00, to be paid from Courthouse Security line item. The old system will be traded in.

All Voted For

Motion Carried

#13-090-DISCUSS AND CONSIDER MEMBERSHIP TO TIP/TAPS, APPROVING INTERLOCAL AGREEMENT REGION VII EDUCATION SERVICE CENTER TEXAS PUBLIC AGENCY AND RESOLUTION

Motion by Commissioner Langford and seconded by Commissioner Gamblin to approve the interlocal agreement with Region VII Education Service Center Texas Public Agency for the TIPS/TAPS membership, giving Judge Sappington authority to sign the agreement.

#13-091-DISCUSS AND CONSIDER ACCEPTING BID FOR 9.88 ACRES, RICHARDS SURVEY, ABSTRACT 1656, MONTAGUE COUNTY, TEXAS

THE STATE OF TEXAS

IN THE COMMISSIONERS COURT

MARCH TERM, 2013

COUNTY OF MONTAGUE

REGULAR SESSION

BE IN REMEMBERED, That on this 11th day of March, 2013, Commissioners Court of Montague County, Texas met at a regular meeting with the following present:

Tommie Sappington	County Judge	Herman Conway	Commissioner Precinct 1
James Gamblin	Commissioner Precinct 2	Mark Murphey	Commissioner Precinct 3
Bob Langford	Commissioner Precinct 4	Glenda Henson	County Clerk

Two bids were received. Motion by Commissioner Langford and seconded by Commissioner Murphey to accept the bid from David Keck in the amount of \$2,000.00 for 9.88 acres of the Richards Survey, A-1656.

All Voted For

Motion Carried

#13-092-DISCUSS AND CONSIDER ACCEPTING BID FROM MARJA PROPERTIES FOR LOTS 1967, 9, 10, 11, AND 116 NOCONA HILLS, MONTAGUE COUNTY

Motion by Commissioner Langford and seconded by Commissioner Murphey to approve the bid from Marja Properties in the amount of \$250.00 for each, Lots 1967, 9, 10, 11, and 116 Nocona Hills Addition.

All Voted For

Motion Carried

#13-093-DISCUSS AND CONSIDER AGREEMENT FROM COMMERCIAL & INDUSTRIAL ELECTRONICS, INC FOR COURTHOUSE ANNEX SECURITY SYSTEM

Motion by Commissioner Murphey and seconded by Commissioner Langford to accept add-on agreement to Commercial & Industrial Electronics, Inc., for additional mag-locks for Annex Security System, in the amount of \$14, 762.00, to be taken from the Courthouse Security line item.

All Voted For

Motion Carried

#13-094-DISCUSS AND CONSIDER AGREEMENT WITH TEXAS NEW MEXICO POWER TO HANG FIBER OPTIC CABLE ON UTILITY POLE

Motion by Commissioner Langford and seconded by Commissioner Gamblin to approve agreement with Texas New Mexico Power, upon the County Attorney's approval, to hang fiber optic cable on utility pole, giving Judge Sappington authority to sign.

All Voted For

Motion Carried

#13-095-DISCUSS AND CONSIDER COUNTY PRECINCTS TO ASSIST TEXAS DEPARTMENT OF TRANSPORTATION WITH REPAIRS ON FM 1749

Motion by Commissioner Gamblin and seconded by Commissioner Langford to allow the County Precincts to assist Texas Department of Transportation with repairs on FM 1749.

All Voted For

Motion Carried

#13-096-DISCUSS AND CONSIDER PCT # 2 ACCEPTING DONATION FROM JONATHAN LOGAN OF NATIVE ROCK FROM BUILDING THAT IS TO BE DEMOLITION

THE STATE OF TEXAS

IN THE COMMISSIONERS COURT

MARCH TERM, 2013

COUNTY OF MONTAGUE

REGULAR SESSION

BE IN REMEMBERED, That on this 11th day of March, 2013, Commissioners Court of Montague County, Texas met at a regular meeting with the following present:

Tommie Sappington	County Judge	Herman Conway	Commissioner Precinct 1
James Gamblin	Commissioner Precinct 2	Mark Murphey	Commissioner Precinct 3
Bob Langford	Commissioner Precinct 4	Glenda Henson	County Clerk

Motion by Commissioner Gamblin and seconded by Commissioner Murphey to approve donation from Jonathan Logan of native rock from the Radio Shack Building that is being demolished in Bowie.

All Voted For

Motion Carried

#13-097-DISCUSS AND CONSIDER BUDGET ADJUSTMENTS FOR PCT # 3 FROM UNANTICIPATED REVENUE

Motion by Commissioner Murphey and seconded by Commissioner Gamblin to approve the Pct # 3 budget adjustment in the amount of \$49,170.36 from unanticipated revenue, to be placed in the Pct # 3 # 572 line item, this being from the sale of scrap iron.

All Voted For

Motion Carried

#13-098-DISCUSS AND CONSIDER MOVING COMMISSIONERS COURT MEETINGS TO ANNEX

Motion by Judge Sappington and seconded by Commissioner Langford to take no action at this time.

All Voted For

No Action Taken

#13-099-DISCUSS AND CONSIDER REQUEST OF EOG RESOURCES, INC. TO APPROVE A TEMPORARY ROAD CROSSING ON GILMORE STONE ROAD, PCT # 3

Motion by Commissioner Murphey and seconded by Commissioner Gamblin to allow EOG to cross Gilmore Stone Road in Pct # 3.

All Voted For

Motion Carried

#13-100-DISCUSS AND CONSIDER REQUEST OF EOG RESOURCES INC. TO APPROVE FRAC LINES ON APPLGATE ROAD, PCT # 2

Motion by Commissioner Gamblin and seconded by Commissioner Murphey to allow EOG to cross Applegate Road in Pct # 2.

All Voted For

Motion Carried

#13-101-DISCUSS AND CONSIDER REQUEST OF EOG RESOURCES INC. TO APPROVE A TEMPORARY FRAC LINES ON GILMORE STONE ROAD IN PCT # 3

Motion by Commissioner Murphey and seconded by Commissioner Gamblin to allow EOG to cross Gilmore Stone Road in Pct # 3 with temporary frac lines.

All Voted For

Motion Carried

THE STATE OF TEXAS

IN THE COMMISSIONERS COURT

MARCH TERM, 2013

COUNTY OF MONTAGUE

REGULAR SESSION

BE IN REMEMBERED, That on this 11th day of March, 2013, Commissioners Court of Montague County, Texas met at a regular meeting with the following present:

Tommie Sappington	County Judge	Herman Conway	Commissioner Precinct 1
James Gamblin	Commissioner Precinct 2	Mark Murphey	Commissioner Precinct 3
Bob Langford	Commissioner Precinct 4	Glenda Henson	County Clerk

#13-102- DISCUSS AND CONSIDER REQUEST OF PIONEER NATURAL RESOURCES USA, INC., TO APPROVE ROAD CROSSINGS ON PICKET RUN ROAD IN PCT #32 *gr*

Motion by Commissioner Gamblin and seconded by Commissioner Murphey to allow Pioneer Natural Resources to cross Picket Run Road in Pct # 2.

All Voted For

Motion Carried

#13-103-DISCUSS AND CONSIDER TRANSITION TO THE ANNEX, ASSIGN TIME OF MOVE AND OFFICES

Motion by Judge Sappington and seconded by Commissioner Langford to appoint Commissioner Langford as the contact person on coordinating the moving of offices to the annex. The County Judge, County Treasurer, County Auditor will be moving on March 15th thru March 18th. The County Clerk, Tax/Assr/Collector, County Attorney, and Adult Probation will be moving March 25th thru March 29th. All offices will potentially be closed for business the week of March 25th thru March 29th.

All Voted For

Motion Carried

RECESS UNTIL 10:40 A.M.
COURT RESUMED

#13-104-MARK VANN WITH HIGGINBOTHAM AND ASSOCIATES TO INFORM COURT OF CURRENT CHANGES IN HEALTH CARE

The Court was updated by Mr. Vann on upcoming changes with Health Care.

No Action Taken

Meeting Adjourned....

March 11, 2013

Reports

Ad Valorem
County Attorney
JP 1
Indigent Health Care
R&B 1
R&B 2
R&B 3
R&B 4
Constable 1 Fees
Constable 2 Fees
Budget Adjustments
Journal Entries
Cash Journal
Payroll Report

Report Audits

JP 2
JP 1
District Clerk Fees
County Clerk Fees
Ad Valorem

Jennifer Essary

Montague County Auditor
P.O. Box 56-Montague, Texas 76251
Phone (940)-894-2131-Fax (940)-894-3110

February 26, 2013

Sydney Nowell
Tax A/C
and
Montague County
Commissioners Court

Dear Ladies and Gentlemen,

The Ad Valorem report for January 2013 was audited on February 26, 2013. The report listed the revenue collected for the month. The report was filed February 5, 2013 and signed by the elected official.

The report totaled \$3,819,790.13. The following were collected and deposited into each fund:

Current Collections	\$ 3,803,038.92
Delinquent Collections	\$ 12,194.34
Penalty & Interest	\$ 2,136.86
Fees	\$ 2,410.42
Interest	\$ 9.59

The January 2013 report was up by \$2,384,295.12 from the December 2012 report. Current collections are up by \$2,384,515.75, Delinquent Collections went up by \$674.91, Penalty & Interest went down by \$1,453.36, Fees went up by \$554.41, and Interest went up by \$3.41 from last month. The January 2013 report was up by \$544,257.91 from January 2012. Current Collections were up by \$547,541.97, Delinquent Collections were down by \$1.13, Penalty & Interest went down by \$2,050.88, Fees went down by \$1,172.03 and Interest went down by \$60.02 from last year.

The Treasurer's receipt was agreed to the monthly report and the collections were deposited in the appropriate state and county funds according to the report.

The work papers for the Tax Ad Valorem monthly report audit are on file in the County Auditor's office.

Respectfully submitted,



Jennifer Essary

cc: Jack McGaughey
97th Judicial District Judge

Jennifer Essary

Montague County Auditor
P.O. Box 56 Montague, Texas 76251
Phone (940)-894-2131-Fax (940)-894-3110

February 26, 2013

Glenda Henson
County Clerk
and
Montague County
Commissioners Court

Dear Ladies and Gentlemen,

The County Clerk report for January 2013 was audited on February 26, 2013. The report listed the fees and fines collected for the month. The report was filed February 14, 2013 and signed by the elected official.

The report totaled \$46,688.50. The following were collected and deposited into each fund:

General Fees	\$ 33,443.98
Road & Bridge Fines	\$ 4,251.60
Courthouse Security	\$ 1,119.00
Record Management & Tech	\$ 5,616.00
State Fees	\$ 2,257.92

The January 2013 report was down by \$7,386.35 from December 2012. General Fees were down by \$3,415.31, R&B fines were down by \$921.40, Courthouse Security was down by \$425.00, Record Management and Tech fees were down by \$2,049.00, and State Fees were down by \$575.64 from last month. The January 2013 report was down by \$14,232.50 from January 2012. General Fees were down by \$7,897.08, R&B fines were down by \$4,224.40, Courthouse Security down by \$156.00, Record Management and Tech Fees down by \$797.00, and State Fees down by \$1,158.02 from last year.

The Treasurer's receipt was compared to the monthly report and the collections were deposited in the appropriate funds according to the report.

The work papers for the County Clerk monthly report audit are on file in the County Auditor's office.

Respectfully submitted,



Jennifer Essary

cc: Jack McGaughey
97th Judicial District Judge

Jennifer Essary

Montague County Auditor
P.O. Box 56-Montague, Texas 76251
Phone (940)-894-2131-Fax (940)-894-3110

February 26, 2013

Lesia Darden
District Clerk
and
Montague County
Commissioners Court

Dear Ladies and Gentlemen,

The District Clerk report for January 2013 was audited on February 26, 2013. The report listed the fees and fines collected for the month. The report was filed February 7, 2013 and signed by the elected official.

The monthly report totaled \$19,166.72. The following were collected and deposited into each fund:

General Fees	\$ 14,391.22
Courthouse Security	\$ 146.50
Record Management & Tech	\$ 894.50
State Fees	\$ 3,734.50

The January 2013 report was up by \$5,688.58 from the December 2012 report. General Fees were up by \$5,005.40, Courthouse Security went up by \$46.00, Record Management and Technology Fees went up by \$322.50, and State Fees went up \$314.68 from last month. The January 2013 report was up by \$4,524.92 from January 2012. General Fees were up by \$4,863.92, Courthouse Security was down by \$16.50, Record Management and Technology Fees went down by \$76.50, and State Fees went down by \$246.00 from last year.

The Treasurer's receipt was agreed to the monthly report and the collections were deposited in the appropriate state and county funds according to the report.

The work papers for the District Clerk monthly report audit are on file in the County Auditor's office.

Respectfully submitted,



Jennifer Essary

cc: Jack McGaughey
97th Judicial District Judge

Jennifer Essary

Montague County Auditor
P.O. Box 56 Montague, Texas 76251
Phone (940)-894-2131 Fax (940)-894-3110

February 26, 2013

David Allen
Justice of the Peace #1
and
Montague County
Commissioners Court

Dear Gentlemen,

The Justice of the Peace, Precinct #1 report for January was audited February 26, 2013. The report listed the fees and fines collected for the month. The report was filed on February 6, 2013 and signed by the elected official.

The monthly report totaled \$12,019.60. The following were collected for the month:

General Fees	\$ 7,789.90
Courthouse Security	\$ 184.00
Tech Fund Fees	\$ 184.00
State Fees	\$ 3,861.70

The January 2013 report was up by \$2,924.35 from December 2012. General Fees were up by \$2,271.05, Courthouse Security fees were up by \$5.00, Tech Fees were up by \$8.00 and State Fees up by \$640.30 from last month. The January 2013 report was down by \$3,277.15 from January 2012. General Fees were down \$1,860.25, Courthouse Security down by \$72.00, Tech Fees were down by \$72.00 and State Fees down by \$1,272.90 from last year.

The Treasurer's receipt was agreed to the monthly report. The receipt properly deposited the collections in the appropriate funds according to the report.

The work papers for the Justice of the Peace, Precinct #1 monthly report audit are on file in the County Auditor's office.

Respectfully submitted,



Jennifer Essary

cc: Jack McGaughey
97th District Judge

Jennifer Essary

Montague County Auditor
P.O. Box 56 Montague, Texas 76251
Phone (940)-894-2131-Fax (940)-894-3110

February 26, 2013

Karen Reynolds
Justice of the Peace #2
and
Montague County
Commissioners Court

Dear Gentlemen,

The Justice of the Peace, Precinct #2 report was audited February 26, 2013. The report listed the fees and fines collected for the month of January. The report was filed on February 19, 2013 and signed by the elected official.

The monthly report totaled \$39,591.70. The following were collected for the month.

General Fees	\$25,465.52
Courthouse Security	\$ 640.06
Tech Fund Fees	\$ 640.09
State Fees	\$ 12,846.03

The January 2013 report was down by \$582.30 from December 2012. General Fees were down by \$1,502.40, Courthouse Security was up by \$52.70, Tech Fees were up by \$48.71 and State Fees were up by \$818.69 from last month. The January 2013 report was down by \$2,885.69 from January 2012. General Fees were down by \$1,389.91, Courthouse Security down by \$29.33, Tech Fees down by \$31.32, and State Fees down by \$1,435.13 from last year.

The Treasurer's receipt was agreed to the monthly report. The receipt properly deposited the collections in the appropriate funds according to the report.

The work papers for the Justice of the Peace, Precinct #2 monthly report audit are on file in the County Auditor's office.

Respectfully submitted,


Jennifer Essary

cc: Jack McGaughey
97th District Judge

03/01/2013
TIME:12:19 PM

LISTING OF BUDGET ADJUSTMENTS

PAGE 1
PREPARER:0005

TRANSACTION NUMBER	TYPE OF ADJUSTMENT	EFFECTIVE DATE	ENTRY DATE	EMPL NUMBER	ACCOUNT NUMBER AND TITLE	ADJUSTMENT AMOUNT	
0000018373	CURRENT	02/05/2013	02/05/2013	005	10-370-428 ADA STATE LONGEVITY GRANT	3,750.00	
0000018376	CURRENT	02/05/2013	02/05/2013	005	10-476-106 ADA LONGEVITY GRANT	3,750.00	
0000018545	CURRENT	02/05/2013	02/05/2013	005	10-476-570 MACHINERY & EQUIPMENT	841.00-	
0000018548	CURRENT	02/05/2013	02/05/2013	005	10-476-201 SOCIAL SECURITY	233.00	
0000018551	CURRENT	02/05/2013	02/05/2013	005	10-476-203 RETIREMENT	553.00	
0000018552	CURRENT	02/05/2013	02/05/2013	005	10-476-205 MEDICARE TAX	55.00	
0000018553	CURRENT	02/05/2013	02/05/2013	005	24-615-570 MACHINERY AND EQUIPMENT	35,000.00-	
0000018554	CURRENT	02/05/2013	02/05/2013	005	24-615-410 TIRES & TUBES	10,000.00	
0000018555	CURRENT	02/05/2013	02/05/2013	005	24-615-411 FUEL	15,000.00	
0000018556	CURRENT	02/05/2013	02/05/2013	005	24-615-450 R & M	10,100.00	
0000020043	CURRENT	02/08/2013	02/08/2013	005	10-552-450 REPAIR & MAINTENANCE	820.00-	
0000020044	CURRENT	02/08/2013	02/08/2013	005	10-552-425 TRANSPORTATION	820.00	
0000020067	CURRENT	02/08/2013	02/08/2013	005	10-403-319 DOCKETS	5.00-	
0000020068	CURRENT	02/08/2013	02/08/2013	005	10-403-315 BINDERS	5.00	
0000020854	CURRENT	02/19/2013	02/19/2013	005	10-400-490 SHERIFF MEDICAL	5,461.00-	
0000020855	CURRENT	02/19/2013	02/19/2013	005	10-560-570 MACHINERY & EQUIPMENT	5,461.00	
0000022457	CURRENT	02/28/2013	02/28/2013	005	10-490-105 PART TIME/ELECTION JUDGES	2,000.00-	
0000022458	CURRENT	02/28/2013	02/28/2013	005	10-490-311 PROGRAMMING EXPENSE	2,000.00	
					TOTAL BUDGET ADJUSTMENTS	18	7,600.00

03/01/2013
TIME:12:18 PM

LISTING OF JOURNAL ENTRIES

JOURNAL ENT-NUMBER	ENTRY/ EFF-DATE	EMP SYS	DEBIT-ACCOUNT NUMBER AND TITLE	CREDIT-ACCOUNT NUMBER AND TITLE	
0000002485	02/05/2013	005	10-476-425 TRANSPORTATION		
	02/05/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER DEC 2012		362.88
0000002485	02/05/2013	005	10-510-411 FUEL		
	02/05/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER DEC 2012		58.39
0000002485	02/05/2013	005	10-551-411 FUEL & OIL		
	02/05/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER DEC 2012		59.79
0000002485	02/05/2013	005	10-552-411 FUEL & OIL		
	02/05/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER DEC 2012		188.26
0000002485	02/05/2013	005		10-560-411 FUEL, OIL, ETC	
	02/05/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER DEC 2012		669.32
0000002765	02/20/2013	005	10-476-425 TRANSPORTATION		
	02/20/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER JAN 13		396.76
0000002765	02/20/2013	005	10-510-411 FUEL		
	02/20/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER JAN 13		54.72
0000002765	02/20/2013	005	10-551-411 FUEL & OIL		
	02/20/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER JAN 13		139.55
0000002765	02/20/2013	005	10-552-411 FUEL & OIL		
	02/20/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER JAN 13		210.69
0000002765	02/20/2013	005		10-560-411 FUEL, OIL, ETC	
	02/20/2013	G/L	DESCRIPTION: FUEL EXPENSE TRANSFER JAN 13		801.72
					2,942.08

03-01-2013
TIME:11:56 AM

CHECK FILE LISTING

PAGE 1
PREPARER:0005

CHECK	NAME-OF-PAYEE	S	ISS-DT	CHG-DT	AMOUNT
0000076498	HENSON, GLENDA M	C	02-13-2013	02-13-2013	1,326.34
0000076499	JONES, KIMBERLY S	C	02-13-2013	02-13-2013	1,011.25
0000076500	RUSSELL, GLYNIS F	C	02-13-2013	02-13-2013	940.43
0000076501	THIBODEAUX, JANET B	C	02-13-2013	02-13-2013	1,020.27
0000076502	USELTON, LAURA A	C	02-13-2013	02-13-2013	1,014.89
0000076503	DUCKWORTH, RANDALL	C	02-13-2013	02-13-2013	1,361.40
0000076504	SAPPINGTON, TOMMIE	C	02-13-2013	02-13-2013	1,307.57
0000076505	STOUT, VALORIE S	C	02-13-2013	02-13-2013	1,143.47
0000076506	SAPPINGTON, TOMMIE	C	02-13-2013	02-13-2013	492.40
0000076507	O'NEAL, REBECCA	C	02-13-2013	02-13-2013	743.42
0000076508	BURLESON, LINDA K.	C	02-13-2013	02-13-2013	699.24
0000076509	SANDERS, BETTY J	C	02-13-2013	02-13-2013	1,143.14
0000076510	BROWN, TAMELA	C	02-13-2013	02-13-2013	495.39
0000076511	CROSS, CANDACE J	C	02-13-2013	02-13-2013	940.33
0000076512	DARDEN, LESIA J	C	02-13-2013	02-13-2013	1,083.96
0000076513	HEAD, PATRICIA	C	02-13-2013	02-13-2013	418.36
0000076514	REED, RITA K	C	02-13-2013	02-13-2013	642.58
0000076515	ALLEN, DAVID	C	02-13-2013	02-13-2013	1,064.62
0000076516	WEAVER, ARACELY	C	02-13-2013	02-13-2013	1,007.77
0000076517	CROUCH, BARBARA L	C	02-13-2013	02-13-2013	1,020.27
0000076518	REYNOLDS, KAREN LYNNE	C	02-13-2013	02-13-2013	1,294.69
0000076519	WOOD, DOROTHY L	C	02-13-2013	02-13-2013	441.96
0000076520	EDGETT, CARLA K	C	02-13-2013	02-13-2013	1,186.37
0000076521	MARTIN, RICKY J	C	02-13-2013	02-13-2013	1,023.54
0000076522	RIDDLE, CLABURN	C	02-13-2013	02-13-2013	683.88
0000076523	CROMARTIE, DIANE G	C	02-13-2013	02-13-2013	207.36
0000076524	CROMARTIE, DIANE G	C	02-13-2013	02-13-2013	943.71
0000076525	RIDDLE, CLABURN	C	02-13-2013	02-13-2013	1,566.89
0000076526	GAUMONT, SHANNON	C	02-13-2013	02-13-2013	1,043.37
0000076527	HENRY, KEVIN	C	02-13-2013	02-13-2013	2,773.36
0000076528	HUGHES, CHRISTOPHER B	C	02-13-2013	02-13-2013	1,127.58
0000076529	SHORT, ANGELA M	C	02-13-2013	02-13-2013	1,199.73
0000076530	SHIPMAN, BRANDI A	C	02-13-2013	02-13-2013	1,200.47
0000076531	ESSARY, JENNIFER E	C	02-13-2013	02-13-2013	2,063.18
0000076532	LANGFORD, LAVONDA J	C	02-13-2013	02-13-2013	1,219.32
0000076533	MCGAUGHEY, LINDA	C	02-13-2013	02-13-2013	1,367.55
0000076534	DOSHIER, BRENDA S	C	02-13-2013	02-13-2013	827.45
0000076535	NOWELL, SYDNEY L	C	02-13-2013	02-13-2013	1,336.82
0000076536	VACCARO, LISA M	C	02-13-2013	02-13-2013	967.91
0000076537	WALL, GINGER A	C	02-13-2013	02-13-2013	1,020.27
0000076538	YARBROUGH, LAJUANA K	C	02-13-2013	02-13-2013	1,091.88
0000076539	KARAGINES, PETER	C	02-13-2013	02-13-2013	1,030.53
0000076540	MARSHALL, LARRY G	C	02-13-2013	02-13-2013	949.58
0000076541	BROWN, CASEY	C	02-13-2013	02-13-2013	1,477.22
0000076542	SHORT, ANGELA	C	02-13-2013	02-13-2013	229.79
0000076543	HORTON, STEPHANIE	C	02-13-2013	02-13-2013	1,004.01
0000076544	REYNOLDS, RONALD	C	02-13-2013	02-13-2013	1,004.01
0000076545	BOYD, HAL	I	02-13-2013	02-13-2013	289.48
0000076546	BOYD, JAMES	C	02-13-2013	02-13-2013	1,211.33
0000076547	BURKS, TOMMY	C	02-13-2013	02-13-2013	1,290.20
0000076548	CUNNINGHAM, RAYMOND P	C	02-13-2013	02-13-2013	1,417.00
0000076549	DICKSON, MADELYN	I	02-13-2013	02-13-2013	407.93
0000076550	INGRAM, ALLAN D	C	02-13-2013	02-13-2013	1,412.86
0000076551	MCGUINN, JACK	C	02-13-2013	02-13-2013	1,243.96
0000076552	MITCHELL, JOSEPH T	C	02-13-2013	02-13-2013	1,133.71
0000076553	PEASE, CHRISTY M	C	02-13-2013	02-13-2013	1,118.41
0000076554	PHARISS, FLOYD LEE	C	02-13-2013	02-13-2013	1,133.26
0000076555	RICHARDSON, JASON	C	02-13-2013	02-13-2013	1,300.73

