

BEE COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2011

ISSUED BY
COUNTY AUDITOR'S OFFICE

BLANDINA V. COSTLEY
COUNTY AUDITOR

BEE COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS

**Page
Number**

INTRODUCTORY SECTION

County Auditor’s Letter of Transmittal	1
Certificate of Achievement in Financial Reporting	7
Organizational Chart	8
Directory of Officials	9

FINANCIAL SECTION

Independent Auditors’ Report	10
Management’s Discussion and Analysis	12

Basic Financial Statements:

Statement of Net Assets	22
Statement of Activities	23
Balance Sheet – Governmental Funds	24
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	29
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Health Care Fund I	30
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Health Care Fund II	31
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Headstart	32
Statement of Net Assets – Proprietary Funds	33
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Fund	34
Statement of Cash Flows	35
Statement of Fiduciary Net Assets	36
Notes to the Financial Statements	37

Required Supplementary Information:

Texas County and County Retirement System Schedule of Funding Progress	59
--	----

BEE COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

**Page
Number**

**FINANCIAL SECTION
(Continued)**

Combining and Individual Fund Statements and Schedules:

General Fund:

Schedule of Revenues – Budget to Actual	60
Schedule of Expenditures – Budget to Actual	62

Non-major Governmental Funds:

Combining Balance Sheet – Nonmajor governmental funds	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds	74
Schedule of Revenues, Expenditures and Changes in Fund Balance – District Clerk Records Management	84
Schedule of Revenues, Expenditures and Changes in Fund Balance – County Clerk Records Management	85
Schedule of Revenues, Expenditures and Changes in Fund Balance – HAVA/Election Fund	86
Schedule of Revenues, Expenditures and Changes in Fund Balance – Courthouse Security Fund	87
Schedule of Revenues, Expenditures and Changes in Fund Balance – Road and Bridge Fund	88
Schedule of Revenues, Expenditures and Changes in Fund Balance – Special Road Tax Fund	89
Schedule of Revenues, Expenditures and Changes in Fund Balance – Farm-to-Market & Lateral Road Fund	90
Schedule of Revenues, Expenditures and Changes in Fund Balance – County Records Management Fund	91
Schedule of Revenues, Expenditures and Changes in Fund Balance – District Attorney	92
Schedule of Revenues, Expenditures and Changes in Fund Balance – Abandoned Vehicle	93
Schedule of Revenues, Expenditures and Changes in Fund Balance – Law Library	94
Schedule of Revenues, Expenditures and Changes in Fund Balance – Victims Assistance Program	95
Schedule of Revenues, Expenditures and Changes in Fund Balance – County Attorney Hot Check Collection	96
Schedule of Revenues, Expenditures and Changes in Fund Balance – Debt Service Fund	97
Schedule of Revenues, Expenditures and Changes in Fund Balance – Capital Projects Fund	98

BEE COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

	<u>Page</u>	<u>Table</u>
FINANCIAL SECTION (Continued)		
<u>Nonmajor Internal Service Funds:</u>		
Combining Statement of Net Assets	99	
Combining Statement of Revenue, Expenses and Changes in Fund Net Assets	100	
Combining Statement of Cash Flows.....	101	
<u>Agency Funds:</u>		
Combining Statement of Changes in Assets and Liabilities	102	
STATISTICAL SECTION (UNAUDITED)		
Government-wide Information		
Government-wide Net Assets by Component.....	105	1
Government-wide Changes in Net Assets	106	2
Fund Balances – Governmental Funds	107	3
Changes in Fund Balances – Governmental Funds	109	4
Assessed Value and Estimated Actual Value of Taxable Property.....	111	5
Computation of Net Direct and Overlapping Debt	112	6
Property Tax Rate – All Direct and Overlapping Governments	114	7
Principal Property Taxpayers.....	116	8
Property Tax Levies	120	9
Property Tax Levies and Collections – General and Debt Service	122	10
Property Tax Levies and Collections – Road and Bridge Fund.....	123	11
Ratio of Annual Debt Service for General Bonded Debt to Total Governmental Expenditures.....	124	12
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita.....	125	13
Computation of Net Direct and Overlapping Debt	126	14
Computation of Legal Debt Margin.....	127	15
Pledges Revenue Coverage	128	16
Demographic Statistics	129	17
Principal Employers.....	130	18
Construction and Property Values	131	19
Full-Time Equivalent County Government Employees by Function/Program.....	132	20
Operating Indicators by Function/Program.....	134	21
Capital Asset Statistics by Function/Program.....	135	22
Salaries and Surety Bonds of Elected Officials	136	23
Summary of Insurance Coverage	137	24
General Information.....	138	25

