

ANNUAL FINANCIAL REPORT

Of

TYLER COUNTY, TEXAS

For the Year Ended
December 31, 2011

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TYLER COUNTY, TEXAS

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INTRODUCTORY SECTION

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TYLER COUNTY AUDITOR

Jackie Skinner

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July 16, 2012

To the Honorable County Judge,
Members of Commissioners Court,
and Management of
Tyler County, Texas:

The Annual Financial Report (AFR) of the County of Tyler, Texas (the "County"), for the fiscal year ended December 31, 2011, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the independent auditors' report.

The AFR is presented in two sections: **Introductory** and **Financial**. The Introductory Section includes this transmittal letter and a list of principal officials. The Financial Section includes the MD&A, the basic financial statements, budgetary comparison schedules, required supplementary information other than MD&A, as well as the independent auditors' report, financial statements, and schedules.

The financial reporting entity, the County, includes all the funds of the primary government (i.e., Tyler County as legally defined), as well as any component units. Component units are legally separate entities for which the primary government is financially accountable. Currently, the County does not have a component unit.

The County provides a full range of services complemented by statute or charter. This includes police protection, legal and judicial services, construction and maintenance of roads and bridges, and waste management.

TYLER COUNTY HISTORY

Tyler County was organized in 1846. It covered an area of 923 square miles. It was named for President John Tyler, who signed the resolution to annex Texas to the United States. An election was held to choose a County Seat. Although Town Bluff was popular, a more centrally located place was preferable. Josiah Wheat offered 200 acres of his land in the forks of Turkey Creek for a town site. His generous offer was accepted. Woodville was named for Governor George T. Wood who guided the bill creating the County successfully through the State Legislature while he was a State Senator. The town was surveyed, laid off in blocks and lots, and citizens began to clear the timber from the public square.

Tyler County, Texas
Letter of Transmittal
December 31, 2011

The census taken in 1850, records a population of 4,515. In 1960, the County's population had grown to 10,666. In 1990, the census count lists the population of Tyler County at 16,646, and in 2000, the population increased by 25.4 percent to 20,871.

The County Courthouse, a three story brick building, was originally built in 1891. An annex housing the Tax Office was added in 1962 on the Courthouse Square. The County's Justice Center was completed in 1988 with a 43 inmate capacity County Jail. It is located on Highway 69 and 287 North of Woodville. Another annex was purchased in 1992 at 1001 West Bluff to house the Tax Office, Veteran's Service and Driver's License Office. The Criminal District Attorney moved into the first annex and other offices filled its vacancy in the Courthouse.

The County owns and maintains a Collection Center, Rodeo Arena, and a small Airport. In 1989, Tyler County began construction on the Tyler County Human Resource Center at 201 Willow, Woodville. Funded by a TDOC Grant #707981, donations from Temple-Inland, and a land lease from the Veterans of Foreign Wars, the center was completed in 1990. Serving as accommodations for the Tyler County Aging Services, it has become a vital part of our community. In 1999, the County Extension Offices were moved from the County Courthouse building to the Center to accommodate more room for other offices in the Courthouse. In 2005, the Veterans Service Officer relocated to the Tyler County Human Resource Center, also known as Tyler County Nutrition (Senior) Center, for better accommodations to the veterans of Tyler County. Several Organizations now lease office space in this building and assist the County in many ways. In 2006, the County purchased the J. B. Best Building, a County landmark, to house the Tyler County Clerk's Office.

MAJOR INITIATIVES

For the Year

The Jail Commission of Texas has informed Tyler County that its Jail is out of compliance on population and inmates are being housed in other counties. Commissioners' Court began researching what is needed and where to get answers to this problem. A new Jail is being studied.

For the Future

At this time, Tyler County is contemplating the answers to the overcrowding in the Jail. A contract has been awarded to a firm to study and report what is needed to correct the current problem plus give a report on future needs. It appears a new Jail will be needed and the decisions will be made on what kind of facility to build.

Tyler County has established an Emergency Operations Center in the Tyler County Nutrition (Senior Citizens) Building at 201 Willow, Woodville, Texas. Here the operations will have much needed room to operate during another disaster if needed. The disaster grants continue to be a major item for consideration. They have assisted so many of Tyler County's needs.

The Tyler Collection Center (garbage transfer station) is located west of Woodville. It is one of the best in the state. Being established in 1993, much of the original equipment is still being used. An update of this equipment is anticipated in the near future.

General Government Functions

The Commissioners' Court is the governing body of the County. The Texas Constitution specifies that the Court consists of a County Judge, who is elected at large and serves as presiding officer, and four County Commissioners elected by the voters of their individual precinct. The Court exercises the powers provided by law to conduct the varied business of the County. The Local Government Code prescribes the duties and grants authority to the Commissioners' Court and other County officers relating to financial management. In compliance with state statutes, the Commissioners' Court maintains budgetary control to ensure that provisions embodied within the annually appropriated budget are met for most County functions. According to the budget laws of the State of Texas, expenditures may not exceed the amount appropriated for each fund.

The Budget Process

The County Judge serves as the Budget Officer and, along with the County Auditor, prepares an annual budget for presentation and approval by the Commissioners' Court. Departments submit budget requests for budget revisions and amendments to the County Auditor, who reviews for conformity to statutes, appropriateness within the scope of budget objectives and makes recommendations to the Commissioners' Court as required. The Commissioners' Court maintains sole authority for revising or amending the budget.

Notices, budget request forms, and a proposed budget planning calendar are distributed to elected officials and department heads who are responsible for preparing a departmental budget request and submitting the same to the County Judge, along with supporting documentation.

The County Auditor estimates historical revenues and beginning balances in conjunction with information obtained from various County offices. The County Judge compiles and analyzes budget requests and estimated revenues, conducting budget review meetings with departments and the County Auditor.

A preliminary budget is submitted to Commissioners' Court and budget workshops are held with individual departments, if requested. A proposed budget is filed with the County Clerk for public inspection and a tax rate is proposed to support that budget, based upon the Tax Assessor/Collector's publication of the "Effective Tax Rate." Notices of the proposed tax rate are published in the local newspaper and public hearings are held to receive comments on the proposed budget and on the proposed tax rate. Changes warranted by law and required in the interest of the taxpayer are made, the budget is adopted, and a tax rate is set. The approved budget is filed with the County Clerk and the County Auditor.

The County Auditor monitors expenditures of the various departments to prevent expenditures from exceeding budget appropriations and sends a monthly financial report to Commissioners' Court and the District Judges. The County Auditor provides a budget to actual expenditures report to each department on a monthly basis.

Departments may receive added incentives for efforts in cost effective measures during the budget year. Certain budget balances are carried forward (through the budget process) to allow and encourage departments to save toward larger expenditures. Road and Bridge departments are probably the most affected by the budget carry forward issue, as larger balances may occur.

Internal Control Structure

The County's accounting records for general government operations are maintained and the financial statements are presented on the modified accrual basis. The financial operating controls are shared by the Commissioners Court, which is the governing body, and the County Auditor, who is appointed by the District Judges.

The County Auditor has the basic responsibility for maintaining the records of all financial transactions of the County and examining, auditing, and approving all disbursements from County funds prior to submission to Commissioners' Court for payment.

The Commissioners' Court sets the tax rate, establishes policies for County operation, approves contracts for the County and develops and adopts the County budget within the resources as estimated by the County Auditor.

In developing the County's accounting systems, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of the financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived therefrom, and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The County's internal accounting controls are believed to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Cash Management

The County Treasurer, by statute, serves as the custodian of County funds and is responsible for the receipt and disbursement of all monies owed to or by the County. The County Treasurer is required to maintain accurate records of all transactions of his/her office and to regularly report to the Commissioners' Court.

The Commissioners' Court selected qualified banks to serve as the County depositories, in which the County Treasurer deposits all monies received. The County's investment policy was revised to meet the changes in the Public Funds Investment Act. Investment strategies were identified for each group of funds.

Risk Management

The County participates in the Texas Association of Counties' Workers' Compensation Pool to cover job related risk. The development of a limited risk management program has resulted in significant savings in workers' compensation insurance premiums. These savings are passed on to all County employees in the form of cost of living and merit salary increases. Additionally, the County annually reviews with its carrier all liability coverage, making necessary amendments and/or adjustments to policy deductibles and limits.

Tyler County, Texas
Letter of Transmittal
December 31, 2011

OTHER INFORMATION

Independent Audit

The County requires an annual audit of the books of accounts, financial records, and transactions of all departments of the County by an independent certified public accountant. The accounting firm of Belt Harris Pechacek, LLLP, *Certified Public Accountants* was selected by Commissioners' Court as the County's auditors, and their opinion letter on the general purpose financial statements is included in the Financial Section of this report.

Acknowledgements

The preparation of this report was accomplished with the efficient and dedicated services of the entire staff of the County Auditor's office. We would like to express our appreciation to all members of the departments who assisted and contributed to its preparation. We would also like to thank the County Judge, members of the Commissioners' Court, and the Department Heads for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "Jackie Skinner". The signature is written in a cursive, flowing style.

Jackie Skinner
Tyler County Auditor

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TYLER COUNTY, TEXAS
LIST OF ELECTED AND APPOINTED OFFICIALS
December 31, 2011

COMMISSIONERS COURT:

Jacques L. Blanchette	County Judge
Martin Nash	Commissioner, Precinct #1
Rusty Hughes	Commissioner, Precinct #2
Mike Marshall	Commissioner, Precinct #3
Jack Walston	Commissioner, Precinct #4

JUDICIAL:

Joe R. Smith	District Attorney
Kim Nagypal	District Clerk

COUNTY COURT AT LAW:

Donece Gregory	County Clerk
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JUSTICE COURTS:

Bryan Weatherford	Justice of Peace, Precinct #1
Stevan Sturrock	Justice of Peace, Precinct #2
Milton Powers	Justice of Peace, Precinct #3
Jim Moore	Justice of Peace, Precinct #4

LAW ENFORCEMENT:

David Hennigan	County Sheriff
Guy Gary Mattingly	Constable, Precinct #1
David Davis	Constable, Precinct #2
Wade Skinner	Constable, Precinct #3
Jim Zachary	Constable, Precinct #4

FINANCIAL ADMINISTRATION:

Lynnette Cruse	Tax Assessor/Collector
Sharon Fuller	County Treasurer
Jackie Skinner	County Auditor*

*Designated appointed official. All others are elected.

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and
Members of the Commissioners' Court of
Tyler County, Texas:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tyler County, Texas (the "County"), as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 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.

As discussed in Note IV. F to the financial statements, management has not recorded capital assets in governmental activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those capital assets be capitalized and depreciated, which would increase the assets, net assets, and expenses of the governmental activities. In addition, management has also not recorded a liability for compensated absences in governmental activities and, accordingly, has not recorded an expense for the current period change in that liability. Accounting principles generally accepted in the United States of America require that compensated absences attributable to employee services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee be accrued as liabilities and expenses as employees earn the rights to the benefits, which would increase the liabilities, reduce the net assets, and change the expenses of the governmental activities. The amount by which these departures would affect the assets, liabilities, net assets and expenses of the governmental activities is not reasonably determinable.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to previously do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities of the County, as of December 31, 2011, or the changes in financial position thereof for the year then ended.