03-01-2013
TIME:11:56 AM

CHECK FILE LISTING

PAGE 2
PREPARER:0005

CHECK	NAME-OF-PAYEE	S	ISS-DT	CHG-DT	AMOUNT
0000076556	STEWART, JOSEPH	C	02-13-2013	02-13-2013	929.11
0000076557	ULBIG, KASIE	C	02-13-2013	02-13-2013	998.25
0000076558	WISE, JOE	I	02-13-2013	02-13-2013	326.44
0000076559	BERRYMAN, CAROLYN	C	02-13-2013	02-13-2013	1,126.69
0000076560	BURGESS, KRISTEN	I	02-13-2013	02-13-2013	526.65
0000076561	CASTLE, FRED A	C	02-13-2013	02-13-2013	772.42
0000076562	CEARLEY, ALVIN C	C	02-13-2013	02-13-2013	1,201.76
0000076563	HOSTETTER, LARRY	C	02-13-2013	02-13-2013	917.01
0000076564	JORDAN, HANNAN W	C	02-13-2013	02-13-2013	833.28
0000076565	LANFORD, MELISSA L	C	02-13-2013	02-13-2013	981.35
0000076566	MACK, RANDY	C	02-13-2013	02-13-2013	723.45
0000076567	MCDONALD, AMY	C	02-13-2013	02-13-2013	1,195.24
0000076568	MILLS, CASSANDRA	C	02-13-2013	02-13-2013	107.28
0000076569	MOORE, SHELLY D	I	02-13-2013	02-13-2013	472.62
0000076570	MORRIS, JESSICA	C	02-13-2013	02-13-2013	1,033.27
0000076571	OAKLEY, GRANT E	C	02-13-2013	02-13-2013	443.28
0000076572	PELTON, CLINTON CHASE	C	02-13-2013	02-13-2013	975.21
0000076573	PETTERS, DILLON	C	02-13-2013	02-13-2013	989.69
0000076574	RAMON JR., ISMAEL	C	02-13-2013	02-13-2013	967.77
0000076575	STARKEY, ROBERT	C	02-13-2013	02-13-2013	1,124.71
0000076576	STONE, LARAMIE	C	02-13-2013	02-13-2013	1,014.66
0000076577	TULLY, JAMIE	C	02-13-2013	02-13-2013	977.96
0000076578	YOUNG, CHARLES LYNN	C	02-13-2013	02-13-2013	783.24
0000076579	MCNABB, KELLY W	C	02-13-2013	02-13-2013	468.31
0000076580	BUSBY, CODY D	C	02-13-2013	02-13-2013	2,038.54
0000076581	CRUMPTON, ANDREW B	C	02-13-2013	02-13-2013	1,243.41
0000076582	GEURIN, ROBERT M	C	02-13-2013	02-13-2013	1,207.14
0000076583	JONES, DEBBIE C	C	02-13-2013	02-13-2013	1,030.54
0000076584	PEDEN, LAURA H	C	02-13-2013	02-13-2013	1,067.04
0000076585	RAINEY, BILLIE JO	C	02-13-2013	02-13-2013	978.27
0000076586	WATSON, RICKY W	C	02-13-2013	02-13-2013	1,332.22
0000076587	DICKSON, REBECCA H.	C	02-13-2013	02-13-2013	1,966.01
0000076588	JOHNSON, DEBORAH	C	02-13-2013	02-13-2013	1,619.51
0000076589	SCHINDLER, JENNIFER L	C	02-13-2013	02-13-2013	1,645.45
0000076590	RHOADES, CHERYL D	C	02-13-2013	02-13-2013	1,020.27
0000076591	CONWAY, HERMAN W.	C	02-13-2013	02-13-2013	1,031.69
0000076592	DILL, LARRY D	C	02-13-2013	02-13-2013	1,144.24
0000076593	LOWRANCE, LOUIE M	C	02-13-2013	02-13-2013	794.34
0000076594	MOSELEY, JOHNNY R.	C	02-13-2013	02-13-2013	1,003.04
0000076595	MOSELEY, RANDY	C	02-13-2013	02-13-2013	1,042.19
0000076596	STRADLEY, PATRICK	C	02-13-2013	02-13-2013	1,011.76
0000076597	CLEMENT, JAY W	C	02-13-2013	02-13-2013	998.25
0000076598	CONATSER, JIMMY N	C	02-13-2013	02-13-2013	954.03
0000076599	GAMBLIN, JAMES D	C	02-13-2013	02-13-2013	1,372.49
0000076600	HEMBREE, JOSEPH	C	02-13-2013	02-13-2013	1,020.27
0000076601	JORDAN, J B	C	02-13-2013	02-13-2013	967.91
0000076602	LAUGHLIN, JERRY L	C	02-13-2013	02-13-2013	982.50
0000076603	MEYERS, DANNY H.	I	02-13-2013	02-13-2013	90.82
0000076604	BOWLES, RANDY NEAL	C	02-13-2013	02-13-2013	1,085.74
0000076605	GROVES, HOMER D	C	02-13-2013	02-13-2013	1,042.19
0000076606	MESSER, RUSSELL K	C	02-13-2013	02-13-2013	1,030.91
0000076607	MURPHEY, MARK	C	02-13-2013	02-13-2013	1,181.69
0000076608	TEAGUE, ROGER D	C	02-13-2013	02-13-2013	1,006.03
0000076609	BUSBY, LARRY D	I	02-13-2013	02-13-2013	526.02
0000076610	FORRESTER, MICHAEL E.	C	02-13-2013	02-13-2013	967.91
0000076611	GLASS, STANLEY F	C	02-13-2013	02-13-2013	971.54
0000076612	HARRIS, JIMMY R	C	02-13-2013	02-13-2013	1,110.66
0000076613	LANGFORD, ROBERT H	C	02-13-2013	02-13-2013	1,446.87

03-01-2013
TIME:11:56 AM

CHECK FILE LISTING

PAGE 3
PREPARER:0005

CHECK	NAME-OF-PAYEE	S	ISS-DT	CHG-DT	AMOUNT
0000076614	MCPHERSON, TOMMY L	C	02-13-2013	02-13-2013	1,020.27
0000076615	HUGHES, CHRISTOPHER B	C	02-13-2013	02-13-2013	589.29
0000076616	BELL, CAROLYN J.	C	02-13-2013	02-13-2013	898.56
0000076617	HANSARD, JUSTIN A	C	02-13-2013	02-13-2013	468.05
0000076618	LACY, ELSIE M	C	02-13-2013	02-13-2013	414.50
0000076619	FIRST NATIONAL, BANK BOWIE	I	02-13-2013	02-13-2013	20,314.56
0000076620	FIRST NATIONAL, BANK BOWIE	I	02-13-2013	02-13-2013	15,666.22
0000076621	FIRST NATIONAL, BANK BOWIE	I	02-13-2013	02-13-2013	4,750.90
0000076622	BENEFIT GROUP, SECURITY	I	02-13-2013	02-13-2013	25.00
0000076623	RETIREMENT SOLUTIONS, NATIONWIDE	I	02-13-2013	02-13-2013	29.41
0000076624	PUTNAM INVESTMENTS,	I	02-13-2013	02-13-2013	75.00
0000076625	UNITED STATES TREAS.,	I	02-13-2013	02-13-2013	182.23
0000076626	TX CHILD SUPPORT SDU, TXCSDU	I	02-13-2013	02-13-2013	181.38
0000076627	U.S. TREASURY, SERVICE	I	02-13-2013	02-13-2013	30.00
0000076628	TX CHILD SUPPORT SDU,	I	02-13-2013	02-13-2013	150.00
0000076629	TX CHILD SUPPORT DIV, ATTY GENERAL	I	02-13-2013	02-13-2013	148.62
0000076630	TX CHILD SUPPORT SDU, N004848216	I	02-13-2013	02-13-2013	150.00
0000076631	FIRST INVESTORS CORP,	I	02-13-2013	02-13-2013	25.00
0000076632	HENSON, GLENDA M	C	02-27-2013	02-27-2013	1,326.34
0000076633	JONES, KIMBERLY S	C	02-27-2013	02-27-2013	1,011.25
0000076634	RUSSELL, GLYNIS F	C	02-27-2013	02-27-2013	940.43
0000076635	THIBODEAUX, JANET B	C	02-27-2013	02-27-2013	1,020.27
0000076636	USELTON, LAURA A	C	02-27-2013	02-27-2013	1,014.89
0000076637	DUCKWORTH, RANDALL	C	02-27-2013	02-27-2013	1,361.40
0000076638	SAPPINGTON, TOMMIE	C	02-27-2013	02-27-2013	1,307.57
0000076639	STOUT, VALORIE S	C	02-27-2013	02-27-2013	1,143.47
0000076640	SAPPINGTON, TOMMIE	C	02-27-2013	02-27-2013	492.40
0000076641	O'NEAL, REBECCA	C	02-27-2013	02-27-2013	703.90
0000076642	BURLESON, LINDA K.	C	02-27-2013	02-27-2013	699.24
0000076643	SANDERS, BETTY J	C	02-27-2013	02-27-2013	1,143.14
0000076644	BROWN, TAMELA	C	02-27-2013	02-27-2013	542.29
0000076645	CROSS, CANDACE J	C	02-27-2013	02-27-2013	940.33
0000076646	DARDEN, LESIA J	C	02-27-2013	02-27-2013	1,083.96
0000076647	HEAD, PATRICIA	C	02-27-2013	02-27-2013	378.84
0000076648	REED, RITA K	C	02-27-2013	02-27-2013	642.58
0000076649	ALLEN, DAVID	C	02-27-2013	02-27-2013	1,064.62
0000076650	WEAVER, ARACELY	C	02-27-2013	02-27-2013	1,007.77
0000076651	CROUCH, BARBARA L	C	02-27-2013	02-27-2013	1,020.27
0000076652	REYNOLDS, KAREN LYNNE	C	02-27-2013	02-27-2013	1,294.69
0000076653	WOOD, DOROTHY L	C	02-27-2013	02-27-2013	441.96
0000076654	EDGETT, CARLA K	C	02-27-2013	02-27-2013	1,186.37
0000076655	MARTIN, RICKY J	C	02-27-2013	02-27-2013	1,023.54
0000076656	RIDDLE, CLABURN	C	02-27-2013	02-27-2013	683.88
0000076657	CROMARTIE, DIANE G	C	02-27-2013	02-27-2013	207.36
0000076658	CROMARTIE, DIANE G	C	02-27-2013	02-27-2013	943.71
0000076659	MOSES, KRISTEN	I	02-27-2013	02-27-2013	110.82
0000076660	RIDDLE, CLABURN	C	02-27-2013	02-27-2013	1,566.89
0000076661	GAUMONT, SHANNON	C	02-27-2013	02-27-2013	1,043.37
0000076662	HENRY, KEVIN	C	02-27-2013	02-27-2013	2,184.85
0000076663	HUGHES, CHRISTOPHER B	C	02-27-2013	02-27-2013	1,127.58
0000076664	SHORT, ANGELA M	C	02-27-2013	02-27-2013	1,199.73
0000076665	FAUGHT, KELLI	C	02-27-2013	02-27-2013	144.07
0000076666	SHIPMAN, BRANDI A	C	02-27-2013	02-27-2013	1,200.47
0000076667	ESSARY, JENNIFER E	C	02-27-2013	02-27-2013	2,063.18
0000076668	LANGFORD, LAVONDA J	C	02-27-2013	02-27-2013	1,219.32
0000076669	MCGAUGHEY, LINDA	C	02-27-2013	02-27-2013	1,367.55
0000076670	DOSHIER, BRENDA S	C	02-27-2013	02-27-2013	827.45
0000076671	NOWELL, SYDNEY L	C	02-27-2013	02-27-2013	1,336.82

03-01-2013
TIME:11:56 AM

CHECK FILE LISTING

PAGE 4
PREPARER:0005

CHECK	NAME-OF-PAYEE	S	ISS-DT	CHG-DT	AMOUNT
0000076672	VACCARO, LISA M	C	02-27-2013	02-27-2013	967.91
0000076673	WALL, GINGER A	C	02-27-2013	02-27-2013	1,020.27
0000076674	YARBROUGH, LAJUANA K	C	02-27-2013	02-27-2013	1,091.88
0000076675	KARAGINES, PETER	C	02-27-2013	02-27-2013	1,030.53
0000076676	MARSHALL, LARRY G	C	02-27-2013	02-27-2013	949.58
0000076677	BROWN, CASEY	C	02-27-2013	02-27-2013	1,477.22
0000076678	SHORT, ANGELA	C	02-27-2013	02-27-2013	229.79
0000076679	HORTON, STEPHANIE	C	02-27-2013	02-27-2013	1,004.01
0000076680	REYNOLDS, RONALD	C	02-27-2013	02-27-2013	1,004.01
0000076681	BOYD, HAL	I	02-27-2013	02-27-2013	230.80
0000076682	BOYD, JAMES	C	02-27-2013	02-27-2013	960.08
0000076683	BURKS, TOMMY	C	02-27-2013	02-27-2013	1,003.51
0000076684	CUNNINGHAM, RAYMOND P	C	02-27-2013	02-27-2013	1,417.00
0000076685	DICKSON, MADELYN	I	02-27-2013	02-27-2013	303.67
0000076686	INGRAM, ALLAN D	C	02-27-2013	02-27-2013	1,383.61
0000076687	MCGUINN, JACK	C	02-27-2013	02-27-2013	1,358.43
0000076688	MITCHELL, JOSEPH T	C	02-27-2013	02-27-2013	1,133.71
0000076689	PEASE, CHRISTY M	C	02-27-2013	02-27-2013	1,148.05
0000076690	PHARISS, FLOYD LEE	C	02-27-2013	02-27-2013	1,181.64
0000076691	RICHARDSON, JASON	C	02-27-2013	02-27-2013	1,127.50
0000076692	STEWART, JOSEPH	C	02-27-2013	02-27-2013	1,027.12
0000076693	ULBIG, KASIE	C	02-27-2013	02-27-2013	998.25
0000076694	BERRYMAN, CAROLYN	C	02-27-2013	02-27-2013	1,114.56
0000076695	BURGESS, KRISTEN	C	02-27-2013	02-27-2013	651.70
0000076696	CASTLE, FRED A	C	02-27-2013	02-27-2013	615.53
0000076697	CEARLEY, ALVIN C	C	02-27-2013	02-27-2013	1,114.36
0000076698	HOSTETTER, LARRY	C	02-27-2013	02-27-2013	917.01
0000076699	JORDAN, HANNAN W	C	02-27-2013	02-27-2013	833.28
0000076700	LANFORD, MELISSA L	C	02-27-2013	02-27-2013	1,090.66
0000076701	MACK, RANDY	C	02-27-2013	02-27-2013	723.45
0000076702	MCDONALD, AMY	C	02-27-2013	02-27-2013	1,195.24
0000076703	MEAD, ROY D	I	02-27-2013	02-27-2013	1,279.00
0000076704	MILLS, CASSANDRA	C	02-27-2013	02-27-2013	107.28
0000076705	MOORE, SHELLY D	C	02-27-2013	02-27-2013	755.21
0000076706	MORRIS, JESSICA	C	02-27-2013	02-27-2013	967.77
0000076707	OAKLEY, GRANT E	C	02-27-2013	02-27-2013	124.67
0000076708	PELTON, CLINTON CHASE	C	02-27-2013	02-27-2013	957.62
0000076709	PETTERS, DILLON	C	02-27-2013	02-27-2013	1,578.12
0000076710	RAMON JR., ISMAEL	C	02-27-2013	02-27-2013	967.77
0000076711	STARKEY, ROBERT	C	02-27-2013	02-27-2013	1,124.71
0000076712	STONE, LARAMIE	C	02-27-2013	02-27-2013	1,014.66
0000076713	TULLY, JAMIE	C	02-27-2013	02-27-2013	989.69
0000076714	WISE, JOE	I	02-27-2013	02-27-2013	360.50
0000076715	YOUNG, CHARLES LYNN	C	02-27-2013	02-27-2013	783.24
0000076716	MCNABB, KELLY W	C	02-27-2013	02-27-2013	468.31
0000076717	BUSBY, CODY D	C	02-27-2013	02-27-2013	2,038.54
0000076718	CRUMPTON, ANDREW B	C	02-27-2013	02-27-2013	1,243.41
0000076719	GEURIN, ROBERT M	C	02-27-2013	02-27-2013	1,207.14
0000076720	JONES, DEBBIE C	C	02-27-2013	02-27-2013	1,030.54
0000076721	PEDEN, LAURA H	C	02-27-2013	02-27-2013	1,067.04
0000076722	RAINEY, BILLIE JO	C	02-27-2013	02-27-2013	978.27
0000076723	WATSON, RICKY W	C	02-27-2013	02-27-2013	1,332.22
0000076724	DICKSON, REBECCA H.	C	02-27-2013	02-27-2013	1,966.01
0000076725	JOHNSON, DEBORAH	C	02-27-2013	02-27-2013	1,619.51
0000076726	SCHINDLER, JENNIFER L	C	02-27-2013	02-27-2013	1,645.45
0000076727	RHOADES, CHERYL D	C	02-27-2013	02-27-2013	1,020.27
0000076728	CONWAY, HERMAN W.	C	02-27-2013	02-27-2013	1,031.69
0000076729	DILL, LARRY D	C	02-27-2013	02-27-2013	1,144.24

03-01-2013
TIME:11:56 AM

CHECK FILE LISTING

PAGE 5
PREPARER:0005

CHECK	NAME-OF-PAYEE	S	ISS-DT	CHG-DT	AMOUNT
0000076730	LOWRANCE, LOUIE M	C	02-27-2013	02-27-2013	794.34
0000076731	MOSELEY, JOHNNY R.	C	02-27-2013	02-27-2013	1,003.04
0000076732	MOSELEY, RANDY	C	02-27-2013	02-27-2013	1,042.19
0000076733	STRADLEY, PATRICK	C	02-27-2013	02-27-2013	1,011.76
0000076734	CLEMENT, JAY W	C	02-27-2013	02-27-2013	998.25
0000076735	CONATSER, JIMMY N	C	02-27-2013	02-27-2013	954.03
0000076736	GAMBLIN, JAMES D	C	02-27-2013	02-27-2013	1,372.49
0000076737	HEMBREE, JOSEPH	C	02-27-2013	02-27-2013	1,020.27
0000076738	JORDAN, J B	C	02-27-2013	02-27-2013	967.91
0000076739	LAUGHLIN, JERRY L	C	02-27-2013	02-27-2013	339.94
0000076740	MEYERS, DANNY H.	I	02-27-2013	02-27-2013	90.82
0000076741	BOWLES, RANDY NEAL	C	02-27-2013	02-27-2013	1,085.74
0000076742	GROVES, HOMER D	C	02-27-2013	02-27-2013	1,042.19
0000076743	MESSER, RUSSELL K	C	02-27-2013	02-27-2013	1,030.91
0000076744	MURPHEY, MARK	C	02-27-2013	02-27-2013	1,181.69
0000076745	TEAGUE, ROGER D	C	02-27-2013	02-27-2013	1,006.03
0000076746	BUSBY, LARRY D	I	02-27-2013	02-27-2013	526.02
0000076747	FORRESTER, MICHAEL E.	C	02-27-2013	02-27-2013	967.91
0000076748	GLASS, STANLEY F	C	02-27-2013	02-27-2013	971.54
0000076749	HARRIS, JIMMY R	C	02-27-2013	02-27-2013	1,110.66
0000076750	LANGFORD, ROBERT H	C	02-27-2013	02-27-2013	1,446.87
0000076751	MCPHERSON, TOMMY L	C	02-27-2013	02-27-2013	1,020.27
0000076752	HUGHES, CHRISTOPHER B	C	02-27-2013	02-27-2013	589.29
0000076753	BELL, CAROLYN J.	C	02-27-2013	02-27-2013	898.56
0000076754	HANSARD, JUSTIN A	C	02-27-2013	02-27-2013	468.05
0000076755	LACY, ELSIE M	C	02-27-2013	02-27-2013	414.50
0000076756	FIRST NATIONAL, BANK BOWIE	I	02-27-2013	02-27-2013	20,356.04
0000076757	FIRST NATIONAL, BANK BOWIE	I	02-27-2013	02-27-2013	15,724.52
0000076758	FIRST NATIONAL, BANK BOWIE	I	02-27-2013	02-27-2013	4,760.64
0000076759	AFLAC,	I	02-27-2013	02-27-2013	500.12
0000076760	BENEFIT GROUP, SECURITY	I	02-27-2013	02-27-2013	25.00
0000076761	TCDRS,	I	02-27-2013	02-27-2013	70,248.86
0000076762	AFLAC,	I	02-27-2013	02-27-2013	131.50
0000076763	RETIREMENT SOLUTIONS, NATIONWIDE	I	02-27-2013	02-27-2013	29.41
0000076764	PUTNAM INVESTMENTS,	I	02-27-2013	02-27-2013	75.00
0000076765	UNITED STATES TREAS.,	I	02-27-2013	02-27-2013	182.23
0000076766	CINTAS CORP, #628	I	02-27-2013	02-27-2013	1,263.84
0000076767	TX CHILD SUPPORT SDU, TXCSDU	I	02-27-2013	02-27-2013	181.38
0000076768	U.S. TREASURY, SERVICE	I	02-27-2013	02-27-2013	30.00
0000076769	TX CHILD SUPPORT DIV, ATTY GENERAL	I	02-27-2013	02-27-2013	148.62
0000076770	TX CHILD SUPPORT SDU,	I	02-27-2013	02-27-2013	150.00
0000076771	TX CHILD SUPPORT SDU, N004848216	I	02-27-2013	02-27-2013	150.00
0000076772	TAC-HEBP, BLUE CROSS	I	02-27-2013	02-27-2013	49,058.72
0000076773	TAC-HEBP, BLUE CROSS	I	02-27-2013	02-27-2013	13,687.88
0000076774	TAC-HEBP, BLUE CROSS	I	02-27-2013	02-27-2013	1,620.58
0000076775	TAC-HEBP, BLUE CROSS	I	02-27-2013	02-27-2013	1,639.80
0000076776	SUPERVISION, MONTAGUE COMMUN	I	02-27-2013	02-27-2013	35.98
0000076777	SUPERVISION, MONTAGUE COMMUN	I	02-27-2013	02-27-2013	1,782.90
0000076778	TAC LIFE INSURANCE, TAC HEBP	I	02-27-2013	02-27-2013	501.50
0000076779	UNUM LIFE INS CO,	I	02-27-2013	02-27-2013	449.14
0000076780	FIRST INVESTORS CORP,	I	02-27-2013	02-27-2013	25.00
0000076781	UNITED TEACHER ASSOC, INSURANCE	I	02-27-2013	02-27-2013	259.76
0000076782	LIBERTY NATIONAL, INSURANCE LIFE	I	02-27-2013	02-27-2013	675.38
0000076783	LIBERTY NATIONAL, INSURANCE LIFE	I	02-27-2013	02-27-2013	309.24

REPORT TOTALS

286

470,542.65



EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR • P.O. BOX 750
 WICHITA FALLS, TEXAS 76307-0750
 PH. (940) 766-5550 • FAX (940) 766-5778

MICHAEL D. EDGIN, CPA
 DAVID L. PARKMAN, CPA, CFE
 A. PAUL FLEMING, CPA
 J. MARK FLEMING, CPA

February 22, 2013

Honorable County Judge and
 Members of the Commissioners' Court
 Montague County, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montague County, Texas (County) for the year ended September 30, 2012. Professional standards require that we provide you with our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 20, 2012. Professional standards also require that we communicate to you the following related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the County's financial statements is management's estimate of useful lives of capital assets for depreciation purposes that is based on known facts and circumstances as well as historical information. We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note A – Summary of Significant Accounting Policies,
- Note E – Capital Assets, and
- Note G – Long-Term Liabilities

The financial statement disclosures are neutral, consistent, and clear.

Page Two

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements as a whole. The attached schedule summarizes the material misstatements detected as a result of audit procedures and were corrected by management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 22, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Honorable County Judge and
Members of the Commissioners' Court
Montague County, Texas
February 22, 2013

VOL 15 PAGE 115

Page Three

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified cash basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Concluding Comments

This information is intended solely for the use of the County Judge and County Commissioners and other members of management of the County and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Edgin, Parkman, Fleming & Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC
Certified Public Accountants

Montague County, Texas
 Summary of Uncorrected Misstatements
 September 30, 2012

Fund	Description	Debits	Credits	Effect of Audit Entries - Increase (Decrease)					
				Assets	Liabilities	Beginning Equity	Revenues	Expenditures	Other Sources/Uses
General Funds									
	None	-	-	-	-	-	-	-	-
Annex Construction Fund									
	None	-	-	-	-	-	-	-	-
Aggregate Remaining Funds									
	None	-	-	-	-	-	-	-	-
Government-Wide Only									
PY	Fund balance	34,187				(34,811)			
	Payroll Expenditures		34,187					(34,811)	
	To adjust the estimated ending vacation liability								
CY	Payroll Expenditures	39,677							39,677
	Vacation Liability		39,677			39,677			
	To adjust the estimated ending vacation liability								
				-	39,677	(34,811)	-	4,866	-
Total - Government Wide				-	39,677	(34,811)	-	4,866	-

Montague County, Texas
Summary of Corrected Material Misstatements
September 30, 2012

Fund	Description	Debits	Credits	Effect of Audit Entries - Increase (Decrease)					
				Assets	Liabilities	Beginning Equity	Revenues	Expenditures	Other Sources/Uses
General Funds									
10	Cash	68,008		68,008					
10	Fund Balance		68,008			68,008			
	To record prior year entries not made								
10	Miscellaneous Revenues	500,000					(500,000)		
10	Transfer in		500,000					500,000	
	To reclassify transfer in from Fund 12								
10	Public safety expenditures	292,100						292,100	
10	Intergovernmental revenues		292,100			292,100			
	To reclassify the FEMA fire grant activity								
12	Transfer out	500,000						(500,000)	
12	Operating expenditure		500,000				(500,000)		
	To reclassify transfer out to Fund 10								
Total General Funds				68,008	-	68,008	(207,900)	(207,900)	-
Annex Construction Fund									
62	Bond issuance costs	57,479						57,479	
62	Bond proceeds		57,479					57,479	
	To reclassify bond issuance costs								
Total Annex Construction Fund				-	-	-	-	57,479	57,479
Other Governmental Funds									
38	Revenues	75,462					(75,462)		
38	Expenditures		75,462					(75,462)	
	To net accounts - not County funds								
60	Cash		68,008	(68,008)				-	
60	Property tax revenue	68,008				(68,008)			
	To record prior year entries not made								
Total Other Governmental Funds				(68,008)	-	(68,008)	-	-	-
Total - Government Wide				-	-	-	(207,900)	(150,421)	57,479



EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR • P.O. Box 750
 WICHITA FALLS, TEXAS 76307-0750
 PH. (940) 766-5550 • FAX (940) 766-5778

MICHAEL D. EDGIN, CPA
 DAVID L. PARKMAN, CPA, CFE
 A. PAUL FLEMING, CPA
 J. MARK FLEMING, CPA

February 22, 2013

Honorable County Judge and
 Members of the Commissioners' Court
 Montague County, Texas

In planning and performing our audit of the financial statements of Montague County, Texas (County) for the year ended September 30, 2012, we considered the County's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated February 22, 2013 on the financial statements of the County.

Prior Year Comments

In the prior year, we noted several matters that were listed in the management letter. During the current year audit, we reviewed the status of those comments and recommendations. A brief summary of each is listed below.

