



# **TOM GREEN COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2011**

**TOM GREEN COUNTY, TEXAS**

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# **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Honorable County Judge and Members of the  
Commissioners' Court of Tom Green County  
San Angelo, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tom Green County, Texas as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Tom Green County, Texas' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tom Green County, Texas, as of September 30, 2011, and the respective changes in financial position thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in the notes to the financial statements, the County adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 36 through 41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is also not a required part of the financial statements. The combining fund statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

March 16, 2012

**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Tom Green County**

As management of Tom Green County, Texas, we offer readers of Tom Green County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2011. We encourage readers to consider the information presented here with the County's financial statements which follow.

#### **FINANCIAL HIGHLIGHTS**

- The assets of Tom Green County exceeded its liabilities as of September 30, 2011, by \$52,496,460. Of this amount, \$10,625,091 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors in accordance with the County's fund designations and fiscal policies.
- The County's total net assets increased by \$6,109,973.
- As of the close of the current fiscal year, Tom Green County's governmental funds reported a combined ending fund balance of \$15,973,692, a decrease of \$3,857,186 compared to the prior year.
- The unassigned fund balance for the General Fund was \$9,713,218 or 30% of total General Fund expenditures. Unassigned fund balance decreased (3)% from the prior year's unreserved fund balance.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

***Government-wide Financial Statements:*** The government-wide financial statements are designed to provide readers with a broad overview of Tom Green County's finances in a manner similar to a private sector business. The *Statement of Net Assets* presents information on all of the County's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Tom Green County is improving or deteriorating.

The *Statement of Activities* presents a comparison between direct expenses and revenues for each of the County's functions or programs. Direct expenses are those that are specially associated with an activity and are clearly identifiable with that activity. Program revenues include charges paid by the recipient of services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not programmatic are presented as general revenues. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Tom Green County that are principally supported by taxes and intergovernmental revenues. The governmental activities of Tom Green County include general government, public safety, conservation, highways and streets, health and welfare, and culture and recreation. Tom Green County has no business-type activities.

***Fund Financial Statements:*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Tom Green County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are categorized as either governmental funds or fiduciary funds.

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

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

Tom Green County maintains 36 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Texas Juvenile Probation Contracts Fund, the Beacon to the Future Fund, and the 2009 TAN Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Tom Green County adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General Fund, the Texas Juvenile Probation Contracts Fund, the Beacon to the Future Fund, and the 2009 TAN Capital Projects Fund to demonstrate compliance with this budget. More information is available concerning the County's budget by reviewing the approved annual budget on file with the Tom Green County Clerk.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are *not* available to support Tom Green County’s own programs.

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

**Supplementary Information:** GASB Statement No. 34 also requires that certain information be presented in the required supplementary information immediately following the notes to the financial statements. Combining fund statements can also be found following this section.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of the County’s financial position. In the case of Tom Green County, assets exceeded liabilities by \$52,496,460 at the close of the fiscal year.

Tom Green County’s investment in capital assets (e.g. land, buildings, furniture and equipment, and roads and bridges), less any related outstanding debt used to acquire those assets, is 72% of net assets. Tom Green County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Tom Green County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Of the remaining net assets, \$10,625,091 of net assets are unrestricted and may be used to meet the County’s ongoing obligations to citizens and creditors, and 7%, \$3,925,515, of net assets is restricted.

**TOM GREEN COUNTY’S NET ASSETS**

	Governmental Activities	
	2011	2010
Current assets	\$ 19,634,063	\$ 24,635,495
Capital assets	<u>48,775,776</u>	<u>41,629,455</u>
Total assets	<u>68,409,839</u>	<u>66,264,950</u>
Current liabilities	1,494,059	3,210,013
Long-term liabilities	<u>14,419,320</u>	<u>16,668,450</u>
Total liabilities	<u>15,913,379</u>	<u>19,878,463</u>
Net assets:		
Invested in capital assets, net of related debt	37,945,854	33,109,329
Restricted	3,925,515	2,626,983
Unrestricted	<u>10,625,091</u>	<u>10,650,175</u>
Total net assets	<u>\$ 52,496,460</u>	<u>\$ 46,386,487</u>

As of September 30, 2011, the County has positive balances in all categories of net assets.

## TOM GREEN COUNTY'S CHANGES IN NET ASSETS

	Governmental Activities	
	2011	2010
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 6,807,672	\$ 6,245,626
Operating grants and contributions	3,311,162	2,793,019
Capital grants and contributions	4,023,674	5,810,727
General revenues:		
Property taxes	23,230,386	21,921,808
Other taxes	7,055,653	6,502,299
Investment earnings	71,114	103,072
Miscellaneous	87,516	496,390
Total revenues	44,587,177	43,872,941
<b>EXPENSES</b>		
General government	12,711,711	11,307,867
Public safety	19,094,162	19,234,214
Highways and streets	2,501,753	2,844,591
Conservation	128,504	366,212
Health and welfare	843,969	789,163
Culture and recreation	2,801,313	2,256,677
Interest on long-term debt	395,792	471,459
Total expenses	38,477,204	37,270,183
<b>CHANGE IN NET ASSETS</b>	6,109,973	6,602,758
<b>NET ASSETS, BEGINNING</b>	46,386,487	39,783,729
<b>NET ASSETS, ENDING</b>	\$ 52,496,460	\$ 46,386,487

### FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As noted earlier, Tom Green County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At the end of the 2011 fiscal year, Tom Green County's governmental funds reported a combined ending fund balance of \$15,973,692, a decrease of \$3,857,186 compared with the prior year.

The General Fund is the chief operating fund of Tom Green County. At the end of fiscal year 2011, the General Fund had a fund balance of \$10,021,138 with \$307,920 classified as nonspendable and assigned. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 30% of total General Fund expenditures. In addition, overall revenue in the General Fund increased \$1,909,173 from 2010, and General Fund expenditures increased \$766,212 in the same time.

**Descriptions of Functions/Programs:**

**General Government:** The costs associated with management and support departments (e.g. Purchasing, Human Resources, and Risk Management), operations of the court systems and prosecution offices (District and County Courts, Justices of the Peace, District and County Attorneys), costs of maintaining public facilities including the Justice Center and the Juvenile Detention Center, the Elections Department, and financial administration for the County.

**Public Safety:** The costs associated with the investigation and arrest of individuals suspected to be involved in criminal activities as well as costs associated with emergency services (i.e. Sheriff’s Department, Constables, and Volunteer Fire Departments), in addition to the operations of the court systems and prosecution offices (District and County Courts, Justices of the Peace, District and County Attorneys).

**Conservation:** Includes support for the agriculture and homemakers extension office.

**Highways and Streets:** The costs associated with County road and bridge departments and maintaining the County’s infrastructure.

**Health and Welfare:** The costs associated with providing health benefits to citizens of the County (i.e. Indigent Health Care, Mental Health Unit, and contributions to support organizations).

**Culture and Recreation:** The costs associated with the operations of the County Library and Parks.

**Interest on Long-term Debt:** The finance charges associated with debt issuances for construction of County facilities.

**Capital Assets and Debt Administration**

The County’s investment in capital assets for its governmental activities as of September 30, 2011, amounts to \$48,775,776, net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, infrastructure (roads and bridges), equipment, and furnishings. In addition, the County capitalized the following amounts during the year in completing capital projects or purchasing assets:

Construction in progress	\$	13,952
Buildings		8,280,552
Machinery and equipment		1,894,491
Infrastructure		135,690

## CAPITAL ASSETS

	Historical Cost	Accumulated Depreciation	Net Investment
Land	\$ 3,775,853	\$ -	\$ 3,775,853
Construction in progress	13,952	-	13,952
Buildings and improvements	60,231,779	22,244,488	37,987,291
Improvements other than buildings	57,870	24,837	33,033
Machinery and equipment	13,861,489	9,528,995	4,332,494
Infrastructure	21,319,325	18,686,172	2,633,153
Total	\$ 99,260,268	\$ 50,484,492	\$ 48,775,776

## LONG-TERM DEBT

At the end of the current fiscal year, the County's long-term outstanding debt was as follows:

	Original Amount	Interest Rate	Balance 09/30/11
General obligation refunding bonds, Series 2008	\$ 7,265,000	2.65%	\$ 2,745,000
Tax anticipation note, 2009	8,350,000	2.5%	8,350,000
Tax anticipation note, 2007	1,850,000	4%	1,690,000
Sales taxes payable, State of Texas	950,350	None	369,600
Loss on refunding	( 113,128)	N/A	( 56,563)
Bond premium	80,921	N/A	67,434
Compensated absences	N/A	N/A	1,018,821
Net OPEB obligation	N/A	N/A	235,028
Total			\$ 14,419,320

### General Fund Budgetary Highlights

The Commissioners' Court made revisions during the year to the original appropriations approved for the 2011 fiscal year budget. These revisions were mainly transfers within departments necessary to cover the expenditures of office. In fiscal year 2011, the major budget increases once again centered on rising health insurance premiums for County employees. The County revised the plan structure in an effort to mitigate future costs.

Also in 2011, the Beacon to the Future campaign project came to a close with the opening of the Stephens Central Library in April of 2011. The new library is a state of the art facility and a showpiece for the County. Later in 2011, work was also completed on the County's North Bryant Street building. This building was renovated to house the Community Supervision and Corrections Department, the Collection and Compliance Office, and the Justice of the Peace for Precinct 3. The County has moved on to numerous other renovation projects to maintain its assets and provide space for County offices.

In a year that saw level or reduced anticipated revenues due to economic conditions, the County was able to budget effectively in 2011 and end the year with an adequate safety net in its fund balance. Employee pay was kept static, and budgeted line items were trimmed in most departments. Difficult decisions were necessary to accomplish this goal, such as reducing the Parks department staffing level to prioritize expenditures and use tax dollars most effectively. The Commissioners' Court dealt seriously with these matters and put considerable effort into the 2011 budget process, which has left the County in a stable position entering fiscal year 2012.

## **ECONOMIC FACTORS**

During fiscal year 2011, the County saw limited improvement in local economic conditions. Sales tax revenue rebounded and most recently in early fiscal year 2012, sales tax collection data shows a return to overall gains compared to any time in the preceding five years. The County is still cautious but has reason for a more optimistic look at the local economy. The County's debt remains relatively low and its equity has been preserved during difficult times in the last three years. The County is positioned well to meet the challenges in future budgets.

## **FUTURE BUDGET CONCERNS**

The County has completed major software projects and capital improvements that have dominated budgets for the prior four years. The County continues to budget and plan for other capital improvements to maintain its assets and provide suitable space for public business and County employees. Renovations to County buildings will be a part of future budgets in the foreseeable future. In addition, rising costs for indigent legal representation will require the County's diligence in future budgets to bring about a solution. Key officials have begun developing a plan to address specific cost centers and case types that will also explore options for State funding. The County has and continues to make efforts at improving cost efficiencies with each budget in various other areas. From re-organizing administrative departments to eliminating duplication of effort by transferring duties and positions to State funded departments, the County will continue to examine cost cutting measures to better utilize taxpayer funds.