BEE COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS

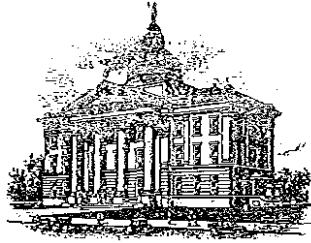
Page
Number

COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> and the <i>State of Texas Single Audit Circular</i>	139
Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State of Texas Single Audit Circular	141
Schedule of Expenditures of Federal and State Awards	143
Notes to Schedule of Expenditures of Federal and State Awards	146
Schedule of Findings and Questioned Costs.....	147
Summary Schedule of Prior Audit Findings.....	149
Corrective Action Plan	150

INTRODUCTORY SECTION

COUNTY JUDGE:
David Silva
COUNTY CLERK:
Mirella Escamilla Davis
DISTRICT CLERK:
Zenaida R. Silva
COUNTY ATTORNEY:
Mike Knight
SHERIFF:
Carlos Carrizales, Jr.
TAX ASSESSOR-COLLECTOR:
Linda G. Bridge



COUNTY OF BEE

COMMISSIONER PRECINCT 1:
Carlos Salazar, Jr
COMMISSIONER PRECINCT 2:
Dennis Dewitt
COMMISSIONER PRECINCT 3:
Eloy Rodriguez
COMMISSIONER PRECINCT 4:
Ken Haggard
COUNTY AUDITOR:
Blandina V. Costley

March 30, 2012

The Honorable District Judges
Joel Johnson, 156th Judicial District
Michael Welborn, 36th Judicial District
Janna Whatley, 343rd Judicial District

The Honorable Commissioners' Court, Bee County, Texas
David Silva, County Judge
Carlos Salazar, County Commissioner, Precinct 1
Dennis DeWitt, County Commissioner, Precinct 2
Eloy Rodriguez, County Commissioner, Precinct 3
Ken Haggard, County Commissioner, Precinct 4

The Citizens of Bee County

Ladies, Gentlemen, and Citizens:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the Comprehensive Annual Financial Report of Bee County for fiscal year ending September 30, 2011 is hereby issued.

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

Bee County's financial statements have been audited by Pattillo, Brown, & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Bee County for fiscal year ending September 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting

principles used and significant estimates made by management; testing the compliance of self imposed policies, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Bee County's financial statements for the fiscal year ended September 30, 2011, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Bee County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the last section of this report.

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

Profile of Bee County

Bee County is in the Rio Grande plain of south central Texas, fifty miles northwest of Corpus Christi and 146 miles southeast of Austin. It is bordered on the north by Karnes and Goliad counties, on the east by Refugio County, on the south by San Patricio County, and on the west by Live Oak County. Beeville is the county's largest town and seat of government. An airport built in 1966 serves Beeville and the surrounding region.

Bee County covers 866 square miles that slope gently to the coast. The elevation ranges from 200 to 300 feet. Geologically northern Bee County is in the Rio Grande embayment; the Lissie and Beaumont formations extend into the southern part of the county to form a broad, flat, and fertile plain. Blanco, Medio, and Aransas creeks and their tributaries, which flow in a southeasterly direction, drain the county. The southwest corner of the county has cracking clayey soils or loamy surfaces with cracking clayey subsoils. The northern two-thirds of the county has dark, alkaline soils, with loamy surface layers and cracking clayey subsoils, while the remainder of the county has light-colored acidic soils, with loamy surface layers and cracking clayey subsoils. Between 41 to 50 percent of the land in the county is considered prime farmland.

Bee County was established shortly after the settlement of the Cart War, which originated ten miles east of the site of Beeville. The county, named for Barnard E. Bee, Sr., was formed from San Patricio, Goliad, Refugio, Live Oak, and Karnes counties on December 8, 1857, and officially organized on January 25, 1858, when the first officers were elected. Beeville, the first county seat, was on Medio Creek, near Medio Hill, where the first post office had been established in 1857. In 1860 Maryville became the county seat; this community was later designated Beeville-on-the-Poesta to distinguish it from the former county seat.