Bank Reconciliations

Comment: We noted that there is a lack of documentation of the individual who prepares the bank reconciliations and the date it was prepared. Furthermore, there is no documentation of any supervision, review and approval process relative to the bank reconciliation process for any of the County's bank accounts.

Status: During the current year, the County Auditor introduced a bank reconciliation form that has a place for documenting the individual who prepared it and another place for the individual who reviewed and approved it. Though the form was not completely implemented during the year, we recommend it be used for all bank reconciliations throughout the County. Furthermore, when there is no one else to perform the review and approval process, the County Auditor may do so as part of the monthly duties of her office. For example, the Treasurer only has one person in her office and needs someone else to perform the review process.

Investments

➤ **Comment:** As noted in the past three audits, the County funds were invested with the County's depository bank or TexPool, both with very low interest rates. During the year ended September 30, 2011, the County closed the TexPool accounts, which were earning the lowest rate and moved the monies into the County's depository bank.

Status: At September 30, 2012, the County's pooled operating account exceeded \$9.2 million and was earning just .07%. We continue to recommend that the County review other options for investing its excess funds to maximize the investment earnings.

Page Two

- Comment: In the prior years, the County did not have a written investment policy, which is required under the Public Funds Investment Act (PFIA). During the year ended September 30, 2011, a policy was prepared and approved by the Commissioners' Court.

Status: The PFIA also requires that the investment policy be reviewed and updated annually, which was not done in 2011-12.

- Comment: Pursuant to the PFIA, the investment officer is required to prepare and provide the Commissioners' Court a quarterly investment report. For 2010-11, the required reports were not filed with the Court.

Status: For 2011-12, the Treasurer filed two reports; however, the reports failed to include all of the required information under the PFIA. Consequently, we continue to recommend that this reporting requirement be made at least quarterly in the future and include the necessary information pursuant to the PFIA.

Grant Revenues

Comment: In prior years, various grant receipts were recorded against the related expenditures instead of to a grant revenue account. Furthermore, some grant revenues were properly coded as revenues, but were incorrectly coded to miscellaneous revenue versus grant revenue. In both cases, audit adjustments were required to properly record the grant revenues and related expenditures.

Status: In the current year, both of the recording errors occurred again and audit adjustments were necessary. The most significant netted grant was the FEMA fire grants that exceeded \$300,000. Furthermore, we recommend that grants be recorded in a separate Special Revenue Fund and not in the General Fund.

Capital Assets

- Comment: The County used a capitalization policy of \$100 or more to determine what items qualify for capitalization as a capital asset, which is extremely low for governmental entities.

Status: Effective for 2011-12, the limit was raised to \$500 or more.

- Comment: The County has specific account codes for capital asset purchases (land, buildings, machinery and equipment), but often records other items to those accounts. We recommended that only capital outlay purchases be coded to those specific accounts to facilitate identifying all capital outlay purchases for inclusion in the County's capital asset listing and depreciation schedule.

Status: During the current year, we noted non-capital outlay items coded to these accounts. We again recommend only including the items that meet the County's capitalization policy. Additionally, the capital assets acquired via debt issuance and donation should be added to the depreciation schedule at the time the County takes title.

- Comment: Relative to one of the capital asset purchases financed through a bank note in the prior year, the original vendor invoice could not be readily located.

Status: All of the invoices for the capital asset purchases were located in the current year.

Honorable County Judge and
Members of the Commissioners' Court
Montague County, Texas
February 22, 2013

Page Three

- Comment: Last year, we noted that not all of the capital assets traded in on other purchases were removed from the County's capital asset listing and depreciation schedule.

Status: No capital assets were traded in 2011-12; however, the County needs to continually monitor this to ensure all disposals are properly accounted for.

- Comment: Physical counts of all County assets should be performed on a periodic basis and reconciled to the County's capital asset listing and depreciation schedule. Any differences should be immediately investigated. Furthermore, the counts should be performed by individuals outside of the department.

Status: Counts were performed in 2011-12 for all departments by the department official and the County Auditor.

Contingency Account

Comment: The County budgets for unknown items in a 'Contingency' account. However, actual expenditures should not be made in the 'Contingency' account; budget transfers should be made from the account to the appropriate budget line where the actual expenditures are incurred.

Status: The County continues to record expenditures in the 'Contingency' account versus making a budget amendment and recording the actual expenditures in the appropriate accounts. For 2011-12, several expenditures were recorded in the 'Contingency' account including some of the annex construction costs and the interest on the new certificates of obligation. Both had to be reclassified accordingly. We recommend that this account not be used for recording expenditures in the future.

Payroll Process

Comment: As part of the payroll process, the County Auditor reviews the payroll runs generated by the Treasurer. Any potential concerns and errors are marked by the County Auditor and returned to the Treasurer for corrections. However, there is no documentation of this process and the marked payroll runs are not maintained.

Status: This process continues with no documentation. Though we concur with this control process, we recommend that the process be documented and all reviewed payroll runs be maintained.

Payroll Tax Reports

Comment: Last year, we noted that the Forms 941, Employer's Quarterly Federal Tax Return, for the first 3 quarters of 2011 contained similar errors. The total wages, tips, and commissions on line 2 contained incorrect amounts.

Status: These errors were not noted in current year audit.

Road & Bridge Departments

Comments: To assist the County in better documenting part purchases, we recommend that all part purchases of a set dollar amount require the Commissioner to provide the machine or equipment the part will repair with the vendor invoice.

Page Four

Additionally, road materials are significant purchases for these departments. To help the County monitor and track the road materials purchased, we recommend that logs be maintained to document which projects road materials are purchased for and also include the estimated usage and actual purchased and used. These logs should be remitted with the vendor invoices. At all times, inventory levels should be limited to immediate use items only.

Status: No changes were made in 2011-12; however, the County Auditor indicated the County may acquire a tracking software that will facilitate this above recommendation in the future.

Interfund Transfers

Comment: The amounts coded to interfund transfers should net to zero at all times. At September 30, 2011, this was not the case. Investigation revealed the one side of the transfer was coded to another general ledger account. Furthermore, payroll transfers between the various Adult Probation accounts are considered to be interfund transfers as well and should be recorded as such in the general ledger.

Status: For 2011-12, the same issues were noted. Furthermore, a \$500,000 transfer out was erroneously recorded as an expenditure in one fund, and transfer in was recorded as a revenue. A material audit adjustment was required to correct this error. We recommend that the transfer accounts be checked each month to ensure they agree and that all transfers are properly recorded as such.

Audit Adjustments

Comment: Historically, the County has not made the audit adjustments to the County's internal accounting records. Consequently, the entries have to be made as part of the audit process.

Status: The adjustments were not made again in 2011-12. We strongly recommend that the audit adjustments be made into the County's general ledger. This will keep the County's accounting records aligned with the audited amounts and hopefully avoid material audit adjustments going forward.

Deficit Fund Balance

Comment: At September 30, 2011, the Jail Debt Service Fund, Fund 60 Jail Sinking Fund, had a deficit fund balance of \$32,870.

Status: At September 30, 2012, the fund has a deficit fund balance of \$22,641. We recommend the deficit be eliminated as soon as possible through either tax rate increases and/or transfers from the General Fund.

Current Year Comments

Jail Inmate Bank Accounts

Comment: The Jail maintains two inmate bank accounts where the County is the trustee for the prisoners' monies. During the audit, we requested a detailed listing of the inmate accounts that agreed to the reconciled bank statement; however, the detail could not be provided.

Recommendation: The detail listing must be prepared to know who the bank balance belongs to and should be updated continuously as monies are deposited and withdrawn. At month end, the balance account should be reconciled and agreed to the detailed listing. Another person should review and approve the reconciliation to ensure the process is completed and accurate.

Honorable County Judge and
Members of the Commissioners' Court
Montague County, Texas
February 22, 2013

Page Five

Jail Cash Bond Procedures

Comment: As the result of a current investigation of missing cash bond monies, the Sheriff's Department is changing its procedures including using safes, restricting access to the safes, and installing security cameras. As part of the audit, we reviewed the changes and concur with them.

Recommendation: While inspecting the changes in procedures, we noted that the paper log of cash bonds located by the safes did not include a place for the amount of the bond. Though there may be another log with the amounts, we recommend that the log by the safe include the amounts as well, and be reconciled with the other log and the amount of the bonds paid when deposited.

Procurement Documentation

Comment: The County often purchases items that exceed \$50,000 in which the state procurement laws are required to be adhered. During the year, the County acquired some items from the vendors on the various state approved vendor lists; however, the documentation was not readily available, but was later obtained.

Recommendation: In the future, we recommend that this documentation be maintained in a separate bid file similar to any other competitively bid purchases and maintained according to the record retention requirements.

Other Post-Employment Benefits (OPEB)

Comment: Currently, the County offers post-employment health care benefits to employees at the start of retirement and is funded on a pay-as-you-go basis. At this point, the County has no way to know measure the costs of providing these benefits to the retired employees.

Recommendation: We recommend that the County engage a third-party actuary to review the County's current OPEB plan to determine the cost to fund the plan. With this information, County officials will have better information to make decisions about the level and types of benefits provided and potential methods for financing those benefits.

Closing Comments

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various County personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

We wish to thank management and all of those with whom we worked for their support and assistance during our audit.

This communication is intended solely for the use of the County Judge and County Commissioners and other members of management of the County and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Edgin, Parkman, Fleming & Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC
Certified Public Accountants



EDGIN, PARKMAN, FLEMING & FLEMING, PC

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR • P.O. Box 750
 WICHITA FALLS, TEXAS 76307-0750
 PH. (940) 766-5550 • FAX (940) 766-5778

MICHAEL D. EDGIN, CPA
 DAVID L. PARKMAN, CPA, CFE
 A. PAUL FLEMING, CPA
 J. MARK FLEMING, CPA

February 22, 2013

Honorable County Judge and
 Members of the Commissioners' Court
 Montague County, Texas

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Montague County, Texas (County) as of and for the year ended September 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the following deficiencies in the County's internal control to be material weaknesses:

- There is a general lack of documentation of the individual who prepares the bank reconciliations and the date it was prepared. Furthermore, there is a general lack of documentation of the supervision, review and approval process relative to the bank reconciliation process for several of the County's bank accounts.
- There is only one person involved in the payroll process with limited or no supervision, review, and approval. Additionally, though the County Auditor reviews the payroll register before the final processing of the payroll, that process is not documented.
- Several material audit adjustments were required to properly report the County's financial statements on the modified cash basis of accounting.
- As a result of audit adjustments to properly report the County's financial statements, there were two significant unfavorable budget variances in the General Fund.

Honorable County Judge and
Members of the Commissioners' Court
Montague County, Texas
February 22, 2013

VOL 15 PAGE 124

Page Two

Concluding Comments

This communication is intended solely for the use of the County Judge and County Commissioners and other members of management of the County and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Edgin, Parkman, Fleming & Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC
Certified Public Accountants

MONTAGUE COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2012

MONTAGUE COUNTY, TEXAS

VOL 15 PAGE 126

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2012

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
FINANCIAL SECTION		
Independent Auditor's Report		1
Management's Discussion and Analysis (Other Supplementary Information)		3
BASIC FINANCIAL STATEMENTS		
Statement of Net Assets – Modified Cash Basis	A-1	12
Statement of Activities – Modified Cash Basis	A-2	13
Balance Sheet – Modified Cash Basis – Governmental Funds	A-3	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets – Modified Cash Basis	A-4	15
Statement of Revenues, Expenditures and Changes in Fund Balances – Modified Cash Basis – Governmental Funds	A-5	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds – Modified Cash Basis to the Statement of Activities – Modified Cash Basis	A-6	17
Statement of Fiduciary Assets and Liabilities – Modified Cash Basis – Agency Funds	A-7	18
Notes to the Financial Statements		19
OTHER SUPPLEMENTARY INFORMATION		
Budgetary Comparison Schedule – Modified Cash Basis – General Fund	B-1	33
Notes to Budgetary Comparison Schedule – Modified Cash Basis – General Fund		34
Schedule of Funding Progress – Texas County & District Retirement System	B-2	35
COMBINING STATEMENTS AND BUDGET COMPARISONS AS SUPPLEMENTARY INFORMATION		
Combining Balance Sheet – Modified Cash Basis – General Fund	C-1	36
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis – General Fund	C-2	38
Combining Budgetary Comparison Schedule – Modified Cash Basis – General Fund	C-3	40
Combining Balance Sheet – Modified Cash Basis – Other Governmental Funds	C-4	48
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis – Other Governmental Funds	C-5	56
Combining Statement of Fiduciary Assets and Liabilities – Modified Cash Basis – Agency Funds	C-6	64

FINANCIAL SECTION

**EDGIN, PARKMAN, FLEMING & FLEMING, PC**

CERTIFIED PUBLIC ACCOUNTANTS

4110 KELL BLVD., SECOND FLOOR • P.O. Box 750
WICHITA FALLS, TEXAS 76307-0750
PH. (940) 766-5550 • FAX (940) 766-5778MICHAEL D. EDGIN, CPA
DAVID L. PARKMAN, CPA, CFE
A. PAUL FLEMING, CPA
J. MARK FLEMING, CPAIndependent Auditor's Report

Honorable County Judge and
Members of the Commissioners' Court
Montague County, Texas

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

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

As discussed in Note A, Montague County, Texas, prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Montague County, Texas as of September 30, 2012, and the respective changes in financial position – modified cash basis, thereof for the year then ended in conformity with the basis of accounting described in Note A.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Montague County's financial statements as a whole. The management's discussion and analysis, budgetary comparison information, and schedule of funding progress identified as Other Supplementary Information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise Montague County, Texas' basic financial statements. The combining fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Edgin, Parkman, Fleming & Fleming, PC

EDGIN, PARKMAN, FLEMING & FLEMING, PC

Wichita Falls, Texas
February 22, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Montague County, Texas, we offer readers of the County's Annual Financial Report this narrative overview and analysis of the County's financial performance during the fiscal year ended September 30, 2012. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities at September 30, 2012 by \$14,645,658 (net assets). Of this amount, \$5,872,900 (unrestricted net assets) may be used to meet the County's obligations.
- During the year, the County's total net assets increased by \$661,360. The County's expenses, which totaled \$10,246,554, were less than the County's program revenues of \$4,228,695 and general revenues of \$6,679,219.
- The total cost of the County's programs increased \$966,178 or 10% from the prior year.
- The governmental funds reported a fund balance this year of \$8,940,907, which is an increase of \$2,062,473 in comparison with the prior year amount.
- At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$3,136,936, or 36% of the total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

All of the County's services are reported in the government-wide financial statements, including administration, judicial, public transportation, and public safety. Property taxes, highway taxes, fees and commissions and intergovernmental grants finance most of the activities. Additionally, all capital and debt financing activities are reported here.

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

The *statement of net assets* presents information on all the County's assets and liabilities on the modified cash basis, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the County's financial position is improving or deteriorating.

The *statement of activities* details how the County's net assets changed during the most recent fiscal year. On the modified cash basis, all changes in net assets are reported on the cash basis except for capital assets and long-term liabilities.

Fund Financial Statements

The County uses fund accounting to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the County's most significant *funds* – not the County as a whole. Some funds are required by State law and or bond covenants. Other funds may be established by the County to control and manage money for particular purposes or to evidence appropriate use of certain taxes, grants, and other special revenues.

All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus on *governmental funds* is narrower than that of government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's short-term financing decisions. Reconciliations are provided for both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances. These reconciliations facilitate the comparison between *governmental funds* and *governmental activities*.

The County maintained multiple governmental funds during the year. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balance for the General Fund and the Annex Construction Fund, which are considered to be the County's major funds. Financial data for the other governmental funds are combined into a single, aggregated presentation.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The County is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the County's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *other supplementary information* that further explains and supports the information in the financial statements.

Basis of Accounting

The County has elected to present its financial statements on the modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than GAAP. The basis of accounting is a reference to *when* financial events are recorded, such as the timing for recognizing revenues, expenses, and their related assets and liabilities. Under the County's modified cash basis of accounting, revenues and expenses and related assets and liabilities are recorded when they result from cash transactions, except for the recording of depreciation expense on the capital assets in the government-wide financial statements for all activities and recording non-cash capital assets and debt issuances.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenues for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Government-wide Financial Analysis

As noted previously, net assets may serve over time as a useful indicator of a government's financial position. Exhibited below in Table 1 are the County's net assets summarized for the *governmental activities*.

Table 1 - County's Net Assets

	Governmental Activities			
	2012	2011	Change	% Change
Current and other assets	\$ 8,940,907	\$ 6,878,436	\$ 2,062,471	30%
Capital assets, net	8,789,442	7,619,185	1,170,257	15%
Total Assets	17,730,349	14,497,621	3,232,728	22%
Current liabilities	-	-	-	N/A
Noncurrent liabilities	3,084,691	550,105	2,534,586	461%
Total Liabilities	3,084,691	550,105	2,534,586	461%
Net assets:				
Invested in capital assets, net of related debt	7,217,299	7,069,080	148,219	2%
Restricted	1,555,459	1,483,499	71,960	5%
Unrestricted	5,872,900	5,394,937	477,963	9%
Total Net Assets	\$ 14,645,658	\$ 13,947,516	\$ 698,142	5%

Investment in capital assets (e.g. land, buildings, furniture, and equipment) less any related debt used to acquire those assets that is still outstanding is \$7,217,299. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

A portion of the County's net assets, \$1,555,459, represents resources that are subject to external restrictions on how they may be used. The remaining balance of net assets of \$5,872,900 may be used to meet the County's ongoing obligations.

Changes in Net Assets

The County's total revenues, both program and general, were \$10,902,914. A significant portion, 59%, of the County's revenue comes from property taxes. Charges for services accounted for 28% of the County's revenue while operating grants and contributions represented 9%. Exhibited below in Table 2 are the County's revenues for the years ended September 30, 2012 and 2011 for the County's *governmental activities*.

Table 2 - County's Revenues

	Governmental Activities			
	2012	Percent	2011	Percent
Charges for services	\$ 3,140,365	28%	\$ 3,005,211	28%
Operating grants and contributions	961,468	9%	786,577	7%
Capital grants	126,862	1%	600,087	6%
Property taxes	6,371,035	59%	6,103,146	57%
License and permits	5,429	0%	6,775	0%
Investment earnings	11,098	0%	17,009	0%
Miscellaneous	291,657	3%	222,823	2%
Total Revenues	\$ 10,907,914	100%	\$ 10,741,628	100%

Exhibited below in Table 3 are the County's expenses for the years ended September 30, 2012 and 2011 for the County's *governmental activities*. The total cost of all programs and services was \$10,246,554.

Table 3 - County's Expenses

	Governmental Activities			
	2012	Percent	2011	Percent
General government	\$ 1,830,569	17%	\$ 1,888,826	21%
Justice system	1,697,117	17%	1,507,335	16%
Public safety	1,393,089	14%	977,473	11%
Corrections and rehabilitation	2,320,035	23%	2,314,415	25%
Health and human services	197,635	2%	213,469	2%
Community and economic development	8,682	0%	4,529	0%
Infrastructure and environmental services	2,691,103	26%	2,349,794	25%
Interest	108,324	1%	24,535	0%
Total Expenses	\$ 10,246,554	100%	\$ 9,280,376	100%

Governmental Activities

Table 4 presents the various revenue categories and gross costs of each of the County's functional areas for both the current and prior year. Following the table, we provide explanations for the significant or unusual fluctuations between the two years.

Table 4 - Changes in Net Assets

	Governmental Activities			
	2012	2011	\$ Change	% Change
Revenues:				
Program revenues:				
Charges for services	\$ 3,140,365	\$ 3,005,211	\$ 135,154	4%
Operating grants and contributions	961,468	786,577	174,891	22%
Capital grants	126,862	600,087	(473,225)	-79%
General revenues:				
Property taxes	6,371,035	6,103,146	267,889	4%
Licenses and permits	5,429	6,775	(1,346)	-20%
Investment earnings	11,098	17,009	(5,911)	-35%
Miscellaneous	291,657	222,823	68,834	31%
Total revenues	<u>10,907,914</u>	<u>10,741,628</u>	<u>166,286</u>	<u>2%</u>
Expenses:				
General government	1,830,569	1,888,826	(58,257)	-3%
Justice system	1,697,117	1,507,335	189,782	13%
Public safety	1,393,089	977,473	415,616	43%
Corrections and rehabilitation	2,320,035	2,314,415	5,620	0%
Health and human services	197,635	213,469	(15,834)	-7%
Community and economic development	8,682	4,529	4,153	92%
Infrastructure and environmental services	2,691,103	2,349,794	341,309	15%
Interest and fiscal charges	108,324	24,535	83,789	342%
Total expenses	<u>10,246,554</u>	<u>9,280,376</u>	<u>966,178</u>	<u>10%</u>
Increase (decrease) in net assets	<u>\$ 661,360</u>	<u>\$ 1,461,252</u>	<u>\$ (799,892)</u>	<u>-55%</u>

Significant fluctuations between years were as follows:

- Operating grants and contributions increased \$174,891, or 22%, mostly due to the receipt of \$303,835 in FEMA grants for the wildfires in 2011 less \$129,047 from Nortex Regional Planning Commission for prior 911 services received in 2010-11.
- Capital grants decreased \$473,225, or 79%, as the Texas Department of Transportation completed 2 bridges in 2010-11 and none in 2011-12.
- Property taxes increased \$267,889, or 4%, due to the substantial growth in the property values between years and substantial decrease in the overall tax rate.
- Justice system expenses increased \$189,782 or 13%. This increase is due to the more high profile, expensive trials, increased juvenile court costs, and general cost increases.
- Public safety expenses increased \$415,616 or 43%. Most of the increase relates to the payments to FEMA grants to volunteer fire departments in the county.
- Infrastructure and environmental services increased \$341,309 or 15%. The increase relates to additional costs for fuel, gravel, and other operating costs, and the non-capital expenditures related to the annex construction project.

Table 5 presents the net cost of the County's governmental functions (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by local tax dollars, state aid, and other miscellaneous general revenues.

Table 5 - Net Cost of County Functions

	Governmental Activities			
	2012	Percent	2011	Percent
General government	\$ 5,325	1%	\$ 247,557	6%
Justice system	800,512	12%	625,456	12%
Public safety	993,847	17%	759,361	16%
Corrections and rehabilitation	1,377,714	23%	1,343,112	26%
Infrastructure and environmental services	2,525,820	42%	1,692,837	35%
Other	314,641	5%	220,178	5%
Total Net Cost	\$ 6,017,859	100%	\$ 4,888,501	100%

Financial Analysis of the County's Funds

As previously stated, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and segregation for particular purposes.

Governmental Funds

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

As of September 30, 2012, the County's governmental funds reported a combined ending fund balance of \$8,940,907, an increase of \$2,062,473 from the previous year. Table 6 illustrates the fund balances of the governmental funds.

**Table 6 - Governmental Funds - Fund Balances
September 30, 2012**

	General Fund	Annex Construction Fund	Other Funds	Totals
Restricted for:				
Construction	\$ -	\$ 1,512,548	\$ -	\$ 1,512,548
Records management/preservation	-	-	413,567	413,567
Public safety	-	-	266,619	266,619
Justice system	-	-	214,421	214,421
Corrections and rehabilitation	-	-	618,653	618,653
Debt service	-	-	1,957	1,957
Other	-	-	40,242	40,242
Committed for:				
Indigent health care	312,511	-	-	312,511
Infrastructure and environmental services	2,446,094	-	-	2,446,094
Unassigned	3,136,936	-	(22,641)	3,114,295
Total Fund Balances	\$ 5,895,541	\$ 1,512,548	\$ 1,532,818	\$ 8,940,907

General Fund

At the end of the current fiscal year, the ending fund balance for the General Fund was \$5,895,541, which \$2,758,605 was committed and \$3,136,936 was unassigned. The total unassigned fund balance represents 36% of the total General Fund expenditures for the year ended September 30, 2012. The fund balance increased \$500,604 in the current fiscal year.

General Fund revenues totaled \$9,268,526, an increase of \$627,974 over the preceding year. The most significant increases were in the following revenues:

- Property taxes increased by \$191,898 mostly due to substantial increases in the taxable values.
- Intergovernmental revenues increased \$183,268 mostly due to the receipt of \$303,835 in FEMA grants for the wildfires in 2011 less \$129,047 from Nortex Regional Planning Commission for prior 911 services received in 2010-11.
- Other revenues increased \$254,110 due to a new mineral lease and large increases in easements.

General Fund expenditures totaled \$8,729,879, an increase of \$1,189,158 over the preceding year. The most significant increases were in the following categories:

- Justice system expenditures increased \$188,329. This increase is due to the more high profile, expensive trials, increased juvenile court costs, and general cost increases.
- Public safety expenses increased \$347,353. Most of the increase relates to the payments to FEMA grants to volunteer fire departments in the county.
- Infrastructure and environmental services increased \$684,038. The increase relates to additional costs for fuel, gravel, and other operating costs, and partial costs of the annex construction project.

Annex Construction Fund

The Annex Construction Fund was established to record the proceeds from the sale of \$2,565,000 of certificates of obligation to fund the construction of the new annex. During the year, \$1,052,452 was expended leaving a fund balance of \$1,512,548 restricted for this construction project.

Other Governmental Funds

Other governmental funds consist of the various special revenue funds and debt service funds. The total ending fund balance for all special revenues and debt service funds combined was \$1,532,818, an increase of \$49,321 from the previous year.

General Fund Budgetary Highlights

Over the course of the year, the County revised its budget several times. Even with these adjustments, actual expenditures were \$264,157 below final budget amounts. All functional areas were well below their budget except for public safety and interest and fiscal charges.

On the other hand, revenues were \$1,136,950 above the final budgeted amount. Most revenues fell within normal variance above and below budgeted levels with the exception of three categories. Property tax revenues exceeded the budget by \$287,959, intergovernmental revenues exceeded the budget by \$386,859, and other revenues exceeded the budget by \$268,581.

As noted, the original budget was amended throughout the year. However, the budget line items in the original budget were not materially different than in the final adopted budget except for the infrastructure and environmental services budget increased \$892,217. Most of the increase relates to the addition of capital outlay expenditures, including the part of new annex construction costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2012, the County had invested in a broad range of capital assets totaling \$8,789,442, net of accumulated depreciation, including land, buildings, equipment, and infrastructure. See Table 7 below.