## **REQUESTS FOR INFORMATION**

The financial report is designed to provide a general overview of Tom Green County's finances for all those with an interest in the County's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

Auditor's Office  
112 W. Beauregard Ave  
San Angelo TX 76903-5850

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**BASIC  
FINANCIAL STATEMENTS**

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# TOM GREEN COUNTY, TEXAS

## STATEMENT OF NET ASSETS

SEPTEMBER 30, 2011

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 5,549,344
Investments	10,006,705
Receivables (net of allowances for uncollectibles)	3,463,482
Due from other governments	413,404
Prepaid expenses	23,643
Inventory	35,663
Deferred charges	141,822
Capital assets:	
Land	3,775,853
Construction in progress	13,952
Buildings	60,231,779
Improvements other than buildings	57,870
Furniture and equipment	13,861,489
Infrastructure	21,319,325
Less: accumulated depreciation	<u>( 50,484,492)</u>
Total capital assets	<u>48,775,776</u>
Total assets	<u>68,409,839</u>
<b>LIABILITIES</b>	
Accounts payable	1,079,268
Accrued liabilities	355,068
Accrued interest	59,723
Noncurrent liabilities:	
Due within one year	2,553,364
Due in more than one year	<u>11,865,956</u>
Total liabilities	<u>15,913,379</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	37,945,854
Restricted for:	
Debt service	148,200
Juvenile Probation	1,316,068
Other	2,461,247
Unrestricted	<u>10,625,091</u>
Total net assets	<u>\$ 52,496,460</u>

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

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**TOM GREEN COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
General government	\$ 12,711,711	\$ 3,178,638	\$ 910,926	\$ -	\$( 8,622,147)
Public safety	19,094,162	1,797,703	1,842,445	-	( 15,454,014)
Highways and streets	2,501,753	1,687,325	-	-	( 814,428)
Conservation	128,504	47,695	-	-	( 80,809)
Health and welfare	843,969	8,474	45,290	-	( 790,205)
Culture and recreation	2,801,313	87,837	512,501	4,023,674	1,822,699
Interest on long-term debt	<u>395,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 395,792)</u>
Total governmental activities	<u>\$ 38,477,204</u>	<u>\$ 6,807,672</u>	<u>\$ 3,311,162</u>	<u>\$ 4,023,674</u>	<u>( 24,334,696)</u>
<b>General revenues:</b>					
Taxes:					
					20,733,646
					2,496,740
					6,782,983
					272,670
					71,114
					<u>87,516</u>
					30,444,669
					6,109,973
					<u>46,386,487</u>
					<u>\$ 52,496,460</u>

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

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# TOM GREEN COUNTY, TEXAS

## BALANCE SHEET

### GOVERNMENTAL FUNDS

**SEPTEMBER 30, 2011**

	General	Texas Juvenile Probation Contracts	Beacon to the Future	2009 TAN	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 643,613	\$ 1,326,967	\$ 51	\$ 2,137,522	\$ 1,441,191	\$ 5,549,344
Investments	8,650,782	-	-	-	1,355,923	10,006,705
Receivables (net of allowances for uncollectibles):						
Accounts	1,223,278	-	-	30	37,215	1,260,523
Taxes:						
Property	882,649	-	-	-	112,249	994,898
Sales	1,157,380	-	-	-	-	1,157,380
Mixed beverage	50,681	-	-	-	-	50,681
Due from other funds	267,272	-	-	-	25,975	293,247
Due from other governments	150,156	22,855	-	-	240,393	413,404
Inventory	35,663	-	-	-	-	35,663
Prepaid items	23,443	-	-	-	200	23,643
Total assets	\$ <u>13,084,917</u>	\$ <u>1,349,822</u>	\$ <u>51</u>	\$ <u>2,137,552</u>	\$ <u>3,213,146</u>	\$ <u>19,785,488</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 752,879	\$ 33,754	\$ 21,600	\$ 171,603	\$ 99,432	\$ 1,079,268
Accrued liabilities	331,419	-	-	-	23,649	355,068
Due to other funds	-	-	-	-	293,247	293,247
Deferred revenue	1,979,481	-	-	-	104,732	2,084,213
Total liabilities	3,063,779	33,754	21,600	171,603	521,060	3,811,796
Fund balances:						
Nonspendable	59,106	-	-	-	200	59,306
Restricted	-	1,316,068	-	1,965,949	2,461,247	5,743,264
Assigned	248,814	-	-	-	232,061	480,875
Unassigned	9,713,218	-	( 21,549)	-	( 1,422)	9,690,247
Total fund balances	10,021,138	1,316,068	( 21,549)	1,965,949	2,692,086	15,973,692
Total liabilities and fund balances	\$ <u>13,084,917</u>	\$ <u>1,349,822</u>	\$ <u>51</u>	\$ <u>2,137,552</u>	\$ <u>3,213,146</u>	\$ <u>19,785,488</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	48,775,776
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not included in fund balance.	2,084,213
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the fund.	( 14,337,221)
Net assets of governmental activities	\$ <u>52,496,460</u>

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

# TOM GREEN COUNTY, TEXAS

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

### GOVERNMENTAL FUNDS

**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	General	Texas Juvenile Probation Contracts	Beacon to the Future	2009 TAN	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 27,746,762	\$ -	\$ -	\$ -	\$ 2,497,940	\$ 30,244,702
Fees of office	2,443,810	-	-	-	1,632,051	4,075,861
Intergovernmental	1,068,451	831,860	-	-	1,106,180	3,006,491
Fines and forfeitures	1,041,797	-	-	-	30,306	1,072,103
Licenses and permits	31,077	-	-	-	633,316	664,393
Donations	30,517	-	4,023,674	-	360,410	4,414,601
Investment income	20,410	1,157	572	45,666	3,447	71,252
Miscellaneous	375,168	-	-	-	67,560	442,728
Total revenues	<u>32,757,992</u>	<u>833,017</u>	<u>4,024,246</u>	<u>45,666</u>	<u>6,331,210</u>	<u>43,992,131</u>
<b>EXPENDITURES</b>						
Current:						
General government	10,717,148	-	-	-	512,791	11,229,939
Public safety	16,353,618	775,006	-	-	713,393	17,842,017
Highways and streets	-	-	-	-	1,800,347	1,800,347
Conservation	128,286	-	-	-	-	128,286
Health and welfare	842,541	-	-	-	-	842,541
Culture and recreation	1,900,532	-	-	-	91,574	1,992,106
Debt service:						
Principal	39,600	-	-	-	2,280,000	2,319,600
Interest and other charges	-	-	-	-	367,087	367,087
Capital outlay	2,094,961	5,932	4,168,830	4,630,094	473,606	11,373,423
Total expenditures	<u>32,076,686</u>	<u>780,938</u>	<u>4,168,830</u>	<u>4,630,094</u>	<u>6,238,798</u>	<u>47,895,346</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>681,306</u>	<u>52,079</u>	<u>( 144,584)</u>	<u>( 4,584,428)</u>	<u>92,412</u>	<u>( 3,903,215)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from sale of capital assets	40,336	-	-	-	5,693	46,029
Transfers in	300,040	-	82,500	-	708,613	1,091,153
Transfers out	( 708,613)	-	-	-	( 382,540)	( 1,091,153)
Total other financing sources and uses	<u>( 368,237)</u>	<u>-</u>	<u>82,500</u>	<u>-</u>	<u>331,766</u>	<u>46,029</u>
<b>NET CHANGE IN FUND BALANCES</b>	313,069	52,079	( 62,084)	( 4,584,428)	424,178	( 3,857,186)
<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<u>9,708,069</u>	<u>1,263,989</u>	<u>40,535</u>	<u>6,550,377</u>	<u>2,267,908</u>	<u>19,830,878</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 10,021,138</u>	<u>\$ 1,316,068</u>	<u>\$ ( 21,549)</u>	<u>\$ 1,965,949</u>	<u>\$ 2,692,086</u>	<u>\$ 15,973,692</u>

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

**TOM GREEN COUNTY, TEXAS**

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Net change in fund balances - total governmental funds: \$( 3,857,186)

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. 7,171,339

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold. ( 25,019)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 595,046

Governmental funds report repayment of long-term debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. 2,319,600

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds. ( 93,807)

Change in net assets of governmental activities \$ 6,109,973

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

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**TOM GREEN COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2011**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 2,203,244
Investments	1,244,571
Accounts receivable	<u>44,289</u>
Total assets	<u>\$ 3,492,104</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 2,457,246
Due to other governments	<u>1,034,858</u>
Total liabilities	<u>\$ 3,492,104</u>

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

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# TOM GREEN COUNTY, TEXAS

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The County of Tom Green is an independent governmental entity created under the laws of the State of Texas. The County is governed by an elected Commissioners' Court. The financial statements of the County include all funds and agencies over which the County exercises oversight responsibilities, accountability or with which the County has a special financial relationship. The County has no component units.

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County has no business-type activities.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

(continued)

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County has 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 ***Texas Juvenile Probation Contracts Fund*** is used to account for the accumulation of state funding for the Tom Green County Juvenile Probation and Detention departments. It accounts separately for each revenue stream from the Texas Juvenile Probation Commission for the operation of offender supervision and rehabilitation.

The ***Beacon to the Future Fund*** is used to account for donations received in a public campaign to raise funds for the construction and renovation of a new public library. Donations received into this fund are expended for construction purposes as well as to establish a long-term trust to fund some basic library services in the future.

The ***2009 TAN Fund*** is used to account for the acquisition, renovation, and furnishing of a building and land for various County offices including probation offices, justice of the peace offices, and a courtroom. It will also be used to account for improvements to the County courthouse.

Additionally, the County reports the following fund types:

***Agency Funds*** are used to account for assets held by the County as an agent for individuals, private organizations or other governments. These assets are funds held by various County officials for fees due to other governments or beneficiaries. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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 Governmental Accounting Standards Board.

(continued)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments between various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 revenue. Likewise, general revenue includes all taxes.

**D. Assets, Liabilities and Net Assets or Equity**

**Deposits and Investments**

The County's cash and investments consist of cash on hand, demand deposits, and investment pools.

Investments for the County are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations. The reported value of the pools are the same as the fair value of the pool shares.

**Receivables and Payables**

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

All property tax receivables are shown net of an allowance for uncollectibles.

Taxes are due October 1 and become delinquent after January 31. No split payments or discounts are allowed. Penalties and Interest: (a) a delinquent tax incurs a penalty of six percent of the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax on July 1 incurs a total penalty of 12 percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent; (b) a delinquent tax accrues interest at a rate of one percent for each month or portion of a month the tax remains unpaid; and an additional penalty up to a maximum of 15% of taxes, penalty and interest may be imposed to defray costs of collection for taxes delinquent after July 1.