In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund

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information of the County, as of December 31, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 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 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.

The Management's Discussion and Analysis, budgetary comparison information, and schedules of funding progress identified as Required Supplementary Information in the table of contents are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. 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 introductory section and combining statements and schedules are presented for purposes of additional analysis and are not required parts of the financial statements. The combining fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Because of the significance of the matters described above regarding the omission of capital assets and compensated absences in governmental activities, it is not appropriate to and we do not express an opinion on the supplementary information referred to above in relation to the governmental activities of the County. In addition, in our opinion, the information is fairly stated in all material respects in relation to the major fund and the aggregate remaining fund information of the County. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
July 16, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

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TYLER COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2011

The Management's Discussion and Analysis (MD&A) provides an overview of Tyler County's (the "County") financial performance for the year ended December 31, 2011. This overview is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activity, (c) identify changes in the County's financial position and its ability to address the next and subsequent year challenges, (d) identify any material deviations from the financial plan in the approved budget, and (e) identify individual fund issues or concerns.

Please consider the information presented here in conjunction with the transmittal letter and the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

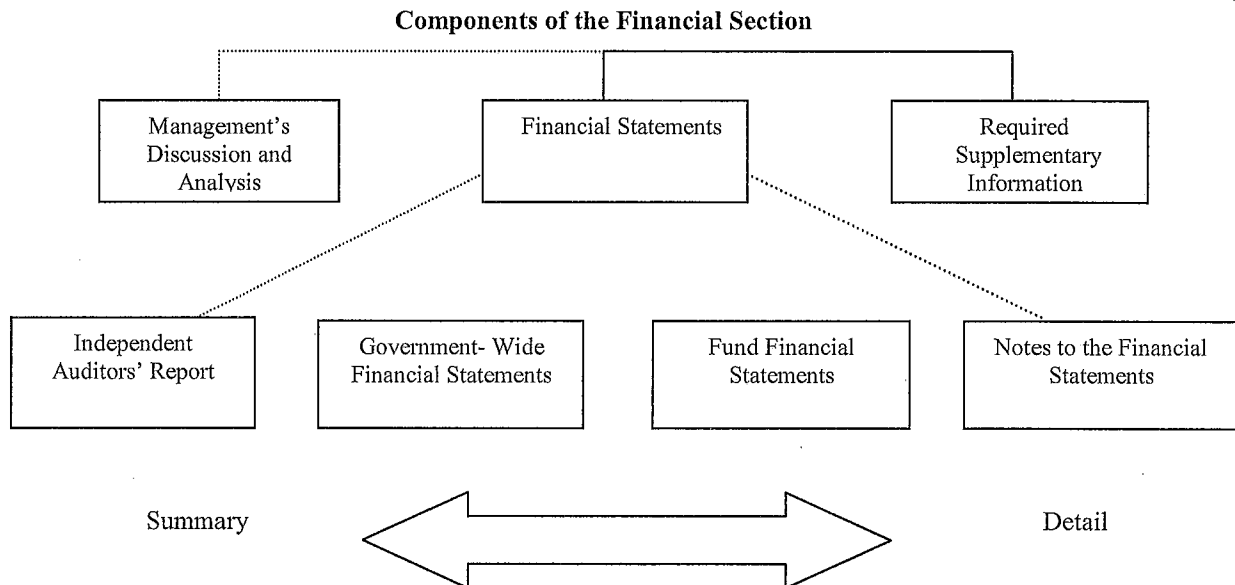
The general fund, on a current financial resource basis (fund level) reported revenues over expenditures and other financing sources and uses of \$748,117, as compared to a planned decrease of \$564,597, which resulted in a positive variance of \$1,312,714.

On a government-wide basis for governmental activities, the County had expenses net of program revenue of \$7,811,387. General revenues of \$6,128,063 were \$1,683,324 less than expenses net of program revenue.

The County's total net assets, on the government-wide basis, totaled \$15,956,002 at December 31, 2011.

THE STRUCTURE OF OUR ANNUAL REPORT

The table of contents presented at the beginning of this report provides an overview of the structure of the County's report, as well as the page numbers where the respective sections can be located within the report, as more fully described below.



The annual financial report is presented as compliant with the financial reporting model in effect pursuant to GASB Statement No. 34. The financial reporting model requires governments to present certain basic financial statements as well as a MD&A and certain other Required Supplementary Information (RSI). The basic financial

TYLER COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2011

statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements.

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private sector companies. One of the most important questions asked about the County's finances is, "Is the County as a whole better or worse off as a result of this year's activity?" The Statement of Net Assets and the Statement of Activities, which are the government-wide statements, report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities on the accrual basis of accounting, which is similar to the basis of accounting used by most private sector entities. All current year revenues and expenses are taken into account regardless of when the cash is received or paid.

The Statement of Net Assets presents information on all the County's assets and liabilities, with the difference between the two reported as net assets. Over time, the increase or decrease in net assets provides one indicator as to whether the County's financial health is improving or deteriorating. Other non-financial factors, such as the County's property tax base and the condition of the County's infrastructure, need to be considered to assess the overall health of the County.

The Statement of Activities presents information showing how the County's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows using the accrual method rather than modified accrual that is used in the fund level statements.

In the Statement of Net Assets and the Statement of Activities, the County has only one type of activity:

Governmental Activities – Most of the County's basic services are reported here such as general government, administration of justice, roads and bridges, health and human services, tax administration and interest and fiscal agent fees on long-term debt.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Traditional users of government financial statements will find the fund financial statement presentation more familiar. The focus is now on the County's most significant funds. The fund financial statements provide more information about the County's most significant funds, not the County as a whole.

The County has two types of funds:

Governmental Funds -- Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's major programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided at the bottom of the governmental funds balance sheet that explains the relationship or differences between them.

TYLER COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2011

Fiduciary Funds – These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

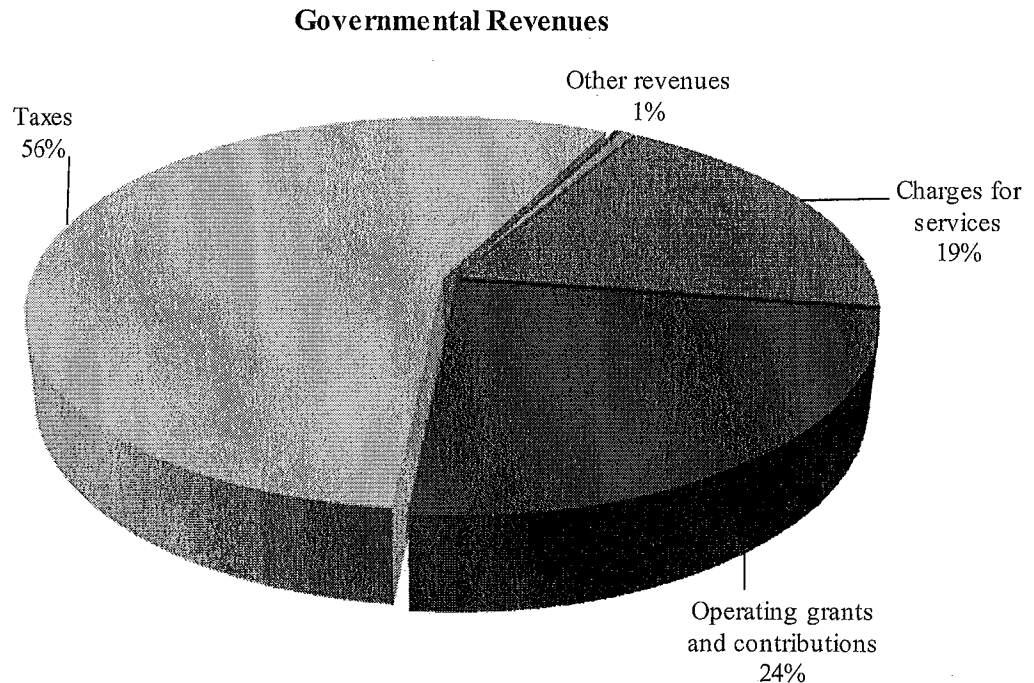
Notes to Financial Statements – The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information – In addition to basic financial statements, this MD&A, and accompanying notes, this report also presents certain RSI. The RSI that GASB Statement No. 34 requires includes budgetary comparison schedules for the general fund and road and bridge fund, as well as schedules of funding progress for the Texas County and District Retirement System and the Tyler County Retiree Healthcare Plan. RSI can be found after the basic financial statements.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

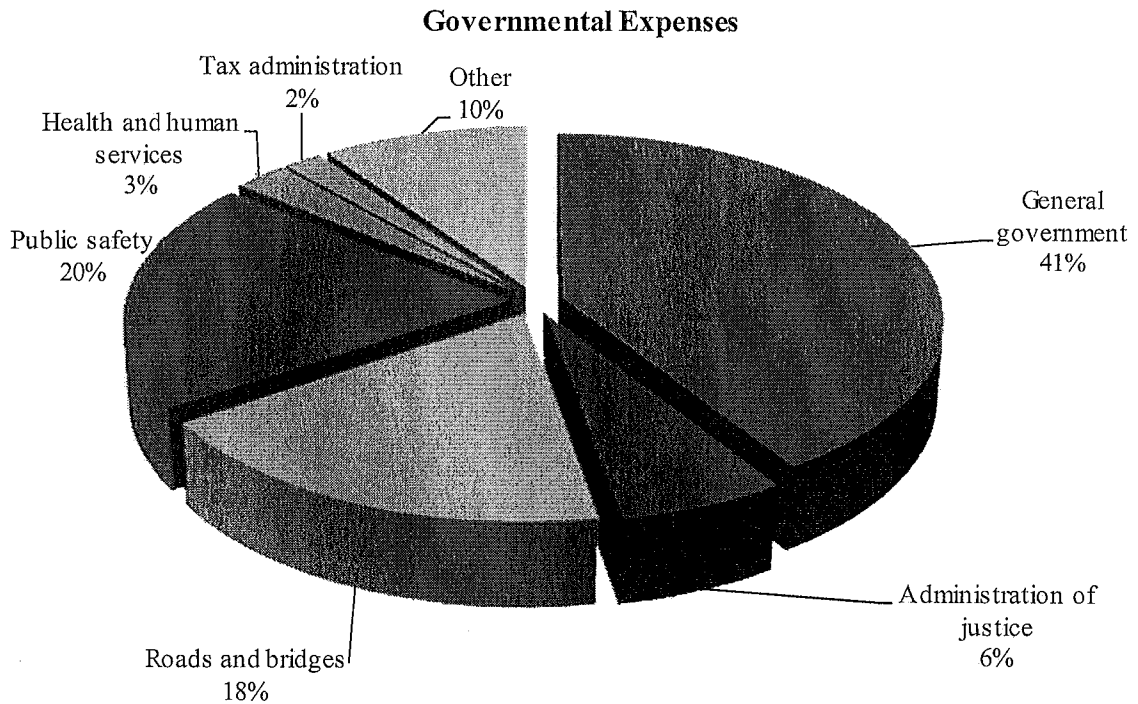
In accordance with GASB Statement No. 34, the County normally would provide comparative information. However, fiscal year 2011 is the first year for which the County is presenting financial statements following generally accepted accounting principles, with the exception of capital assets and compensated absences on the full accrual basis and, therefore, comparative information is unavailable.