Table 7 - Capital Assets, Net

	2012	2011	\$ Change	% Change
Land	\$ 291,737	\$ 204,237	\$ 87,500	43%
Construction in progress	1,499,385	31,287	1,468,098	100%
Buildings and improvements	2,507,616	2,648,317	(140,701)	-5%
Machinery and equipment	1,260,118	1,289,512	(29,394)	-2%
Infrastructure	3,230,586	3,445,832	(215,246)	-6%
Totals	\$ 8,789,442	\$ 7,619,185	\$ 1,170,257	15%

Capital assets, net of accumulated depreciation, increased \$1,170,257 or 15% from the previous year. Most of the increase relates to the annex construction project which is included in construction in progress. Additional information about the County's capital assets is presented in the notes to the financial statements.

Long-term Obligations

At September 30, 2012, the County had \$3,084,691 in long-term obligations outstanding as shown in Table 8 below.

Table 8 - Long-term Debt

	2012	2011	\$ Change	% Change
General obligation debt	\$ 2,820,000	\$ 495,000	\$ 2,325,000	470%
Notes payable	37,462	55,105	(17,643)	-32%
Capital leases payable	227,229	15,253	211,976	1390%
Totals	\$ 3,084,691	\$ 565,358	\$ 2,519,333	446%

Most of the increase in long-term obligations relates to the issuance of \$2,565,000 in certificates of obligation to fund the annex construction project. Additional information about the County's long-term debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for the 2011-12 budget preparation is \$1,669,529,527, an increase of \$112,943,948, or 7%, from the prior year. Additionally, the M&O tax rate for 2012-13 is \$.3462 per \$100 valuation; a decrease of .0395 or 10%.

Revenues budgeted in the General Fund's budget are \$9,721,949, an increase of 5% from the final 2011-12 revenues of \$9,268,526.

Expenditures in most budget categories are similar to the previous year, with the total expenditure budget for 2012-13 of \$9,587,739, an increase of \$857,860 or 10% from the 2011-12 expenditures of \$8,729,879. The County does not anticipate any new programs or projects being added for the 2012-13 budget.

If these estimates are realized, the County's General Fund's fund balance is expected to increase by \$134,210 by September 30, 2013.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

MONTAGUE COUNTY, TEXAS
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
SEPTEMBER 30, 2012

	<u>Governmental Activities</u>
Assets	
Cash on hand and in bank	\$ 8,940,907
Capital assets, net	<u>8,789,442</u>
Total assets	<u>17,730,349</u>
Liabilities	
Long-term obligations:	
Due within one year	333,772
Due in more than one year	<u>2,750,919</u>
Total liabilities	<u>3,084,691</u>
Net Assets	
Invested in capital assets, net of related debt	7,217,299
Restricted for:	
Records management/preservation	413,567
Public safety	266,619
Justice system	214,421
Corrections and rehabilitation	618,653
Debt service	1,957
Other	40,242
Unrestricted	<u>5,872,900</u>
Total net assets	<u>\$ 14,645,658</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants	
Primary Government:					
General government	\$ 1,830,569	\$ 1,802,472	\$ 22,772	\$ -	\$ (5,325)
Justice system	1,697,117	821,369	75,236	-	(800,512)
Public safety	1,393,089	75,419	323,823	-	(993,847)
Corrections and rehabilitation	2,320,035	432,799	509,522	-	(1,377,714)
Health and human services	197,635	-	-	-	(197,635)
Community and economic development	8,682	-	-	-	(8,682)
Infrastructure and environmental services	2,691,103	8,306	30,115	126,862	(2,525,820)
Interest on long-term debt	108,324	-	-	-	(108,324)
Total governmental activities	<u>\$ 10,246,554</u>	<u>\$ 3,140,365</u>	<u>\$ 961,468</u>	<u>\$ 126,862</u>	<u>(6,017,859)</u>
General revenues:					
					6,105,487
					265,548
					5,429
					11,098
					291,657
					<u>6,679,219</u>
					661,360
					<u>13,984,298</u>
					<u>\$ 14,645,658</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	General Fund	Annex Construction Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash on hand and in bank	\$ 5,895,541	\$ 1,512,548	\$ 1,532,818	\$ 8,940,907
Total assets	<u>\$ 5,895,541</u>	<u>\$ 1,512,548</u>	<u>\$ 1,532,818</u>	<u>\$ 8,940,907</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
None	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted for:				
Construction	-	1,512,548	-	1,512,548
Records management/preservation	-	-	413,567	413,567
Public safety	-	-	266,619	266,619
Justice system	-	-	214,421	214,421
Corrections and rehabilitation	-	-	618,653	618,653
Debt service	-	-	1,957	1,957
Other	-	-	40,242	40,242
Committed for:				
Indigent health care	312,511	-	-	312,511
Infrastructure and environmental services	2,446,094	-	-	2,446,094
Unassigned	3,136,936	-	(22,641)	3,114,295
Total fund balances	<u>5,895,541</u>	<u>1,512,548</u>	<u>1,532,818</u>	<u>8,940,907</u>
Total liabilities and fund balances	<u>\$ 5,895,541</u>	<u>\$ 1,512,548</u>	<u>\$ 1,532,818</u>	<u>\$ 8,940,907</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET - MODIFIED CASH BASIS TO THE
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
SEPTEMBER 30, 2012

Total fund balances - governmental funds (Exhibit A-3)		\$ 8,940,907
Amounts reported for <i>governmental activities</i> in the Statement of Net Assets (Exhibit A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. Capital assets at year-end consist of:		
Gross capital assets	\$ 18,379,039	
Related accumulated depreciation	<u>9,589,597</u>	8,789,442
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
General obligation bonds payable	2,820,000	
Notes payable	37,462	
Capital leases payable	<u>227,229</u>	<u>(3,084,691)</u>
Total net assets - governmental activities (Exhibit A-1)		<u>\$ 14,645,658</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	General Fund	Annex Construction Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 6,105,486	\$ -	\$ 265,549	\$ 6,371,035
License and permits	5,429	-	-	5,429
Registrations, fines and fees	1,645,450	-	294,182	1,939,632
Public service fees	458,641	-	-	458,641
Intergovernmental	581,507	-	894,895	1,476,402
Interest income	7,525	-	3,573	11,098
Other	464,488	-	54,330	518,818
Total revenues	<u>9,268,526</u>	<u>-</u>	<u>1,512,529</u>	<u>10,781,055</u>
Expenditures				
Current				
General government	1,688,488	-	123,824	1,812,312
Justice system	1,522,855	-	158,718	1,681,573
Public safety	1,314,911	-	1,593	1,316,504
Corrections and rehabilitation	1,167,855	-	984,290	2,152,145
Health and human services	192,317	-	4,497	196,814
Community and economic development	-	-	8,100	8,100
Infrastructure and environmental services	2,807,976	994,973	-	3,802,949
Debt service:				
Principal	-	-	240,000	240,000
Interest and fiscal charges	35,477	57,479	15,368	108,324
Total expenditures	<u>8,729,879</u>	<u>1,052,452</u>	<u>1,536,390</u>	<u>11,318,721</u>
Excess (deficiency) of revenues over (under) expenditures	<u>538,647</u>	<u>(1,052,452)</u>	<u>(23,861)</u>	<u>(537,666)</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	35,139	-	-	35,139
Proceeds from sale of certificates of obligation	-	2,565,000	-	2,565,000
Transfers in	584,553	-	280,543	865,096
Transfers out	(657,735)	-	(207,361)	(865,096)
Total other financing sources (uses)	<u>(38,043)</u>	<u>2,565,000</u>	<u>73,182</u>	<u>2,600,139</u>
Net change in fund balances	500,604	1,512,548	49,321	2,062,473
Fund balances, beginning of year	5,394,937	-	1,483,497	6,878,434
Fund balances, end of year	<u>\$ 5,895,541</u>	<u>\$ 1,512,548</u>	<u>\$ 1,532,818</u>	<u>\$ 8,940,907</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS -
MODIFIED CASH BASIS TO THE STATEMENT OF ACTIVITIES -
MODIFIED CASH BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Net change in fund balances - total governmental funds (Exhibit A-5)		\$ 2,062,473
Amounts reported for <i>governmental activities</i> in the Statement of Activities (Exhibit A-2) are different because:		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. The net difference between the two is as follows:</p>		
Capital outlay during the year, excluding items acquired via debt issuances	\$ 1,765,337	
Depreciation expense for the year	<u>846,543</u>	918,794
Proceeds from the sale of capital assets are recorded as revenues when received in the governmental funds. In the Statement of Activities, the difference between the proceeds and the book value of the capital asset is reported as a gain (loss) from sale. The net book value of the capital assets disposed was:		(35,142)
Proceeds from the issuance of long-term debt is reported in the other sources when received in the governmental funds. In the Statement of Activities, the debt proceeds is recorded as a liability. The amount of debt proceeds during the year was:		(2,565,000)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. The long-term debt principal paid during the year was as follows:		
General obligation bonds payable	240,000	
Notes payable	17,643	
Capital leases payable	<u>22,592</u>	<u>280,235</u>
Change in net assets of governmental activities (Exhibit A-2)		<u>\$ 661,360</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
- MODIFIED CASH BASIS
SEPTEMBER 30, 2012

	<u>Trust and Agency Funds</u>
Assets	
Cash	\$ 1,683,513
Total assets	<u>\$ 1,683,513</u>
Liabilities	
Due to primary government	\$ 179,521
Due to other governments	454,617
Due to others	1,049,375
Total liabilities	<u>\$ 1,683,513</u>

The accompanying notes are an integral part of this statement.

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

Montague County, Texas (County), a political subdivision of the State of Texas is governed by an elected judge and four county commissioners which comprise the Commissions' Court. The County's operational activities include general administrative services, judicial, public safety, the construction and maintenance of roads, health and welfare assistance, permanent records preservation, and conservation.

The accounting policies of the County conform to the modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), which include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The notes to the financial statements are an integral part of the County's basic financial statements.

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, in that the financial statements include all organizations, activities, functions and component units for which the County (the "primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the County's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the County.

There are no component units which satisfy requirements for blending or discrete presentation within the County's financial statements. Accordingly, the basic financial statements present the County only.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all the non-fiduciary activities of the County. For the most part, the effects of interfund activity have been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

3. Financial Statement Presentation, Measurement Focus, and Modified Cash Basis of Accounting

a. Financial Statement Presentation

Government-wide Financial Statements – The Statement of Net Assets and Statement of Activities display information about reporting the government as a whole. They report all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or part by fees charged to external parties for goods or services. The County does not have any business-type activities.

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

Fund Financial Statements – The fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category, and
- Total assets, liabilities, revenues or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds.

The County reports the following major governmental funds:

The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Annex Construction Fund* is a Capital Projects Fund used to account for proceeds from the sale of certificates of obligation to build and equip the new Courthouse Annex.

The County reports the following nonmajor governmental funds reported as 'Other Governmental Funds':

The *Special Revenue Funds* account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on long-term debt.

Additionally, the County reports the following fund types:

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

b. Measurement Focus

The government-wide financial statements are presented using economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets and financial position. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported.

In the fund financial statements, the "current financial resources" measurement focus is utilized. Only current financial assets and liabilities on the modified cash basis of accounting are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

c. Basis of Accounting

The County's financial statements are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equities, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide financial statements. The basis is a comprehensive basis of accounting other than GAAP.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenditures/expenses (such as accounts payable and expenditures/expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the County utilized the basis of accounting recognized as generally accepted, the fund financial statements would use the modified accrual basis of accounting, while the fiduciary funds would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

d. Other Guidance

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, miscellaneous revenue, and interest income.

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.

4. Assets, Liabilities, and Net Assets or Equity

a. Deposits and Investments

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

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor, or secured by obligations that are described above; or (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with third party selected or approved by the County, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

b. Activity Between Funds

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

c. Property Taxes

Property taxes are levied on October 1 by the County based on the January 1 property values as appraised by the Montague County Central Appraisal District. Taxes are due without penalty until January 31 of the next calendar year. After January 31 the County has an enforceable lien with respect to both real and personal property. Under state law, property taxes levied on real property constitute a perpetual lien on the real property which cannot be forgiven without specific approval of the State Legislature. Taxes applicable to personal property can be deemed uncollectible by the County.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, and similar items), are reported in the governmental activities column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the time received.

The most significant infrastructure assets capitalized includes paved roads and bridges. The County has elected to capitalize infrastructure occurring subsequent to January 1, 2002 as recommended by GASB 34.

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

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

Buildings and Improvements	20 - 30 years
Machinery and Equipment	3 - 10 years
Infrastructure	20 years

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

6. Compensated Absences

Employees accumulate earned but unused vacation and compensatory time. All vacation and compensatory pay is accrued when incurred in the government-wide statements. No liability is reported for these amounts in governmental funds.

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bonds payable are reported net of the applicable bond premium or discount.

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

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 prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

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

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

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

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

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

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.

B. COMPLIANCE AND ACCOUNTABILITY

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance-related legal and contractual provisions are to be reported, along with actions taken to address such violations.

For the year ended September 30, 2012, the County over-expended its budget in the General Fund in two categories. The County will be more diligent in the future relative to the proper classification of budgeted and actual expenditures.

2. Deficit Fund Balance of Individual Funds

The County's Jail Debt Service Fund has a deficit fund balance of \$22,641 at September 30, 2012.

C. DEPOSITS AND INVESTMENTS

1. Cash

At year end, the carrying amount of the County's cash on hand and deposits was \$8,940,907. All of the bank balance was covered by federal deposit insurance or collateralized by the pledging financial institution's trust department in the County's name.

2. Investments

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

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

At September 30, 2012, the County did not have any investments.

3. Analysis of Specific Deposit and Investment Risks

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

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

a. Credit Risk

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

b. Custodial Credit Risk

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

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

c. Concentration of Credit Risk

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

d. Interest Rate Risk

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

e. Foreign Currency Risk

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

4. Investment Accounting Policy

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

D. PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1 of the prior year. Taxes are levied on October 1 and do not begin to accrue interest until February 1. The County is permitted by the Municipal Finance Law of the State of Texas to levy taxes (exclusive of those amounts levied to service long-term debt) up to \$.80 per \$100 of assessed valuation for general services, permanent improvements, road and bridge and jury fund purposes. The combined tax rate to finance general government (exclusive of long-term debt service) for the year ended September 30, 2012, was \$.3857 per \$100 valuation.

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

Taxes levied for the payment of principal and interest related to long-term debt was \$.0168 per \$100 valuation for the year ended September 30, 2012. An additional ad valorem tax may be levied and collected for further maintenance of public roads, provided that a majority of the qualified property taxpaying voters shall vote such tax, not to exceed fifteen cents (.15) per \$100 valuation. Montague County did not have such a tax for 2012. The total tax rate for Montague County for fiscal year 2012 was \$.4025.

E. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2012 was as follows:

Governmental Activities:	<u>Balance</u> 10/1/11	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> 9/30/12
Capital assets not being depreciated:				
Land	\$ 204,237	\$ 87,500	\$ -	\$ 291,737
Construction in progress	<u>64,471</u>	<u>1,466,201</u>	<u>31,287</u>	<u>1,499,385</u>
Total capital assets not being depreciated	<u>268,708</u>	<u>1,553,701</u>	<u>31,287</u>	<u>1,791,122</u>
Capital assets being depreciated:				
Buildings and improvements	6,762,566	44,696	-	6,807,262
Machinery and equipment	5,238,971	432,795	196,029	5,475,737
Infrastructure	<u>4,304,918</u>	<u>-</u>	<u>-</u>	<u>4,304,918</u>
Total capital assets being depreciated	<u>16,306,455</u>	<u>477,491</u>	<u>196,029</u>	<u>16,587,917</u>
Less accumulated depreciation for:				
Buildings and improvements	4,114,249	185,397	-	4,299,646
Machinery and equipment	3,930,606	445,900	160,887	4,215,619
Infrastructure	<u>859,086</u>	<u>215,246</u>	<u>-</u>	<u>1,074,332</u>
Total accumulated depreciation	<u>8,903,941</u>	<u>846,543</u>	<u>160,887</u>	<u>9,589,597</u>
Total capital assets being depreciated, net	<u>7,402,514</u>	(369,052)	<u>35,142</u>	<u>6,998,320</u>
Governmental activities capital assets, net	<u>\$ 7,671,222</u>	<u>\$ 1,184,649</u>	<u>\$ 66,429</u>	<u>\$ 8,789,442</u>

Under the machinery and equipment caption, there is \$258,134 of equipment under capital lease obligations with accumulated depreciation of \$22,582 at September 30, 2012.

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

Governmental activities:	
General government	\$ 72,236
Judicial system	23,309
Public safety	121,506
Corrections and rehabilitation	170,636
Health and human services	821
Community and economic development	582
Infrastructure and environmental services	<u>457,453</u>
Total governmental depreciation	<u>\$846,543</u>

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

F. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

There were no balances due to and from other funds at September 30, 2012.

Interfund transfers during the year ended September 30, 2012 were as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	General Fund	\$500,000	Transfer excess funds
General Fund	General Fund	84,553	Supplement other resources
Other Governmental Funds	Other Governmental Funds	207,361	Supplement other resources
Other Governmental Funds	General Fund	<u>73,182</u>	Supplement other resources
	Total	<u>\$865,096</u>	

G. LONG-TERM LIABILITIES

The County issues general obligation bonds, certificates of obligation bonds, notes payable and capital lease obligations to provide funds for the acquisition and construction of major capital facilities and equipment. These issues are direct obligations and pledge the full faith and credit of the County.

1. Total Long-Term Liabilities

Changes in long-term liabilities for the year ended September 30, 2012 were as follows:

Governmental Activities:	<u>Balance</u> <u>10/1/2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>9/30/2012</u>	<u>Due Within</u> <u>One Year</u>
General obligation bonds	\$ 495,000	\$2,565,000	\$240,000	\$2,820,000	\$255,000
Notes payable	55,105	-	17,643	37,462	18,387
Capital leases	<u>15,253</u>	<u>234,568</u>	<u>22,592</u>	<u>227,229</u>	<u>60,385</u>
Total long-term liabilities – governmental activities	<u>\$ 565,358</u>	<u>\$2,799,568</u>	<u>\$280,235</u>	<u>\$3,084,691</u>	<u>\$333,772</u>

Annual debt service requirements to maturity were as follows:

<u>Year Ending</u> <u>September 30</u>	<u>All Long-term Liabilities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 333,772	\$ 59,669	\$ 393,441
2014	287,737	55,302	343,039
2015	280,444	48,867	329,311
2016	302,738	40,728	343,466
2017	245,000	36,151	281,151
2018-22	1,340,000	108,395	1,448,395
2023	<u>295,000</u>	<u>3,614</u>	<u>298,614</u>
Totals	<u>\$3,084,691</u>	<u>\$352,726</u>	<u>\$3,437,417</u>

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

2. General Obligation Bonds

General obligation bonds outstanding at September 30, 2012 were as follows:

	<u>Original Amount</u>	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2012</u>
General Obligation Bonds:					
Certificates of Obligation, Series 2002	\$2,050,000	7/15/2002	2/15/2013	3.25% to 6.50%	\$ 255,000
Certificates of Obligation, Series 2011	2,565,000	2/15/2011	2/15/2023	1.75% to 2.45%	<u>2,565,000</u>
Total					<u>\$2,820,000</u>

Annual debt service requirements to maturity are as follows

<u>Year Ending September 30</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 255,000	\$ 55,446	\$ 310,446
2014	220,000	48,358	268,358
2015	230,000	44,420	274,420
2016	235,000	40,351	275,351
2017	245,000	36,151	281,151
2018-22	1,340,000	108,395	1,448,395
2023	<u>295,000</u>	<u>3,614</u>	<u>298,614</u>
Totals	<u>\$2,820,000</u>	<u>\$336,735</u>	<u>\$3,156,735</u>

3. Notes Payable

Notes payable outstanding at September 30, 2012 were as follows:

	<u>Original Amount</u>	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2012</u>
Sanger Bank, 2004 Freightliner Truck	\$34,055	10/1/2010	10/15/2013	3.75%	\$ 23,152
Sanger Bank, 2006 CPS Belly-Dump Trailer	21,050	10/1/2010	10/15/2013	3.75%	<u>14,310</u>
Total					<u>\$ 37,462</u>

Annual debt service requirements to maturity are as follows:

<u>Year Ending September 30</u>	<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$18,387	\$1,404	\$19,791
2014	<u>19,075</u>	<u>716</u>	<u>19,791</u>
Totals	<u>\$37,462</u>	<u>\$2,120</u>	<u>\$39,582</u>

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

4. Capital Leases Payable

Capital leases payable outstanding at September 30, 2012 was as follows:

	<u>Original Amount</u>	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance 9/30/2012</u>
American National Leasing, 2011 Chevrolet Traverse	\$ 23,566	1/26/2011	3/15/2013	4.35%	\$ 7,966
Caterpillar Financial Services, 420B DJL Backhoe	80,403	11/28/2011	10/1/2016	2.25%	64,748
American National Leasing, 6 2012 Chevrolet Tahoes	154,515	8/21/2012	10/25/2015	4.35%	<u>154,515</u>
Total					<u>\$227,229</u>

Annual debt service requirements to maturity are as follows:

<u>Year Ending September 30</u>	<u>Capital Leases Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 60,385	\$ 2,819	\$ 63,204
2014	48,662	6,228	54,890
2015	50,444	4,447	54,891
2016	<u>67,738</u>	<u>377</u>	<u>68,115</u>
Totals	<u>\$227,229</u>	<u>\$13,871</u>	<u>\$241,100</u>

H. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. The County participates in the Texas Association of Counties Intergovernmental Risk Pool (Pool) which provides protection for risks of loss. Premiums are paid to the Pool which retains the risk of loss beyond the County's policy deductibles. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's basic financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess of insurance coverage.

I. CONTINGENT LIABILITIES AND COMMITMENTS

Federal and State Grants

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

Litigation

In the normal course of providing services to the public, the County from time-to-time is subjected to litigation claims. The County defends itself against such claims based on internal assessment of liability and risk. Litigation expenses and related damages are recorded as expenditures in the period payments are made. During the year ended September 30, 2012, the County paid a total of \$40,000 to settle one outstanding claim. At September 30, 2012, there is no reportable litigation pending against the County.

Trust Funds

The District Clerk has invested trust funds at various financial institutions in accordance with court orders. The County has a fiduciary responsibility over these funds until their final disposition.

Construction Commitments

At September 30, 2012, the County had outstanding construction-related contracts totaling \$2,997,492 and had paid \$1,440,771 through year end, leaving \$1,556,721 in construction commitments. These contracts will be paid by the Annex Construction Fund and any balance from the General Fund.

J. RETIREMENT PLAN

1. Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 624 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 5 or more years of service or with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 5 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

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

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

2. Funding Policy

The County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the County based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 11.78% for the months of the accounting year in 2011, and 14.33% for the months of the accounting year in 2012.

The contribution rate payable by the employee members for calendar year 2012 is the rate of 7% as adopted by the Commissioners' Court of the County. The employee contribution rate and the County contribution rate may be changed by the Commissioners' Court of the County within the options available in the TCDRS Act.

3. Annual Pension Cost

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

4. Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the plan was 77.21% funded. The actuarial accrued liability for benefits was \$10,759,128, and the actuarial value of assets was \$8,307,558, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,451,570. The covered payroll (annual payroll of active employees covered by the plan) was \$3,704,478, and the ratio of the UAAL to the covered payroll was 66.18%.

5. Actuarial Valuation Information

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

(1) Includes inflation at the stated rate.

MONTAGUE COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)
SEPTEMBER 30, 2012

Trend Information

Accounting year ended	9/30/10	9/30/11	9/30/12
Annual Pension Cost (APC)	\$440,114	\$439,792	\$510,241
Percentage of APC Contributed	100.00%	100.00%	100.00%
Net Pension Obligation	--	--	--

6. Funding Progress

The Schedule of Funding Progress, presented as Other Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial information and disclosures not required by the Governmental Accounting Standards Board for financial statements prepared on the modified cash basis of accounting and are not considered a part of the basic financial statements.

MONTAGUE COUNTY, TEXAS
BUDGETARY COMPARISON SCHEDULE
- MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 5,817,527	\$ 5,817,527	\$ 6,105,486	\$ 287,959
License and permits	6,000	6,000	5,429	(571)
Registrations, fines and fees	1,529,800	1,529,800	1,645,450	115,650
Public service fees	377,750	377,750	458,641	80,891
Intergovernmental	199,268	194,648	581,507	386,859
Interest income	9,944	9,944	7,525	(2,419)
Other	84,924	195,907	464,488	268,581
Total revenues	<u>8,025,213</u>	<u>8,131,576</u>	<u>9,268,526</u>	<u>1,136,950</u>
EXPENDITURES:				
Current:				
General government	1,726,314	1,760,450	1,688,488	71,962
Justice system	1,470,689	1,610,974	1,522,855	88,119
Public safety	1,012,209	1,041,931	1,314,911	(272,980)
Corrections and rehabilitation	1,201,864	1,195,832	1,167,855	27,977
Health and human services	360,259	361,342	192,317	169,025
Infrastructure and environmental services	2,131,290	3,023,507	2,807,976	215,531
Debt service:				
Interest and fiscal charges	-	-	35,477	(35,477)
Total expenditures	<u>7,902,625</u>	<u>8,994,036</u>	<u>8,729,879</u>	<u>264,157</u>
Excess (deficiency) of revenues over expenditures	<u>122,588</u>	<u>(862,460)</u>	<u>538,647</u>	<u>1,401,107</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	1,000	23,650	35,139	11,489
Transfers in	84,552	84,552	584,553	500,001
Transfers out	(155,803)	(657,735)	(657,735)	-
Total other financing sources (uses)	<u>(70,251)</u>	<u>(549,533)</u>	<u>(38,043)</u>	<u>511,490</u>
Net change in fund balances	52,337	(1,411,993)	500,604	1,912,597
Fund balance - beginning of year	<u>5,394,937</u>	<u>5,394,937</u>	<u>5,394,937</u>	<u>-</u>
Fund balance - end of year	<u>\$ 5,447,274</u>	<u>\$ 3,982,944</u>	<u>\$ 5,895,541</u>	<u>\$ 1,912,597</u>

MONTAGUE COUNTY, TEXAS
NOTES TO BUDGETARY COMPARISON SCHEDULE –
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2012

A. BUDGETARY INFORMATION

Annual budgets are adopted on the modified cash basis of accounting. All annual appropriations lapse at fiscal year end.

The County Judge is, by statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge. The County Judge reviews budget requests and holds informal hearings when needed. Before October 1, a proposed budget is presented to the Commissioners' Court. A public hearing is then held and the Commissioners' Court takes action on the proposed budget. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available fund balance.