(continued)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**D. Assets, Liabilities and Net Assets or Equity** (Continued)

**Prepaid Items**

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

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$3,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure (roads and bridges)	20
Buildings and improvements	20 - 30
Vehicles	5
Machinery and equipment	3 - 15

**Compensated Absences**

It is the County's policy to permit employees to accumulate earned but not unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

(continued)

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### D. Assets, Liabilities and Net Assets or Equity (Continued)

#### Long-term Obligations (Continued)

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.

#### Fund Balance Classification

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

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by board resolution of the Commissioners' Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners' Court or County Judge.

(continued)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. **Assets, Liabilities and Net Assets or Equity** (Continued)

**Fund Balance Classification** (Continued)

- Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

**Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

2. **RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, “Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(14,337,221) difference are as follows:

Bonds, notes and capital leases	\$( 13,154,600)
Deferred charges - bonds	141,822
Accrued interest payable	( 59,723)
Compensated absences	( 1,018,821)
Net OPEB obligation	( 235,028)
Loss on refunding	56,563
Bond premium	<u>( 67,434)</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$( 14,337,221)</u></u>

(continued)

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(Continued)

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

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$7,171,339 difference are as follows:

Capital outlay	\$ 10,324,685
Depreciation expense	<u>( 3,153,346)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 7,171,339</u>

Another element of that reconciliation states, “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The details of this \$595,046 difference are as follows:

Property tax revenue	\$ 41,337
Court fines	<u>553,709</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 595,046</u>

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$(93,807) difference are as follows:

Compensated absences	\$ 1,443
Accrued interest	10,152
Increase in Net OPEB Obligation	( 66,545)
Amortized loss on refunding	( 18,855)
Amortized bond issuance costs	( 33,489)
Amortized bond premium	<u>13,487</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$( 93,807)</u>

### 3. DETAILED NOTES ON ALL FUNDS

#### Deposits and Investments

As of September 30, 2010, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
Texas CLASS	\$ 6,025,897	30
TexPool	2,000,357	44
TexPool Prime	<u>2,000,489</u>	34
Total fair value	<u>\$ 10,026,743</u>	
Portfolio weighted average maturity (days)		36

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U. S. Treasury, certain U. S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

The County's investment pools are 2a7-like pools. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

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

#### **Interest Rate Risk**

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

(continued)

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Deposits and Investments** (Continued)

**Custodial Credit Risk**

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2011, the County's deposit balance was collateralized with securities held by the pledging financial institution or covered by FDIC insurance.

**Credit Risk**

It is the County's policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The County's investment pools are rated as follows by Standard & Poor's Investors Service.

Texas CLASS	AAAm
TexPool	AAAm
TexPool Prime	AAAm

**Receivables**

Receivables as of year-end for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>2009 TAN</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Receivables:				
Taxes	\$ 2,218,731	\$ -	\$ 137,158	\$ 2,355,889
Accounts	<u>3,903,656</u>	<u>30</u>	<u>37,215</u>	<u>3,940,901</u>
Gross receivables	6,122,387	30	174,373	6,296,790
Less: allowance for uncollectibles	<u>2,808,399</u>	<u>-</u>	<u>24,909</u>	<u>2,833,308</u>
Net total receivables	<u>\$ 3,313,988</u>	<u>\$ 30</u>	<u>\$ 149,464</u>	<u>\$ 3,463,482</u>

(continued)

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### Receivables (Continued)

Governmental funds report *deferred revenue* in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
General:	
Delinquent property taxes receivable	\$ 825,497
Court fines receivable	1,148,734
Other governmental:	
Delinquent property taxes receivable	<u>104,732</u>
Governmental funds	<u>\$ 2,078,963</u>

#### Capital Assets

Capital asset activity for the year ended September 30, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,775,853	\$ -	\$ -	\$ 3,775,853
Construction in progress	<u>11,287,936</u>	<u>13,952</u>	<u>( 11,287,936)</u>	<u>13,952</u>
Total capital assets being depreciated	<u>15,063,789</u>	<u>13,952</u>	<u>( 11,287,936)</u>	<u>3,789,805</u>
Capital assets, being depreciated:				
Buildings	40,663,291	19,568,488	-	60,231,779
Improvements other than buildings	57,870	-	-	57,870
Infrastructure	21,183,635	135,690	-	21,319,325
Machinery and equipment	<u>12,536,709</u>	<u>1,894,491</u>	<u>( 569,711)</u>	<u>13,861,489</u>
Total capital assets being depreciated	<u>74,441,505</u>	<u>21,598,669</u>	<u>( 569,711)</u>	<u>95,470,463</u>
Less accumulated depreciation:				
Buildings	( 20,850,605)	( 1,393,883)	-	( 22,244,488)
Improvements other than buildings	( 21,943)	( 2,894)	-	( 24,837)
Infrastructure	( 18,379,028)	( 307,144)	-	( 18,686,172)
Machinery and equipment	<u>( 8,624,263)</u>	<u>( 1,449,425)</u>	<u>544,693</u>	<u>( 9,528,995)</u>
Total accumulated depreciation	<u>( 47,875,839)</u>	<u>( 3,153,346)</u>	<u>544,693</u>	<u>( 50,484,492)</u>
Total capital assets being depreciated, net	<u>26,565,666</u>	<u>18,445,323</u>	<u>( 25,018)</u>	<u>44,985,971</u>
Governmental activities capital assets, net	<u>\$ 41,629,455</u>	<u>\$ 18,459,275</u>	<u>\$ ( 11,312,954)</u>	<u>\$ 48,775,776</u>

(continued)

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Capital Assets** (Continued)

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

Governmental activities:	
General government	\$ 1,210,229
Public safety	1,219,814
Highways and streets	697,499
Culture and recreation	<u>25,804</u>
	<u>\$ 3,153,346</u>

**Interfund Receivables, Payables and Transfers**

**Due to/from other funds:**

	<u>Due to</u>
	<u>Nonmajor</u>
	<u>Funds</u>
Due from:	
General	\$ 267,272
Nonmajor	<u>25,975</u>
Total	<u>\$ 293,247</u>

These balances resulted from the time lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

**Interfund transfers:**

	<u>Transfers out</u>		
	<u>General</u>	<u>Nonmajor</u>	
		<u>Funds</u>	<u>Total</u>
Transfer in:			
General	\$ -	\$ 300,040	\$ 300,040
Nonmajor governmental funds	708,613	-	708,613
Beacon to the Future	<u>-</u>	<u>82,500</u>	<u>82,500</u>
Total transfers	<u>\$ 708,613</u>	<u>\$ 382,540</u>	<u>\$ 1,091,153</u>

Transfers are used to: (1) move revenues from the fund required by statute or budget to collect them to the fund required by budget to expend them; and (2) fund the County's match portion for grants.

(continued)

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### Fund Balance

As of September 30, 2011, governmental fund balance is composed of the following:

<u>Fund Balance Classification</u>	<u>General</u>	<u>Texas Juvenile Probation Contracts</u>	<u>Beacon to the Future</u>	<u>2009 TAN</u>	<u>Other Governments</u>	<u>Totals</u>
Nonspendable:						
Inventories	\$ 35,663	\$ -	\$ -	\$ -	\$ -	\$ 35,663
Prepaid expenditures	23,443	-	-	-	200	23,643
Restricted:						
Retirement of long-term debt	-	-	-	1,965,949	44,890	2,010,839
Road and bridge	-	-	-	-	650,451	650,451
Library services	-	-	-	-	328,107	328,107
Federal and state programs	-	1,316,068	-	-	38,600	1,354,668
Judicial services	-	-	-	-	96,167	96,167
County clerk	-	-	-	-	610,426	610,426
District clerk	-	-	-	-	120,260	120,260
Justice courts	-	-	-	-	69,713	69,713
Courthouse security	-	-	-	-	85,761	85,761
District attorney	-	-	-	-	25,339	25,339
County attorney	-	-	-	-	207,119	207,119
Veterans' services	-	-	-	-	8,825	8,825
Juvenile services	-	-	-	-	102	102
Election services	-	-	-	-	175,487	175,487
Assigned:						
Library services	-	-	-	-	232,061	232,061
2012 budget requirement	16,767	-	-	-	-	16,767
Road and bridge	194,602	-	-	-	-	194,602
Judicial services	37,445	-	-	-	-	37,445
Unassigned	<u>9,713,218</u>	<u>-</u>	<u>( 21,549)</u>	<u>-</u>	<u>( 1,422)</u>	<u>9,690,247</u>
Total governmental fund balance	<u>\$ 10,021,138</u>	<u>\$ 1,316,068</u>	<u>\$( 21,549)</u>	<u>\$ 1,965,949</u>	<u>\$ 2,692,086</u>	<u>\$ 15,973,692</u>

#### Long-term Debt

##### **Refunding Bonds, Sales Tax Payable and Notes Payable**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The original amount of general obligation bonds issued in prior years was \$7,265,000.

(continued)

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### Long-term Debt (Continued)

#### Refunding Bonds, Sales Tax Payable and Notes Payable (Continued)

\$950,351 Sales Tax Payable to the State of Texas in monthly installments of \$3,251 to \$3,300 through February 2021; interest at 0%.	\$ 369,600
\$1,850,000 Tax Anticipation Note issued in 2007; interest at 3.874%.	1,690,000
\$7,265,000 Series 2008 General Obligation Refunding Bonds issued in 2008; interest at 2.65%.	2,745,000
\$8,350,000 Tax Anticipation Note issued in 2009; interest at 2% - 3%.	<u>8,350,000</u>
Total	<u>\$ 13,154,600</u>

Annual debt service requirements to maturity for the bonds and the note payables are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 2,349,600	\$ 327,486
2013	2,489,600	255,715
2014	2,594,600	182,723
2015	2,729,600	117,025
2016	2,819,600	41,700
2017-2021	<u>171,600</u>	<u>-</u>
Total	<u>\$ 13,154,600</u>	<u>\$ 924,649</u>

#### Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Government activities</b>					
Refunding bonds	\$ 4,985,000	\$ -	\$ 2,240,000	\$ 2,745,000	\$ 2,270,000
Tax anticipation note	10,080,000	-	40,000	10,040,000	40,000
Sales tax payable	409,200	-	39,600	369,600	39,600
Compensated absences	1,020,264	82,819	84,262	1,018,821	203,764
Loss on refunding	( 75,418)	-	( 18,855)	( 56,563)	-
Unamortized bond premium	80,921	-	13,487	67,434	-
Net OPEB obligation	<u>164,861</u>	<u>99,732</u>	<u>29,565</u>	<u>235,028</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 16,664,828</u>	<u>\$ 182,551</u>	<u>\$ 2,428,059</u>	<u>\$ 14,419,320</u>	<u>\$ 2,553,364</u>

(continued)

### 3. DETAILED NOTES ON ALL FUNDS (Continued)

#### **Retirement Benefits**

##### **Plan Description**

Tom Green County provides retirement, disability, and death benefits for all of its fulltime 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 multi-employer public employee retirement system consisting of 618 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 Commissioners' Court of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with eight or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 years or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any County-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and County-financed monetary credits. The level of these credits is adopted by the Commissioners' Court 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.