Graphic presentations of selected data for the fiscal year 2011 follow to assist in the analysis of the County's activities.



Taxes comprised over half of the County's annual revenue for 2011, with 90% of total tax revenue resulting from property taxes. The next largest revenue source was operating grants and contributions, which consisted primarily of grant funds for various ongoing disaster recovery projects related to Hurricane Ike.

TYLER COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2011



General government expenses, such as maintenance and miscellaneous expenses necessary for the general operations of the County, make up the largest portion of total expenses at 41%. Other large expenses include public safety expenses, such as the sheriff's office, and road and bridge maintenance and improvements.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

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

The County's governmental funds reflect a combined fund balance of \$8,237,511. Of this, \$2,030,569 is unassigned and available for day-to-day operations of the County; \$1,663,224 is restricted for road and bridge projects, and \$4,543,718 is restricted within the County's special revenue funds.

The general fund is the chief operating fund of Tyler County. At the end of the current fiscal year, unassigned, fund balance of the general fund was \$2,030,569. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32% of total general fund expenditures, while total fund balance represents the same amount.

There was an increase in the combined fund balance of \$852,309 over the prior year. The general fund and road and bridge funds experienced increases of \$748,117 and \$171,811, respectively. These increases are primarily due to decreases in expenditures and increases in property tax.

TYLER COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended December 31, 2011

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual general fund revenues were over final budgeted revenues by \$497,463 during the year. This net positive variance is attributable to taxes and other fees exceeding the anticipated amount in the original budget projections. General fund disbursements were under the final budget by \$805,745.

CAPITAL ASSETS

The County has maintained its financial records on the cash basis of accounting in prior years and, as a result, has not recorded capital assets. The County is currently working on this schedule for the 2012 fiscal year.

LONG-TERM DEBT

At the end of the fiscal year, the County had total debt outstanding of \$128,794 which consists of four time warrant agreements.

ECONOMIC FACTORS

The County continues to grow as seen in the increase in assessed property valuations for both residential and commercial entities, and has continued the permanent road program to solidify the infrastructure of the County.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances. Questions concerning this report or requests for additional financial information should be directed to Jackie Skinner, County Auditor, Tyler County, 100 West Bluff, Woodville, TX 75979.

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BASIC FINANCIAL STATEMENTS

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TYLER COUNTY, TEXAS

STATEMENT OF NET ASSETS

December 31, 2011

	<u>Primary Government Governmental Activities</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 7,839,780
Investments	2,307,091
Receivables, net	8,211,974
Total Current Assets	<u>18,358,845</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable and accrued liabilities	286,190
Unearned revenue	1,707,799
Total Current Liabilities	<u>1,993,989</u>
Noncurrent liabilities:	
Long-term liabilities due within one year	77,282
Long-term liabilities due in more than one year	331,572
Total Liabilities	<u>408,854</u> <u>2,402,843</u>
<u>Net Assets</u>	
Restricted for:	
Road and bridge	1,663,224
Other purposes	4,543,718
Unrestricted	9,749,060
Total Net Assets	<u>\$ 15,956,002</u>

See Notes to Financial Statements.

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TYLER COUNTY, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2011

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General government	\$ 5,090,301	\$ 1,987,326	\$ 2,572,842	\$ (530,133)
Administration of justice	790,867	-	-	(790,867)
Roads and bridges	2,291,086	55,953	48,245	(2,186,888)
Legal	17,778	-	-	(17,778)
Public safety	2,514,325	-	-	(2,514,325)
Health and human services	323,614	-	-	(323,614)
Tax administration	235,445	-	-	(235,445)
Interest and fiscal charges on long term debt	5,402	-	-	(5,402)
Other	1,206,935	-	-	(1,206,935)
Total Governmental Activities	\$ 12,475,753	\$ 2,043,279	\$ 2,621,087	(7,811,387)
General Revenues:				
				5,458,993
				573,093
				34,467
				61,510
			Total General Revenues	6,128,063
			Change in Net Assets	(1,683,324)
			Beginning Net Assets	17,639,326
			Ending Net Assets	\$ 15,956,002

See Notes to Financial Statements.

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TYLER COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2011

	General	Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and cash equivalents	\$ 1,339,134	\$ 2,226,187	\$ 4,274,459	\$ 7,839,780
Investments	2,005,661	-	301,430	2,307,091
Receivables, net	5,871,438	2,214,981	-	8,086,419
Total Assets	\$ 9,216,233	\$ 4,441,168	\$ 4,575,889	\$ 18,233,290
<u>Liabilities</u>				
Accounts payable	\$ 158,086	\$ 95,933	\$ 32,171	\$ 286,190
Deferred revenue	7,027,578	2,682,011	-	9,709,589
Total Liabilities	7,185,664	2,777,944	32,171	9,995,779
<u>Fund Balances</u>				
Restricted:				
Road and bridge	-	1,663,224	-	1,663,224
Special revenue funds	-	-	4,543,718	4,543,718
Unassigned	2,030,569	-	-	2,030,569
Total Fund Balances	2,030,569	1,663,224	4,543,718	8,237,511
Total Liabilities and Fund Balances	\$ 9,216,233	\$ 4,441,168	\$ 4,575,889	

Adjustments for the Statement of Net Assets:

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

Deferred revenue 8,001,790

Long-term liabilities, including time warrants payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Long-term liabilities due within one year (77,282)

Long-term liabilities due in more than one year (331,572)

Court fines receivable, net of related allowance, are not current financial resources and, therefore, are not reported in the governmental funds.

125,555

Net Assets of Governmental Activities **\$ 15,956,002**

See Notes to Financial Statements.

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TYLER COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2011

	General	Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 6,363,491	\$ 2,182,806	\$ -	\$ 8,546,297
Intergovernmental	223,721	48,245	2,349,121	2,621,087
Auto registration	-	545,229	-	545,229
Other fees	1,159,334	55,953	261,473	1,476,760
Investment income	17,138	5,691	11,638	34,467
Other revenues	43,367	-	18,143	61,510
Total Revenues	7,807,051	2,837,924	2,640,375	13,285,350
Expenditures				
General government	3,000,599	-	2,008,866	5,009,465
Administration of justice	790,867	-	-	790,867
Roads and bridges	-	2,291,086	-	2,291,086
Legal	-	-	17,778	17,778
Public safety	2,116,923	-	397,402	2,514,325
Health and human services	115,329	-	208,285	323,614
Tax administration	235,445	-	-	235,445
Other expenditures	-	-	75,297	75,297
Debt service:				
Debt service	-	92,472	-	92,472
Interest charges	-	5,402	-	5,402
Capital outlay	155,503	531,501	444,634	1,131,638
Total Expenditures	6,414,666	2,920,461	3,152,262	12,487,389
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,392,385	(82,537)	(511,887)	797,961
Other Financing Sources (Uses)				
Debt issued	-	38,762	-	38,762
Transfers in	35,754	3,230,395	480,022	3,746,171
Transfers (out)	(680,022)	(3,030,395)	(35,754)	(3,746,171)
Sale of capital assets	-	15,586	-	15,586
Total Other Financing Sources (Uses)	(644,268)	254,348	444,268	54,348
Net Change in Fund Balances	748,117	171,811	(67,619)	852,309
Beginning Fund Balances	1,282,452	1,491,413	4,611,337	7,385,202
Ending Fund Balances	\$ 2,030,569	\$ 1,663,224	\$ 4,543,718	\$ 8,237,511

See Notes to Financial Statements.

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TYLER 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 December 31, 2011

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

Net changes in fund balances – total government funds	\$	852,309
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred revenue		(2,514,211)
Court fines receivable, net of related allowance, are not current financial resources and, therefore, are not reported in the governmental funds.		21,290
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets.		
Principal payments		92,472
Debt issued		(38,762)
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 the governmental funds. This adjustment reflects the net change in the OPEB obligation.		
Net OPEB obligation		<u>(96,422)</u>
Change in Net Assets of Governmental Activities	\$	<u><u>(1,683,324)</u></u>

See Notes to Financial Statements.

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TYLER COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
December 31, 2011

	<u>Total Agency Funds</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 3,693,472
Total Assets	<u>\$ 3,693,472</u>
<u>Liabilities</u>	
Due to other units	\$ 3,693,472
Total Liabilities	<u>\$ 3,693,472</u>

See Notes to Financial Statements.

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TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Tyler County, Texas (the "County"), is an independent government entity created in 1846 from Liberty County by an act of the Texas Legislature. The County is governed by Commissioners' Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County's financial statements include the accounts of all County operations. The County provides a vast array of services including administration of general government, justice, road and bridges, legal, public safety, health and human services, and tax.

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

The County's basic financial statements include the primary government only. The County has no oversight responsibility for any other entity since they are not considered financially accountable to the County. Financial accountability is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing body.

B. Government-Wide and Fund Accounting

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information about the County as a whole, excluding fiduciary activities. These statements include all activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which the County has none.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipients of goods or services offered by the programs and grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, such as taxes and investment earnings, are presented as general revenues.

Separate financial statements are provided for governmental and agency funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

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

Following is a description of the various funds:

1. Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed.

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of receipts include local property taxes, licenses and permits, fines and forfeitures, and charges for services. Disbursements include general government, administration of justice, public safety, health and human services, and tax administration.

Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The following special revenue fund is considered a major fund for reporting purposes:

Road & Bridge Fund - This fund is used to account for receipts of property taxes levied and vehicle registration fees. Uses of funds are restricted for the maintenance of roads, bridges, and the operations of related facilities. All precinct operations as well as permanent road monies are accounted for in this fund.

2. Fiduciary Funds

The fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County has the following types of fiduciary funds:

Agency Funds

The agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

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

The government-wide Statements of Net Assets and Statements of Activities are accounted for on a flow of economic resources measurement focus, the accrual basis of accounting, as are the fiduciary funds financial statements. With this measurement focus, all assets and all liabilities associated with the operations of these activities are included on the balance sheet. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they are susceptible to accrual (i.e., when they are measurable and available). Measurable means the amount of the transaction can be determined and available means is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues available if they are collected within 60 days of the end of the current period.