Once the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping members of the Commissioners' Court advised of the conditions of the various funds and accounts.

The appropriated budget is prepared by fund. Any transfers of appropriations are first approved by the Commissioners' Court. No amendments may be made without Commissioners' Court approval to the total budget for each department within a fund. Thus, the legal level of budgetary control is at the department level. No supplemental appropriations were required during the year.

The actual expenditures exceeded the final amended budget in the following department and categories:

Public Safety	\$272,980
Debt service – interest and fiscal charges	\$ 35,477

Encumbrance accounting is not employed by the County because it is not considered necessary to assure effective budgetary control.

MONTAGUE COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2012

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2009	\$ 7,074,052	\$ 8,979,743	\$ 1,905,691	78.78%	\$ 3,544,736	53.76%
12/31/2010	7,576,931	9,810,381	2,233,450	77.23%	3,646,243	61.25%
12/31/2011	8,307,558	10,759,128	2,451,570	77.21%	3,704,478	66.18%

*COMBINING STATEMENTS AND BUDGET COMPARISONS
AS SUPPLEMENTARY INFORMATION*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

MONTAGUE COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
GENERAL FUND
SEPTEMBER 30, 2012

	10 General Fund	12 Indigent Health Care	13 Group Insurance Benefit	14 Employee Benefits
ASSETS				
Cash on hand and in bank	\$ 3,619,660	\$ 312,511	\$ 17,276	\$ -
Total assets	<u>\$ 3,619,660</u>	<u>\$ 312,511</u>	<u>\$ 17,276</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
None	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Committed for:				
Indigent health care	-	312,511	-	-
Infrastructure and environmental services	500,000	-	-	-
Unassigned	3,119,660	-	17,276	-
Total fund balances	<u>3,619,660</u>	<u>312,511</u>	<u>17,276</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 3,619,660</u>	<u>\$ 312,511</u>	<u>\$ 17,276</u>	<u>\$ -</u>

21 Road & Bridge Precinct #1	22 Road & Bridge Precinct #2	23 Road & Bridge Precinct #3	24 Road & Bridge Precinct #4	70 FM & Right of Way	75 3 - 4 Road Fund	Combined
\$ 338,816	\$ 278,558	\$ 297,059	\$ 221,078	\$ 57,573	\$ 753,010	\$ 5,895,541
<u>\$ 338,816</u>	<u>\$ 278,558</u>	<u>\$ 297,059</u>	<u>\$ 221,078</u>	<u>\$ 57,573</u>	<u>\$ 753,010</u>	<u>\$ 5,895,541</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	312,511
338,816	278,558	297,059	221,078	57,573	753,010	2,446,094
-	-	-	-	-	-	3,136,936
<u>338,816</u>	<u>278,558</u>	<u>297,059</u>	<u>221,078</u>	<u>57,573</u>	<u>753,010</u>	<u>5,895,541</u>
<u>\$ 338,816</u>	<u>\$ 278,558</u>	<u>\$ 297,059</u>	<u>\$ 221,078</u>	<u>\$ 57,573</u>	<u>\$ 753,010</u>	<u>\$ 5,895,541</u>

MONTAGUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	10	12	13	14
	General	Indigent	Group	Employee
	Fund	Health	Insurance	Benefits
		Care	Benefit	
REVENUES:				
Property taxes	\$ 4,510,123	\$ 230,967	\$ -	\$ -
License and permits	5,429	-	-	-
Registrations, fines and fees	901,410	-	-	-
Public service fees	458,641	-	-	-
Intergovernmental	516,368	2,958	-	-
Interest income	4,809	452	18	-
Other	254,885	-	28,800	13,296
Total revenues	<u>6,651,665</u>	<u>234,377</u>	<u>28,818</u>	<u>13,296</u>
EXPENDITURES:				
Current:				
General government	1,658,992	-	16,200	13,296
Justice system	1,522,855	-	-	-
Public safety	1,314,911	-	-	-
Corrections and rehabilitation	1,167,855	-	-	-
Health and human services	122,388	69,929	-	-
Infrastructure and environmental services	643,714	-	9,000	-
Debt service:				
Interest and fiscal charges	35,477	-	-	-
Total expenditures	<u>6,466,192</u>	<u>69,929</u>	<u>25,200</u>	<u>13,296</u>
Excess (deficiency) of revenues over expenditures	<u>185,473</u>	<u>164,448</u>	<u>3,618</u>	<u>-</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	3,289	-	-	-
Transfers in	500,000	-	-	-
Transfers out	(121,485)	(500,000)	-	-
Total other financing sources (uses)	<u>381,804</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	567,277	(335,552)	3,618	-
Fund balance - beginning of year	<u>3,052,383</u>	<u>648,063</u>	<u>13,658</u>	<u>-</u>
Fund balance - end of year	<u>\$ 3,619,660</u>	<u>\$ 312,511</u>	<u>\$ 17,276</u>	<u>\$ -</u>
	\$ -	\$ -	\$ -	\$ -
	6,654,954	234,377	28,818	13,296

21 Road & Bridge Precinct #1	22 Road & Bridge Precinct #2	23 Road & Bridge Precinct #3	24 Road & Bridge Precinct #4	70 FM & Right of Way	75 3 - 4 Road Fund	Combined
\$ 338,727	\$ 338,726	\$ 338,727	\$ 338,728	\$ 9,488	\$ -	\$ 6,105,486
-	-	-	-	-	-	5,429
186,010	186,010	186,010	186,010	-	-	1,645,450
-	-	-	-	-	-	458,641
13,728	14,657	16,515	17,281	-	-	581,507
433	310	363	256	58	826	7,525
57,455	40,826	1,613	67,613	-	-	464,488
<u>596,353</u>	<u>580,529</u>	<u>543,228</u>	<u>609,888</u>	<u>9,546</u>	<u>826</u>	<u>9,268,526</u>
-	-	-	-	-	-	1,688,488
-	-	-	-	-	-	1,522,855
-	-	-	-	-	-	1,314,911
-	-	-	-	-	-	1,167,855
-	-	-	-	-	-	192,317
603,149	531,082	456,558	564,473	-	-	2,807,976
-	-	-	-	-	-	35,477
<u>603,149</u>	<u>531,082</u>	<u>456,558</u>	<u>564,473</u>	<u>-</u>	<u>-</u>	<u>8,729,879</u>
(6,796)	49,447	86,670	45,415	9,546	826	538,647
-	9,200	17,130	5,520	-	-	35,139
30,825	29,576	12,076	12,076	-	-	584,553
-	-	(36,250)	-	-	-	(657,735)
<u>30,825</u>	<u>38,776</u>	<u>(7,044)</u>	<u>17,596</u>	<u>-</u>	<u>-</u>	<u>(38,043)</u>
24,029	88,223	79,626	63,011	9,546	826	500,604
<u>314,787</u>	<u>190,335</u>	<u>217,433</u>	<u>158,067</u>	<u>48,027</u>	<u>752,184</u>	<u>5,394,937</u>
<u>\$ 338,816</u>	<u>\$ 278,558</u>	<u>\$ 297,059</u>	<u>\$ 221,078</u>	<u>\$ 57,573</u>	<u>\$ 753,010</u>	<u>\$ 5,895,541</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
596,353	589,729	560,358	615,408	9,546	826	9,303,665

MONTAGUE COUNTY, TEXAS
COMBINING BUDGETARY COMPARISON SCHEDULE
- MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	General Fund (10)			Variance With Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Property taxes	\$ 4,297,008	\$ 4,297,008	\$ 4,510,123	\$ 213,115
License and permits	6,000	6,000	5,429	(571)
Registrations, fines and fees	739,800	739,800	901,410	161,610
Public service fees	377,750	377,750	458,641	80,891
Intergovernmental	169,968	165,348	516,368	351,020
Interest income	6,500	6,500	4,809	(1,691)
Other	55,324	66,444	254,885	188,441
Total revenues	<u>5,652,350</u>	<u>5,658,850</u>	<u>6,651,665</u>	<u>992,815</u>
EXPENDITURES:				
Current:				
General government	1,708,314	1,729,154	1,658,992	70,162
Justice system	1,470,689	1,610,974	1,522,855	88,119
Public safety	1,012,209	1,041,931	1,314,911	(272,980)
Corrections and rehabilitation	1,201,864	1,195,832	1,167,855	27,977
Health and human services	126,351	127,434	122,388	5,046
Infrastructure and environmental services	500	683,500	643,714	39,786
Debt service:				
Interest and fiscal charges	-	-	35,477	(35,477)
Total expenditures	<u>5,519,927</u>	<u>6,388,825</u>	<u>6,466,192</u>	<u>(77,367)</u>
Excess (deficiency) of revenues over expenditures	<u>132,423</u>	<u>(729,975)</u>	<u>185,473</u>	<u>915,448</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	3,289	3,289
Transfers in	-	-	500,000	500,000
Transfers out	(119,553)	(121,485)	(121,485)	-
Total other financing sources (uses)	<u>(119,553)</u>	<u>(121,485)</u>	<u>381,804</u>	<u>503,289</u>
Net change in fund balances	12,870	(851,460)	567,277	1,418,737
Fund balance - beginning of year	<u>3,052,383</u>	<u>3,052,383</u>	<u>3,052,383</u>	<u>-</u>
Fund balance - end of year	<u>\$ 3,065,253</u>	<u>\$ 2,200,923</u>	<u>\$ 3,619,660</u>	<u>\$ 1,418,737</u>

Indigent Health Care (12)				Group Insurance Benefit (13)			
Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ 219,629	\$ 219,629	\$ 230,967	\$ 11,338	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,958	2,958	-	-	-	-
1,250	1,250	452	(798)	44	44	18	(26)
-	-	-	-	28,800	28,800	28,800	-
<u>220,879</u>	<u>220,879</u>	<u>234,377</u>	<u>13,498</u>	<u>28,844</u>	<u>28,844</u>	<u>28,818</u>	<u>(26)</u>
-	-	-	-	18,000	18,000	16,200	1,800
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
233,908	233,908	69,929	163,979	-	-	-	-
-	-	-	-	10,800	10,800	9,000	1,800
-	-	-	-	-	-	-	-
<u>233,908</u>	<u>233,908</u>	<u>69,929</u>	<u>163,979</u>	<u>28,800</u>	<u>28,800</u>	<u>25,200</u>	<u>3,600</u>
(13,029)	(13,029)	164,448	177,477	44	44	3,618	3,574
-	-	-	-	-	-	-	-
-	(500,000)	(500,000)	-	-	-	-	-
-	(500,000)	(500,000)	-	-	-	-	-
(13,029)	(513,029)	(335,552)	177,477	44	44	3,618	3,574
648,063	648,063	648,063	-	13,658	13,658	13,658	-
<u>\$ 635,034</u>	<u>\$ 135,034</u>	<u>\$ 312,511</u>	<u>\$ 177,477</u>	<u>\$ 13,702</u>	<u>\$ 13,702</u>	<u>\$ 17,276</u>	<u>\$ 3,574</u>

MONTAGUE COUNTY, TEXAS
COMBINING BUDGETARY COMPARISON SCHEDULE
- MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Employee Benefits (14)			Variance With Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
License and permits	-	-	-	-
Registrations, fines and fees	-	-	-	-
Public service fees	-	-	-	-
Intergovernmental	-	-	-	-
Interest income	-	-	-	-
Other	-	13,296	13,296	-
Total revenues	<u>-</u>	<u>13,296</u>	<u>13,296</u>	<u>-</u>
EXPENDITURES:				
Current:				
General government	-	13,296	13,296	-
Justice system	-	-	-	-
Public safety	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Health and human services	-	-	-	-
Infrastructure and environmental services	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>13,296</u>	<u>13,296</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Road & Bridge Precinct #1 (21)				Road & Bridge Precinct #2 (22)			
Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ 322,749	\$ 322,749	\$ 338,727	\$ 15,978	\$ 322,749	\$ 322,749	\$ 338,726	\$ 15,977
-	-	-	-	-	-	-	-
199,000	199,000	186,010	(12,990)	197,000	197,000	186,010	(10,990)
-	-	-	-	-	-	-	-
7,325	7,325	13,728	6,403	7,325	7,325	14,657	7,332
700	700	433	(267)	300	300	310	10
200	8,641	57,455	48,814	200	21,214	40,826	19,612
<u>529,974</u>	<u>538,415</u>	<u>596,353</u>	<u>57,938</u>	<u>527,574</u>	<u>548,588</u>	<u>580,529</u>	<u>31,941</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
525,271	633,712	603,149	30,563	550,447	571,461	531,082	40,379
-	-	-	-	-	-	-	-
<u>525,271</u>	<u>633,712</u>	<u>603,149</u>	<u>30,563</u>	<u>550,447</u>	<u>571,461</u>	<u>531,082</u>	<u>40,379</u>
4,703	(95,297)	(6,796)	88,501	(22,873)	(22,873)	49,447	72,320
-	-	-	-	-	-	9,200	9,200
30,825	30,825	30,825	-	29,576	29,576	29,576	-
-	-	-	200	-	-	-	-
<u>30,825</u>	<u>30,825</u>	<u>30,825</u>	<u>200</u>	<u>29,576</u>	<u>29,576</u>	<u>38,776</u>	<u>9,200</u>
35,528	(64,472)	24,029	88,701	6,703	6,703	88,223	81,520
314,787	314,787	314,787	-	190,335	190,335	190,335	-
<u>\$ 350,315</u>	<u>\$ 250,315</u>	<u>\$ 338,816</u>	<u>\$ 88,701</u>	<u>\$ 197,038</u>	<u>\$ 197,038</u>	<u>\$ 278,558</u>	<u>\$ 81,520</u>

MONTAGUE COUNTY, TEXAS
COMBINING BUDGETARY COMPARISON SCHEDULE
- MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Road & Bridge Precinct #3 (23)

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 323,249	\$ 323,249	\$ 338,727	\$ 15,478
License and permits	-	-	-	-
Registrations, fines and fees	197,000	197,000	186,010	(10,990)
Public service fees	-	-	-	-
Intergovernmental	7,325	7,325	16,515	9,190
Interest income	500	500	363	(137)
Other	200	200	1,613	1,413
Total revenues	<u>528,274</u>	<u>528,274</u>	<u>543,228</u>	<u>14,954</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Justice system	-	-	-	-
Public safety	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Health and human services	-	-	-	-
Infrastructure and environmental services	495,546	512,676	456,558	56,118
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>495,546</u>	<u>512,676</u>	<u>456,558</u>	<u>56,118</u>
Excess (deficiency) of revenues over expenditures	<u>32,728</u>	<u>15,598</u>	<u>86,670</u>	<u>71,072</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	17,130	17,130	-
Transfers in	12,075	12,075	12,076	1
Transfers out	(36,250)	(36,250)	(36,250)	-
Total other financing sources (uses)	<u>(24,175)</u>	<u>(7,045)</u>	<u>(7,044)</u>	<u>1</u>
Net change in fund balances	8,553	8,553	79,626	71,073
Fund balance - beginning of year	<u>217,433</u>	<u>217,433</u>	<u>217,433</u>	<u>-</u>
Fund balance - end of year	<u>\$ 225,986</u>	<u>\$ 225,986</u>	<u>\$ 297,059</u>	<u>\$ 71,073</u>

Road & Bridge Precinct #4 (24)				FM & Right of Way (70)			
Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ 323,249	\$ 323,249	\$ 338,728	\$ 15,479	\$ 8,894	\$ 8,894	\$ 9,488	\$ 594
-	-	-	-	-	-	-	-
197,000	197,000	186,010	(10,990)	-	-	-	-
-	-	-	-	-	-	-	-
7,325	7,325	17,281	9,956	-	-	-	-
500	500	256	(244)	150	150	58	(92)
200	57,312	67,613	10,301	-	-	-	-
<u>528,274</u>	<u>585,386</u>	<u>609,888</u>	<u>24,502</u>	<u>9,044</u>	<u>9,044</u>	<u>9,546</u>	<u>502</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
541,026	603,658	564,473	39,185	7,700	7,700	-	7,700
-	-	-	-	-	-	-	-
<u>541,026</u>	<u>603,658</u>	<u>564,473</u>	<u>39,185</u>	<u>7,700</u>	<u>7,700</u>	<u>-</u>	<u>7,700</u>
(12,752)	(18,272)	45,415	63,687	1,344	1,344	9,546	8,202
1,000	6,520	5,520	(1,000)	-	-	-	-
12,076	12,076	12,076	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>13,076</u>	<u>18,596</u>	<u>17,596</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
324	324	63,011	62,687	1,344	1,344	9,546	8,202
158,067	158,067	158,067	-	48,027	48,027	48,027	-
<u>\$ 158,391</u>	<u>\$ 158,391</u>	<u>\$ 221,078</u>	<u>\$ 62,687</u>	<u>\$ 49,371</u>	<u>\$ 49,371</u>	<u>\$ 57,573</u>	<u>\$ 8,202</u>

MONTAGUE COUNTY, TEXAS
COMBINING BUDGETARY COMPARISON SCHEDULE
- MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

3 - 4 Road Fund (75)

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
License and permits	-	-	-	-
Registrations, fines and fees	-	-	-	-
Public service fees	-	-	-	-
Intergovernmental	-	-	-	-
Interest income	-	-	826	826
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>826</u>	<u>826</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Justice system	-	-	-	-
Public safety	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Health and human services	-	-	-	-
Infrastructure and environmental services	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>826</u>	<u>826</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	826	826
Fund balance - beginning of year	<u>752,184</u>	<u>752,184</u>	<u>752,184</u>	<u>-</u>
Fund balance - end of year	<u>\$ 752,184</u>	<u>\$ 752,184</u>	<u>\$ 753,010</u>	<u>\$ 826</u>

Combined			
Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
Original	Final		
\$ 5,817,527	\$ 5,817,527	\$ 6,105,486	\$ 287,959
6,000	6,000	5,429	(571)
1,529,800	1,529,800	1,645,450	115,650
377,750	377,750	458,641	80,891
199,268	194,648	581,507	386,859
9,944	9,944	7,525	(2,419)
84,924	195,907	464,488	268,581
<u>8,025,213</u>	<u>8,131,576</u>	<u>9,268,526</u>	<u>1,136,950</u>
1,726,314	1,760,450	1,688,488	71,962
1,470,689	1,610,974	1,522,855	88,119
1,012,209	1,041,931	1,314,911	(272,980)
1,201,864	1,195,832	1,167,855	27,977
360,259	361,342	192,317	169,025
2,131,290	3,023,507	2,807,976	215,531
-	-	35,477	(35,477)
<u>7,902,625</u>	<u>8,994,036</u>	<u>8,729,879</u>	<u>264,157</u>
<u>122,588</u>	<u>(862,460)</u>	<u>538,647</u>	<u>1,401,107</u>
1,000	23,650	35,139	11,489
84,552	84,552	584,553	500,001
(155,803)	(657,735)	(657,735)	-
<u>(70,251)</u>	<u>(549,533)</u>	<u>(38,043)</u>	<u>511,490</u>
52,337	(1,411,993)	500,604	1,912,597
<u>5,394,937</u>	<u>5,394,937</u>	<u>5,394,937</u>	<u>-</u>
<u>\$ 5,447,274</u>	<u>\$ 3,982,944</u>	<u>\$ 5,895,541</u>	<u>\$ 1,912,597</u>

MONTAGUE COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	15	16	17	18
	Records Management	Courthouse Security	BVS Preservation	Dist. Clerk Records Management
ASSETS				
Cash on hand and in bank	\$ 213,409	\$ 213,433	\$ 8,591	\$ 11,011
Total assets	<u>\$ 213,409</u>	<u>\$ 213,433</u>	<u>\$ 8,591</u>	<u>\$ 11,011</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:				
Restricted for:				
Records management/preservation	213,409	-	8,591	11,011
Public safety	-	213,433	-	-
Justice system	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Debt service	-	-	-	-
Other	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>213,409</u>	<u>213,433</u>	<u>8,591</u>	<u>11,011</u>
Total liabilities and fund balances	<u>\$ 213,409</u>	<u>\$ 213,433</u>	<u>\$ 8,591</u>	<u>\$ 11,011</u>

Special Revenue Funds					
19	26	29	30	31	32
Records Preservation	Leadership Grant	Nortex Grant	County Attorney Forfeiture Check Account	VIT Collector	Sheriff Office Forfeiture
\$ 84,624	\$ 10,675	\$ 2,348	\$ 4,051	\$ 1,430	\$ 117
<u>\$ 84,624</u>	<u>\$ 10,675</u>	<u>\$ 2,348</u>	<u>\$ 4,051</u>	<u>\$ 1,430</u>	<u>\$ 117</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
84,624	-	-	-	-	-
-	10,675	2,348	4,051	-	117
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,430	-
-	-	-	-	-	-
<u>84,624</u>	<u>10,675</u>	<u>2,348</u>	<u>4,051</u>	<u>1,430</u>	<u>117</u>
<u>\$ 84,624</u>	<u>\$ 10,675</u>	<u>\$ 2,348</u>	<u>\$ 4,051</u>	<u>\$ 1,430</u>	<u>\$ 117</u>

MONTAGUE COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	33	34	35	36
	District Attorney Forfeiture	Pending Forfeiture	District Attorney Hot Check	DA State Supplement
ASSETS				
Cash on hand and in bank	\$ 163,793	\$ 23,737	\$ 17,613	\$ 7,429
Total assets	<u>\$ 163,793</u>	<u>\$ 23,737</u>	<u>\$ 17,613</u>	<u>\$ 7,429</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
None	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted for:				
Records management/preservation	-	-	-	-
Public safety	-	23,737	-	-
Justice system	163,793	-	17,613	7,429
Corrections and rehabilitation	-	-	-	-
Debt service	-	-	-	-
Other	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>163,793</u>	<u>23,737</u>	<u>17,613</u>	<u>7,429</u>
Total liabilities and fund balances	<u>\$ 163,793</u>	<u>\$ 23,737</u>	<u>\$ 17,613</u>	<u>\$ 7,429</u>

Special Revenue Funds					
38	39	40	41	42	43
District Attorney Hot Check	Estray	Probation	Adult Probation	State Juvenile Probation	County Juvenile Probation
\$ 1,842	\$ 2,567	\$ 29,276	\$ 289,416	\$ 17,619	\$ 156,690
<u>\$ 1,842</u>	<u>\$ 2,567</u>	<u>\$ 29,276</u>	<u>\$ 289,416</u>	<u>\$ 17,619</u>	<u>\$ 156,690</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,842	-	-	-	-	-
-	-	29,276	289,416	17,619	156,690
-	-	-	-	-	-
-	2,567	-	-	-	-
-	-	-	-	-	-
<u>1,842</u>	<u>2,567</u>	<u>29,276</u>	<u>289,416</u>	<u>17,619</u>	<u>156,690</u>
<u>\$ 1,842</u>	<u>\$ 2,567</u>	<u>\$ 29,276</u>	<u>\$ 289,416</u>	<u>\$ 17,619</u>	<u>\$ 156,690</u>

MONTAGUE COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

VOL 15 PAGE 182

	45	47	51	53
	Juvenile Probation IV e	Community Service Adult Prob.	Livestock Compost Grant	Challenge C Grant
ASSETS				
Cash on hand and in bank	\$ 116,294	\$ 6,594	\$ 10,011	\$ 2,764
Total assets	<u>\$ 116,294</u>	<u>\$ 6,594</u>	<u>\$ 10,011</u>	<u>\$ 2,764</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:				
Restricted for:				
Records management/preservation	-	-	-	-
Public safety	-	-	-	-
Justice system	-	-	-	-
Corrections and rehabilitation	116,294	6,594	-	2,764
Debt service	-	-	-	-
Other	-	-	10,011	-
Unassigned	-	-	-	-
Total fund balances	<u>116,294</u>	<u>6,594</u>	<u>10,011</u>	<u>2,764</u>
Total liabilities and fund balances	<u>\$ 116,294</u>	<u>\$ 6,594</u>	<u>\$ 10,011</u>	<u>\$ 2,764</u>

Special Revenue Funds

54	55	56	81	82	83	84
Courthouse Dome	Historical Commission	JP Court Security	Constable #1 LEOSE	Constable #2 LEOSE	Sheriff LEOSE	District Attorney LEOSE
\$ 10,107	\$ 16,127	\$ 10,147	\$ 79	\$ 1,265	\$ 767	\$ 682
<u>\$ 10,107</u>	<u>\$ 16,127</u>	<u>\$ 10,147</u>	<u>\$ 79</u>	<u>\$ 1,265</u>	<u>\$ 767</u>	<u>\$ 682</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	10,147	79	1,265	767	-
-	-	-	-	-	-	682
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,107	16,127	-	-	-	-	-
<u>10,107</u>	<u>16,127</u>	<u>10,147</u>	<u>79</u>	<u>1,265</u>	<u>767</u>	<u>682</u>
<u>\$ 10,107</u>	<u>\$ 16,127</u>	<u>\$ 10,147</u>	<u>\$ 79</u>	<u>\$ 1,265</u>	<u>\$ 767</u>	<u>\$ 682</u>

MONTAGUE COUNTY, TEXAS
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	Special Revenue Funds			
	85	86	87	89
	County Clerk Archive	District Clerk Archive	County Clerk Technology	District Clerk Technology
ASSETS				
Cash on hand and in bank	\$ 84,356	\$ 4,295	\$ 675	\$ 6,606
Total assets	<u>\$ 84,356</u>	<u>\$ 4,295</u>	<u>\$ 675</u>	<u>\$ 6,606</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
None	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted for:				
Records management/preservation	84,356	4,295	675	6,606
Public safety	-	-	-	-
Justice system	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Debt service	-	-	-	-
Other	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>84,356</u>	<u>4,295</u>	<u>675</u>	<u>6,606</u>
Total liabilities and fund balances	<u>\$ 84,356</u>	<u>\$ 4,295</u>	<u>\$ 675</u>	<u>\$ 6,606</u>

Debt Service Funds			
90	60	61	
JP Technology	Jail Sinking Fund	Annex Sinking Fund	Total Combined
\$ 23,062	\$ (22,641)	\$ 1,957	\$ 1,532,818
<u>\$ 23,062</u>	<u>\$ (22,641)</u>	<u>\$ 1,957</u>	<u>\$ 1,532,818</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	413,567
-	-	-	266,619
23,062	-	-	214,421
-	-	-	618,653
-	-	1,957	1,957
-	-	-	40,242
-	(22,641)	-	(22,641)
<u>23,062</u>	<u>(22,641)</u>	<u>1,957</u>	<u>1,532,818</u>
<u>\$ 23,062</u>	<u>\$ (22,641)</u>	<u>\$ 1,957</u>	<u>\$ 1,532,818</u>

MONTAGUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	15	16	17	18
	Records Management	Courthouse Security	BVS Preservation	Dist. Clerk Records Management
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Registrations, fines and fees	77,908	29,933	937	2,499
Intergovernmental	-	-	-	-
Interest income	201	233	9	11
Other	-	-	-	-
Total revenues	<u>78,109</u>	<u>30,166</u>	<u>946</u>	<u>2,510</u>
EXPENDITURES:				
Current:				
General government	48,681	26,392	-	1,238
Justice system	-	-	-	-
Public safety	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Health and human services	-	-	-	-
Community and economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>48,681</u>	<u>26,392</u>	<u>-</u>	<u>1,238</u>
Excess (deficiency) of revenues over expenditures	<u>29,428</u>	<u>3,774</u>	<u>946</u>	<u>1,272</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	29,428	3,774	946	1,272
Fund balance - beginning of year	<u>183,981</u>	<u>209,659</u>	<u>7,645</u>	<u>9,739</u>
Fund balance - end of year	<u>\$ 213,409</u>	<u>\$ 213,433</u>	<u>\$ 8,591</u>	<u>\$ 11,011</u>

Special Revenue Funds					
19	26	29	30	31	32
Records Preservation	Leadership Grant	Nortex Grant	County Attorney Forfeiture Check Account	VIT Collector	Sheriff Office Forfeiture
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,158	-	-	-	102	-
-	-	-	-	-	-
91	-	-	-	26	-
-	3,350	-	-	-	-
<u>10,249</u>	<u>3,350</u>	<u>-</u>	<u>-</u>	<u>128</u>	<u>-</u>
5,000	-	-	-	-	-
-	-	-	1,755	-	-
-	-	-	-	-	-
-	2,428	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,000</u>	<u>2,428</u>	<u>-</u>	<u>1,755</u>	<u>-</u>	<u>-</u>
<u>5,249</u>	<u>922</u>	<u>-</u>	<u>(1,755)</u>	<u>128</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,249</u>	<u>922</u>	<u>-</u>	<u>(1,755)</u>	<u>128</u>	<u>-</u>
<u>79,375</u>	<u>9,753</u>	<u>2,348</u>	<u>5,806</u>	<u>1,302</u>	<u>117</u>
<u>\$ 84,624</u>	<u>\$ 10,675</u>	<u>\$ 2,348</u>	<u>\$ 4,051</u>	<u>\$ 1,430</u>	<u>\$ 117</u>

MONTAGUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

VOL 15 PAGE 188

	33 District Attorney Forfeiture	34 Pending Forfeiture	35 District Attorney Hot Check	36 DA State Supplement
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Registrations, fines and fees	-	-	11,367	-
Intergovernmental	-	-	-	18,333
Interest income	171	76	-	-
Other	26,560	11,274	17	-
Total revenues	<u>26,731</u>	<u>11,350</u>	<u>11,384</u>	<u>18,333</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Justice system	20,613	67,356	6,535	41,406
Public safety	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Health and human services	-	-	-	-
Community and economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>20,613</u>	<u>67,356</u>	<u>6,535</u>	<u>41,406</u>
Excess (deficiency) of revenues over expenditures	<u>6,118</u>	<u>(56,006)</u>	<u>4,849</u>	<u>(23,073)</u>
Other financing sources (uses):				
Transfers in	-	-	-	13,989
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,989</u>
Net change in fund balances	6,118	(56,006)	4,849	(9,084)
Fund balance - beginning of year	<u>157,675</u>	<u>79,743</u>	<u>12,764</u>	<u>16,513</u>
Fund balance - end of year	<u>\$ 163,793</u>	<u>\$ 23,737</u>	<u>\$ 17,613</u>	<u>\$ 7,429</u>

Special Revenue Funds

38	39	40	41	42	43
District Attorney Hot Check	Estray	Probation	Adult Probation	State Juvenile Probation	County Juvenile Probation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,244	-	-	-	-	61,610
-	-	-	532,641	268,878	-
-	12	33	308	-	183
-	4,480	-	4,149	-	-
<u>1,244</u>	<u>4,492</u>	<u>33</u>	<u>537,098</u>	<u>268,878</u>	<u>61,793</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	468,712	98,621	278,515
-	4,497	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>4,497</u>	<u>-</u>	<u>468,712</u>	<u>98,621</u>	<u>278,515</u>
<u>1,244</u>	<u>(5)</u>	<u>33</u>	<u>68,386</u>	<u>170,257</u>	<u>(216,722)</u>
-	-	-	-	-	223,191
-	-	-	(43,363)	(163,998)	-
-	-	-	<u>(43,363)</u>	<u>(163,998)</u>	<u>223,191</u>
1,244	(5)	33	25,023	6,259	6,469
<u>598</u>	<u>2,572</u>	<u>29,243</u>	<u>264,393</u>	<u>11,360</u>	<u>150,221</u>
<u>\$ 1,842</u>	<u>\$ 2,567</u>	<u>\$ 29,276</u>	<u>\$ 289,416</u>	<u>\$ 17,619</u>	<u>\$ 156,690</u>

MONTAGUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	45	47	51	53
	Juvenile Probation Ive	Community Service Adult Prob.	Livestock Compost Grant	Challenge C Grant
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Registrations, fines and fees	-	-	-	-
Intergovernmental	-	57,634	-	17,409
Interest income	133	-	11	-
Other	-	-	-	-
Total revenues	<u>133</u>	<u>57,634</u>	<u>11</u>	<u>17,409</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Justice system	-	-	-	-
Public safety	-	-	-	-
Corrections and rehabilitation	21,496	100,569	-	13,790
Health and human services	-	-	-	-
Community and economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>21,496</u>	<u>100,569</u>	<u>-</u>	<u>13,790</u>
Excess (deficiency) of revenues over expenditures	<u>(21,363)</u>	<u>(42,935)</u>	<u>11</u>	<u>3,619</u>
Other financing sources (uses):				
Transfers in	-	43,363	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>43,363</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(21,363)	428	11	3,619
Fund balance - beginning of year	<u>137,657</u>	<u>6,166</u>	<u>10,000</u>	<u>(855)</u>
Fund balance - end of year	<u>\$ 116,294</u>	<u>\$ 6,594</u>	<u>\$ 10,011</u>	<u>\$ 2,764</u>

Special Revenue Funds

54	55	56	81	82	83	84
Courthouse Dome	Historical Commission	JP Court Security	Constable #1 LEOSE	Constable #2 LEOSE	Sheriff LEOSE	District Attorney LEOSE
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	922	-	-	-	-
-	-	-	-	-	-	-
11	22	-	-	-	-	-
-	4,500	-	-	-	-	-
<u>11</u>	<u>4,522</u>	<u>922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	324	-	1,269	-
-	-	-	-	-	159	-
-	-	-	-	-	-	-
463	7,637	-	-	-	-	-
-	-	-	-	-	-	-
<u>463</u>	<u>7,637</u>	<u>-</u>	<u>324</u>	<u>-</u>	<u>1,428</u>	<u>-</u>
<u>(452)</u>	<u>(3,115)</u>	<u>922</u>	<u>(324)</u>	<u>-</u>	<u>(1,428)</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(452)</u>	<u>(3,115)</u>	<u>922</u>	<u>(324)</u>	<u>-</u>	<u>(1,428)</u>	<u>-</u>
<u>10,559</u>	<u>19,242</u>	<u>9,225</u>	<u>403</u>	<u>1,265</u>	<u>2,195</u>	<u>682</u>
<u>\$ 10,107</u>	<u>\$ 16,127</u>	<u>\$ 10,147</u>	<u>\$ 79</u>	<u>\$ 1,265</u>	<u>\$ 767</u>	<u>\$ 682</u>

MONTAGUE COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

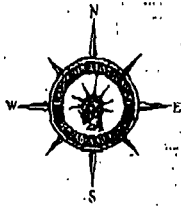
	Special Revenue Funds			
	85 County Clerk Archive	86 District Clerk Archive	87 County Clerk Technology	89 District Clerk Technology
REVENUES:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Registrations, fines and fees	78,586	2,200	385	4,516
Intergovernmental	-	-	-	-
Interest income	-	-	-	7
Other	-	-	-	-
Total revenues	78,586	2,200	385	4,523
EXPENDITURES:				
Current:				
General government	42,513	-	-	-
Justice system	-	1,650	-	3,018
Public safety	-	-	-	-
Corrections and rehabilitation	-	-	-	-
Health and human services	-	-	-	-
Community and economic development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	42,513	1,650	-	3,018
Excess (deficiency) of revenues over expenditures	36,073	550	385	1,505
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	36,073	550	385	1,505
Fund balance - beginning of year	48,283	3,745	290	5,101
Fund balance - end of year	\$ 84,356	\$ 4,295	\$ 675	\$ 6,606

90	Debt Service Fund		Total Combined
	60 Jail Sinking Fund	61 Annex Sinking Fund	
JP Technology			
\$ -	\$ 265,549	\$ -	\$ 265,549
11,815	-	-	294,182
-	-	-	894,895
30	48	1,957	3,573
-	-	-	54,330
<u>11,845</u>	<u>265,597</u>	<u>1,957</u>	<u>1,512,529</u>
-	-	-	123,824
16,385	-	-	158,718
-	-	-	1,593
-	-	-	984,290
-	-	-	4,497
-	-	-	8,100
-	240,000	-	240,000
-	15,368	-	15,368
<u>16,385</u>	<u>255,368</u>	<u>-</u>	<u>1,536,390</u>
(4,540)	10,229	1,957	(23,861)
-	-	-	280,543
-	-	-	(207,361)
-	-	-	73,182
(4,540)	10,229	1,957	49,321
<u>27,602</u>	<u>(32,870)</u>	<u>-</u>	<u>1,483,497</u>
<u>\$ 23,062</u>	<u>\$ (22,641)</u>	<u>\$ 1,957</u>	<u>\$ 1,532,818</u>

MONTAGUE COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
- MODIFIED CASH BASIS
AGENCY FUNDS
SEPTEMBER 30, 2012

	Sheriff Department Accounts	Coke Fund	County Tax A/C Accounts	County Clerk Accounts
ASSETS				
Cash	\$ 125,122	\$ 881	\$ 411,048	\$ 123,757
Total assets	<u>\$ 125,122</u>	<u>\$ 881</u>	<u>\$ 411,048</u>	<u>\$ 123,757</u>
LIABILITIES				
Due to primary government	\$ 1,712	\$ -	\$ 37,637	\$ 47,335
Due to other governments	-	-	361,672	-
Due to others	123,410	881	11,739	76,422
Total liabilities	<u>\$ 125,122</u>	<u>\$ 881</u>	<u>\$ 411,048</u>	<u>\$ 123,757</u>

District Clerk Accounts	County Attorney Account	Probation Department Accounts	JP #1 Account	JP #2 Account	State Fees Fund	Combined
\$ 835,049	\$ 13,938	\$ 28,090	\$ 12,194	\$ 40,489	\$ 92,945	\$ 1,683,513
<u>\$ 835,049</u>	<u>\$ 13,938</u>	<u>\$ 28,090</u>	<u>\$ 12,194</u>	<u>\$ 40,489</u>	<u>\$ 92,945</u>	<u>\$ 1,683,513</u>
\$ 17,036	\$ -	\$ 23,118	\$ 12,194	\$ 40,489	\$ -	\$ 179,521
-	-	-	-	-	92,945	454,617
818,013	13,938	4,972	-	-	-	1,049,375
<u>\$ 835,049</u>	<u>\$ 13,938</u>	<u>\$ 28,090</u>	<u>\$ 12,194</u>	<u>\$ 40,489</u>	<u>\$ 92,945</u>	<u>\$ 1,683,513</u>



Liberty Marketing Company

Serving Chambers, City & County Governments
H.A. Fuller-Sutherland, CEO
www.libertymapads.com

204 N. West St. • Arlington, Texas 76011
(817) 860-3110 • Fax (817) 860-7113
(800) 954-MAPS

MAP ENDORSEMENT AGREEMENT

This agreement is between Liberty Marketing Company and MONTAGUE COUNTY JUDGE with the endorsement of MONTAGUE COUNTY JUDGE, LIBERTY MARKETING Company will publish a 3-FOOT by 2-FOOT NEW FULL COLOR Edition of THE MONTAGUE COUNTY maps on a 60lb-enamel paper. It will include but will not be limited to an updated map of MONTAGUE COUNTY on one side and on the reverse side detailed cities map of SAINT JO, NOCONA, NOCONA HILL, BOWIE, AMON CARTER LAKE.

The map will also feature points of interest, an annual calendar of events, and local attractions, which MONTAGUE COUNTY JUDGE will provide for inclusion.

Liberty Marketing Company will provide up to TWO THOUSAND (2000) FREE copies of the map to the Judges office, who agrees to distribute. They further agree to furnish all support material including, but not limited to, telephone books, 2 copies of the local newspaper, relocation package, and local brochures.

It is agreed and understood that Liberty Marketing Company will contact local businesses and professionals to advertise around the bordering sides of the map. Those advertisers make the production of the maps possible. There will be NO CHARGE to Judge's office or the County for the production of the maps. You will also receive a 3x2 ad on the map free of charge. MONTAGUE COUNTY JUDGE will be advised when the sale campaign is starting and the name of the representative who will contact members, local businesses and professionals to advertise on maps.

PLEASE FAX THE AGREEMENT BACK TO 817-860-7113 Attn: TONYA

~~MARCH 7, 2013~~ 3-11-2013

Tommye Sutherland

COUNTY JUDGE SIGNATURE

Tonya Pribble,
Project Director

101 East Franklin
PHYSICAL ADDRESS (CITY, STATE & ZIP)

940-894-2401
PHONE NUMBER

P.O. Box 475, Montague, TX 76251
P.O. BOX & Zip (IF APPLIES)

940-894-3999
FAX NUMBER

**MEMORANDUM OF UNDERSTANDING FOR COOPERATIVE FREQUENCY
REUSE BETWEEN THE CITY OF DENTON FIRE DEPARTMENT AND THE
MONTAGUE COUNTY**

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby made and entered into agreement by the City of Denton TX Fire Department/Fire Marshall, and the Montague County Fire/EMS Dispatch/TAC.

- I. **PURPOSE:** The purpose of this MOU is for the administration of shared 1st responder radio frequencies in the event of mutual aid.
- II. **STATEMENT OF MUTUAL BENEFIT AND INTEREST:** This MOU provides both entities with the efficient radio communication in support of the protection of life and property. In consideration of the state interests, both parties shall agree to the following.
- III. **THE CITY OF DENTON FIRE DEPARTMENT SHALL:**
 - A. Determine the dispatch and management procedures to be used for The City of Denton radio frequencies listed herein.
 - B. Provide evidence of authorization to operate the City of Denton Fire Department communication radio frequencies listed herein and to immediately notify the Montague County Fire Department when conditions exist as to authorize its operation.
 - C. Use the Montague County communication radio frequencies for official use when testing, maintenance, employee and public safety, fire suppression, bomb threat, and or joint operations between entities.
 - D. Cease operation of the Montague County communication radio frequencies when requested by the Montague County.
 - E. Allow the Montague County usage of the City of Denton Fire Department communication radio frequencies listed in Exhibit A.

Note: The frequency data listed in Exhibit A is Sensitive But Unclassified (SBU) and is not releasable under the Freedom of Information Act.

- A. Determine the dispatch and management procedures to be used for The Montague County radio frequencies listed herein.
- B. Provide evidence of authorization to operate the Montague County communication radio frequencies listed herein and to immediately notify the Montague County Fire Department when conditions exist as to authorize its operation.
- C. Use the City of Denton communication radio frequencies for official use when testing, maintenance, employee and public safety, fire suppression, bomb threat, and or joint operations between entities.
- D. Cease operation of the City of Denton communication radio frequencies when requested by the City of Denton.
- E. Allow the City of Denton usage of the Montague County communication radio frequencies listed in Exhibit A.

Note: The frequency data listed in Exhibit A is Sensitive But Unclassified (SBU) and is not releasable under the Freedom of Information Act.

V. IT IS MUTUALLY UNDERSTOOD AND AGREED TO BY AND BETWEEN THE INTITIES THAT:

- A. Each entity shall maintain administrative control of their communication radio frequencies and will be responsible for all use of the frequency.
- B. Frequency reuse is limited to the restrictions imposed on Radio Frequency Authorization (RFA) supplied by the City of Denton, and/or Montague County and may be installed in the mobile/portable radios for operational use between the City of Denton and the Montague as designated by each entity.
- C. Each entity shall furnish their own communication radio equipment and further shall operate on the frequencies listed in Exhibit A of this MOU.
- D. Equipment shall be and remain the property of each entity who furnished it, and that entity shall be licensee thereof pursuant to the Federal Communications Commission (FCC) and International Radio Advisory Committee (IRAC) regulations.
- E. Each entity is authorized to operate their equipment for test purposes, maintenance, reliability checks and operational use.



F. The entities agree to operate and maintain their equipment in accordance with FCC and NTIA regulations and operational parameters as established by this MOU. **The City of Denton have previously submitted license application to the FCC and received authorization of the listed frequencies.**

Federal Communications Commission
 1270 Fairfield Road
 Gettysburg, PA 17325

G. PRINCIPAL CONTACTS. Individuals listed below are authorized to act in their respective areas for matters related to this agreement.

Principal City of Denton Contacts

City of Denton Program Contact	City of Denton Administrative Contact
Name: Anthony Scott Address: 901 C Texas Street City, State, Zip: Denton, TX 76209 Telephone: 940-349-7330 FAX: 940-349-8476 email: anthony.scott@cityofdenton.com	Name: Darrell Washington Address: 901 C Texas Street City, State, Zip: Denton, TX 76209 Telephone: 940-349-7311 FAX: 940-349-8476 email: darrell.washington@cityofdenton.com

Principal Montague County Contacts

City of Denton Program Contact	City of Denton Administrative Contact
Name: Kelly McNabb Address: 9 Clay Street, PO Box 342 City, State, Zip: Nocona, TX 76255 Telephone: 940-841-627-5475 FAX: 940-825-3308 email: kelly.mcnabb@co.montague.tx.us	Name: Kelly McNabb Address: 9 Clay Street, PO Box 342 City, State, Zip: Nocona, TX 76255 Telephone: 940-841-627-5475 FAX: 940-825-3308 email: kelly.mcnabb@co.montague.tx.us

H. NON-LIABILITY. The City of Denton does not assume liability for any third party claims for damages arising out of this MOU. The Montague County does not assume liability for any third party claims for damages arising out of this MOU.



I. NOTICES. Any communications affecting the operations covered by this agreement given by the City of Denton or Montague County is sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax, as follows:

The City of Denton Program Manager, at the address specified in the MOU.

The Montague County Program Manager, at the address specified in the MOU.

Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

J. PARTICIPATION IN SIMILAR ACTIVITIES. This MOU creates no right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity. The parties shall manage their respective resources and activities in a separate, coordinated, and mutually beneficial manner to meet the purposes (s) of this MOU. Nothing in this MOU authorizes any of the parties to obligate or transfer fund. Specific projects or activities that involve the transfer of funds, services, or property among the parties require execution of separate agreements and are contingent upon the availability of appropriated funds. These activities must be independently authorized by statute. This MOU does not provide that authority. Negotiation, execution, and administration of these agreements must comply with all applicable law. Each party operates under its own laws, regulations, and policies, subject to the availability of appropriated funds. Nothing in this MOU is intended to alter, limit, or expand the agencies statutory and regulatory authority.

K. FREEDOM OF INFORMATION ACT (FOIA). Public access to MOU or agreement records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to Freedom of Information regulations (5 U.S.C. 552).

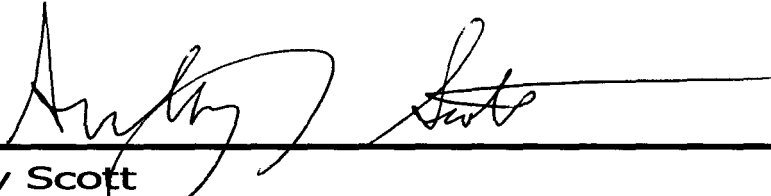
L. TERMINATION. Any of the parties, in writing, may terminate this MOU in whole, or in part, at any time before the date of expiration.

M. MODIFICATIONS. Modification within the scope of this MOU must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being reformed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.


N. COMMENCEMENT/EXPIRATION DATE. This MOU is executed as of the date of the last signature and is effective for five years from the date of the last signature at which time it will expire. Expiration date shall be concurrent with that of IRAC authorizations.

O. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective area for matters related to this MOU. In witness whereof, the parties hereto have executed this MOU as of the last date written below.



X 

Anthony Scott
Radio System Manager City of Denton

X 

Kelly McNabb
Emergency Management Coordinator Montagu...

2B3LNA43VB94H537055	2009	Chrysler - 17
2B3KCA43V29H537001	2009	Chrysler 18
2FAFP71W73K171759	2003	Ford CV
2FAHP71W04X154822	2004	Ford CV
2FAFP71W74K140643	2004	Ford CV
2FAFP71W02K157767	2002	Ford CV
1FB5531H30H132438	1992	Ford Van



WAVE System Proposal for Montague County, TX System Upgrade

February 25, 2013

Item	Description	Quantity	Cost	Total
1	WAVE Plus Control Panel with Email/Texting Module	1	\$7,500.00	\$7,500.00
2	Single Button Duress Alarm	30	\$125.00	\$3,750.00
3	Repeater	1	\$600.00	\$600.00
4	On Site Set-up and Training	1	\$750.00	\$750.00
5	10% Trade-in Allowance	1	(\$1,260.00)	(\$1,260.00)

** Please note that this quote does NOT include state and local taxes at applicable rates

Total \$11,340.00

Key Features

- Wireless receiver can handle 900MHz wireless spread spectrum technology
- Control panel includes hard wired inputs/outputs for integration with other systems
- System can send emails and text messages
- Virtual buttons can be added to computers within your network
- External antenna for maximum radio distance
- Control panel includes touch screen for programming
- Includes backup battery
- Control panel is locked with a key for security
- Two year limited warranty standard with all WAVE systems
- UHF/VHF radio is supplied with WAVE systems as standard
- Customer must provide a radio for each control panel if 800 MHz or any other non-standard frequencies are specified
- This quote is valid for six months from the issue date
- SecureTech's standard terms and conditions apply

Domini Duppington

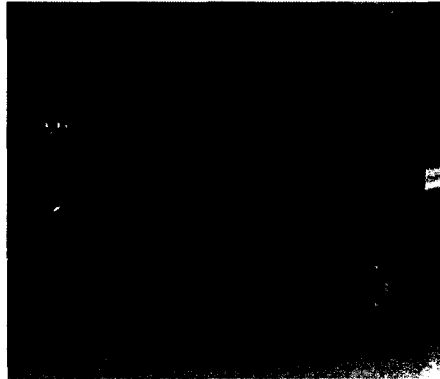
Accepted By: _____

March 11, 2013

Date: _____

The WAVE Wireless Instant Notification System

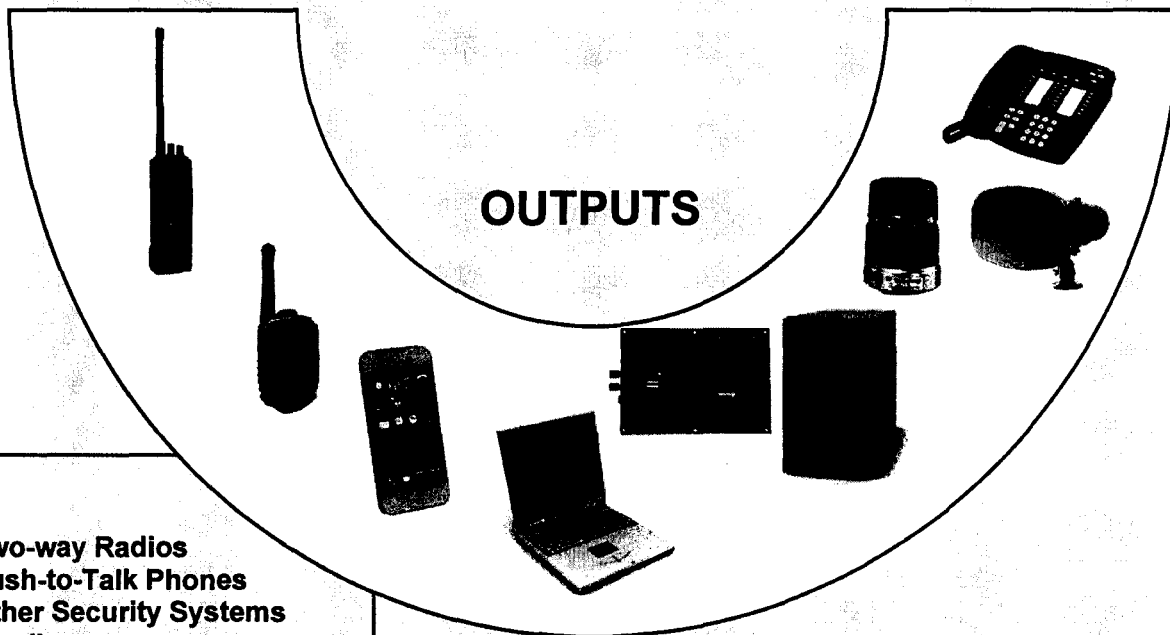
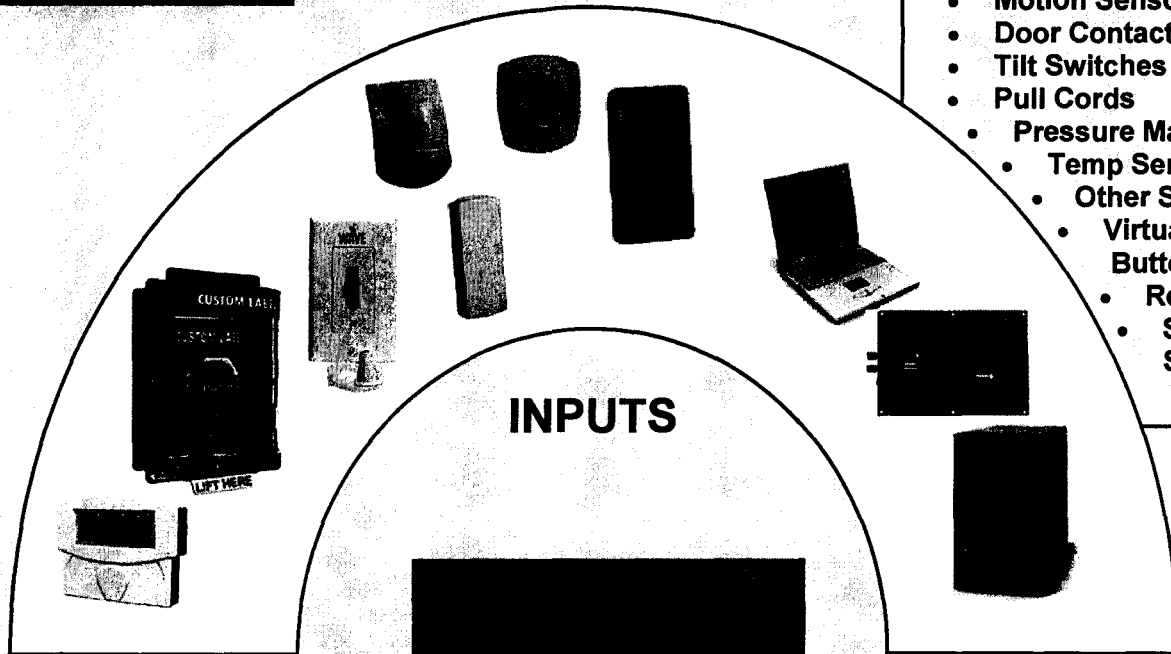
Wave Plus System Features