##### **Funding Policy**

The employer has elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 7.59% for the months of the accounting year in 2010, and 7.46% for the months of the accounting year in 2011. The deposit rate payable by the employee members for calendar year 2011 is the rate of 7% as adopted by the governing body of the employer. The employee deposit rate and the employer deposit rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

(continued)

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Retirement Benefits (Continued)**

**Annual Pension Cost**

For the employer’s accounting year ended September 30, 2011, the annual pension cost for the TCDRS plan for its employees was \$1,596,251 and the actual contributions \$1,596,251. The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuations as of December 31, 2009 and December 31, 2008, the basis for determining the contribution rates for calendar years 2011 and 2010. The December 31, 2010, actuarial valuation is the most recent valuation.

**Actuarial Valuation Information**

Actuarial Valuation Date	12/31/08	12/31/09	12/31/10
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period in years	20	20	20
Asset valuation method	SAF: 10-yr smoothed value ESF: fund value	SAF: 10-yr smoothed value ESF: fund value	SAF: 10-yr smoothed value ESF: fund value
Assumptions:			
Investment return <sup>1</sup>	8.00%	8.00%	8.00%
Projected salary increases <sup>1</sup>	5.3%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

<sup>1</sup>Includes inflation at the stated rate

**Trend Information for the  
Retirement Plan for the Employees of Tom Green County**

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
09/30/09	\$ 1,515,119	100%	-
09/30/10	1,732,539	100%	-
09/30/11	1,596,251	100%	-

(continued)

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (1) (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/08	\$ 39,818,004	\$ 46,410,170	\$ 6,592,166	85.80%	\$ 19,868,281	33.18%
12/31/09	44,755,119	51,146,260	6,391,141	87.50%	22,568,404	28.32%
12/31/10	46,607,931	54,046,248	7,438,317	86.24%	23,251,780	31.99%

(1) The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

**Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchases workers' compensation insurance coverage from the Texas Association of Counties Self-insurance Fund, a public entity risk pool, which is self-sustaining through member premiums. The Fund reinsures through commercial companies for claims in excess of \$300,000.

The County maintains commercial insurance coverage covering other risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. There have been no significant reductions in insurance coverage from the prior year.

**Commitments and Contingencies**

**Litigation**

The County is party to various legal proceedings which normally occur in governmental operations. In the opinion of management, these legal proceedings are not likely to have a material adverse impact on the affected funds of the County. No accrual has been made for any contingency in these financial statements.

**Federal and State Grants**

In the normal course of operations, the County receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement, which may arise as the result of these audits, is not believed to be material.

(continued)

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Fund Deficits**

The following funds had equity deficits as of September 30, 2011:

<u>Fund</u>	<u>Deficit</u>	<u>Plan for Elimination of Deficit</u>
Beacon to the Future	\$ 21,549	Future revenues
2009 TAN I&S	1,422	Future revenues

**Post Employment Benefits Other Than Pension Benefits**

**Plan Participants**

Eligible plan participants are retirees who are eligible and elect to receive a monthly annuity from the Texas County and District Retirement System (TCDRS). TCDRS retirement forms must be completed prior to resignation and must take effect immediately upon terminating employment with the County. Retirees who subscribe to the County’s plan may stay on the plan until they reach the age of Medicare eligibility (currently age 65). Dependents of retirees may be eligible only if the dependent has been on the County’s insurance plan for a minimum of one year prior to the employee’s retirement date.

**Normal Retirement Benefits**

Eligible plan participants who elect to continue with the County’s health insurance plan are responsible for paying their own monthly premiums. The County does not provide any payment toward these premiums. In addition to the premium, a 2% fee above the premium rate is charged by the County to the retiree for administrative handling of these plan participants.

**Health Care Benefit Eligibility Conditions**

TCDRS monthly annuity retirement is required. Once a retiree reaches Medicare eligibility, they are no longer eligible to purchase the County’s health insurance. Dependents of retirees must have been on the County’s insurance plan at least one year prior to the employee’s retirement date.

**Health Care Benefits Provided by Plan**

- Member: Health Insurance
- Spouse: Health Insurance
- Dependent: Health Insurance

**Summary of Benefits as of December 31, 2010**

The County does not offer dental or vision insurance to retirees, but dental insurance is available for COBRA.

(continued)

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Post Employment Benefits Other Than Pension Benefits (Continued)**

**Summary of Benefits as of December 31, 2010 (Continued)**

Early retirement benefits are available only if conditions for retirement have been met according to the TCDRS plan (vested and age 60, service time plus age equals 75, or completed 30 years service time at any age). Eight years of service credit in the TCDRS system are required to vest for retirement and qualify for the County's contribution.

**Funding Policy and Annual OPEB Cost**

The County's annual other post employment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The County had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2008. The annual OPEB cost for the fiscal year ended September 30, 2011, is as follows:

Annual required contribution	\$ 91,767
Interest on OPEB obligation	7,419
Adjustment to ARC	<u>( 6,873)</u>
Annual OPEB cost (expense), end of year	92,313
Net estimated employer contributions	<u>( 22,146)</u>
Increase in net OPEB obligation	70,167
Net OPEB obligation, beginning of year	<u>164,861</u>
Net OPEB obligation (asset), end of year	<u>\$ 235,028</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending September 30, 2011, and the preceding two fiscal years, were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Amount Contributed</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
September 30, 2009	\$ 98,894	\$ 16,441	16.6%	\$ 82,453
September 30, 2010	101,861	19,725	19.3%	164,861
September 30, 2011	91,767	22,146	24.0%	235,028

Under the reporting parameters, the County's retiree health care plan is 0% funded with an estimated actuarial accrued liability exceeding actuarial assets by \$673,440 at December 31, 2010.

**(continued)**

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Post Employment Benefits Other Than Pension Benefits (Continued)**

**Funding Status and Funding Progress**

The funded status of the County’s retiree health care plan as of December 31, 2010, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)
12/31/08	\$ -	\$ 642,858	\$ 642,858	- %
12/31/10	-	673,440	673,440	- %

**Actuarial Methods and Assumptions**

The Projected Unit Credit actuarial cost method is used to calculate the ARC for the County’s retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic recognition of the cost of these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

*Actuarial Methods and Assumptions*

Inflation rate	3.00% per annum
Investment rate of return	4.50%, net of expenses
Actuarial cost method	Projected Unit Credit cost method
Amortization method	Level as a percentage of employee payro
Amortization period	30-year open amortization
Salary Growth	3.0% per annum
Healthcare cost trend rate	Initial rate of 9.0% declining to an ultimate rate of 4.50% after 9 years

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the County’s retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

**(continued)**

**3. DETAILED NOTES ON ALL FUNDS (Continued)**

**Change in Accounting Principles**

For fiscal year 2011, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the County reclassifying fund balances of its governmental funds.

The implementation of GASB Statement No. 54 had the following effect on fund balances of the major and nonmajor funds as they were previously reported.

	<u>General</u>	<u>Texas Juvenile Probation Contracts</u>	<u>Beacon to the Future</u>	<u>2009 TAN</u>	<u>Other Governments</u>	<u>Totals</u>
Fund balance at						
September 30, 2010	\$ 9,461,448	\$ 1,263,888	\$ 40,535	\$ 6,550,377	\$ 2,514,630	\$ 19,830,878
Change in fund structure	<u>246,621</u>	<u>101</u>	<u>-</u>	<u>-</u>	<u>( 246,722)</u>	<u>-</u>
Adjusted fund balance at						
September 30, 2010	<u>\$ 9,708,069</u>	<u>\$ 1,263,989</u>	<u>\$ 40,535</u>	<u>\$ 6,550,377</u>	<u>\$ 2,267,908</u>	<u>\$ 19,830,878</u>

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**TOM GREEN COUNTY, TEXAS**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 26,895,592	\$ 26,895,592	\$ 27,746,762	\$ 851,170
Fees of office	2,194,600	2,174,600	2,443,810	269,210
Intergovernmental	908,516	956,680	1,068,451	111,771
Fines and forfeitures	1,191,200	1,191,200	1,041,797	( 149,403)
Licenses and permits	42,000	42,000	31,077	( 10,923)
Donations	-	250	30,517	30,267
Investment income	21,825	21,825	20,410	( 1,415)
Miscellaneous	390,072	397,815	375,168	( 22,647)
Total revenues	<u>31,643,805</u>	<u>31,679,962</u>	<u>32,757,992</u>	<u>1,078,030</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Salaries and wages	3,748,383	3,751,255	3,671,856	79,399
Benefits	1,760,543	1,761,995	1,626,066	135,929
Operations	6,057,226	5,913,848	5,419,226	494,622
Capital outlay	2,202,574	2,213,554	1,789,120	424,434
Total general government	<u>13,768,726</u>	<u>13,640,652</u>	<u>12,506,268</u>	<u>1,134,384</u>
Public safety:				
Salaries and wages	9,837,970	9,891,879	9,572,381	319,498
Benefits	3,516,944	3,527,273	3,205,138	322,135
Operations	3,767,136	3,771,904	3,576,099	195,805
Capital outlay	303,580	318,985	295,513	23,472
Total public safety	<u>17,425,630</u>	<u>17,510,041</u>	<u>16,649,131</u>	<u>860,910</u>
Conservation:				
Salaries and wages	62,138	62,138	62,136	2
Benefits	44,897	44,897	44,786	111
Operations	21,368	21,368	21,364	4
Total conservation	<u>128,403</u>	<u>128,403</u>	<u>128,286</u>	<u>117</u>

(continued)

**TOM GREEN COUNTY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Favorable (Unfavorable)
<b>EXPENDITURES (Continued)</b>				
Health and welfare:				
Salaries and wages	\$ 66,270	\$ 66,270	\$ 65,170	\$ 1,100
Benefits	25,638	25,638	21,577	4,061
Operations	<u>783,931</u>	<u>791,931</u>	<u>755,794</u>	<u>36,137</u>
Total health and welfare	<u>875,839</u>	<u>883,839</u>	<u>842,541</u>	<u>41,298</u>
Culture and recreation:				
Salaries and wages	1,123,983	1,120,524	1,089,610	30,914
Benefits	381,611	381,611	341,216	40,395
Operations	471,125	490,484	469,706	20,778
Capital outlay	<u>13,195</u>	<u>10,710</u>	<u>10,328</u>	<u>382</u>
Total culture and recreation	<u>1,989,914</u>	<u>2,003,329</u>	<u>1,910,860</u>	<u>92,469</u>
Debt service:				
Principal	<u>39,600</u>	<u>39,600</u>	<u>39,600</u>	<u>-</u>
Total debt service	<u>39,600</u>	<u>39,600</u>	<u>39,600</u>	<u>-</u>
Total expenditures	<u>34,228,112</u>	<u>34,205,864</u>	<u>32,076,686</u>	<u>2,129,178</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 2,584,307)</u>	<u>( 2,525,902)</u>	<u>681,306</u>	<u>3,207,208</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	15,000	15,000	40,336	25,336
Transfers in	323,645	323,645	300,040	( 23,605)
Transfers out	<u>( 661,740)</u>	<u>( 732,270)</u>	<u>( 708,613)</u>	<u>23,657</u>
Total other financing sources and uses	<u>( 323,095)</u>	<u>( 393,625)</u>	<u>( 368,237)</u>	<u>25,388</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 2,907,402)</u>	<u>( 2,919,527)</u>	<u>313,069</u>	<u>3,232,596</u>
<b>FUND BALANCE, BEGINNING</b>	<u>9,708,069</u>	<u>9,708,069</u>	<u>9,708,069</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 6,800,667</u>	<u>\$ 6,788,542</u>	<u>\$ 10,021,138</u>	<u>\$ 3,232,596</u>