Property taxes, sales taxes, and interest associated with the current period are all susceptible to accrual and so have been recognized as revenues of the current period. Other receipts and other taxes become measurable and available when cash is received by the County and are recognized as revenue at that time. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Under modified accrual accounting, expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for interest on general long-term debt, which is recognized when due.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Agency funds are unlike other types of funds, reporting only assets and liabilities. Agency funds cannot be said to have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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

1. Deposits and Investments

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

The Public Funds Investment Act, Ch 2256 of the Local Government Code of Texas authorizes the County to invest in:

- (a) obligations of the United States or its agencies and instrumentalities;
- (b) direct obligations of the State of Texas or its agencies and instrumentalities;
- (c) collateral mortgage obligations, although significantly limited;

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

- (d) other obligations, the principal and interest on which are unconditionally guaranteed or insured or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities;
- (e) obligations of state, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm of not less than A or its equivalent;
- (f) certificates of deposit issued by state and national banks or savings and loan domiciled in Texas which are:
 - (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or
 - (ii) secured by obligations of paragraphs (a) to (e) above and that have a market value of not less than the principal amount of the certificates but excluding certain mortgage-backed securities;
- (g) fully collateralized repurchase agreements, bankers' acceptances, commercial paper, mutual funds, guaranteed investment contracts, and investment pools all of which are required to meet certain restrictive criteria.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances 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."

Advances between funds are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable, available financial resources.

All trade receivables are shown net of an allowance for uncollectibles.

Property Taxes

General property taxes are recorded as receipts when levied for the current year and due, payable, and collected in the current year.

The property tax calendar dates are:

- Levy date and due date – October 1
- Collection dates – October 1 through June 30
- Lien date – July 1

The County bills and collects its own taxes and those for certain government entities within the County. Collections of the property taxes and subsequent remittances to the proper entities are accounted for in the tax assessor's agency fund. Tax collections deposited for the County are distributed on a periodic basis to the general, road and bridge, and jail interest and sinking fund of the County. This distribution is based upon the tax rate established for each fund by order of the Commissioners' Court for the tax year for which the collections are made.

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

The appraisal of property within the County is the responsibility of the County-wide appraisal district, which is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value and is prohibited from applying any assessment ratios. The appraisal district must review the value of the property within the County every three years unless the County, at its own discretion, requires more frequent reviews. The County may challenge the appraised values through various appeals and, if necessary, legal action. Under this legislation, the County sets tax rates on County property.

3. Compensated Employee Absences

It is the County's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Additionally, Sheriff's department employees are allowed to accumulate holidays. No liability is reported for unpaid accumulated sick leave since it does not vest. Vacation, compensatory time, and holiday pay that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations. As of December 31, 2011, the County is gathering all of the necessary information to report this liability in the next fiscal year.

4. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Assets. The long-term debt consists primarily of time warrants and an other post-employment benefit obligation.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payment of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments and compensated absences paid from governmental funds are reported as liabilities in the fund financial statements only for the portion expected to be financed from expendable, available financial resources.

Assets acquired under the terms of capital leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund or road and bridge fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment, with an appropriate reduction of principal recorded in the government-wide financial statements.

5. Fund Equity

Fund balances of governmental funds are classified as follows:

Nonspendable — represents amounts that cannot be spent because they are either in nonspendable form (such as inventory or prepaid insurance) or are legally required to remain intact (such as notes receivable or principal of a permanent fund).

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

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

Committed — represents amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority, Commissioners' Court. Commitments may be established, modified, or rescinded only through resolutions approved by Commissioners' Court. To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint. The commitment must be made prior to year end.

Assigned — represents amounts the County intends to use for a specific purpose. Intent can be expressed by the Commissioners Court' or the County auditor. Assignments can be made at any time.

Unassigned — represents amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by Commissioners' Court, and unassigned fund balance), the County will start with the most restricted category and spend those funds first before moving to the next category with available funds.

Commissioners' Court is the County's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the court at the County's Commissioners' Court meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

The Commissioners' Court is also authorized to assign fund balance, though these assignments do not require formal action by the Court.

The County's goal is to maintain a minimum of 25 percent of expenditures in unassigned fund balance.

6. Estimates

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

7. Net Assets

Equity is classified as net assets and is displayed in two components:

Restricted net assets — consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net assets — consists of all other net assets that do not meet the definition of "restricted."

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The original budget is adopted by the Commissioners' Court prior to the beginning of the year. The legal level of control is the department level as defined by State statute. Management is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total disbursements of any fund must be approved by the Commissioners' Court.

Budgets are adopted on a GAAP basis for all budgeted funds. Several supplemental budget appropriations were made for the year ended December 31, 2011.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As of December 31, 2011, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Certificates of deposit	\$ 2,307,091	.04
	<u>\$ 2,307,091</u>	
Portfolio weighted average maturity		.04

Interest rate risk. In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the stated maturity of its investment portfolio to no more than 2 years.

Custodial credit risk – deposits. 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. The County's investment policy requires funds on deposit at the depository bank to be collateralized by securities and FDIC insurance. As of December 31, 2011, pledged securities and FDIC insurance exceeded bank balances.

B. Receivables

The following comprise receivable balances at year end:

	<u>General</u>	<u>Road and Bridge</u>	<u>Total</u>
Property taxes	\$ 5,786,809	\$ 2,214,981	\$ 8,001,790
Other taxes	84,629	-	84,629
	<u>\$ 5,871,438</u>	<u>\$ 2,214,981</u>	<u>\$ 8,086,419</u>

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

C. Long-Term Liabilities

The following is a summary of changes in the County's total governmental long-term liabilities for the year ended December 31, 2011. In general, the County uses the general and road and bridges to liquidate governmental long-term liabilities.

	Beginning Balance	Additions	(Reductions)	Ending Balance	Due Within One Year
Governmental Activities:					
Time warrants	\$ 182,504	\$ 38,762	\$ (92,472)	\$ 128,794	\$ 77,282
	<u>182,504</u>	<u>38,762</u>	<u>(92,472)</u>	<u>128,794</u>	<u>77,282</u>
Other:					
Net OPEB obligation	183,638	96,422	-	280,060	-
	<u>183,638</u>	<u>96,422</u>	<u>-</u>	<u>280,060</u>	<u>-</u>
Total Governmental Activities	<u>\$ 366,142</u>	<u>\$ 135,184</u>	<u>\$ (92,472)</u>	<u>\$ 408,854</u>	<u>\$ 77,282</u>
				<u>Long-term liabilities due in more than one year</u>	<u>\$ 331,572</u>

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

Long-term debt obligations of the County as of December 31, 2011, are as follows:

	Percentage Interest Rate	Original Amount	Balance
Time warrants			
Caterpillar Financial	5.39	\$ 131,301	\$ 30,056
Caterpillar Financial	5.89	\$ 75,915	20,310
Beaumont Tractor	6.00	\$ 64,268	39,666
First National Bank	3.75	\$ 38,762	38,762
		TOTAL	<u>\$ 128,794</u>

A summary of the County's debt service requirements, including interest, is as follows:

Year Ending Dec. 31	Time Warrants	
	Principal	Interest
2012	\$ 77,282	\$ 3,805
2013	51,512	803
Total	<u>\$ 128,794</u>	<u>\$ 4,608</u>

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

D. Interfund Transactions

Transfers between the primary governmental funds during the 2011 year were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds		
Individual major governmental funds:		
General	\$ 35,754	\$ 680,022
Road and bridge	3,230,395	3,030,395
Other non-major funds	480,022	35,754
Total transfers	<u>\$ 3,746,171</u>	<u>\$ 3,746,171</u>

Amounts transferred between funds relate to amounts collected by general, road and bridge, and special revenue funds for various governmental disbursements.

IV. OTHER INFORMATION

A. 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; and natural disasters for which the County carries commercial insurance. In addition, the County participates along with 279 other entities in the Texas Association of Counties' Workers' Compensation Self-Insurance Fund. The "Pool" was created by the Texas Association of Counties in 1974 to insure the County for workers' compensation related claims. This Pool purchases commercial insurance at group rates for participants in the Pool. The County has no additional risk or responsibility to either of the Pools in which it participates, outside of payment of insurance premiums. The County has not significantly reduced insurance coverage or had settlements that exceeded coverage amounts for the past three fiscal years.

The County reports liabilities when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payout and other economic and social factors. The liability for claims and judgments is reported in the government-wide financial statements because it is not expected to be liquidated with expendable, available financial resources. However, none are reported at December 31, 2011.

B. Contingent Liabilities

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

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

C. Pension Plan

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 601 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 within the options available in Texas State statutes governing TCDRS the "TCDRS Act". Members can retire at ages 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 or more. Members are vested after eight years of service, but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

Funding Policy

The County has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 9.36 percent for the calendar year of 2011.

The Commissioners' Court adopted the rate of seven percent as the contribution rate payable by the employee members for calendar year 2011. The Commissioners' Court may change the employee contribution rate and the employer contribution rate within the options available in the TCDRS Act.

Annual Pension Costs

The County's schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

The funded status as of December 31, 2010, the most recent valuation date, is as follows:

		<u>2011</u>
Actuarial Valuation Date		12/31/2010
Actuarial Value of Assets	\$	9,117,911
Actuarial Accrued Liability	\$	10,384,269
Percentage Funded		87.81%
Unfunded Actuarial		
Accrued Liability	\$	1,266,358
Annual Covered Payroll	\$	3,732,222
Unfunded Actuarial		
Accrued Liability		
(UAAL) % of Covered Payroll		33.93%
Net Pension Obligation (NPO)		
at the Beginning of Period	\$	-
Annual Req. Contrib. (ARC)		372,190
Contributions Made		372,190
NPO at the End of Period	\$	<u><u>-</u></u>

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees and were in compliance with GASB Statement No. 27 parameters based on the actuarial valuations as of December 31, 2009, the basis for determining the contribution rates for plan year 2011.

Actuarial cost method	Entry age
Amortization method	Level percent of payroll, closed
Remaining amortization period	20
Asset valuation method	10-yr smoothed value
Investment rate of return	8%
Projected salary increases	5.4%
Includes inflation at	3.5%
Cost of living adjustments	None

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual Req. Contrib. (ARC)	\$ 372,190	\$ 355,681	\$ 297,821
Contributions Made	372,190	355,681	297,821
NPO at the End of Period	\$ -	\$ -	\$ -

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

D. Other Post Employment Benefits

Plan Description

In order to recognize and reward long-term employees, as well as to provide an incentive for remaining in the County's employment, the County administers a single-employer defined benefit Other Post Employment Benefits (OPEB) plan, known as Tyler County Retiree Health Care Plan (the "Plan").

Retirees who meet the criteria are eligible for health coverage that is 100 percent paid for by the County. Retirees must be 62 years of age and have eight years of continuous service with the County. Retirees who retire before age 62 are eligible for health coverage that is 80 percent paid for by the County based on the following eligibility rule of 25 years of continuous service with the County and meet the seventy five points rule. Health coverage ends at age 65 and four months. Members terminating before normal retirement conditions are not eligible for retiree health care.

The County does not provide death-in-service benefits to a surviving spouse of an employee. Surviving spouses are eligible for COBRA benefits only.

Unless qualified based on normal retirement benefits above, the County does not provide health benefits to a disabled retiree. Disabled retirees are eligible for COBRA benefits only.

Effective August 1, 2006, retirees will have a flat \$10,000 life benefit with no age reduction. This coverage is offered at no cost to the retiree.