<p>The WAVE Plus has capacity for up to 10,000 zones each with a unique alarm message. Multiple sensors can be assigned to each zone.</p>	<p>It is easy to add sensors, change messages or update the configuration of the WAVE Plus using the touch screen on the front of the control panel.</p>
<p>Standard wireless sensors include panic buttons, door contacts, tilt sensors, temperature monitors and motion detectors.</p> <p>Specialized wireless sensors such as flush monitors, pressure mats and trip beams are available. The WAVE can also be integrated with magnetic locks to provide notification of unauthorized egress.</p>	<p>Alarm notifications can be simultaneously transmitted over up to four radios. Emails, text messages, contact closures and/or phone calls can also be triggered by the WAVE.</p> <p>Each zone can be configured individually. Security alarms can be transmitted over a law enforcement frequency while building automation alarms are sent over the facility department's frequency.</p>
<p>The WAVE Plus can be integrated with other security, production and building automation systems. Voice annunciation of alarms can be added to access control, hard-wired panic buttons, CCTV, fire alarm, back-up generator, elevator, escalator, AED, and other systems.</p>	<p>The WAVE Plus is compatible with VHF, UHF, 800 MHz or any other frequency, including digital or encrypted.</p>
<p>Certification of compliance with UL standards will be obtained.</p>	<p>The WAVE Plus has a courtesy hold-off and will wait for a clear-channel before broadcasting alarms over a radio network.</p>
<p>All wireless sensors are fully supervised to ensure reliability. Low battery and missed-check-in supervisory alarms can be sent to appropriate personnel by email or text message.</p>	<p>Alarm messages can be repeated multiple times with a set delay between them.</p>
<p>The WAVE Plus can generate printable alarm history reports and status reports.</p>	<p>Alarm notifications for specified zones can be scheduled to be on or off at certain hours of the day.</p>
<p>The WAVE Plus includes a battery backup which will keep the system functioning in the event of a power failure.</p>	<p>Virtual panic buttons can be installed on MS/Windows computers within a local area network so that all computers within a network can transmit panic alarms.</p>
<p>The WAVE Plus can be configured to broadcast a start-up or shut-down message when the system is armed or disarmed.</p>	<p>Alarms can be configured to require acknowledgement on the system. If the alarm is not acknowledged within the set time, it will repeat and escalate by transmitting an alarm message to additional devices, if needed.</p>
<p>A Portable WAVE Plus system is available for temporary or covert deployment.</p>	<p>A 2 year, extendable manufacturer's warranty is provided with new systems.</p>

The WAVE Plus

- Wireless Sensors
- Panic Buttons
- Motion Sensors
- Door Contacts
- Tilt Switches
- Pull Cords
- Pressure Mats
- Temp Sensors
- Other Sensors
- Virtual Panic Buttons
- Relay Boards
- Security Systems



- Two-way Radios
- Push-to-Talk Phones
- Other Security Systems
- Emails
- Text Messages
- Sirens, Strobes and other Relay Devices
- Telephones
- Speakers
- Relay Boards

SecureTech Systems, Inc.
 4500 Fuller Drive - Suite 135
 Irving, TX 75038
 Phone: 817.869.0569
 Fax: 817.869.0570

INTERLOCAL AGREEMENT
Region VIII Education Service Center
TEXAS PUBLIC AGENCY

(School, College, University, State, City or County Office)

Montague County
 TEXAS SCHOOL ENTITY OR PUBLIC AGENCY

TX 998-026
 Control Number (TIPS will Assign)
 Schools enter County-District Number

Region VIII Education Service Center
 Mt. Pleasant, Texas

225 - 950
 County-District Number

Texas Education Code §8.002 permits regional education service centers, at the direction of the Commissioner of Education, to provide services to assist school districts, colleges and universities in improving student performance and increasing the efficiency and effectiveness of school, college and university operations. Authority for such services is granted under Texas Government Code §§ 791.001 *et seq* as amended. Cooperative Purchasing Services are extended to all Texas State, City and County Government Agencies.

This Interlocal Agreement (hereinafter the "Agreement") is effective 3-11-2013 and shall be automatically renewed unless either party gives sixty (60) days prior written notice of non-renewal. This Agreement may be terminated without cause by either party upon (60) days prior written notice, or may also be determined for cause at anytime upon written notice stating the reason for and effective date of such terminations and after giving the affected party a thirty (30) day period to cure any breach.

Statement of Services to be Performed:

Region VIII Education Service Center, by this Agreement, agrees to provide cooperative purchasing services to the above-named public agency through a Program known as the The Interlocal Purchasing System (TIPS/TAPS) Program.

The purpose of the TIPS/TAPS Program shall be to obtain substantial savings for participating school entities or public agencies through cooperative purchasing.

Role of the TIPS/TAPS Purchasing Cooperative:

1. Provide for the organizational and administrative structure of the program.
2. Provide staff necessary for efficient operation of the program.
3. Provide marketing of the program to expand membership, number of vendor awarded contracts and commodity categories.
4. Initiate and implement activities required for competitive bidding and vendor award process including posting, advertising, collecting proposals, scoring proposals, and award of contracts.
5. Provide members with procedures for ordering, delivery, and billing.
6. Maintain filing system for all bidding procedure requirements.

INTERLOCAL AGREEMENT, continued**Role of the Public Agency:**

1. Commitment to participate in the program by an authorized signature on membership forms.
2. Designation of Primary Contact and Technology Contact for agency.
3. Commitment to purchase products and services from TIPS/TAPS Vendors when in the best interest of the agency.
4. Prepare purchase orders issued to TIPS/TAPS Awarded Vendor and FAX to TIPS/TAPS.
5. Accept shipments of products ordered from Awarded Vendors in accordance with standard purchasing procedures.
6. Pay Awarded Vendors in a timely manner for all goods and services received.

General Provisions:

The Parties agree to comply fully with all applicable federal, state, and local statutes, ordinances, rules, and regulations in connection with the programs contemplated under this Agreement. This Agreement is subject to all applicable present and future valid laws governing such programs.

This Agreement shall be governed by the law of the State of Texas and venue shall be in the county in which the administrative offices of RESC VIII are located which is Titus County, Texas.

This Agreement contains the entire agreement of the Parties hereto with respect to the matters covered by its terms, and it may not be modified in any manner without the express written consent of the Parties.

If any term(s) or provision(s) of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect

The Parties to this Agreement expressly acknowledge and agree that all monies paid pursuant to this Agreement shall be paid from budgeted available funds for the current fiscal year of each such entity.

Before any party may resort to litigation, any claims, disputes or other matters in question between the Parties to this Agreement shall be submitted to nonbinding mediation

No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

This Agreement may be negotiated and transmitted between the Parties by means of a facsimile machine and the terms and conditions agreed to are binding upon the Parties.

Authorization:

Region VIII Education Service Center and The Interlocal Purchasing System (TIPS/TAPS) Program have entered into an Agreement to provide cooperative purchasing opportunities to public agencies.

INTERLOCAL AGREEMENT, continued

This Agreement was approved by the governing boards of the respective parties at meetings that were posted and held in accordance with the Texas Open Meetings Act, Texas Government Code ch. 551.

The individuals signing below are authorized to do so by the respective parties to this Agreement.

Public Agency

By:

Jimmie Livingston

Authorized Signature

Title:

Montague County Judge

Date

March 11, 2013

Region VIII Education Service Center

By:

Raymond F. Hlyns

Authorized Signature

Title: Executive Director Region VIII ESC

Date

3/21/13

Public Agency Contact Information

Jennifer ESSARY

Primary Purchasing Person Name

P.O. Box 56

Street Address

Montague, TX 76251

City, State

Zip

940-894-2131

Telephone Number

940-894-3110

Fax Number

mca123@windstream.net

Primary Person Email Address

Technology Person Name

Technology Person Email Address

Please send two signed original Interlocal Agreements and one copy of Board Resolution (if required) to TIPS/TAPS, Attn: Kim Thompson, C/O Region VIII Education Service Center, PO Box 1894, Mt. Pleasant, Texas 75456-1894. Upon execution, a signed original will be returned to the Purchasing Contact listed above.

BOARD RESOLUTION

(This document is only required if the School District, College, University, City, County or State Office has a governing board of directors that gives authority to a person to sign Interlocal Agreements on behalf of the agency. Otherwise, disregard this Resolution.)

STATE OF TEXAS

FOR: THE REGION VIII
EDUCATION SERVICE
CENTER

WHEREAS, the Montague County Commissioners
~~Board of Directors~~ of Court, Montague, Texas,
(Named Public Agency) (City)
pursuant to the authority granted by TEX. GOV'T CODE § 791.001, *et seq*, desires to participate in the
TIPS/TPS Cooperative Purchasing Program offered by Region VIII Education Service Center, and in the
Opinion that participating in this program will be highly beneficial to the taxpayers through the anticipated
savings to be realized.

Herefore, be it RESOLVED that the Montague County
(Named Public Agency) requests a stated need for participation
in The Interlocal Purchasing System (TIPS/TAPS) whereby Tommie Sappington
(Name of Authorized Person)
is authorized and directed to sign and deliver any and all necessary requests and documents in connection
therewith for and on behalf of Montague County
(Named Public Agency).

I certify that the foregoing is a true and correct original Resolution duly adopted by the
Montague County
(Named Public Agency) and is filed on record at the TIPS/TAPS office.

In witness thereof, I have set my hand and signature this 11th day of March

By: Tommie Sappington
(Authorized Signature)
Tommie Sappington
(Printed Authorized Name)
Montague County Judge
(Title)



This legal document will remain current on file until either party severs the agreement.

21656-0000-0000-0025
9.88 Acres $\frac{1}{2}$ Interest
AB 1656, TW Richards
Survey Appraised \$20,600.
~~\$20,000.~~

21656-0000-0000-0030
9.88 Acres $\frac{1}{2}$ Interest
AB 1656 TW Richards
Survey
Appraised \$20,600.00

DAVID KEEL
6938 FM 1956
NOCONA TEXAS 76255
I Bid \$2000,00 For Both

W.L. "Dale" Womack bid
1,500.00 on T.W. Richards survey

21656-0000-0000-0025 +
0030

from ~~Nowra~~ I.S.D. & Montague
County

Dale Womack
803 Day
Nowra TX

825-3583

OFFER FORM

MONTAGUE COUNTY TRUSTEE

SELLER: NOCONA INDEPENDENT SCHOOL DISTRICT

INSTRUCTIONS

Write the amount you wish to offer on the line provided. There is a minimum bid of \$250.00 on all Nocona Hills' and Oak Shores' lake lots. The Seller reserves the right to accept all or any part of the offers. Offers may be made on more than one parcel on this form as long as a check is submitted for the total offer plus a \$20.00 recording fee. Checks should be made to the Seller.

Legal Description

Offer

LOTS 1967, 9, 10, 11, 1892, 861

2434, 523, 524, 2037, 116

238, 239, 240, 241, 242, 243, 244

18 LOTS x 250.00 = \$ 4,500.00

5 x 250 -

By my signature below, I certify that I understand the conditions and limitations of this sale, as well as the restrictions on the use of the property. I further understand this offer is an irrevocable offer until 12:00 midnight of the 90th day after the offer is received by the Seller. I agree to indemnify the Seller and its agent from any action or damages arising from the purchase of this property.

Please print name & address to be used on the deed if bids are accepted.

Marja Properties Inc.
110 Nocona Drive
Offeror's Name (Please Print) Nocona, Texas 76255


Offeror's Signature

Offeror's Address _____

Marja Properties Inc.
110 Nocona Drive State _____ Zip _____
City Nocona, Texas 76255

940-841-1234
Offeror's Telephone

Date

PROPOSAL

FROM
COMMERCIAL & INDUSTRIAL ELECTRONICS, INC.
5019 BONNY DRIVE
WICHITA FALLS, TEXAS 76302
VOICE: 767-5601
FAX: 767-4703

3/6/2013

From: Brad Mabry
To: Montague
Fax:
Jennifer

SUBJECT: Access System

DSX

1. One (1) DSX control panel.
2. Four (4) card readers.
3. Five (5) exit buttons.
4. Three (3) exit motion sensor.
5. Nine (9) Door contacts.
6. Eleven (11) Mag locks.
7. Tie to existing system.
8. Labor.

\$14,762.00 Plus tax

AUTHORIZED C&I SIGNATURE: _____

Bradley Mabry

TITLE: Security Specialist

THIS PROPOSAL MAY BE WITHDRAWN IF NOT ACCEPTED WITHIN 60 DAYS

Jennifer Montague



CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (“Agreement”) is made this 11th day of March, 2013, by and between Texas-New Mexico Power Company, a Texas corporation with offices at 577 N Garden Ridge Blvd, Lewisville, Texas 75067 (“TNMP”) and Montague County, a governmental agency, with offices at Main Street, (“Participant”). TNMP and Participant may be referred to in this Agreement individually as a “Party” or collectively as the “Parties”. As used in this Agreement, “Disclosing Party” refers to Participant whenever it is disclosing information to TNMP and to TNMP whenever it is disclosing information to Participant. “Recipient” refers to Participant whenever it is receiving information from TNMP and to TNMP whenever it is receiving information from Participant.

WHEREAS, the Parties wish to exchange Confidential Information (as defined below) under this Agreement for the purpose of attach fiber optic cable (the “Transaction”); and

WHEREAS, the Recipient agrees to keep Disclosing Party’s Confidential Information confidential in accordance with this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Confidential Information.

A. “Confidential Information” as used in this Agreement means all information that is disclosed to Recipient by Disclosing Party in connection with the Transaction, including any business, technical, marketing, financial or other information, whether in electronic, oral or written form. “Confidential Information” also includes all memoranda, summaries, notes, analyses, compilations, studies or other documents prepared by Disclosing Party or Recipient that contain or reflect such information. The contents or existence of discussions or negotiations relating to the Transaction constitutes Confidential Information.

B. Confidential Information does not include information that (1) is or becomes part of the public domain other than as a result of disclosure by Recipient; (2) becomes available to Recipient on a non-confidential basis from a source other than Disclosing Party, provided that, to Recipient’s knowledge after reasonable inquiry, such source is not prohibited from transmitting such information by a contractual, legal, or other obligation; (3) was in Recipient’s possession before it was disclosed to Recipient by Disclosing Party; or (4) can be shown by Recipient to have been independently developed by its employees, officers, directors, attorneys and/or consultants (collectively, “Representatives”) without access to the Confidential Information.

2. Non-Use; Protection and Dissemination of Confidential Information.

A. Recipient shall safeguard Disclosing Party's Confidential Information with the same degree of care to avoid unauthorized disclosure as Recipient uses to protect its own confidential and proprietary information and trade secrets, but in no event with less than the degree of care that a prudent business reasonably would use to protect its own confidential and proprietary information and trade secrets.

B. Except in connection with the Transaction, Recipient shall not extract, use, incorporate, or otherwise employ any of the Confidential Information, in whole or in part, for any purpose whatsoever, unless Recipient first obtains Disclosing Party's written consent. Except as otherwise permitted in this Agreement, Recipient shall not publish or disclose the Confidential Information to any other party, provided, however, that Recipient may furnish Confidential Information to those Representatives who need to have access to such Confidential Information to assist Recipient in its evaluation, negotiation or implementation of the Transaction. As a condition to such disclosure, Recipient will inform its Representatives of the confidential nature of the Confidential Information and will be responsible for any disclosure or use of the Confidential Information by any of its Representatives in a manner not authorized by this Agreement. In addition, TNMP may furnish Confidential Information to those third parties, such as investors, lenders and regulators, whose review or consent is needed for TNMP's participation in the Transaction, provided that, other than with respect to regulators, (1) the Disclosing Party consents in advance in writing to such disclosures; and (2) such disclosures are made pursuant to a confidentiality agreement, protective order, or similar arrangement that is equivalent in all material respects to this Agreement.

C. Except with the prior written consent of Disclosing Party, Recipient shall not disclose to any person either the fact that discussions or negotiations are taking place concerning a possible transaction or the status of such discussions or negotiations.

3. Ownership and Return; Relationship of the Parties.

A. All Confidential Information will remain the property of Disclosing Party, and no right or license is granted to Recipient with respect to any Confidential Information.

B. Except to the extent required by law or as otherwise provided herein, upon the termination by any Party of discussions concerning the Transaction, or sooner if so requested, Recipient agrees to either destroy or immediately return all originals and all copies of Confidential Information, in whatever medium, to Disclosing Party, including originals and copies of Confidential Information prepared by Recipient or its Representatives that reflects or incorporates Disclosing Party's Confidential Information. Upon written request, the fact of any such destruction will be certified in writing to Disclosing Party by an officer of Recipient.

C. The Parties acknowledge that Confidential Information transferred and maintained electronically (including e-mails) may be automatically archived and stored by Recipient on electronic devices, magnetic tape or other media for the purpose of restoring data in the event of a system failure (collectively, "Back Up Tapes"). Notwithstanding the terms of this Agreement, Recipient shall not be required to destroy Confidential Information stored on Back Up Tapes. The Parties agree that Recipient may retain one (1) copy of Confidential Information

in Recipient's files for audit and compliance purposes. The Parties further agree that any Confidential Information not returned or destroyed pursuant to this Section 3.C shall be kept confidential for the duration of its existence.

D. Nothing in this Agreement obligates Disclosing Party to disclose any information to Recipient or creates any agency, joint venture, partnership or other relation between them or otherwise obligates either of them to enter into the Transaction or any other contractual relationship between the Parties.

4. **Compelled Disclosure.**

A. If Recipient is requested or required by law or by legal or administrative process to disclose any Confidential Information, Recipient will promptly notify Disclosing Party of such request or requirement so that Disclosing Party may seek an appropriate protective order or other relief.

B. If a protective order or other relief is not obtained by Disclosing Party within thirty (30) days following Disclosing Party's receipt of such notice, or if Recipient's legal counsel advises in writing that Recipient is required to disclose the Confidential Information prior to the expiration of such 30-day period, Recipient may disclose Confidential Information in accordance with such request or requirement, provided that Recipient (1) may disclose only that portion of the Confidential Information which Recipient's legal counsel advises in writing is required to be disclosed; (2) must use its reasonable efforts to ensure that the Confidential Information so disclosed is treated Confidentially; and (3) must notify Disclosing Party as soon as reasonably practicable of the items of Confidential Information so disclosed.

5. **Remedies.** Recipient acknowledges that remedies at law may be inadequate to protect Disclosing Party against any actual or threatened breach of this Agreement by Recipient, and, without prejudice to any other rights and remedies otherwise available to Disclosing Party, agrees that Disclosing Party may seek injunctive relief in favor of Disclosing Party without proof of actual damages. In the event of litigation concerning an alleged breach of this Agreement, the non-prevailing Party will be responsible for the prevailing Party's costs and expenses in such litigation, including reasonable attorneys' fees.

6. **Transactions.** The Parties agree that unless and until a final written, definitive agreement regarding a transaction or the Transaction between the Parties has been executed and delivered, no Party will be under any legal obligation of any kind whatsoever with respect to any such transaction or the Transaction by virtue of this Agreement, except for the matters specifically agreed to herein. If either Party determines that it does not wish to proceed with the Transaction, then such Party shall promptly notify the other Party of that decision.

7. **Representations and Warranties.** Nothing in this Agreement shall be construed to impose on the Disclosing Party any liability or responsibility for errors or omissions in, or any business decisions made by Recipient or its Representatives in reliance on, any Confidential Information. No representation or warranty is made by the Disclosing Party as to the accuracy or completeness of any information provided to the Recipient. Disclosing Party does, however,

represent and warrant that it has the right to disclose the Confidential Information hereunder, and that such disclosure will not violate any written or oral agreement by which Disclosing Party is bound or any other obligation of Disclosing Party.

8. **Term.** This Agreement will continue in effect for a period of two (2) years from the date hereof, at which time it shall automatically expire without further action by the Parties, unless otherwise extended by written agreement of the Parties. The obligation of confidentiality under this Agreement shall survive the expiration or termination of this Agreement, regardless of the reason(s) of any such expiration or termination, for a period of three (3) years from the date of expiration or termination of this Agreement, unless a longer period is specified in this Agreement.

9. **Notices.** Any notice or other communications required or permitted to be given pursuant to this Agreement shall be confirmed in writing and shall be deemed properly given when hand delivered, sent by overnight mail service, mailed certified mail, return receipt requested, or transmitted by facsimile with date and sending Party identified to the following addresses:

For TNMP: PNMR Services Company
Attn: Donna Sanford
Corporate Headquarters - MS ES-61
Albuquerque, NM 87158
Telephone: (505) 241-3463
Facsimile: (505) 241-3353
Email: donna.sanford@pnmresources.com

For Participant: Montague County
Attn: Jennifer Essary
Main Street
Montague, TX 76251
Telephone: 940-894-2131
Facsimile:
Email: Tjessary143@me.com

10. **Miscellaneous.**

A. This Agreement may not be assigned by any Party, by operation of law or otherwise, without the prior written consent of the other Party (except that, for the avoidance of doubt, this Agreement may be enforced against Recipient by any acquirer of Disclosing Party or its businesses).

B. This Agreement will inure to the benefit of and will be binding upon the Parties' respective successors and permitted assigns.

C. In the event that any one of the provisions contained in this Agreement should be found to be invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction,

the validity, legality, or enforceability of the remaining provisions contained in this Agreement will not in any way be affected or impaired by such a finding.

D. No waiver of any provisions of this Agreement will be valid unless the same is in writing and signed by the Party against whom such waiver is sought to be enforced. A waiver or consent given by either Party on any one occasion is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion.

E. This Agreement contains the entire agreement of the Parties, supersedes any and all prior agreements, written or oral, between them relating to the subject matter hereof, and may not be amended unless agreed to in writing by each Party.

F. This Agreement may be executed by the Parties by facsimile and in separate counterparts, each of which when so executed will be deemed to be an original and all of which together will constitute one and the same Agreement.

G. This Agreement will be governed by and interpreted in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

Texas-New Mexico Power Company

Participant:

By: 9394F03E32ED434
Neal Walker
DocuSigned By: Neal Walker
Name: Neal Walker
Title: VP, Texas Operations
Address: 577 N Garden Ridge Blvd.
Lewisville, Texas 75067

DocuSigned by:
Judge Tommie Sappington
By: _____
Name: Tommie Sappington
Title: Judge, Montague County
Address: Main Street
Montague, TX 76251

3/ 13/ 2013


3/ 13/ 2013

ORDER GRANTING
TEMPORARY (FOUR WEEK ONLY) PERMIT AND RIGHT-OF-WAY
FOR TEMPORARY ROAD CROSSING

STATE OF TEXAS § EOG RESOURCES, INC.
COUNTY OF MONTAGUE §

Now, on this the 11th day of MARCH, 2013, at a Regular Term and Session of the Commissioners' Court of Montague County, Texas, came to be considered the application for a permit and right-of-way to lay, construct, maintain, and operate a TEMPORARY ROAD CROSSING, along, over, and across or under the County Right-of-way, of **GILMORE STONE ROAD, PCT. #3** the County of Montague, State of Texas, and the court having considered such application and is here referred to and made a part hereof, and having determined that the permit and right-of-way for such TEMPORARY ROAD CROSSING should be granted, it is accordingly ordered by the Court:

1. That the County of Montague, State of Texas, does hereby grant the right, privilege and right-of-way to **EOG RESOURCES, INC.**, to lay, construct, maintain, and operate a TEMPORARY ROAD CROSSING, along, over, across, beside or under the County Right-a-way of **GILMORE STONE ROAD, PCT. #3**, the County of Montague, State of Texas as described as a four week permit only.
2. That such TEMPORARY ROAD CROSSING, shall be maintained as not to interfere with the use and occupancy of such roads by public.
3. That any adjustments of said TEMPORARY ROAD CROSSING, required for any County Right-of-way or any other improved County Road would be at 100 per cent cost to **EOG RESOURCES, INC.**
4. That all the rights, privileges and right-of-way herein above mentioned are by this order duly vested in said **EOG RESOURCES, INC.**, its successors and assigns, without further grant or procedure.
5. That Montague County **DOES NOT ALLOW** any above ground lines to be laid on or beside roadways, that are used to transfer Oil, Gas, or Salt Water Products.



TOMMIE SAPPINGTON,
Montague County Judge

STATE OF TEXAS X EOG RESOURCES, INC.
COUNTY OF MONTAGUE X

Before me, the undersigned authority, on this day personally appeared **TOMMIE SAPPINGTON**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 11TH Day of MARCH, 2013.

MONTAGUE COUNTY
APPLICATION FOR A PERMIT AND RIGHT-OF-WAY

DATE: 2/27/13

NAME: EOG RESOURCES, INC.