**TOM GREEN COUNTY, TEXAS**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**TEXAS JUVENILE PROBATION CONTRACTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 802,983	\$ 765,983	\$ 831,860	\$ 65,877
Investment earnings	-	-	1,157	1,157
Total revenues	802,983	765,983	833,017	67,034
<b>EXPENDITURES</b>				
Current:				
Public safety	1,772,008	1,735,109	775,006	960,103
Capital outlay	71,775	58,925	5,932	52,993
Total expenditures	1,843,783	1,794,034	780,938	1,013,096
<b>NET CHANGE IN FUND BALANCE</b>	( 1,040,800)	( 1,028,051)	52,079	1,080,130
<b>FUND BALANCE, BEGINNING</b>	1,263,989	1,263,989	1,263,989	-
<b>FUND BALANCE, ENDING</b>	\$ 223,189	\$ 235,938	\$ 1,316,068	\$ 1,080,130

**TOM GREEN COUNTY, TEXAS**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**BEACON TO THE FUTURE**

**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Donations	\$ 4,475,000	\$ 4,573,000	\$ 4,023,674	\$( 549,326)
Intergovernmental	140,547	140,547	-	( 140,547)
Investment earnings	100	100	572	472
Total revenues	<u>4,615,647</u>	<u>4,713,647</u>	<u>4,024,246</u>	<u>( 689,401)</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	1,600,000	1,600,000	-	1,600,000
Capital outlay	3,025,000	3,205,500	4,168,830	( 963,330)
Total expenditures	<u>4,625,000</u>	<u>4,805,500</u>	<u>4,168,830</u>	<u>636,670</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 9,353)</u>	<u>( 91,853)</u>	<u>( 144,584)</u>	<u>( 52,731)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	82,500	82,500	-
Total other financing sources and uses	<u>-</u>	<u>82,500</u>	<u>82,500</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 9,353)</u>	<u>( 9,353)</u>	<u>( 62,084)</u>	<u>( 52,731)</u>
<b>FUND BALANCE, BEGINNING</b>	<u>40,535</u>	<u>40,535</u>	<u>40,535</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 31,182</u>	<u>\$ 31,182</u>	<u>\$( 21,549)</u>	<u>\$( 52,731)</u>

**TOM GREEN COUNTY, TEXAS**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**2009 TAN**

**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 8,510	\$ 9,010	\$ 45,666	\$ 36,656
Total revenues	<u>8,510</u>	<u>9,010</u>	<u>45,666</u>	<u>36,656</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	12,690	-	12,690
Capital outlay	<u>6,430,897</u>	<u>6,418,207</u>	<u>4,630,094</u>	<u>1,788,113</u>
Total expenditures	<u>6,430,897</u>	<u>6,430,897</u>	<u>4,630,094</u>	<u>1,800,803</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 6,422,387)	( 6,421,887)	( 4,584,428)	1,837,459
<b>FUND BALANCE, BEGINNING</b>	<u>6,550,377</u>	<u>6,550,377</u>	<u>6,550,377</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 127,990</u>	<u>\$ 128,490</u>	<u>\$ 1,965,949</u>	<u>\$ 1,837,459</u>

## **TOM GREEN COUNTY, TEXAS**

### **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**YEAR ENDED SEPTEMBER 30, 2011**

#### **Budgetary Information**

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

1. The County Judge and Commissioners' Court have departmental meetings with management to determine the departmental budget requests.
2. The County Judge and Commissioners must meet in several workshops to establish a proposed budget for the fiscal year commencing the following October. The operational budget includes proposed expenditures and the means of financing them. The proposed budget is filed with the County Clerk and made available for public inspection at least 15 days prior to public budget hearing.
3. Public hearings are conducted to obtain taxpayer comments.
4. After the public hearings, the Commissioners' Court reviews the budget and makes any adjustments they feel necessary.
5. The budget is then legally enacted by the Commissioners' Court on or before October 1, in the timeframe required by statute.

Only the governing body, composed of the Commissioners' Court, may amend the budget after its adoption so long as the amendment continues to meet the requirements of Section 111 of the Local Government Code. During the year, several supplementary amendments to the original budget were required. Individual amendments were not material in relation to the original appropriations, and all amendments were legally made. The final budget amounts shown in the financial statements represent the budget as amended at September 30, 2011. Under state statute, actual expenditures cannot exceed budgetary appropriations at any level for which the budget is formally approved. The County's legally adopted budget is at the department level in those funds with multiple departments and at the fund level in single department funds. Management can, with the exception of personnel items, make adjustments to their budget within the departmental level with Commissioners' Court approval. All budgets are fixed in nature. All governmental funds have legally adopted budgets. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget appropriations lapse at year-end. All encumbrances lapse at year-end.

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**COMBINING STATEMENTS  
NONMAJOR GOVERNMENTAL FUNDS**

**TOM GREEN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2011**

	Special Revenue			
	Road and Bridge Precincts 1 and 3	Road and Bridge Precincts 2 and 4	County Law Library	Library
<b>ASSETS</b>				
Cash	\$ 51,682	\$ 78,843	\$ 4,392	\$ 456,587
Investments	200,053	300,080	10,005	100,055
Receivables (net of allowance for uncollectibles):				
Accounts	11,043	11,094	560	7,933
Property taxes	-	-	-	-
Due from other funds	13,136	11,080	-	-
Due from other governments	5,889	5,889	-	-
Prepaid items	-	-	-	-
Total assets	\$ 281,803	\$ 406,986	\$ 14,957	\$ 564,575
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 11,340	\$ 24,037	\$ 5,833	\$ 4,389
Accrued liabilities	5,880	5,339	415	-
Due to other funds	663	308	36	18
Deferred revenue	-	-	-	-
Total liabilities	17,883	29,684	6,284	4,407
Fund balances:				
Nonspendable	-	-	-	-
Restricted	263,920	377,302	8,673	328,107
Assigned	-	-	-	232,061
Unassigned	-	-	-	-
Total fund balances	263,920	377,302	8,673	560,168
Total liabilities and fund balances	\$ 281,803	\$ 406,986	\$ 14,957	\$ 564,575

Special Revenue

<u>Grants</u>	<u>County Clerk Preservation and Archive</u>	<u>Justice Court Technology</u>	<u>Records Management District Clerk</u>	<u>Courthouse and Justice Security</u>	<u>County Attorney Fee Account</u>
\$ -	\$ 113,077	\$ 20,267	\$ 30,620	\$ 20,180	\$ 57,289
-	250,103	50,098	80,086	65,123	96
-	1,766	124	510	462	1,061
-	-	-	-	-	-
-	-	-	-	1	-
228,114	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 228,114</u>	<u>\$ 364,946</u>	<u>\$ 70,489</u>	<u>\$ 111,216</u>	<u>\$ 85,766</u>	<u>\$ 58,446</u>
51,783	\$ 433	\$ 776	\$ 320	\$ -	\$ 113
7,570	1,514	-	580	-	-
145,728	-	-	20	5	-
-	-	-	-	-	-
<u>205,081</u>	<u>1,947</u>	<u>776</u>	<u>920</u>	<u>5</u>	<u>113</u>
-	-	-	-	-	-
23,033	362,999	69,713	110,296	85,761	58,333
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,033</u>	<u>362,999</u>	<u>69,713</u>	<u>110,296</u>	<u>85,761</u>	<u>58,333</u>
<u>\$ 228,114</u>	<u>\$ 364,946</u>	<u>\$ 70,489</u>	<u>\$ 111,216</u>	<u>\$ 85,766</u>	<u>\$ 58,446</u>

(continued)

**TOM GREEN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**SEPTEMBER 30, 2011**

	Special Revenue			
	District Attorney Fee Accounts	Records Management County Courts	Veterans' Services	Judicial Efficiency
<b>ASSETS</b>				
Cash	\$ 10,438	\$ 48,083	\$ 9,082	\$ 37,244
Investments	-	200,048	-	-
Receivables (net of allowance for uncollectibles):				
Accounts	-	305	-	-
Property taxes	-	-	-	-
Due from other funds	-	-	-	1,758
Due from other governments	501	-	-	-
Prepaid items	-	-	-	200
Total assets	<u>\$ 10,939</u>	<u>\$ 248,436</u>	<u>\$ 9,082</u>	<u>\$ 39,202</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ 1	\$ 42	\$ 158
Accrued liabilities	400	1,008	215	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>400</u>	<u>1,009</u>	<u>257</u>	<u>158</u>
Fund balances:				
Nonspendable	-	-	-	200
Restricted	10,539	247,427	8,825	38,844
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>10,539</u>	<u>247,427</u>	<u>8,825</u>	<u>39,044</u>
Total liabilities and fund balances	<u>\$ 10,939</u>	<u>\$ 248,436</u>	<u>\$ 9,082</u>	<u>\$ 39,202</u>

Special Revenue

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Court-at-Law Excess State Supplement	LEOSE Training	Judicial Education County Judge	Lateral Road	Administrative Fee - JP
\$ 8,653	\$ 15,168	\$ 12,799	\$ 9,229	\$ -
-	-	-	-	-
1,159	-	9	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>9,812</u>	<u>15,168</u>	<u>12,808</u>	<u>9,229</u>	<u>-</u>
\$ -	\$ -	\$ 46	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>46</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
9,812	15,168	12,762	9,229	-
-	-	-	-	-
-	-	-	-	-
<u>9,812</u>	<u>15,168</u>	<u>12,762</u>	<u>9,229</u>	<u>-</u>
<u>\$ 9,812</u>	<u>\$ 15,168</u>	<u>\$ 12,808</u>	<u>\$ 9,229</u>	<u>\$ -</u>

(continued)

**TOM GREEN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**SEPTEMBER 30, 2011**

	Special Revenue			
	Graffiti Eradication	Election Contract Service	Guardianship	Child Abuse Prevention
<b>ASSETS</b>				
Cash	\$ 501	\$ 175,487	\$ 19,256	\$ 1,353
Investments	-	-	48	-
Receivables (net of allowance for uncollectibles):				
Accounts	-	-	40	8
Property taxes	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 501	\$ 175,487	\$ 19,344	\$ 1,361
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
Fund balances:				
Nonspendable	-	-	-	-
Restricted	501	175,487	19,344	1,361
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	501	175,487	19,344	1,361
Total liabilities and fund balances	\$ 501	\$ 175,487	\$ 19,344	\$ 1,361