Retirees may purchase health care coverage for eligible spouses and dependents at their own expense.

Funding Policy and Annual OPEB Cost

The County has elected to finance the OPEB plan on a pay-as-you-go basis.

The County's annual 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 annual OPEB cost for the fiscal year ending December 31, 2011 is as follows:

Annual required contribution	\$ 167,382
Interest on OPEB obligation	8,264
Adjustment to ARC	<u>(7,656)</u>
Annual OPEB cost (expense) end of year	167,990
Net estimated employer contributions	<u>(71,568)</u>
Increase in net OPEB obligation	96,422
Net OPEB obligation - as of beginning of the year	183,638
Net OPEB obligation - as of end of the year	<u><u>\$ 280,060</u></u>

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

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 December 31, 2011 and the preceding two fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Amount Contributed	Percentage Contributed	Net OPEB Obligation
2009	\$ 157,774	\$ 67,459	42.8%	\$ 90,315
2010	\$ 162,806	\$ 69,483	42.7%	\$ 183,638
2011	\$ 167,990	\$ 71,568	42.6%	\$ 280,060

Funding Status and Funding Progress

The funded status of the County's retiree health care plan under GASB Statement No. 45 as of December 31, 2011 is as follows:

Actuarial Valuation Date as of	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (d)	Ration of UAAL to Annual Covered Payroll (b-a)/d
12/31/11	\$ -	\$1,287,498	\$1,287,498	0.0%	\$3,732,222	34.5%

Under the reporting parameters, the County's retiree health care plan is zero percent funded with an estimated actuarial accrued liability exceeding actuarial assets by \$1,287,498 at December 31, 2011. As of the most recent valuation, the ratio of the unfunded actuarial accrued liability to annual covered payroll is 34.5 percent.

Actuarial Methods and Assumptions

The Projected Unit Credit actuarial cost method is used to calculate the GASB 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.

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

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:

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 payroll
Amortization period	30-year open amortization
Payroll growth	3.00% per annum
Health care cost trend rate	Initial rate of 8.50% declining to an ultimate rate of 4.50% after 8 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 ARC 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. The required schedule of funding progress presented as RSI provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

E. Accounting Changes and Restatement

The County has restated beginning net assets and fund balances due to a change from cash to modified accrual basis at the fund level and full accrual at the government wide level. This method provides more meaningful financial information to management, and complies with generally accepted accounting principles. The conversion of prior year ending net assets and fund balances to beginning net assets and fund balances is as follows:

	<u>Governmental Activities</u>	<u>General</u>	<u>Road and Bridge</u>
Prior year ending net assets/ fund balances as reported	\$ 8,939,837	\$ 2,338,972	\$ 1,989,528
Change in reporting of sales tax accrual	101,673	101,673	-
Change in reporting of long term debt	(182,504)	-	-
Change in reporting of payroll accrual	(53,845)	(39,410)	(14,435)
Change in reporting of receivables	104,265	-	-
Change in reporting of payables	(93,694)	(17,448)	(76,246)
Change in reporting of property tax revenue	(1,508,769)	(1,101,335)	(407,434)
Change in reporting of OPEB liability	(183,638)	-	-
Change in reporting of deferred revenue	10,516,001	-	-
Restated Beginning Net Assets/ Fund Balances	<u>\$ 17,639,326</u>	<u>\$ 1,282,452</u>	<u>\$ 1,491,413</u>

TYLER COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended December 31, 2011

F. GAAP Departure

The County previously maintained its general ledger on the cash basis of accounting rather than the full accrual and the modified accrual basis which follows generally accepted accounting principles in the United States of America. The County had not maintained records of capital assets and compensated absences while on the cash basis. Accordingly, capital assets and compensated absences have been omitted from the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)
GENERAL FUND

For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 5,876,038	\$ 5,876,038	\$ 6,363,491	\$ 487,453
Intergovernmental	185,622	265,350	223,721	(41,629)
Other fees	1,067,000	1,067,000	1,159,334	92,334
Interest	51,200	51,200	17,138	(34,062)
Other Revenues	50,000	50,000	43,367	(6,633)
Total Revenues	<u>7,229,860</u>	<u>7,309,588</u>	<u>7,807,051</u>	<u>497,463</u>
<u>Expenditures</u>				
General Government:				
General operations	409,164	433,737	378,235	55,502
County judge	151,040	151,040	144,519	6,521
County treasurer	99,803	99,803	95,170	4,633
County auditor	133,391	133,391	132,332	1,059
County clerk	279,551	280,101	262,452	17,649
Maintenance	441,069	441,069	391,951	49,118
County court	194,828	194,828	150,721	44,107
Miscellaneous	1,709,609	1,709,609	1,445,219	264,390
	<u>3,418,455</u>	<u>3,443,578</u>	<u>3,000,599</u>	<u>442,979</u>
Administration of Justice:				
Justice of the peace	261,116	261,116	251,398	9,718
District attorney	339,494	339,494	302,376	37,118
1-A judicial district	78,112	78,130	75,363	2,767
District clerk	175,834	175,834	161,730	14,104
	<u>854,556</u>	<u>854,574</u>	<u>790,867</u>	<u>63,707</u>
Public Safety:				
DPS	41,605	41,605	39,403	2,202
Sheriff department jail	491,570	513,390	505,293	8,097
Sheriff department office	1,513,467	1,533,647	1,533,140	507
Constables	43,447	43,447	39,087	4,360
	<u>2,090,089</u>	<u>2,132,089</u>	<u>2,116,923</u>	<u>15,166</u>

TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)
GENERAL FUND

For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Expenditures (continued)</u>				
Health and Human Services:				
Veterans services	\$ 40,966	\$ 40,966	\$ 38,721	\$ 2,245
County extension	83,055	83,055	63,008	20,047
Health and sanitation	16,000	16,000	13,600	2,400
	<u>140,021</u>	<u>140,021</u>	<u>115,329</u>	<u>24,692</u>
Tax Administration:				
Tax assessor collector	240,499	240,499	235,445	5,054
	<u>240,499</u>	<u>240,499</u>	<u>235,445</u>	<u>5,054</u>
Capital Outlay	410,200	409,650	155,503	254,147
	<u>410,200</u>	<u>409,650</u>	<u>155,503</u>	<u>254,147</u>
Total Expenditures	<u>7,153,820</u>	<u>7,220,411</u>	<u>6,414,666</u>	<u>805,745</u>
Excess of				
Revenues Over Expenditures	<u>76,040</u>	<u>89,177</u>	<u>1,392,385</u>	<u>1,303,208</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	26,500	26,500	35,754	9,254
Transfers (out)	(462,714)	(680,274)	(680,022)	252
Total Other Financing (Uses)	<u>(436,214)</u>	<u>(653,774)</u>	<u>(644,268)</u>	<u>9,506</u>
Net Change in Fund Balance	<u>\$ (360,174)</u>	<u>\$ (564,597)</u>	748,117	<u>\$ 1,312,714</u>
Beginning Fund Balance			<u>1,282,452</u>	
Ending Fund Balance			<u>\$ 2,030,569</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 2,025,640	\$ 2,025,640	\$ 2,182,806	\$ 157,166
Intergovernmental	47,750	47,750	48,245	495
Auto registration	525,000	525,000	545,229	20,229
Other fees	45,000	45,000	55,953	10,953
Investment income	6,000	6,000	5,691	(309)
Total Revenues	<u>2,649,390</u>	<u>2,649,390</u>	<u>2,837,924</u>	<u>188,534</u>
Expenditures				
Roads and bridges	2,536,996	2,561,651	2,291,086	270,565
Capital outlay	262,796	823,873	531,501	292,372
Debt service	65,038	93,262	92,472	790
Interest charges	4,348	5,534	5,402	132
Total Expenditures	<u>2,869,178</u>	<u>3,484,320</u>	<u>2,920,461</u>	<u>563,859</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(219,788)</u>	<u>(834,930)</u>	<u>(82,537)</u>	<u>752,393</u>
Other Financing Sources (Uses)				
Debt issued	-	-	38,762	38,762
Transfers in	2,878,492	2,878,492	3,230,395	351,903
Transfers (out)	(2,678,493)	(3,030,693)	(3,030,395)	298
Sale of capital asset	-	-	15,586	15,586
Total Other Financing Sources (Uses)	<u>199,999</u>	<u>(152,201)</u>	<u>254,348</u>	<u>406,549</u>
Net Change in Fund Balance	<u>\$ (19,789)</u>	<u>\$ (987,131)</u>	171,811	<u>\$ 1,158,942</u>
Beginning Fund Balance			<u>1,491,413</u>	
Ending Fund Balance			<u>\$ 1,663,224</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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TYLER COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
For the Year Ended December 31, 2011

The County's annual covered payroll and pension costs are actuarially valued on a calendar year basis. Because the County makes all the annually required contributions, no net pension obligation (NPO) exists. The information presented below represents the County's Schedule of Funding Progress.

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarial Valuation Date	12/31/2010	12/31/2009	12/31/2008	12/31/2007
Actuarial Value of Assets	\$ 9,117,911	\$ 8,666,348	\$ 8,001,257	\$ 7,923,299
Actuarial Accrued Liability	\$ 10,384,269	\$ 9,688,516	\$ 9,038,326	\$ 8,374,994
Percentage Funded	87.8%	89.4%	88.5%	94.6%
Unfunded Actuarial				
Accrued Liability	\$ 1,266,358	\$ 1,022,168	\$ 1,037,069	\$ 451,695
Annual Covered Payroll	\$ 3,732,222	\$ 3,568,654	\$ 3,198,039	\$ 2,919,334
Unfunded Actuarial				
Accrued Liability				
(UAAL) % of Covered Payroll	33.93%	28.64%	32.43%	15.47%
Net Pension Obligation (NPO)				
at the Beginning of Period	\$ -	\$ -	\$ -	\$ -
Annual Req. Contrib. (ARC)	372,190	355,681	297,821	247,528
Contributions Made	372,190	355,681	297,821	247,528
NPO at the End of Period	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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TYLER COUNTY, TEXAS
SCHEDULE OF FUNDING PROGRESS
POST EMPLOYMENT HEALTHCARE BENEFITS¹
For the Year Ended December 31, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/11	\$ -	\$ 1,287,498	\$ 1,287,498	0.0%	\$ 3,732,222	34.5%

¹Valuations are performed every two years in accordance with GASB Statement No. 45 parameters.