Bee County is a public corporation and political subdivision of the State of Texas. The county seat is the City of Beeville. The general governing body of the County is the elected five-member Commissioners' Court in accordance with Article 5, Paragraph 18 of the Texas Constitution. Commissioners serve four years staggered terms, two members elected every two years. The county

judge is elected at large to serve a four-year term. Therefore, the Court makes decisions and imposes policies to benefit the entire County of Bee and the citizens therein.

The Commissioners' Court sets the tax rates, establishes policies for the County operations, approves contracts for the County develops and adopts the County budget within the resources as estimated by the county auditor. The Commissioners' Court is also responsible for development of policies and orders, approving financial commitments and appointment of various department heads. The management and leadership provided by members of the Commissioners' Court and the elected and appointed officials of other departments are crucial to the success of the County's financial management and growth.

The county auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing, and approving" all disbursements from County funds prior to their submission to the Commissioners' Court for approval. The county auditor is appointed by the council of district judges for a two year term.

The County provides many varied services for the public it serves. These services include operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of the law enforcement agencies (sheriff and constables), operation of the county jail, assistance to indigents, the provision of juvenile health and education and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for multiple agencies.

The County does have one blended component unit which is included in this report.

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the county auditor on or before May 31st of each year. The county auditor uses these requests as the starting point for developing a base line budget, but without any tax increases or personnel changes. The county auditor then presents this base line budget to the Commissioners' Court for review prior to July. The Commissioners' Court holds several budget workshops to discuss priorities or meet with department heads. A copy of the proposed budget is filed with the county clerk and county auditor. The Commissioners' Court then must hold a public hearing on a day within seven calendar days after the date the proposed budget is filed, but before September 30th of the current year. The Commissioners' Court must take action on the proposed budget at the conclusion of the public hearing.

The Commissioners' Court may levy taxes only in accordance with the budget. After final approval of the budget, the Commissioners' Court may spend County funds only in strict compliance with the budget, except in any emergency. The Commissioners' court may authorize an emergency expenditure as an amendment to the original budget only in case of grave public necessity to meet an unusual and unforeseen condition that could have been included in the original budget through the use of reasonable diligent thought and attention. If the court amends the original budget to meet an emergency, the court must file a copy of its order amending the budget with the County Clerk and the clerk shall attach the copy to the original budget. Only the Commissioners' Court may amend the budget and shift funds from one budget account to another.

The original budget is adopted by Commissioners' Court. Amendments are made during the year and approved by Commissioners' Court. The budget should not be exceeded in any expenditures category under state law. The budget was amended to reflect as closely as possible revenues and expenditures for the twelve-month period. Certain categories exceeded the budget estimates. These

variances were due to the fluctuations in revenues and expenditures as opposed to the prorated budget estimates. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by Commissioners' Court, the County Judge, with the help of the County Auditor, prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to Commissioners' Court. The County's legally adopted budget is at the function level. For internal management purposes, the budgets are detailed by line-item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Formal budgetary integration is not employed for Capital Project Funds because of budgetary control achieved through legally binding contracts. Budgetary integration is not employed for the internal service fund because expenses are not controllable by management.

For the general funds, this comparison is presented on page 29 as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the Supplemental Non-major Governmental Funds subsection of this report, which starts on page 81. Also included is project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (the grants fund and capital projects fund).

Factors Affecting Financial Condition

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

Local Economy

The County currently enjoys a favorable economic environment and local indicators point to economic growth. The region has a varied industrial base that adds to the relative stability of employment. Despite the negative revenue trends for other state and local governments in the nation, Bee County has experienced stable real property tax collections and significant increases in the market value of real property and minerals. As per the Bee County Appraisal District, the property values have decreased.

Long-term Financial Planning

To protect the County's assets and to further economic development, the Commissioners' Court issued \$7,085,000, Combination Tax and Revenue Certificates of Obligation, Series 2003, dated July 1, 2003 for constructing and improving the coliseum and the courthouse. A brand new Justice Center was also built across the street from the courthouse. The certificates will be paid back over the next 20 years. State statutes limit the amount of debt a governmental entity may issue at 25 percent of its total assessment valuation of real property. The County is well within its debt limits.