Special Revenue				Debt Service			Total Governmental Funds
County Attorney Pretrial Diversion Program	District Attorney Pretrial Diversion Program	District Clerk Technology	District/ County Court Technology	2007 TAN I&S	2008 Refunding I&S	2009 TAN I&S	
\$ 48,986	\$ 14,300	\$ 9,781	\$ 5,318	\$ 7,227	\$ 165,351	\$ 9,998	\$ 1,441,191
100,028	-	100	-	-	-	-	1,355,923
500	500	88	53	-	-	-	37,215
-	-	-	-	4,561	107,352	\$ 336	112,249
-	-	-	-	-	-	-	25,975
-	-	-	-	-	-	-	240,393
-	-	-	-	-	-	-	200
<u>\$ 149,514</u>	<u>\$ 14,800</u>	<u>\$ 9,969</u>	<u>\$ 5,371</u>	<u>\$ 11,788</u>	<u>\$ 272,703</u>	<u>\$ 10,334</u>	<u>\$ 3,213,146</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161	\$ -	\$ 99,432
728	-	-	-	-	-	-	23,649
-	-	5	-	5,911	128,797	11,756	293,247
-	-	-	-	4,263	100,469	-	104,732
<u>728</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>10,174</u>	<u>229,427</u>	<u>11,756</u>	<u>521,060</u>
-	-	-	-	-	-	-	200
148,786	14,800	9,964	5,371	1,614	43,276	-	2,461,247
-	-	-	-	-	-	-	232,061
-	-	-	-	-	-	( 1,422)	( 1,422)
<u>148,786</u>	<u>14,800</u>	<u>9,964</u>	<u>5,371</u>	<u>1,614</u>	<u>43,276</u>	<u>( 1,422)</u>	<u>2,692,086</u>
<u>\$ 149,514</u>	<u>\$ 14,800</u>	<u>\$ 9,969</u>	<u>\$ 5,371</u>	<u>\$ 11,788</u>	<u>\$ 272,703</u>	<u>\$ 10,334</u>	<u>\$ 3,213,146</u>

**TOM GREEN COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Special Revenue			
	Road and Bridge Precincts 1 and 3	Road and Bridge Precincts 2 and 4	County Law Library	Library
<b>REVENUES</b>				
Taxes	\$ 30	\$ 30	\$ -	\$ -
Fees of office	494,860	494,860	69,585	59,173
Intergovernmental	-	-	-	19,848
Fines and forfeitures	14,362	15,944	-	-
Licenses and permits	316,658	316,658	-	-
Donations	-	-	-	356,250
Investment income	265	392	12	382
Miscellaneous	7,796	363	-	8,087
Total revenues	<u>833,971</u>	<u>828,247</u>	<u>69,597</u>	<u>443,740</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	71,658	-
Public safety	-	-	-	-
Highways and streets	908,298	859,985	-	-
Culture and recreation	-	-	-	81,024
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	55,237	3,840	-	-
Total expenditures	<u>963,535</u>	<u>863,825</u>	<u>71,658</u>	<u>81,024</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 129,564)</u>	<u>( 35,578)</u>	<u>( 2,061)</u>	<u>362,716</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	917	4,776	-	-
Transfers in	322,272	324,009	-	-
Transfers out	<u>( 42,447)</u>	<u>( 42,447)</u>	<u>-</u>	<u>( 82,500)</u>
Total other financing sources and uses	<u>280,742</u>	<u>286,338</u>	<u>-</u>	<u>( 82,500)</u>
<b>NET CHANGE IN FUND BALANCES</b>	151,178	250,760	( 2,061)	280,216
<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<u>112,742</u>	<u>126,542</u>	<u>10,734</u>	<u>279,952</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 263,920</u>	<u>\$ 377,302</u>	<u>\$ 8,673</u>	<u>\$ 560,168</u>

Special Revenue

Grants	County Clerk Preservation and Archive	Justice Court Technology	Records Management District Clerk	Courthouse and Justice Security	County Attorney Fee Account
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	201,194	28,762	40,468	62,993	30,721
1,007,386	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,160	-	-	-	-	-
-	624	142	147	156	69
-	-	-	-	-	90
<u>1,011,546</u>	<u>201,818</u>	<u>28,904</u>	<u>40,615</u>	<u>63,149</u>	<u>30,880</u>
91,535	216,831	-	11,855	-	-
547,551	-	41,368	-	8,670	25,425
-	-	-	-	-	-
2,200	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
409,043	-	-	-	-	-
<u>1,050,329</u>	<u>216,831</u>	<u>41,368</u>	<u>11,855</u>	<u>8,670</u>	<u>25,425</u>
( 38,783)	( 15,013)	( 12,464)	28,760	54,479	5,455
-	-	-	-	-	-
62,332	-	-	-	-	-
-	-	-	-	( 50,000)	-
<u>62,332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 50,000)</u>	<u>-</u>
23,549	( 15,013)	( 12,464)	28,760	4,479	5,455
( 516)	378,012	82,177	81,536	81,282	52,878
<u>\$ 23,033</u>	<u>\$ 362,999</u>	<u>\$ 69,713</u>	<u>\$ 110,296</u>	<u>\$ 85,761</u>	<u>\$ 58,333</u>

(continued)

**TOM GREEN COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Special Revenue			
	District Attorney Fee Accounts	Records Management County Courts	Veterans' Services	Judicial Efficiency
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees of office	-	37,115	-	-
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses and permits	-	-	-	-
Donations	-	-	-	-
Investment income	11	396	8	37
Miscellaneous	11,760	-	8,977	7,340
Total revenues	<u>11,771</u>	<u>37,511</u>	<u>8,985</u>	<u>7,377</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	30,590	-	12,916
Public safety	13,944	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	8,350	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>13,944</u>	<u>30,590</u>	<u>8,350</u>	<u>12,916</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 2,173)</u>	<u>6,921</u>	<u>635</u>	<u>( 5,539)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 2,173)</u>	<u>6,921</u>	<u>635</u>	<u>( 5,539)</u>
<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<u>12,712</u>	<u>240,506</u>	<u>8,190</u>	<u>44,583</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 10,539</u>	<u>\$ 247,427</u>	<u>\$ 8,825</u>	<u>\$ 39,044</u>

Special Revenue

Court-at-Law Excess State Supplement	LEOSE Training	Judicial Education County Judge	Lateral Road	Administrative Fee - JP
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	4,133	-	-
-	13,640	-	33,983	-
-	-	-	-	-
-	-	-	-	-
9	11	11	31	-
1,159	-	-	-	-
<u>1,168</u>	<u>13,651</u>	<u>4,144</u>	<u>34,014</u>	<u>-</u>
1,736	-	5,366	-	-
-	11,762	-	-	-
-	-	-	32,064	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,736</u>	<u>11,762</u>	<u>5,366</u>	<u>32,064</u>	<u>-</u>
( 568)	1,889	( 1,222)	1,950	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 158,146)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 158,146)</u>
( 568)	1,889	( 1,222)	1,950	( 158,146)
<u>10,380</u>	<u>13,279</u>	<u>13,984</u>	<u>7,279</u>	<u>158,146</u>
<u>\$ 9,812</u>	<u>\$ 15,168</u>	<u>\$ 12,762</u>	<u>\$ 9,229</u>	<u>\$ -</u>

(continued)

**TOM GREEN COUNTY, TEXAS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Special Revenue			
	Graffiti Eradication	Election Contract Service	Guardianship	Child Abuse Prevention
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees of office	-	-	7,261	1,213
Intergovernmental	-	31,323	-	-
Fines and forfeitures	-	-	-	-
Licenses and permits	-	-	-	-
Donations	-	-	-	-
Investment income	1	129	35	1
Miscellaneous	-	21,988	-	-
Total revenues	<u>1</u>	<u>53,440</u>	<u>7,296</u>	<u>1,214</u>
<b>EXPENDITURES</b>				
Current:				
General government	498	46,027	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>498</u>	<u>46,027</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 497)</u>	<u>7,413</u>	<u>7,296</u>	<u>1,214</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	( 7,000)	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>( 7,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 497)</u>	<u>7,413</u>	<u>296</u>	<u>1,214</u>
<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<u>998</u>	<u>168,074</u>	<u>19,048</u>	<u>147</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 501</u>	<u>\$ 175,487</u>	<u>\$ 19,344</u>	<u>\$ 1,361</u>

Special Revenue				Debt Service			Total Governmental Funds
County Attorney Pretrial Diversion Program	District Attorney Pretrial Diversion Program	District Clerk Technology	District/ County Court Technology	2007 TAN I&S	2008 Refunding I&S	2009 TAN I&S	
\$ -	\$ -	\$ -	\$ -	\$ 99,575	\$ 2,200,187	\$ 198,118	\$ 2,497,940
72,900	14,800	8,206	3,807	-	-	-	1,632,051
-	-	-	-	-	-	-	1,106,180
-	-	-	-	-	-	-	30,306
-	-	-	-	-	-	-	633,316
-	-	-	-	-	-	-	360,410
187	-	14	-	18	308	51	3,447
-	-	-	-	-	-	-	67,560
<u>73,087</u>	<u>14,800</u>	<u>8,220</u>	<u>3,807</u>	<u>99,593</u>	<u>2,200,495</u>	<u>198,169</u>	<u>6,331,210</u>
-	-	696	-	-	22,783	300	512,791
64,673	-	-	-	-	-	-	713,393
-	-	-	-	-	-	-	1,800,347
-	-	-	-	-	-	-	91,574
-	-	-	-	40,000	2,240,000	-	2,280,000
-	-	-	-	66,245	101,433	199,409	367,087
-	-	5,486	-	-	-	-	473,606
<u>64,673</u>	<u>-</u>	<u>6,182</u>	<u>-</u>	<u>106,245</u>	<u>2,364,216</u>	<u>199,709</u>	<u>6,238,798</u>
<u>8,414</u>	<u>14,800</u>	<u>2,038</u>	<u>3,807</u>	<u>( 6,652)</u>	<u>( 163,721)</u>	<u>( 1,540)</u>	<u>92,412</u>
-	-	-	-	-	-	-	5,693
-	-	-	-	-	-	-	708,613
-	-	-	-	-	-	-	( 382,540)
-	-	-	-	-	-	-	331,766
8,414	14,800	2,038	3,807	( 6,652)	( 163,721)	( 1,540)	424,178
<u>140,372</u>	<u>-</u>	<u>7,926</u>	<u>1,564</u>	<u>8,266</u>	<u>206,997</u>	<u>118</u>	<u>2,267,908</u>
<u>\$ 148,786</u>	<u>\$ 14,800</u>	<u>\$ 9,964</u>	<u>\$ 5,371</u>	<u>\$ 1,614</u>	<u>\$ 43,276</u>	<u>\$ ( 1,422)</u>	<u>\$ 2,692,086</u>