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***COMBINING STATEMENTS
AND SCHEDULES***

TYLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 1 of 5)
December 31, 2011

	Special Revenue Funds			
	Tyler County Airport	Tyler County Rodeo Arena/ Fairgrounds	TDHCA Owner Occupied Home Grant	Economic Development
Assets				
Cash and cash equivalents	\$ 46,297	\$ 27,279	\$ -	\$ 26,833
Investments	-	-	-	-
Total Assets	\$ 46,297	\$ 27,279	\$ -	\$ 26,833
Liabilities				
Accounts payable	\$ 297	\$ 287	\$ -	\$ 300
Total Liabilities	297	287	-	300
Fund Balances				
Restricted	46,000	26,992	-	26,533
Total Fund Balances	46,000	26,992	-	26,533
Total Liabilities and Fund Balances	\$ 46,297	\$ 27,279	\$ -	\$ 26,833

Special Revenue Funds

Benevolence	District Clerk Appropriations	County Clerk RMP	CDA Forfeiture	Sheriff Forfeiture	District Clerk RMP
\$ -	\$ 48,243	\$ 224,902	\$ 16,339	\$ 20,953	\$ 5,781
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 48,243</u>	<u>\$ 224,902</u>	<u>\$ 16,339</u>	<u>\$ 20,953</u>	<u>\$ 5,781</u>
\$ -	\$ -	\$ 892	\$ -	\$ -	\$ -
-	-	892	-	-	-
-	48,243	224,010	16,339	20,953	5,781
-	48,243	224,010	16,339	20,953	5,781
<u>\$ -</u>	<u>\$ 48,243</u>	<u>\$ 224,902</u>	<u>\$ 16,339</u>	<u>\$ 20,953</u>	<u>\$ 5,781</u>

TYLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 2 of 5)
December 31, 2011

		Special Revenue Funds			
		Law Library	Tyler County Collection Center	Violence Against Women	Small Business Loan
<u>Assets</u>					
Cash and cash equivalents		\$ 981	\$ 94,550	\$ 4,177	\$ -
Investments		-	-	-	-
Total Assets		<u>\$ 981</u>	<u>\$ 94,550</u>	<u>\$ 4,177</u>	<u>\$ -</u>
<u>Liabilities</u>					
Accounts payable		\$ 1,382	\$ 6,507	\$ 4,177	\$ -
Total Liabilities		<u>1,382</u>	<u>6,507</u>	<u>4,177</u>	<u>-</u>
<u>Fund Balances</u>					
Restricted		(401)	88,043	-	-
Total Fund Balances		<u>(401)</u>	<u>88,043</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances		<u>\$ 981</u>	<u>\$ 94,550</u>	<u>\$ 4,177</u>	<u>\$ -</u>

Special Revenue Funds

Peace Officer Service Fee	Help America Vote Grant	Courthouse Security	County RMP	Crime Stoppers	County Right of Way
\$ 23,144	\$ -	\$ 112,961	\$ 67,763	\$ 471	\$ 648,387
-	-	-	-	-	-
<u>\$ 23,144</u>	<u>\$ -</u>	<u>\$ 112,961</u>	<u>\$ 67,763</u>	<u>\$ 471</u>	<u>\$ 648,387</u>
-	-	248	-	-	-
-	-	248	-	-	-
23,144	-	112,713	67,763	471	648,387
23,144	-	112,713	67,763	471	648,387
<u>\$ 23,144</u>	<u>\$ -</u>	<u>\$ 112,961</u>	<u>\$ 67,763</u>	<u>\$ 471</u>	<u>\$ 648,387</u>

TYLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 3 of 5)
December 31, 2011

		Special Revenue Funds			
		CDA Fees	Homeland Security	Emergency Operation Center	State DNA Testing Fee
<u>Assets</u>					
Cash and cash equivalents		\$ 39,307	\$ 9,707	\$ 131,442	\$ 46
Investments		-	-	-	-
Total Assets		\$ 39,307	\$ 9,707	\$ 131,442	\$ 46
<u>Liabilities</u>					
Accounts payable		\$ 76	\$ -	\$ 2,159	\$ -
Total Liabilities		76	-	2,159	-
<u>Fund Balances</u>					
Restricted		39,231	9,707	129,283	46
Total Fund Balances		39,231	9,707	129,283	46
Total Liabilities and Fund Balances		\$ 39,307	\$ 9,707	\$ 131,442	\$ 46

Special Revenue Funds

CVA Coordinating Team	Tyler Co Nutrition Center	Child Welfare Board	Child Safety	DETCOG Social Services Block Grant	Water Improvement Fred Grant
\$ 15,528	\$ 53,755	\$ 3,335	\$ 78,845	\$ 312	\$ -
-	-	-	-	-	-
<u>\$ 15,528</u>	<u>\$ 53,755</u>	<u>\$ 3,335</u>	<u>\$ 78,845</u>	<u>\$ 312</u>	<u>\$ -</u>
\$ 15,528	\$ 318	\$ -	\$ -	\$ -	\$ -
<u>15,528</u>	<u>318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	53,437	3,335	78,845	312	-
-	<u>53,437</u>	<u>3,335</u>	<u>78,845</u>	<u>312</u>	<u>-</u>
<u>\$ 15,528</u>	<u>\$ 53,755</u>	<u>\$ 3,335</u>	<u>\$ 78,845</u>	<u>\$ 312</u>	<u>\$ -</u>

TYLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 4 of 5)
December 31, 2011

Special Revenue Funds

	<u>JP Court Technology</u>	<u>Tyler Co Justice Grant</u>	<u>DETCOG Communications Grant</u>	<u>Moving Violation Fees</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 5,236	\$ -	\$ -	\$ 18
Investments	-	-	-	-
Total Assets	<u>\$ 5,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>
<u>Liabilities</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balances</u>				
Restricted	5,236	-	-	18
Total Fund Balances	<u>5,236</u>	<u>-</u>	<u>-</u>	<u>18</u>
Total Liabilities and Fund Balances	<u>\$ 5,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>

Special Revenue Funds

State Comp Rehabilitation	Jail Interest and Sinking	Emergency Disaster Relief	TC Disaster Project Round II	TXCDBG Grant - IKE	SECO Block Grant
\$ 15	\$ 708,554	\$ 1,849,668	\$ -	\$ -	\$ 9,630
-	301,430	-	-	-	-
<u>\$ 15</u>	<u>\$ 1,009,984</u>	<u>\$ 1,849,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,630</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
15	1,009,984	1,849,668	-	-	9,630
15	1,009,984	1,849,668	-	-	9,630
<u>\$ 15</u>	<u>\$ 1,009,984</u>	<u>\$ 1,849,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,630</u>

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TYLER COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (page 5 of 5)
December 31, 2011

	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 4,274,459
Investments	301,430
Total Assets	<u>\$ 4,575,889</u>
<u>Liabilities</u>	
Accounts payable	\$ 32,171
Total Liabilities	<u>32,171</u>
<u>Fund Balances</u>	
Restricted	4,543,718
Total Fund Balances	<u>4,543,718</u>
Total Liabilities and Fund Balances	<u>\$ 4,575,889</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (page 1 of 5)
For the Year Ended December 31, 2011

	Special Revenue Funds			
	Tyler County Airport	Tyler County Rodeo Arena/ Fairgrounds	TDHCA Owner Occupied Home Grant	Economic Development
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other fees	2,950	-	-	-
Investment income	102	66	4	60
Other revenues	-	-	-	-
Total Revenues	<u>3,052</u>	<u>66</u>	<u>4</u>	<u>60</u>
Expenditures				
General government	-	-	-	5,552
Legal	-	-	-	-
Public safety	-	-	-	-
Health and human services	-	-	-	-
Capital outlay	-	-	-	-
Other expenditures	9,516	10,356	3,420	-
Total Expenditures	<u>9,516</u>	<u>10,356</u>	<u>3,420</u>	<u>5,552</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,464)</u>	<u>(10,290)</u>	<u>(3,416)</u>	<u>(5,492)</u>
Other Financing Sources (Uses)				
Transfers in	6,500	20,200	-	10,500
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>6,500</u>	<u>20,200</u>	<u>-</u>	<u>10,500</u>
Net Change in Fund Balances	36	9,910	(3,416)	5,008
Beginning Fund Balances	<u>45,964</u>	<u>17,082</u>	<u>3,416</u>	<u>21,525</u>
Ending Fund Balances	<u>\$ 46,000</u>	<u>\$ 26,992</u>	<u>\$ -</u>	<u>\$ 26,533</u>

Special Revenue Funds

<u>Benevolence</u>	<u>District Clerk Appropriations</u>	<u>County Clerk RMP</u>	<u>CDA Forfeiture</u>	<u>Sheriff Forfeiture</u>	<u>District Clerk RMP</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	61,508	-	-	3,867
-	104	483	36	54	14
128	-	-	-	-	-
<u>128</u>	<u>104</u>	<u>61,991</u>	<u>36</u>	<u>54</u>	<u>3,881</u>
-	-	83,892	-	-	5,840
-	-	-	-	-	-
-	-	-	-	1,992	-
-	-	-	-	-	-
-	-	-	-	8,324	1,554
540	-	-	601	-	-
<u>540</u>	<u>-</u>	<u>83,892</u>	<u>601</u>	<u>10,316</u>	<u>7,394</u>
(412)	104	(21,901)	(565)	(10,262)	(3,513)
85	-	-	-	-	-
-	-	-	-	-	-
<u>85</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(327)	104	(21,901)	(565)	(10,262)	(3,513)
327	48,139	245,911	16,904	31,215	9,294
<u>\$ -</u>	<u>\$ 48,243</u>	<u>\$ 224,010</u>	<u>\$ 16,339</u>	<u>\$ 20,953</u>	<u>\$ 5,781</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (page 2 of 5)
For the Year Ended December 31, 2011

	Special Revenue Funds			
	Law Library	Tyler County Collection Center	Violence Against Women	Small Business Loan
Revenues				
Intergovernmental	\$ -	\$ -	\$ 24,390	\$ 6,691
Other fees	6,100	90,950	-	-
Investment income	8	203	13	-
Other revenues	-	-	-	-
Total Revenues	6,108	91,153	24,403	6,691
Expenditures				
General government	-	-	-	7,389
Legal	-	-	-	-
Public safety	-	-	-	-
Health and human services	-	163,841	-	-
Capital outlay	-	-	-	-
Other expenditures	12,044	-	4,177	-
Total Expenditures	12,044	163,841	4,177	7,389
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	(5,936)	(72,688)	20,226	(698)
Other Financing Sources (Uses)				
Transfers in	-	150,000	-	-
Transfers (out)	-	-	(20,226)	-
Total Other Financing Sources (Uses)	-	150,000	(20,226)	-
Net Change in Fund Balances	(5,936)	77,312	-	(698)
Beginning Fund Balances	5,535	10,731	-	698
Ending Fund Balances	\$ (401)	\$ 88,043	\$ -	\$ -

Special Revenue Funds

Peace Officer Service Fee	Help America Vote Grant	Courthouse Security	County RMP	Crime Stoppers	County Right of Way
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
799	-	13,777	5,551	-	-
49	29	244	143	1	1,398
-	-	-	-	-	-
<u>848</u>	<u>29</u>	<u>14,021</u>	<u>5,694</u>	<u>1</u>	<u>1,398</u>
-	-	12,425	-	-	-
-	-	-	2,250	-	-
-	-	-	-	2	-
-	-	-	-	-	-
-	5,095	-	-	-	-
-	19,615	-	-	-	-
-	<u>24,710</u>	<u>12,425</u>	<u>2,250</u>	<u>2</u>	<u>-</u>
<u>848</u>	<u>(24,681)</u>	<u>1,596</u>	<u>3,444</u>	<u>(1)</u>	<u>1,398</u>
-	9,572	-	-	-	-
-	-	-	-	-	-
-	<u>9,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
848	(15,109)	1,596	3,444	(1)	1,398
<u>22,296</u>	<u>15,109</u>	<u>111,117</u>	<u>64,319</u>	<u>472</u>	<u>646,989</u>
<u>\$ 23,144</u>	<u>\$ -</u>	<u>\$ 112,713</u>	<u>\$ 67,763</u>	<u>\$ 471</u>	<u>\$ 648,387</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (page 3 of 5)
For the Year Ended December 31, 2011