Cash Management Policies and Practices

The Commissioners' Court has adopted a formal investment policy for the County and has designated the county auditor as the County's investment officer. The general objectives set forth in the policy provide for financial security and optimum liquidity of County funds while achieving the maximum yield on funds invested and maximum levels of invested funds. Authorized investments are

consistent with those investments authorized by State law for Texas counties. Since the Texpool and depository bank investments have been yielding rates at 1% or less due to the nation's economic downturn, the judgment of the investment officer and the investment advisor are essential to meeting the budgeted revenue investment goals by administering the conservative instruments that fall under policy guidelines.

Other policies adopted within the last year include the fund balance policy that explains the different types of funds maintained by the County as required by GASB54, whistle blower policy which allows employees to disclose information without the threat of retaliation, and the designated area smoking policy that prohibits smoking in any county owned building or vehicle. Due to the rapid growth of ever-changing media devices, a social networking policy was also recently established to address issues associated with negative communication about or amongst employees that produce adverse consequences that are subject to disciplinary actions, up to and including termination of employment.

Risk Management

The county insures through private insurance company against catastrophic losses to its infrastructure and certain major items of personal property. Items so insured include buildings and contents, data media and valuable papers.

The County has elected to self-insure its group health insurance. The County's general liability self-insured fund recognizes an expense as soon as the County is notified of a claim based upon estimates provided by the county attorney. The estimated claims liability account is updated twice a year. The group self-insurance fund includes incurred claims but not reported. The County will recover any losses incurred through future premiums charged. The County carries individual stop-loss and aggregate claims stop-loss policies on group health insurance claims to minimize risk.

Pension and other Post Employment Benefits.

The County provides retirement, disability and death benefits for all of its regular employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). Specific plan provisions are adopted by the County within the options available in the state statutes governing the TCDRS. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employee-financed monetary credits. The level of these monetary credits is adopted within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed. Through budgetary policy, the County is funding 7.11% for January to December 2010 and 7.20% January to September 2011 matching contribution for each employee resulting in high returns for retirees.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bee County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2010. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

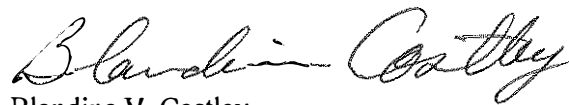
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The CAFR must satisfy both accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The County has received a Certificate of Achievement for the last twenty years (fiscal year ended 1991 through 2010). The current report continues to conform to the Certificate of Achievement program requirements and is submitted to the GFOA.

The presentation of the CAFR could not have been accomplished without the efficient and dedicated services of the staff at the County Auditor's office. Appreciation is extended to the Commissioners' Court, county officials, and all county employees who have given their support in planning and conducting the financial operations of the County.

Also, appreciation is extended to the District Judges for their support and guidance in matters relating to the discharge of my duties as county auditor.

Respectfully submitted,

A handwritten signature in cursive script that reads "Blandina V. Costley". The signature is written in black ink and is positioned to the left of the printed name.

Blandina V. Costley
Bee County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Bee County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