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# **AGENCY FUNDS**

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**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>COUNTY SHERIFF</u></b>				
ASSETS				
Cash	\$ 1,884	\$ 78,451	\$ 80,335	\$ -
TOTAL ASSETS	\$ <u>1,884</u>	\$ <u>78,451</u>	\$ <u>80,335</u>	\$ <u>-</u>
LIABILITIES				
Accounts payable	\$ 1,884	\$ 78,451	\$ 80,335	\$ -
TOTAL LIABILITIES	\$ <u>1,884</u>	\$ <u>78,451</u>	\$ <u>80,335</u>	\$ <u>-</u>
<b><u>COUNTY CLERK</u></b>				
ASSETS				
Cash	\$ 237,089	\$ 286,433	\$ 400,721	\$ 122,801
Investments at cost	399,683	156,361	125,397	430,647
TOTAL ASSETS	\$ <u>636,772</u>	\$ <u>442,794</u>	\$ <u>526,118</u>	\$ <u>553,448</u>
LIABILITIES				
Accounts payable	\$ 636,772	\$ 442,794	\$ 526,118	\$ 553,448
TOTAL LIABILITIES	\$ <u>636,772</u>	\$ <u>442,794</u>	\$ <u>526,118</u>	\$ <u>553,448</u>
<b><u>DISTRICT CLERK</u></b>				
ASSETS				
Cash	\$ 132,985	\$ 575,254	\$ 593,515	\$ 114,724
Investments	1,016,726	107,556	330,562	793,720
TOTAL ASSETS	\$ <u>1,149,711</u>	\$ <u>682,810</u>	\$ <u>924,077</u>	\$ <u>908,444</u>
LIABILITIES				
Accounts payable	\$ 1,149,711	\$ 682,810	\$ 924,077	\$ 908,444
TOTAL LIABILITIES	\$ <u>1,149,711</u>	\$ <u>682,810</u>	\$ <u>924,077</u>	\$ <u>908,444</u>

(continued)

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**(Continued)**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
<b><u>TAX ASSESSOR-COLLECTOR</u></b>				
ASSETS				
Cash	\$ 871,737	\$ 37,642,453	\$ 37,495,835	\$ 1,018,355
Accounts receivable	17,012	1,341,444	1,341,433	17,023
<b>TOTAL ASSETS</b>	<b>\$ 888,749</b>	<b>\$ 38,983,897</b>	<b>\$ 38,837,268</b>	<b>\$ 1,035,378</b>
LIABILITIES				
Accounts payable	\$ 9,062	\$ 21,898	\$ 30,440	\$ 520
Due to other governments	879,687	38,961,999	38,806,828	1,034,858
<b>TOTAL LIABILITIES</b>	<b>\$ 888,749</b>	<b>\$ 38,983,897</b>	<b>\$ 38,837,268</b>	<b>\$ 1,035,378</b>
<b><u>WATER WASTE TREATMENT FEES</u></b>				
ASSETS				
Cash	\$ 2,155	\$ 7,950	\$ 7,995	\$ 2,110
Investments at cost	-	4,000	3,980	20
Accounts receivable	60	70	60	70
<b>TOTAL ASSETS</b>	<b>\$ 2,215</b>	<b>\$ 12,020</b>	<b>\$ 12,035</b>	<b>\$ 2,200</b>
LIABILITIES				
Accounts payable	\$ 2,215	\$ 3,910	\$ 3,925	\$ 2,200
<b>TOTAL LIABILITIES</b>	<b>\$ 2,215</b>	<b>\$ 3,910</b>	<b>\$ 3,925</b>	<b>\$ 2,200</b>
<b><u>JUROR DONATIONS</u></b>				
ASSETS				
Cash	\$ -	\$ 1,378	\$ 1,235	\$ 143
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 1,378</b>	<b>\$ 1,235</b>	<b>\$ 143</b>
LIABILITIES				
Accounts payable	\$ -	\$ 1,378	\$ 1,235	\$ 143
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>\$ 1,378</b>	<b>\$ 1,235</b>	<b>\$ 143</b>

**(continued)**

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**(Continued)**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
<b><u>CAFETERIA PLAN TRUST</u></b>				
<b>ASSETS</b>				
Cash	\$ 16,434	\$ 80,372	\$ 87,743	\$ 9,063
<b>TOTAL ASSETS</b>	<b>\$ 16,434</b>	<b>\$ 80,372</b>	<b>\$ 87,743</b>	<b>\$ 9,063</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 16,434	\$ 78,817	\$ 86,188	\$ 9,063
<b>TOTAL LIABILITIES</b>	<b>\$ 16,434</b>	<b>\$ 78,817</b>	<b>\$ 86,188</b>	<b>\$ 9,063</b>
<b><u>119TH DISTRICT ATTORNEY</u></b>				
<b><u>DPS FORFEITURE</u></b>				
<b>ASSETS</b>				
Cash	\$ 98	\$ -	\$ -	\$ 98
<b>TOTAL ASSETS</b>	<b>\$ 98</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 98</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 98	\$ -	\$ -	\$ 98
<b>TOTAL LIABILITIES</b>	<b>\$ 98</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 98</b>
<b><u>51ST DISTRICT ATTORNEY SPECIAL</u></b>				
<b><u>FORFEITURE</u></b>				
<b>ASSETS</b>				
Cash	\$ 72,597	\$ 24,450	\$ 23,354	\$ 73,693
Accounts receivable	706	1,484	706	1,484
<b>TOTAL ASSETS</b>	<b>\$ 73,303</b>	<b>\$ 25,934</b>	<b>\$ 24,060</b>	<b>\$ 75,177</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 73,303	\$ 21,045	\$ 19,171	\$ 75,177
<b>TOTAL LIABILITIES</b>	<b>\$ 73,303</b>	<b>\$ 21,045</b>	<b>\$ 19,171</b>	<b>\$ 75,177</b>

**(continued)**

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**(Continued)**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
<b><u>119TH DISTRICT ATTORNEY</u></b>				
<b><u>SPECIAL FORFEITURE</u></b>				
<b>ASSETS</b>				
Cash	\$ 22,305	\$ 35,386	\$ 23,885	\$ 33,806
Accounts receivable	672	11,444	672	11,444
<b>TOTAL ASSETS</b>	<b>\$ 22,977</b>	<b>\$ 46,830</b>	<b>\$ 24,557</b>	<b>\$ 45,250</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 22,977	\$ 29,771	\$ 7,498	\$ 45,250
<b>TOTAL LIABILITIES</b>	<b>\$ 22,977</b>	<b>\$ 29,771</b>	<b>\$ 7,498</b>	<b>\$ 45,250</b>
<b><u>PASS-THROUGH GRANTS</u></b>				
<b>ASSETS</b>				
Cash	\$ 168	\$ -	\$ -	\$ 168
<b>TOTAL ASSETS</b>	<b>\$ 168</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 168	\$ -	\$ -	\$ 168
<b>TOTAL LIABILITIES</b>	<b>\$ 168</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168</b>
<b><u>STATE MUNICIPAL FEES</u></b>				
<b>ASSETS</b>				
Cash	\$ 20,483	\$ 89,603	\$ 87,499	\$ 22,587
Accounts receivable	215	390	215	390
Due from other governments	450	-	450	-
<b>TOTAL ASSETS</b>	<b>\$ 21,148</b>	<b>\$ 89,993</b>	<b>\$ 88,164</b>	<b>\$ 22,977</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 21,148	\$ 90,219	\$ 88,390	\$ 22,977
<b>TOTAL LIABILITIES</b>	<b>\$ 21,148</b>	<b>\$ 90,219</b>	<b>\$ 88,390</b>	<b>\$ 22,977</b>

**(continued)**

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**(Continued)**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
<b><u>STATE FEES - CRIMINAL</u></b>				
ASSETS				
Cash	\$ 14,014	\$ 1,756,089	\$ 1,591,980	\$ 178,123
Investments	170,706	688,770	859,390	86
Accounts receivable	<u>9,489</u>	<u>7,027</u>	<u>9,489</u>	<u>7,027</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>194,209</u></b>	<b>\$ <u>2,451,886</u></b>	<b>\$ <u>2,460,859</u></b>	<b>\$ <u>185,236</u></b>
LIABILITIES				
Accounts payable	\$ <u>194,209</u>	\$ <u>753,634</u>	\$ <u>762,607</u>	\$ <u>185,236</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>194,209</u></b>	<b>\$ <u>753,634</u></b>	<b>\$ <u>762,607</u></b>	<b>\$ <u>185,236</u></b>
<b><u>STATE FEES - CIVIL</u></b>				
ASSETS				
Cash	\$ 6,076	\$ 766,759	\$ 675,310	\$ 97,525
Investments	102,600	280,771	383,291	80
Accounts receivable	<u>1,780</u>	<u>5,051</u>	<u>1,780</u>	<u>5,051</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>110,456</u></b>	<b>\$ <u>1,052,581</u></b>	<b>\$ <u>1,060,381</u></b>	<b>\$ <u>102,656</u></b>
LIABILITIES				
Accounts payable	\$ <u>110,456</u>	\$ <u>383,891</u>	\$ <u>391,691</u>	\$ <u>102,656</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>110,456</u></b>	<b>\$ <u>383,891</u></b>	<b>\$ <u>391,691</u></b>	<b>\$ <u>102,656</u></b>
<b><u>CHILD SAFETY FEE</u></b>				
ASSETS				
Cash	\$ 23,973	\$ 20,700	\$ 18,693	\$ 25,980
Accounts receivable	<u>-</u>	<u>460</u>	<u>-</u>	<u>460</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>23,973</u></b>	<b>\$ <u>21,160</u></b>	<b>\$ <u>18,693</u></b>	<b>\$ <u>26,440</u></b>
LIABILITIES				
Accounts payable	\$ <u>23,973</u>	\$ <u>21,160</u>	\$ <u>18,693</u>	\$ <u>26,440</u>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>23,973</u></b>	<b>\$ <u>21,160</u></b>	<b>\$ <u>18,693</u></b>	<b>\$ <u>26,440</u></b>