Special Revenue Funds				
	CDA Fees	Homeland Security	Emergency Operation Center	State DNA Testing Fee
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other fees	12,332	-	-	244
Investment income	-	21	280	-
Other revenues	-	-	-	-
Total Revenues	12,332	21	280	244
Expenditures				
General government	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	62,367	-
Health and human services	-	-	-	-
Capital outlay	-	-	-	-
Other expenditures	6,798	-	-	306
Total Expenditures	6,798	-	62,367	306
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,534	21	(62,087)	(62)
Other Financing Sources (Uses)				
Transfers in	-	-	118,794	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	118,794	-
Net Change in Fund Balances	5,534	21	56,707	(62)
Beginning Fund Balances	33,697	9,686	72,576	108
Ending Fund Balances	\$ 39,231	\$ 9,707	\$ 129,283	\$ 46

Special Revenue Funds

CVA Coordinating Team	Tyler Co Nutrition Center	Child Welfare Board	Child Safety	DETCOG Social Services Block Grant	Water Improvement Fred Grant
\$ 31,056	\$ -	\$ -	\$ -	\$ -	\$ 1,650
-	2,375	-	34,123	-	-
-	147	5	150	-	-
-	-	2,006	-	-	-
<u>31,056</u>	<u>2,522</u>	<u>2,011</u>	<u>34,273</u>	<u>-</u>	<u>1,650</u>
-	-	-	-	-	-
15,528	-	-	-	-	-
-	-	-	-	-	-
-	44,444	-	-	-	-
-	2,266	-	-	-	-
-	-	-	6,268	-	1,650
<u>15,528</u>	<u>46,710</u>	<u>-</u>	<u>6,268</u>	<u>-</u>	<u>1,650</u>
<u>15,528</u>	<u>(44,188)</u>	<u>2,011</u>	<u>28,005</u>	<u>-</u>	<u>-</u>
-	58,500	-	-	-	-
<u>(15,528)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(15,528)</u>	<u>58,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	14,312	2,011	28,005	-	-
-	39,125	1,324	50,840	312	-
<u>\$ -</u>	<u>\$ 53,437</u>	<u>\$ 3,335</u>	<u>\$ 78,845</u>	<u>\$ 312</u>	<u>\$ -</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (page 4 of 5)
For the Year Ended December 31, 2011

	Special Revenue Funds			
	JP Court Technology	Tyler Co Justice Grant	DETCOG Communications Grant	Moving Violation Fees
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other fees	2,564	-	-	24
Investment income	8	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>2,572</u>	<u>-</u>	<u>-</u>	<u>24</u>
Expenditures				
General government	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	90,931	-
Health and human services	-	-	-	-
Capital outlay	-	-	-	-
Other expenditures	-	-	-	6
Total Expenditures	<u>-</u>	<u>-</u>	<u>90,931</u>	<u>6</u>
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	<u>2,572</u>	<u>-</u>	<u>(90,931)</u>	<u>18</u>
Other Financing Sources (Uses)				
Transfers in	-	10	90,931	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>10</u>	<u>90,931</u>	<u>-</u>
Net Change in Fund Balances	2,572	10	-	18
Beginning Fund Balances	2,664	(10)	-	-
Ending Fund Balances	<u>\$ 5,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>

Special Revenue Funds

State Comp Rehabilitation	Jail Interest and Sinking	Emergency Disaster Relief	TC Disaster Project Round II	TXCDBG Grant - IKE	SECO Block Grant
\$ -	\$ -	\$ 29,067	\$ 564,757	\$ 1,691,510	\$ -
15	-	-	-	-	24,294
-	3,926	4,090	-	-	-
-	16,009	-	-	-	-
<u>15</u>	<u>19,935</u>	<u>33,157</u>	<u>564,757</u>	<u>1,691,510</u>	<u>24,294</u>
-	32,582	-	155,012	1,691,510	14,664
-	-	-	-	-	-
-	-	242,110	-	-	-
-	-	-	-	-	-
-	17,650	-	409,745	-	-
-	-	-	-	-	-
<u>-</u>	<u>50,232</u>	<u>242,110</u>	<u>564,757</u>	<u>1,691,510</u>	<u>14,664</u>
<u>15</u>	<u>(30,297)</u>	<u>(208,953)</u>	<u>-</u>	<u>-</u>	<u>9,630</u>
-	-	-	-	-	14,930
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	14,930
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,930</u>
15	(30,297)	(208,953)	-	-	24,560
-	1,040,281	2,058,621	-	-	(14,930)
<u>\$ 15</u>	<u>\$ 1,009,984</u>	<u>\$ 1,849,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,630</u>

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TYLER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (page 5 of 5)
For the Year Ended December 31, 2011

	Total Nonmajor Governmental Funds
<u>Revenues</u>	
Intergovernmental	\$ 2,349,121
Other fees	261,473
Investment income	11,638
Other revenues	18,143
Total Revenues	2,640,375
 <u>Expenditures</u>	
General government	2,008,866
Legal	17,778
Public safety	397,402
Health and human services	208,285
Capital outlay	444,634
Other expenditures	75,297
Total Expenditures	3,152,262
Excess (Deficiency) of Revenues Over (Under) Expenditures	(511,887)
 <u>Other Financing Sources (Uses)</u>	
Transfers in	480,022
Transfers (out)	(35,754)
Total Other Financing Sources (Uses)	444,268
Net Change in Fund Balances	(67,619)
Beginning Fund Balances	4,611,337
Ending Fund Balances	\$ 4,543,718

TYLER COUNTY, TEXAS

COMBINING BALANCE SHEET

ROAD AND BRIDGE FUNDS

December 31, 2011

	<u>Road and Bridge General</u>	<u>Road and Bridge Precinct No. 1</u>	<u>Road and Bridge Precinct No. 2</u>	<u>Road and Bridge Precinct No. 3</u>
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 302,673	\$ 252,444	\$ 856,436
Receivables, net	2,214,981	-	-	-
Total Assets	\$ 2,214,981	\$ 302,673	\$ 252,444	\$ 856,436
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 11,231	\$ 15,591	\$ 18,223
Deferred revenue	2,682,011	-	-	-
Total Liabilities	\$ 2,682,011	\$ 11,231	\$ 15,591	\$ 18,223
<u>Fund Balances</u>				
Restricted	\$ (467,030)	\$ 291,442	\$ 236,853	\$ 838,213
Total Fund Balances	\$ (467,030)	\$ 291,442	\$ 236,853	\$ 838,213

<u>Road and Bridge Precinct No. 4</u>	<u>Total Road and Bridge Fund</u>
\$ 814,634	\$ 2,226,187
-	2,214,981
\$ 814,634	\$ 4,441,168

\$ 50,888	\$ 95,933
-	2,682,011
\$ 50,888	\$ 2,777,944

\$ 763,746	\$ 1,663,224
\$ 763,746	\$ 1,663,224

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ROAD AND BRIDGE FUNDS
For the Year Ended December 31, 2011

	Road and Bridge General	Road and Bridge Precinct No. 1	Road and Bridge Precinct No. 2	Road and Bridge Precinct No. 3
Revenues				
Property taxes	\$ 2,182,806	\$ -	\$ -	\$ -
Intergovernmental	48,245	-	-	-
Auto registration	545,229	-	-	-
Other fees	55,953	-	-	-
Investment income	-	908	716	2,069
Total Revenues	2,832,233	908	716	2,069
Expenditures				
Roads and bridges	-	536,321	447,451	669,679
Capital outlay	-	67,804	82,862	177,886
Debt service	-	19,651	53,831	-
Interest charges	-	939	4,044	-
Total Expenditures	-	624,715	588,188	847,565
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,832,233	(623,807)	(587,472)	(845,496)
Other Financing Sources (Uses)				
Debt issued	-	-	38,762	-
Transfers in	-	733,064	662,159	961,643
Transfers (out)	(2,994,218)	-	(17,961)	-
Sale of capital asset	-	-	-	586
Total Other Financing Sources (Uses)	(2,994,218)	733,064	682,960	962,229
Net Change in Fund Balances	(161,985)	109,257	95,488	116,733
Beginning Fund Balances	(305,045)	182,185	141,365	721,480
Ending Fund Balances	\$ (467,030)	\$ 291,442	\$ 236,853	\$ 838,213

<u>Road and Bridge Precinct No. 4</u>	<u>Total Road and Bridge Fund</u>
\$ -	\$ 2,182,806
-	48,245
-	545,229
-	55,953
1,998	5,691
<u>1,998</u>	<u>2,837,924</u>
637,635	2,291,086
202,949	531,501
18,990	92,472
419	5,402
<u>859,993</u>	<u>2,920,461</u>
<u>(857,995)</u>	<u>(82,537)</u>
-	38,762
873,529	3,230,395
(18,216)	(3,030,395)
<u>15,000</u>	<u>15,586</u>
<u>870,313</u>	<u>254,348</u>
12,318	171,811
<u>751,428</u>	<u>1,491,413</u>
<u>\$ 763,746</u>	<u>\$ 1,663,224</u>

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TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND GENERAL

For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 2,025,640	\$ 2,025,640	\$ 2,182,806	\$ 157,166
Intergovernmental	47,750	47,750	48,245	495
Auto registration	525,000	525,000	545,229	20,229
Other fees	45,000	45,000	55,953	10,953
Total Revenues	<u>2,643,390</u>	<u>2,643,390</u>	<u>2,832,233</u>	<u>188,843</u>
Other Financing (Uses)				
Transfers (out)	(2,643,390)	(2,994,390)	(2,994,218)	172
Total Other Financing (Uses)	<u>(2,643,390)</u>	<u>(2,994,390)</u>	<u>(2,994,218)</u>	<u>172</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (351,000)</u>	(161,985)	<u>\$ 189,015</u>
Beginning Fund Balance			(305,045)	
Ending Fund Balance			<u>\$ (467,030)</u>	

TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND PRECINCT NO. 1
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ 850	\$ 850	\$ 908	\$ 58
Total Revenues	<u>850</u>	<u>850</u>	<u>908</u>	<u>58</u>
Expenditures				
Roads and bridges	565,503	583,658	536,321	47,337
Capital outlay	-	167,577	67,804	99,773
Debt service	19,652	19,652	19,651	1
Interest charges	932	942	939	3
Total Expenditures	<u>586,087</u>	<u>771,829</u>	<u>624,715</u>	<u>147,114</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(585,237)</u>	<u>(770,979)</u>	<u>(623,807)</u>	<u>147,172</u>
Other Financing Sources				
Transfers in	654,597	654,597	733,064	78,467
Total Other Financing Sources	<u>654,597</u>	<u>654,597</u>	<u>733,064</u>	<u>78,467</u>
Net Change in Fund Balance	<u>\$ 69,360</u>	<u>\$ (116,382)</u>	109,257	<u>\$ 225,639</u>
Beginning Fund Balance			<u>182,185</u>	
Ending Fund Balance			<u>\$ 291,442</u>	

TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND PRECINCT NO. 2

For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ 1,850	\$ 1,850	\$ 716	\$ (1,134)
Total Revenues	<u>1,850</u>	<u>1,850</u>	<u>716</u>	<u>(1,134)</u>
Expenditures				
Roads and bridges	522,033	522,033	447,451	74,582
Capital outlay	112,585	112,585	82,862	29,723
Debt service	26,188	54,229	53,831	398
Interest charges	3,203	4,162	4,044	118
Total Expenditures	<u>664,009</u>	<u>693,009</u>	<u>588,188</u>	<u>104,821</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(662,159)</u>	<u>(691,159)</u>	<u>(587,472)</u>	<u>103,687</u>
Other Financing Sources (Uses)				
Debt issued	-	-	38,762	38,762
Transfers in	590,433	590,433	662,159	71,726
Transfers (out)	(17,424)	(18,024)	(17,961)	63
Total Other Financing Sources (Uses)	<u>573,009</u>	<u>572,409</u>	<u>682,960</u>	<u>110,551</u>
Net Change in Fund Balance	<u>\$ (89,150)</u>	<u>\$ (118,750)</u>	95,488	<u>\$ 214,238</u>
Beginning Fund Balance			<u>141,365</u>	
Ending Fund Balance			<u>\$ 236,853</u>	

TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND PRECINCT NO. 3

For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Investment income	\$ 1,800	\$ 1,800	\$ 2,069	\$ 269
Total Revenues	<u>1,800</u>	<u>1,800</u>	<u>2,069</u>	<u>269</u>
<u>Expenditures</u>				
Roads and bridges	769,495	769,495	669,679	99,816
Capital outlay	88,729	288,729	177,886	110,843
Total Expenditures	<u>858,224</u>	<u>1,058,224</u>	<u>847,565</u>	<u>210,659</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(856,424)</u>	<u>(1,056,424)</u>	<u>(845,496)</u>	<u>210,928</u>
<u>Other Financing Sources</u>				
Transfers in	856,424	856,424	961,643	105,219
Sale of capital assets	-	-	586	586
Total Other Financing Sources	<u>856,424</u>	<u>856,424</u>	<u>962,229</u>	<u>105,805</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (200,000)</u>	116,733	<u>\$ 316,733</u>
Beginning Fund Balance			<u>721,480</u>	
Ending Fund Balance			<u>\$ 838,213</u>	

TYLER COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND PRECINCT NO. 4

For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Investment income	\$ 1,500	\$ 1,500	\$ 1,998	\$ 498
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>1,998</u>	<u>498</u>
<u>Expenditures</u>				
Roads and bridges	679,965	686,465	637,635	48,830
Capital outlay	61,482	254,982	202,949	52,033
Debt service	19,198	19,381	18,990	391
Interest charges	213	430	419	11
Total Expenditures	<u>760,858</u>	<u>961,258</u>	<u>859,993</u>	<u>101,265</u>
(Deficiency) of Revenues (Under) Expenditures	(759,358)	(959,758)	(857,995)	101,763
<u>Other Financing Sources (Uses)</u>				
Transfers in	777,038	777,038	873,529	96,491
Transfers (out)	(17,679)	(18,279)	(18,216)	63
Sale of capital assets	-	-	15,000	15,000
Total Other Financing Sources (Uses)	<u>759,359</u>	<u>758,759</u>	<u>870,313</u>	<u>111,554</u>
Net Change in Fund Balance	<u>\$ 1</u>	<u>\$ (200,999)</u>	<u>12,318</u>	<u>\$ 213,317</u>
Beginning Fund Balance			<u>751,428</u>	
Ending Fund Balance			<u>\$ 763,746</u>	

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (page 1 of 5)
 December 31, 2011

	<u>CDA Trust</u>	<u>CDA State Appropriations</u>	<u>Alternate Dispute Resolution</u>	<u>State Criminal Justice Planning</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 5,976	\$ 33,926	\$ 600	\$ 5
Total Assets	<u>\$ 5,976</u>	<u>\$ 33,926</u>	<u>\$ 600</u>	<u>\$ 5</u>
<u>Liabilities</u>				
Due to other units	\$ 5,976	\$ 33,926	\$ 600	\$ 5
Total Liabilities	<u>\$ 5,976</u>	<u>\$ 33,926</u>	<u>\$ 600</u>	<u>\$ 5</u>

<u>State LEOCE</u>	<u>State OCLF Insurance</u>	<u>State DPS Arrest Fees</u>	<u>State General Revenue</u>	<u>Supplement Court Guardianship</u>	<u>State LEOA</u>
\$ 1	\$ 205	\$ 12,132	\$ 2	\$ 5,732	\$ 1
<u>\$ 1</u>	<u>\$ 205</u>	<u>\$ 12,132</u>	<u>\$ 2</u>	<u>\$ 5,732</u>	<u>\$ 1</u>
\$ 1	\$ 205	\$ 12,132	\$ 2	\$ 5,732	\$ 1
<u>\$ 1</u>	<u>\$ 205</u>	<u>\$ 12,132</u>	<u>\$ 2</u>	<u>\$ 5,732</u>	<u>\$ 1</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (page 2 of 5)
December 31, 2011

	<u>State TLFTA</u>	<u>State Time Payment</u>	<u>State Fugitive</u>	<u>State CCC</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 171	\$ 4,063	\$ 231	\$ 32,833
Total Assets	<u>\$ 171</u>	<u>\$ 4,063</u>	<u>\$ 231</u>	<u>\$ 32,833</u>
<u>Liabilities</u>				
Due to other units	\$ 171	\$ 4,063	\$ 231	\$ 32,833
Total Liabilities	<u>\$ 171</u>	<u>\$ 4,063</u>	<u>\$ 231</u>	<u>\$ 32,833</u>

<u>State Juvenile Crime and Detention</u>	<u>Tyler County Search and Rescue</u>	<u>Justice Court Tech</u>	<u>Corrective Management Inst. TX</u>	<u>State Tertiary Care</u>	<u>State Traffic Fee</u>
\$ 27	\$ 196	\$ 39,193	\$ 39	\$ 31,185	\$ 8,976
<u>\$ 27</u>	<u>\$ 196</u>	<u>\$ 39,193</u>	<u>\$ 39</u>	<u>\$ 31,185</u>	<u>\$ 8,976</u>
\$ 27	\$ 196	\$ 39,093	\$ 39	\$ 31,185	\$ 8,976
<u>\$ 27</u>	<u>\$ 196</u>	<u>\$ 39,093</u>	<u>\$ 39</u>	<u>\$ 31,185</u>	<u>\$ 8,976</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (page 3 of 5)
 December 31, 2011

	<u>State Bail Bond</u>	<u>State EMS Trauma</u>	<u>State Judicial Support Fees</u>	<u>Jury Reimbursement Fee</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 4,466	\$ 1,913	\$ 9,950	\$ 2,742
Total Assets	<u>\$ 4,466</u>	<u>\$ 1,913</u>	<u>\$ 9,950</u>	<u>\$ 2,742</u>
<u>Liabilities</u>				
Due to other units	\$ 4,466	\$ 1,913	\$ 9,950	\$ 2,742
Total Liabilities	<u>\$ 4,466</u>	<u>\$ 1,913</u>	<u>\$ 9,950</u>	<u>\$ 2,742</u>

<u>State CVC</u>	<u>State Judicial Education</u>	<u>Sheriff Department Cash Bond</u>	<u>Sheriff Jail Commissary</u>	<u>District Clerk Fee</u>	<u>District Clerk Trust</u>
\$ 1,598	\$ 19	\$ 21,250	\$ 13,860	\$ 18,978	\$ 1,171,920
<u>\$ 1,598</u>	<u>\$ 19</u>	<u>\$ 21,250</u>	<u>\$ 13,860</u>	<u>\$ 18,978</u>	<u>\$ 1,171,920</u>
\$ 1,598	\$ 19	\$ 21,250	\$ 13,860	\$ 18,978	\$ 1,171,920
<u>\$ 1,598</u>	<u>\$ 19</u>	<u>\$ 21,250</u>	<u>\$ 13,860</u>	<u>\$ 18,978</u>	<u>\$ 1,171,920</u>

TYLER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (page 4 of 5)
December 31, 2011

	<u>District Clerk Child Support</u>	<u>Tax Assessor Tax</u>	<u>Tax Assessor Auto</u>	<u>Tax Assessor VIT</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 16	\$ 2,042,347	\$ 86,072	\$ 50,747
Total Assets	<u>\$ 16</u>	<u>\$ 2,042,347</u>	<u>\$ 86,072</u>	<u>\$ 50,747</u>
<u>Liabilities</u>				
Due to other units	\$ 16	\$ 2,042,347	\$ 86,072	\$ 50,747
Total Liabilities	<u>\$ 16</u>	<u>\$ 2,042,347</u>	<u>\$ 86,072</u>	<u>\$ 50,747</u>

<u>County Clerk General</u>	<u>County Clerk Trust</u>	<u>District Attorney Seizure</u>	<u>District Attorney Investigative</u>	<u>Crime Victims</u>	<u>Justice of Peace Cash Bond</u>
\$ 25,038	\$ 33,416	\$ 14,594	\$ 1,340	\$ 15,528	\$ 200
<u>\$ 25,038</u>	<u>\$ 33,416</u>	<u>\$ 14,594</u>	<u>\$ 1,340</u>	<u>\$ 15,528</u>	<u>\$ 200</u>
\$ 25,038	\$ 33,416	\$ 14,594	\$ 1,340	\$ 15,528	\$ 200
<u>\$ 25,038</u>	<u>\$ 33,416</u>	<u>\$ 14,594</u>	<u>\$ 1,340</u>	<u>\$ 15,528</u>	<u>\$ 200</u>

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TYLER COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS (page 5 of 5)
 December 31, 2011

	<u>State Drug Court Programs</u>	<u>State Indigent Defense</u>	<u>State Appellate Judicial</u>	<u>Total All Agency Funds</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 1,315	\$ 486	\$ 183	\$ 3,693,472
Total Assets	<u>\$ 1,315</u>	<u>\$ 486</u>	<u>\$ 183</u>	<u>\$ 3,693,472</u>
<u>Liabilities</u>				
Due to other units	\$ 1,315	\$ 486	\$ 58	\$ 3,693,472
Total Liabilities	<u>\$ 1,315</u>	<u>\$ 486</u>	<u>\$ 58</u>	<u>\$ 3,693,472</u>