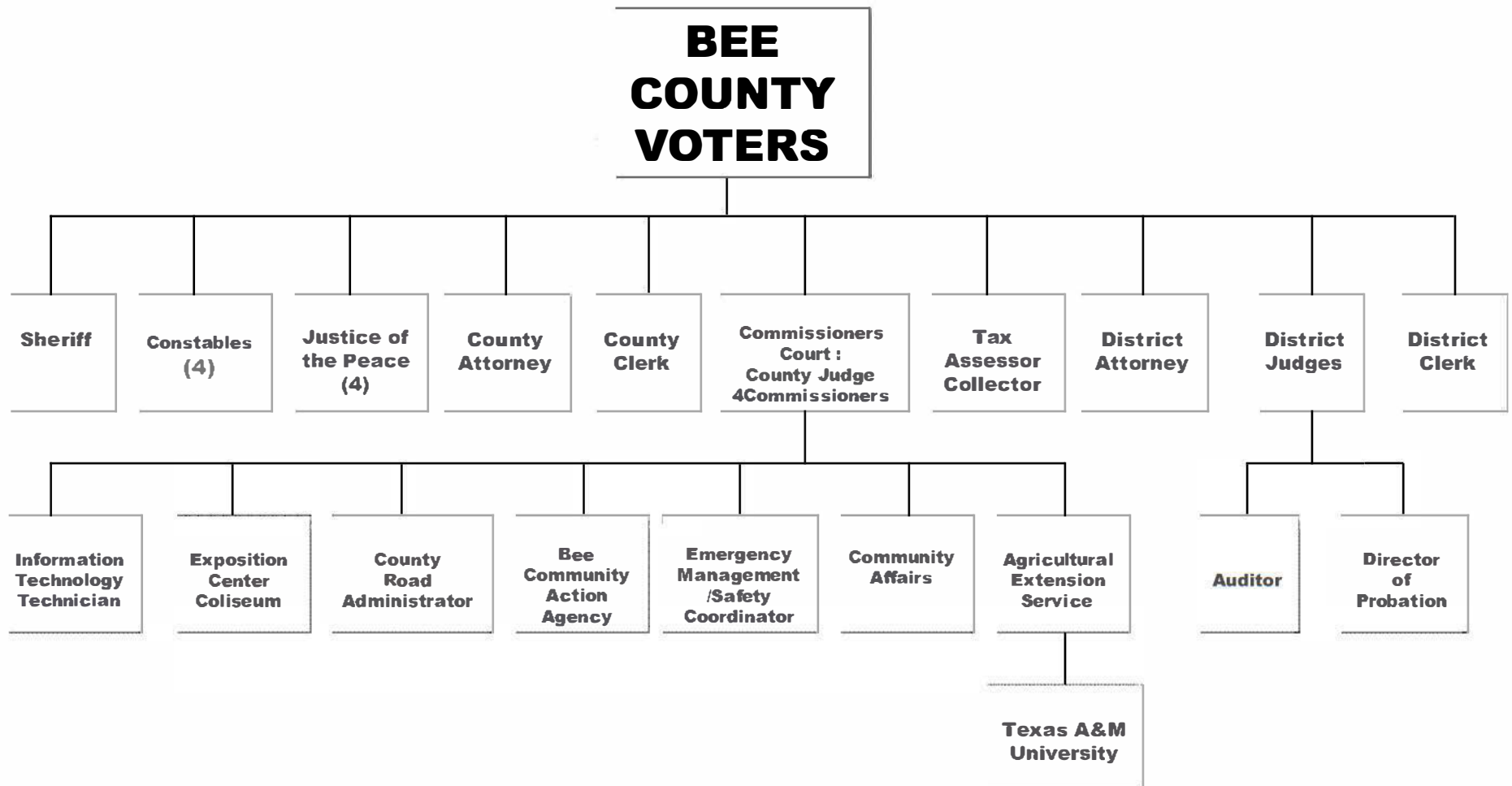
Linda C. Davison

President

Jeffrey R. Emer

Executive Director

BEE COUNTY ORGANIZATIONAL CHART



BEE COUNTY, TEXAS
DIRECTORY OF OFFICIALS
SEPTEMBER 30, 2011

DISTRICT COURT

Michael E. Welborn
Joel B. Johnson
Janna Whatley
Martha Warner
Zenaida Silva

Judge, 36th Judicial County
Judge, 156th Judicial County
Judge, 343rd Judicial County
District Attorney
District Clerk

COMMISSIONERS' COURT

David Silva
Carlos Salazar Jr.
Dennis DeWitt
Eloy Rodriguez
Ken Haggard

County Judge
Commissioner, Precinct No. 1
Commissioner, Precinct No. 2
Commissioner, Precinct No. 3
Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Carlos Carrizales, Jr.
Mirella E. Davis
Linda Bridge
Mike Knight
Blandina V. Costley

Sheriff
County Clerk
Tax Assessor-Collector
County Attorney
County Auditor

JUSTICES OF THE PEACE

Raul Casarez
Ted G. Staples
Abel Suniga
Joseph Lyvers

Precinct No. 1
Precinct No. 2
Precinct No. 3
Precinct No. 4

CONSTABLES

Lance Frerich
Clifford Bagwell
Kirk Delgado
Esquiél Ortiz

Precinct No. 1
Precinct No. 2
Precinct No. 3
Precinct No. 4

OTHER OFFICIALS

Frank Montez
Matt Bochat
Ron Fritz
Adelvino Puga
Bill Wilson
Marla Ruvalcaba
Anna Simo