**(continued)**

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**(Continued)**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>DISTRICT ATTORNEY</u></b>				
ASSETS				
Cash	\$ 143,341	\$ 247,115	\$ 294,303	\$ 96,153
TOTAL ASSETS	\$ <u>143,341</u>	\$ <u>247,115</u>	\$ <u>294,303</u>	\$ <u>96,153</u>
LIABILITIES				
Accounts payable	\$ 143,341	\$ 247,115	\$ 294,303	\$ 96,153
TOTAL LIABILITIES	\$ <u>143,341</u>	\$ <u>247,115</u>	\$ <u>294,303</u>	\$ <u>96,153</u>
<b><u>COUNTY ATTORNEY</u></b>				
ASSETS				
Cash	\$ 38,336	\$ 196,310	\$ 209,102	\$ 25,544
TOTAL ASSETS	\$ <u>38,336</u>	\$ <u>196,310</u>	\$ <u>209,102</u>	\$ <u>25,544</u>
LIABILITIES				
Accounts payable	\$ 38,336	\$ 196,310	\$ 209,102	\$ 25,544
TOTAL LIABILITIES	\$ <u>38,336</u>	\$ <u>196,310</u>	\$ <u>209,102</u>	\$ <u>25,544</u>
<b><u>CHILD RESTRAINT STATE FEE</u></b>				
ASSETS				
Cash	\$ 4,480	\$ 3,265	\$ 4,655	\$ 3,090
TOTAL ASSETS	\$ <u>4,480</u>	\$ <u>3,265</u>	\$ <u>4,655</u>	\$ <u>3,090</u>
LIABILITIES				
Accounts payable	\$ 4,480	\$ 3,090	\$ 4,480	\$ 3,090
TOTAL LIABILITIES	\$ <u>4,480</u>	\$ <u>3,090</u>	\$ <u>4,480</u>	\$ <u>3,090</u>

**(continued)**

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**(Continued)**

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>SHERIFF FORFEITURE</u></b>				
ASSETS				
Cash	\$ 4,562	\$ 73,781	\$ 66,668	\$ 11,675
Accounts receivable	<u>          -</u>	<u>          1,260</u>	<u>          -</u>	<u>          1,260</u>
TOTAL ASSETS	<u>\$ 4,562</u>	<u>\$ 75,041</u>	<u>\$ 66,668</u>	<u>\$ 12,935</u>
LIABILITIES				
Accounts payable	\$ <u>4,562</u>	\$ <u>14,601</u>	\$ <u>6,228</u>	\$ <u>12,935</u>
TOTAL LIABILITIES	<u>\$ 4,562</u>	<u>\$ 14,601</u>	<u>\$ 6,228</u>	<u>\$ 12,935</u>
<b><u>THIRD COURT OF APPEALS</u></b>				
ASSETS				
Cash	\$ 1,195	\$ 10,843	\$ 11,268	\$ 770
Accounts receivable	<u>          84</u>	<u>          80</u>	<u>          84</u>	<u>          80</u>
TOTAL ASSETS	<u>\$ 1,279</u>	<u>\$ 10,923</u>	<u>\$ 11,352</u>	<u>\$ 850</u>
LIABILITIES				
Accounts payable	\$ <u>1,279</u>	\$ <u>11,618</u>	\$ <u>12,047</u>	\$ <u>850</u>
TOTAL LIABILITIES	<u>\$ 1,279</u>	<u>\$ 11,618</u>	<u>\$ 12,047</u>	<u>\$ 850</u>
<b><u>CAFETERIA/ZP</u></b>				
ASSETS				
Cash	\$ <u>          -</u>	\$ <u>87,743</u>	\$ <u>87,743</u>	\$ <u>          -</u>
TOTAL ASSETS	<u>\$ <u>          -</u></u>	<u>\$ <u>87,743</u></u>	<u>\$ <u>87,743</u></u>	<u>\$ <u>          -</u></u>
LIABILITIES				
Due to other funds	\$ <u>          -</u>	\$ <u>86,188</u>	\$ <u>86,188</u>	\$ <u>          -</u>
TOTAL LIABILITIES	<u>\$ <u>          -</u></u>	<u>\$ <u>86,188</u></u>	<u>\$ <u>86,188</u></u>	<u>\$ <u>          -</u></u>

**(continued)**

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

(Continued)

**SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>UNCLAIMED PROPERTY</u></b>				
ASSETS				
Cash	\$ 17,474	\$ 24,665	\$ 39,529	\$ 2,610
Investments	<u>          -</u>	<u>39,119</u>	<u>19,101</u>	<u>20,018</u>
TOTAL ASSETS	<u>\$ 17,474</u>	<u>\$ 63,784</u>	<u>\$ 58,630</u>	<u>\$ 22,628</u>
LIABILITIES				
Accounts payable	<u>\$ 17,474</u>	<u>\$ 7,101</u>	<u>\$ 1,947</u>	<u>\$ 22,628</u>
TOTAL LIABILITIES	<u>\$ 17,474</u>	<u>\$ 7,101</u>	<u>\$ 1,947</u>	<u>\$ 22,628</u>
<b><u>BAILBONDSMEN COLLATERAL</u></b>				
ASSETS				
Cash	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ 350,000</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ 350,000</u>
LIABILITIES				
Accounts payable	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ 350,000</u>
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ 350,000</u>
<b><u>JUVENILE PROBATION</u></b>				
ASSETS				
Cash	<u>\$ 14,183</u>	<u>\$ 32,285</u>	<u>\$ 32,242</u>	<u>\$ 14,226</u>
TOTAL ASSETS	<u>\$ 14,183</u>	<u>\$ 32,285</u>	<u>\$ 32,242</u>	<u>\$ 14,226</u>
LIABILITIES				
Accounts payable	<u>\$ 14,183</u>	<u>\$ 32,285</u>	<u>\$ 32,242</u>	<u>\$ 14,226</u>
TOTAL LIABILITIES	<u>\$ 14,183</u>	<u>\$ 32,285</u>	<u>\$ 32,242</u>	<u>\$ 14,226</u>

(continued)

**TOM GREEN COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
(Continued)  
SEPTEMBER 30, 2011**

	Balance October 1, 2010	Additions	Deductions	Balance September 30, 2011
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
<b>ASSETS</b>				
Cash	\$ 1,645,569	\$ 42,391,285	\$ 41,833,610	\$ 2,203,244
Investments	1,689,715	1,276,577	1,721,721	1,244,571
Accounts receivable	30,018	1,368,710	1,354,439	44,289
Due from other governments	<u>450</u>	<u>-</u>	<u>450</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,365,752</u></b>	<b><u>\$ 45,036,572</u></b>	<b><u>\$ 44,910,220</u></b>	<b><u>\$ 3,492,104</u></b>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,486,065	\$ 3,471,898	\$ 3,500,717	\$ 2,457,246
Due to other governments	879,687	38,961,999	38,806,828	1,034,858
Due to other funds	<u>-</u>	<u>86,188</u>	<u>86,188</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 3,365,752</u></b>	<b><u>\$ 42,520,085</u></b>	<b><u>\$ 42,393,733</u></b>	<b><u>\$ 3,492,104</u></b>

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# **COMPLIANCE SECTION**

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

Honorable County Judge and Members of the  
Commissioners' Court of Tom Green County  
San Angelo, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Tom Green County, Texas, as of and for the year ended September 30, 2011, which collectively comprise Tom Green County's basic financial statements and have issued our report thereon dated March 16, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

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

This report is intended solely for the information and use of the Commissioners' Court, management, others within the County, and appropriate federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

March 16, 2012

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable County Judge and Members of the  
Commissioners' Court of Tom Green County  
San Angelo, Texas

**Compliance**

We have audited the compliance of Tom Green County, Texas (the "County") with the types of compliance requirements described in the U. S. Office of Management and Budget ("OMB") *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2011. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2011.

## Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the Commissioners' Court, management, others within the County, and appropriate federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

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

March 16, 2012

**TOM GREEN COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor Number	Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
Direct program:			
National School Lunch / Breakfast Program	10.553	226-2004	\$ <u>16,313</u>
Total U. S. Department of Agriculture			<u>16,313</u>
<b><u>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
Direct Program:			
Economic Development Initiative - Special Project	14.251	B-08-SP-TX-0718	<u>31,123</u>
Total Direct Program			<u>31,123</u>
Total Department of Housing and Urban Development			<u>31,123</u>
<b><u>U. S. DEPARTMENT OF JUSTICE</u></b>			
Direct Program:			
State Criminal Alien Assistance Program	16.606	2011-AP-BX-0036	<u>15,625</u>
Total Direct Program			<u>15,625</u>
Passed through the City of San Angelo:			
Justice Assistance Grant	16.738	2010-DJ-BX-0885	<u>10,112</u>
Total Passed through the City of San Angelo			<u>10,112</u>
Total U. S. Department of Justice			<u>25,737</u>
<b><u>U. S. DEPARTMENT OF TRANSPORTATION</u></b>			
Passed through Texas Department of Transportation:			
Alcohol Impaired Driving Countermeasures Incentive Grant	20.601	2011-Tomgreen-S-IDM-00031	<u>17,385</u>
Total Passed through Texas Department of Transportation			<u>17,385</u>
Total U. S. Department of Transportation			<u>17,385</u>
<b><u>U.S. Election Assistance Commission</u></b>			
Passed through Texas Secretary of State:			
General HAVA Compliance	90.401	78701	<u>117,686</u>
Total Passed through Texas Secretary of State			<u>117,686</u>
Total U.S. Election Assistance Commission			<u>117,686</u>

(continued)

**TOM GREEN COUNTY, TEXAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor Number	Expenditures
<b><u>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
Direct program:			
Region 9-10 Bioterrorism	93.283	7512795372 2007	\$ 5,156
Foster Care Title IV-E	93.658	TJPC-E-2008-226	1,803
Foster Care Title IV-E	93.658	TJPC-E-2009-226	3,864
Foster Care Title IV-E	93.658	TJPC-E-2010-226	456
Foster Care Title IV-E	93.658	TJPC-E-2011-226	63,023
Total Direct Program			<u>74,302</u>
Total U. S. Department of Health and Human Services			<u>74,302</u>
<b><u>U. S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
Passed through Texas Department of Public Safety:			
Disaster Assistance - Other than Wildcat Fire	97.048	FEMA-1999-DR	\$ 56,105
2009 State Homeland Security Program	97.073	2009-SS-T9-0064	223,475
2009 LEAP	97.073	2009-SS-T9-0064	64,467
2007 State Homeland Security Program	97.073	2007-GE-T7-0024	20,000
Total Passed through Texas Department of Public Safety			<u>364,047</u>
Total U. S. Department of Homeland Security			<u>364,047</u>
<b>TOTAL FEDERAL EXPENDITURES</b>			<u><u>\$ 646,593</u></u>

# **TOM GREEN COUNTY, TEXAS**

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED SEPTEMBER 30, 2011**

### **1. BASIS OF ACCOUNTING**

The Schedule of Expenditures of Federal Awards (the “Schedule”) is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### **2. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS**

The information included in the Schedule may not fully agree with other federal award reports that the County submits to granting agencies because, among other reasons, the award reports may be prepared for a different fiscal period and may include cumulative (from prior years) data rather than data for the current year only.

**TOM GREEN COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

**Summary of Auditors' Results**

Financial Statements:

Type of auditors' report issued	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None

Federal Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	None
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Identification of major programs:

CFDA Number:	Name of Federal Program:
97.073	State Homeland Security Program
90.401	General HAVA Compliance

Dollar threshold used to distinguish between type A and type B programs	\$300,000
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Auditee qualified as low-risk auditee?	No
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**Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards**

None

**Findings and Questioned Costs for Federal Awards**

None

**TOM GREEN COUNTY, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2011**

None

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