ADDRESS: 1451 W BUSINESS 380 COMP #11 DECATUR, TEXAS 76234

CONTACT PERSON: SETH STOUT TELEPHONE NO. 903-243-1814

ROAD NAME: Gilmore Stone Rd

COMMISSIONER PCT. 3

GPS Coordinates: Latitude N N/A Longitude W N/A

TEMPORARY PERMANENT PLAT
ATTACHED

This document is an application for a permit and right-of-way. Please give a descriptive explanation of the work to be done:

Rd Crossing

If your application for the permit and right-of-way is approved by the Montague County Commissioners Court and an Order to grant the permit and right-of-way for such pipeline should be granted, the following is understood:

1. That such pipeline shall be so buried, cased, covered, constructed and maintained as not to interfere with the use and occupancy of such roads by public.
2. That any adjustments of said pipeline required for any State Farm to Market Road or any other improved road would be at 100 per cent cost to the applicant.
3. That all the rights, privileges and right-of-ways will be vested in said Applicant and its successors and assigns, without further grant or procedure.
4. Fees may or may not apply. If fees apply, fees need to accompany the application.
5. Notice of all applications will be sent to the Upper Trinity Groundwater Conservation District.

Source of the water:

Full Name and Address of Property Owner: EOG Resources, Inc.

Well Site Physical Address: _____ UTGCD ID: 3512

Ending Meter Reading (as displayed on meter): _____ N/A _____

Location of the use of the water N/A County: N/A

Will any of this water be transported for use outside of the District (Montague, Parker, Wise, and Hood Counties)? Yes No N/A

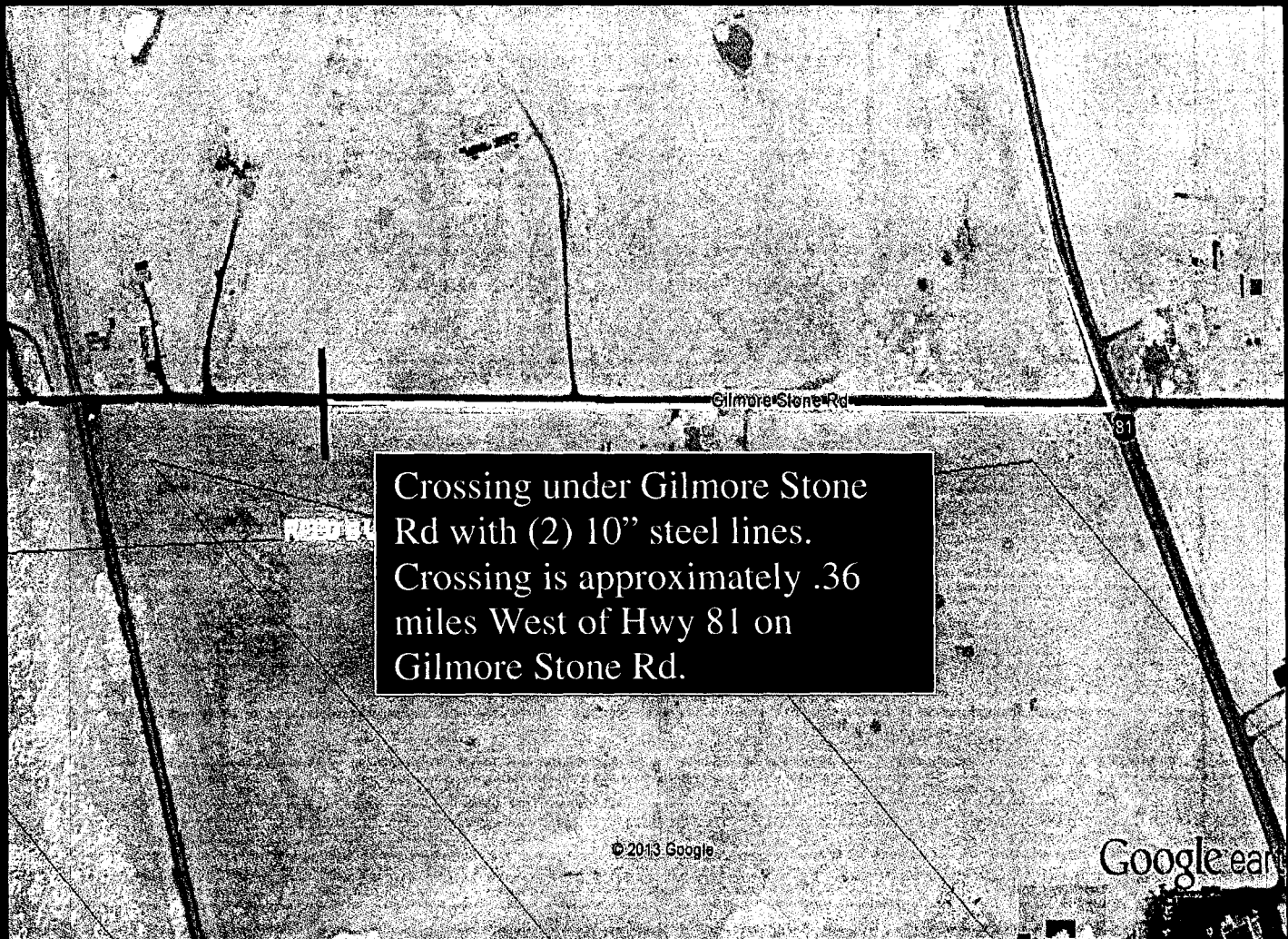
If yes, explain how the water was measured and include amount transported. _____

AFFIRMATION

I HEREBY SWEAR OR AFFIRM THAT THE INFORMATION INCLUDED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DATE 3-1-13

SIGNATURE 




ORDER GRANTING
TEMPORARY (FOUR WEEK ONLY) PERMIT AND RIGHT-OF-WAY
 TO CONSTRUCT 10" ALUMINUM FRAC LINE

STATE OF TEXAS	X	EOG RESOURCES, INC.
	X	
COUNTY OF MONTAGUE	X	

Now, on this the 11TH day of MARCH, 2013, at a Regular Term and Session of the Commissioner Court of Montague County, Texas, can on to be considered the application of for a permit and right-of-way to lay, construct, maintain, and operate a TEMPORARY 10" ALUMINUM FRAC LINE , along, over, and across or under the County Right-of-way, of APPLEGATE ROAD, PCT. #2, the County of Montague, State of Texas, and the court having considered such application and is here referred to and made a part hereof, and having determined that the permit and right-of-way for such TEMPORARY 10" ALUMINUM FRAC LINE should be granted, it is accordingly ordered by the Court:

1. That the County of Montague, State of Texas, does hereby grant the right, privilege and right-of-way to EOG RESOURCES, INC., to lay, construct, maintain, and operate a TEMPORARY 10" ALUMINUM FRAC LINE , along, over, across, beside or under the County Right-a-way of APPLEGATE ROAD, PCT. #2, the County of Montague, State of Texas as described as a four week permit only.
2. That such TEMPORARY 10" ALUMINUM FRAC LINE shall be maintained as not to interfere with the use and occupancy of such roads by public.
3. That any adjustments of said TEMPORARY 10" ALUMINUM FRAC LINE , required for any County Right-of-way or any other improved County Road would be at 100 per cent cost to EOG RESOURCES, INC.
4. That all the rights, privileges and right-of-way herein above mentioned are by this order duly vested in said EOG RESOURCES, INC., its successors and assigns, without further grant or procedure.
5. That Montague County DOES NOT ALLOW any above ground lines to be laid on or beside roadways that are used to transfer Oil, Gas, or Salt Water Products.



 Tommie Sappington, Montague Co. Judge

STATE OF TEXAS	X	EOG RESOURCES, INC.
	X	
COUNTY OF MONTAGUE	X	

Before me, the undersigned authority, on this day personally appeared TOMMIE SAPPINGTON, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 11TH Day of MARCH, 2013.

MONTAGUE COUNTY
APPLICATION FOR A PERMIT AND RIGHT-OF-WAY

DATE: 3/1/13

NAME: EOG RESOURCES, INC.

ADDRESS: 1451 W BUSINESS 380 COMP #11 DECATUR, TEXAS 76234

CONTACT PERSON: SETH STOUT TELEPHONE NO. 903-243-1814

ROAD NAME: Applegate Rd

COMMISSIONER PCT. 2

GPS Coordinates: Latitude N N/A Longitude W N/A

TEMPORARY PERMANENT PLAT
ATTACHED

This document is an application for a permit and right-of-way. Please give a descriptive explanation of the work to be done:

10" Aluminum Frac Lines

If your application for the permit and right-of-way is approved by the Montague County Commissioners Court and an Order to grant the permit and right-of-way for such pipeline should be granted, the following is understood:

1. That such pipeline shall be so buried, cased, covered, constructed and maintained as not to interfere with the use and occupancy of such roads by public.
2. That any adjustments of said pipeline required for any State Farm to Market Road or any other improved road would be at 100 per cent cost to the applicant.
3. That all the rights, privileges and right-of-ways will be vested in said Applicant and its successors and assigns, without further grant or procedure.
4. Fees may or may not apply. If fees apply, fees need to accompany the application.
5. Notice of all applications will be sent to the Upper Trinity Groundwater Conservation District.

Source of the water:

Full Name and Address of Property Owner: EOG Resources, Inc.

Well Site Physical Address: _____ UTGCD ID: 3512

Ending Meter Reading (as displayed on meter): _____ N/A _____

Location of the use of the water N/A County: N/A

Will any of this water be transported for use outside of the District (Montague, Parker, Wise, and Hood Counties)? Yes No N/A

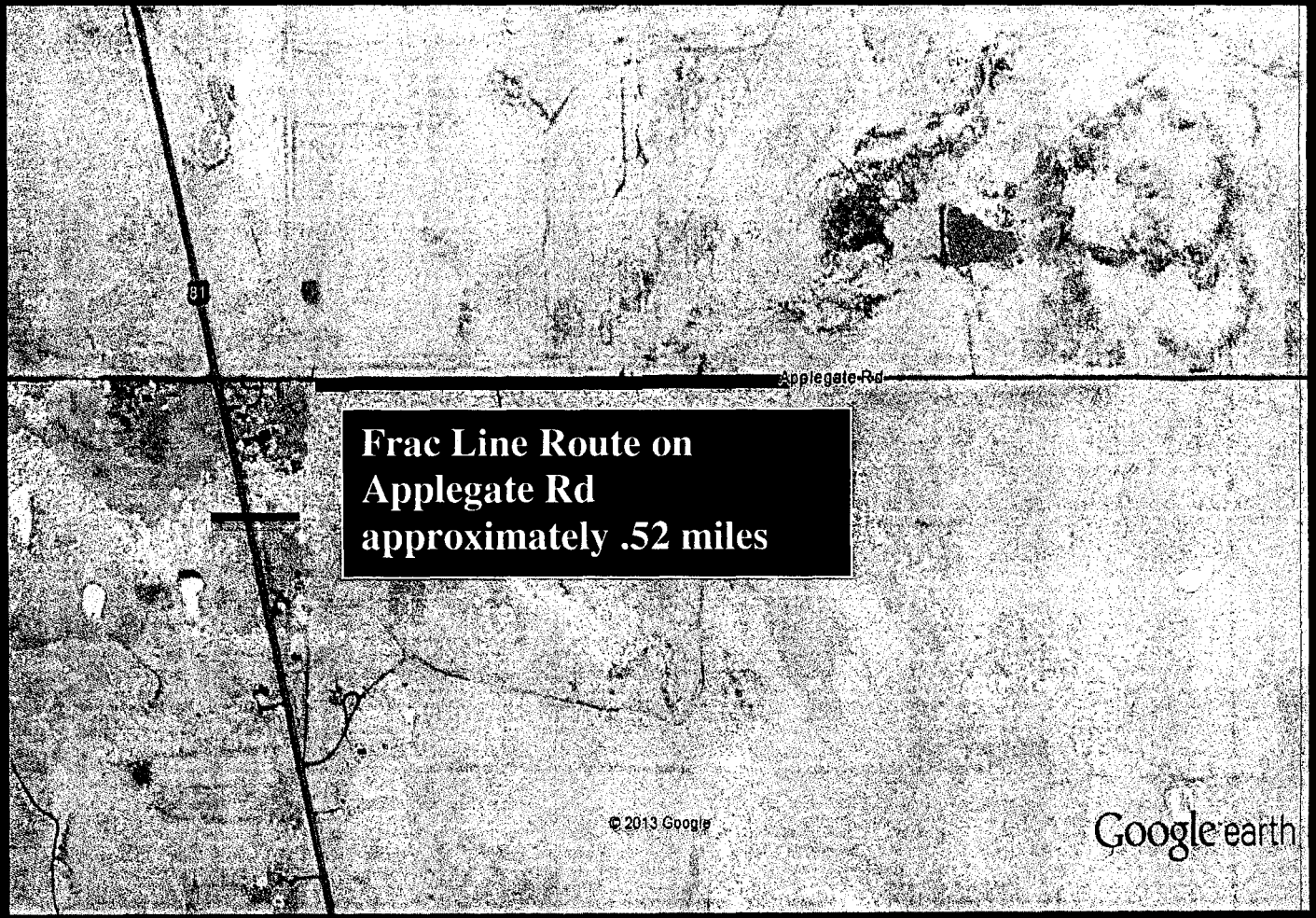
If yes, explain how the water was measured and include amount transported. _____

AFFIRMATION

I HEREBY SWEAR OR AFFIRM THAT THE INFORMATION INCLUDED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DATE 3-1-13

SIGNATURE [Signature]

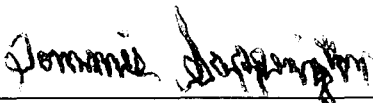


ORDER GRANTING
TEMPORARY (FOUR WEEK ONLY) PERMIT AND RIGHT-OF-WAY
 TO CONSTRUCT 10" ALUMINUM FRAC LINE

STATE OF TEXAS	X	EOG RESOURCES, INC.
	X	
COUNTY OF MONTAGUE	X	

Now, on this the 11TH day of MARCH, 2013, at a Regular Term and Session of the Commissioner Court of Montague County, Texas, can on to be considered the application of for a permit and right-of-way to lay, construct, maintain, and operate a TEMPORARY 10" ALUMINUM FRAC LINE , along, over, and across or under the County Right-of-way, of GILMORE STONE ROAD, PCT. #3, the County of Montague, State of Texas, and the court having considered such application and is here referred to and made a part hereof, and having determined that the permit and right-of-way for such TEMPORARY 10" ALUMINUM FRAC LINE should be granted, it is accordingly ordered by the Court:

1. That the County of Montague, State of Texas, does hereby grant the right, privilege and right-of-way to EOG RESOURCES, INC., to lay, construct, maintain, and operate a TEMPORARY 10" ALUMINUM FRAC LINE , along, over, across, beside or under the County Right-a-way of GILMORE STONE ROAD, PCT. #3, the County of Montague, State of Texas as described as a four week permit only.
2. That such TEMPORARY 10" ALUMINUM FRAC LINE shall be maintained as not to interfere with the use and occupancy of such roads by public.
3. That any adjustments of said TEMPORARY 10" ALUMINUM FRAC LINE , required for any County Right-of-way or any other improved County Road would be at 100 per cent cost to EOG RESOURCES, INC.
4. That all the rights, privileges and right-of-way herein above mentioned are by this order duly vested in said EOG RESOURCES, INC., its successors and assigns, without further grant or procedure.
5. That Montague County DOES NOT ALLOW any above ground lines to be laid on or beside roadways that are used to transfer Oil, Gas, or Salt Water Products.



 Tommie Sappington, Montague Co. Judge

STATE OF TEXAS	X	EOG RESOURCES, INC.
	X	
COUNTY OF MONTAGUE	X	

Before me, the undersigned authority, on this day personally appeared TOMMIE SAPPINGTON, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 11TH Day of MARCH, 2013.

MONTAGUE COUNTY
APPLICATION FOR A PERMIT AND RIGHT-OF-WAY

DATE: 2/27/13

NAME: EOG RESOURCES, INC.

ADDRESS: 1451 W BUSINESS 380 COMP #11 DECATUR, TEXAS 76234

CONTACT PERSON: SETH STOUT TELEPHONE NO. 903-243-1814

ROAD NAME: Gilmore Stone Rd

COMMISSIONER PCT. 3

GPS Coordinates: Latitude N N/A Longitude W N/A

X TEMPORARY PERMANENT X PLAT
ATTACHED

This document is an application for a permit and right-of-way. Please give a descriptive explanation of the work to be done:

10" Aluminum Frac Lines

If your application for the permit and right-of-way is approved by the Montague County Commissioners Court and an Order to grant the permit and right-of-way for such pipeline should be granted, the following is understood:

1. That such pipeline shall be so buried, cased, covered, constructed and maintained as not to interfere with the use and occupancy of such roads by public.
2. That any adjustments of said pipeline required for any State Farm to Market Road or any other improved road would be at 100 per cent cost to the applicant.
3. That all the rights, privileges and right-of-ways will be vested in said Applicant and its successors and assigns, without further grant or procedure.
4. Fees may or may not apply. If fees apply, fees need to accompany the application.
5. Notice of all applications will be sent to the Upper Trinity Groundwater Conservation District.

Source of the water:

Full Name and Address of Property Owner: EOG Resources, Inc.

Well Site Physical Address: _____ UTGCD ID: 3512

Type of Water Used:

Surface Water	_____	Percentage
Ground Water	<u> X </u>	Percentage
Both	_____	Percentage

GPS Coordinates: Latitude N/A Longitude N/A

Meter Serial Number: N/A

Beginning Meter Reading (as displayed on meter): N/A

Ending Meter Reading (as displayed on meter): N/A

Location of the use of the water N/A County: N/A

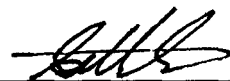
Will any of this water be transported for use outside of the District (Montague, Parker, Wise, and Hood Counties)? Yes No N/A

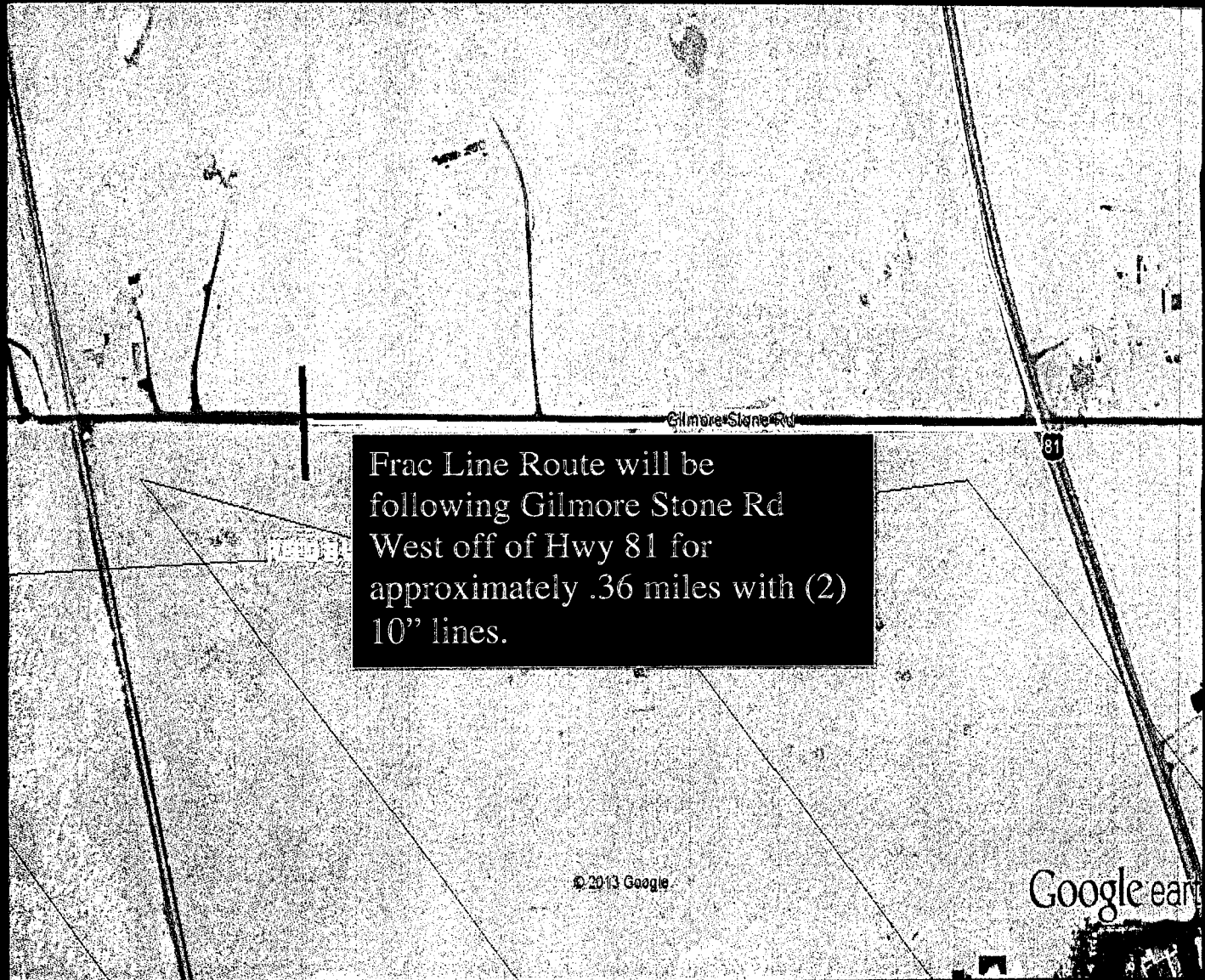
If yes, explain how the water was measured and include amount transported. _____

AFFIRMATION

I HEREBY SWEAR OR AFFIRM THAT THE INFORMATION INCLUDED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DATE 3-1-13

SIGNATURE 



Frac Line Route will be following Gilmore Stone Rd West off of Hwy 81 for approximately .36 miles with (2) 10" lines.

5147

ORDER GRANTING PERMIT AND RIGHT-OF-WAY TO CONSTRUCT GAS PIPELINE

STATE OF TEXAS X PIONEER NATURAL RESOURCES
COUNTY OF MONTAGUE X

Now, on this the 11th day MARCH, 2013, at a regular Term and Session of the Commissioner's Court of Montague County, Texas, can on to be considered the application of PIONEER NATURAL RESOURCES USA, INC. for a permit and right-of-way to lay, construct, maintain, operate a ROAD CROSSING on PICKET RUN ROAD ROAD located in Precinct #2 of the County of Montague, State of Texas, and the court having considered such application which is here referred to and made a part hereof, and having determined that the permit and right-of-way for such pipeline should be granted, it is accordingly ordered by the Court:

- 1. That the County of Montague, State of Texas, does hereby grant the right, privilege and right-of-way to PIONEER NATURAL RESOURCES USA, INC., to lay, construct, maintain, operate a pipeline along, over, across or under the public roads, streets, alleyways of the County of Montague, State of Texas.
2. That such pipeline shall be so buried, cased, covered, constructed and maintained as not to interfere with the use and occupancy of such roads by public. Said pipeline shall be buried 3 feet below bar ditches.
3. That any adjustments of said pipeline required for any State Farm to Market Road or any other improved road would be at 100 per cent cost to PIONEER NATURAL RESOURCES USA, INC.
4. That all the rights, privileges and right-of-way herein above mentioned are by this order duly vested in said PIONEER NATURAL RESOURCES USA, INC., its successors and assigns, without further grant or procedure.

Tommie Sappington, County Judge

STATE OF TEXAS X PIONEER NATURAL RESOURCES
COUNTY OF MONTAGUE X

Before me, the undersigned authority, on this personally appeared Tommie Sappington, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 11th day of MARCH, 2013.

My commission expires:

#5147

MONTAGUE COUNTY
APPLICATION FOR A PERMIT AND RIGHT-OF-WAY

DATE: February 27, 2013

NAME: Pioneer Natural Resources USA, Inc.

ADDRESS: 925 University Drive, Fort Worth, Texas 76107

CONTACT PERSON: Beverly Davis TELEPHONE NO. 817-408-7777

ROAD NAME: Picket Run Road COMMISSIONER PCT. 1 (2) 3

GPS Coordinates: Latitude 33°28'13.6522" Longitude 97°49'42.6474"

(GPS Coordinates for Road Crossings)
 TEMPORARY X PERMANENT PLAT ATTACHED

This document is an application for a permit and right-of-way. Please give a descriptive explanation of the work to be done:

Pioneer Natural Resources is proposing to install a natural gas pipeline under the above named County Road as depicted on the attached location drawing.

If your application for the permit and right-of-way is approved by the Montague County Commissioners Court and an Order to grant the permit and right-of-way for such pipeline should be granted, the following is understood:

1. That such pipeline shall be so buried, cased, covered, constructed and maintained as not to interfere with the use and occupancy of such roads by public.
2. That any adjustments of said pipeline required for any State Farm to Market Road or any other improved road would be at 100 per cent cost to the applicant.
3. That all the rights, privileges and right-of-ways will be vested in said Applicant and its successors and assigns, without further grant or procedure.
4. Fees may or may not apply. If fees apply, fees need to accompany the application.
5. Notice of all applications will be sent to the Upper Trinity Groundwater Conservation District.

Source of the water: _____

Full Name and Address of Property Owner: _____

Well Site Physical Address: _____ UTGCD ID#: _____

Type of Water Used: _____

Meter Serial Number: _____

Beginning Meter Reading (as displayed on meter): _____

Ending Meter Reading (as displayed on meter): _____

Location of the use of the water: _____ County: _____

Will any of this water be transported for use outside of the District (Montague, Parker, Wise, and Hood Counties)?
Yes No

If yes, explain how the water was measured and include amount transported. _____

AFFIRMATION

I HEREBY SWEAR OR AFFIRM THAT THE INFORMATION INCLUDED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DATE March 4, 2013

SIGNATURE Suevely Davis
TRWA Permit Lead
Pioneer Resources USA, INC.

MONTAGUE COUNTY, TEXAS

ABRAHAM PEA SURVEY, A-589



LOCATION MAP
N.T.S.

County Clerks Memo:
Portions of this document are
not legible and/or reproducible
when received, but recorded at
customers request.

[Signature]
Deputy



**Know what's below.
Call before you dig.**

TRWA, INC.
927 UNIVERSITY DRIVE
FORT WORTH, TEXAS 76107
817-361-8839

TEXAS RIGHT OF WAY ASSOCIATES
MAPPING DIVISION
LICENSE NO. 1013680

COPYRIGHT © 2012

PROPOSED PIPELINE LOCATION
PIONEER NATURAL RESOURCES USA, INC.
CROSSING COUNTY ROAD
PICKET RUN ROAD
ABRAHAM PEA SURVEY, A-589

DRAWN BY: B.L.	DATE: 02/19/13	SML109 3.0_ PICKET RUN ROAD
CHECKED BY: E.S.H.	DATE: 02/19/13	
SCALE: N.T.S.	PAGE: 1 OF 1	

MONTAGUE COUNTY,

TEXAS