Road & Bridge Administrator
Extension Agent
Community Affairs
Veterans Service Officer
Adult Probation Director
Juvenile Probation Director
BCAA Executive Director

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge
and County Commissioners
Bee County, Texas

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bee County, Texas, as of September 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund, Headstart Fund, Health Care Fund I and II for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards* and the *State of Texas Single Audit Circular*, we have also issued our report dated February 10, 2012, on our consideration of Bee County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *State of Texas Single Audit Circular* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 12 through 21 and 29 through 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 Bee County, Texas' financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*, and is also not a required part of the financial statements of Bee County, Texas. The accompanying Schedule of Expenditures of State Awards is presented for purposes of additional analysis as required the *State of Texas Single Audit Circular*, and is also not a required part of the basic financial statements of Bee County, Texas. The combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Patullo, Brown & Hill, LLP.

February 10, 2012

Management's Discussion and Analysis

As management of Bee County, we offer readers of the Bee County financial statements this narrative overview and analysis of the financial activities of Bee County for the fiscal year ended September 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i – vi of this report.

This is the eighth year Bee County is presenting financial information in the new reporting format required by Governmental Accounting Standards Board (GASB) Statement 34.

Financial Highlights

- The assets of Bee County exceeded its liabilities at the close of the most recent fiscal year by \$48,338,201.
- Restricted net assets of \$4,113,845 are funds set aside for specific purposes such as: road and bridge, debt service and capital projects.
- As of the close of the current fiscal year, Bee County's governmental funds reported combined ending fund balances of \$6,002,988.
- The unreserved fund balance for the General Fund was \$1,889,143, or 26% of total General Fund expenditures, an increase of 11% from last year's rate. The major factors of the increase are explained later in the analysis.
- The County's total debt decreased by \$416,090 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of Bee County's finances in a manner similar to a private-sector business. They present the financial picture of the county from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County, including infrastructure, and all liabilities. Additionally, certain adjustments have occurred to eliminate duplications in regards to interfund activity such as premiums charged by the self-insurance fund, transfers, receivables and payables.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Bee County is improving or deteriorating. In fiscal year 2010, the Bee County Commissioners' Court set the capital outlay minimum amount to be \$500. This action prompted \$1,156,534 of assets to be declared surplus to alleviate the accumulation of completely depreciated assets under \$500. However, even with this new policy in place, the County's net assets still reflect a positive difference from the liabilities.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change

occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, debt payments, and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, buildings and facilities, administration of justice, law enforcement and corrections, social services, health, safety and sanitation, agriculture, education and consumer sciences, roads, bridges and transportation. Other law enforcement and attorney representation activities that have arisen in this fiscal year are due to additional funds received through grants. This extra source of funding has increased the amount of community services provided to the citizens of Bee County temporarily until the grants come to an end.

The government-wide financial statements can be found on pages 22 and 23 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

Bee County maintains 4 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Health Care Fund I, Health Care Fund II, and Headstart Fund. Data from the other 45 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Bee County adopts an annual appropriated budget for its General Fund, certain Special Revenue Funds, and the Debt Service Fund. Budgetary comparison statements have been provided for the General Fund, Health Care Fund I & II and the Headstart Fund to demonstrate compliance with these budgets. In reviewing a historical analysis of the budgets, it shows that the county strives to maintain the set projected budgets for all funds. The basic governmental fund financial statements can be found on pages 24 through 27 of this report.

Proprietary Funds: The only type of proprietary fund that Bee County maintains is Internal Service Funds, which are an accounting device used to accumulate and allocate costs internally among the County's various functions. Bee County uses two Internal Service Funds to account for the Group Insurance Service and the Fuel Service. Because both of these services predominantly benefit governmental activities, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Internal Service Fund is presented as a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report. When comparing the amount of proprietary fund net assets between current and the prior fiscal year, a decrease of \$551,333, or 80% is seen partially due to the nation-wide increase of fuel costs and medical insurance costs. Unfortunately, in fiscal year 2011, the County experienced more employee & dependents severe illnesses as compared to prior years. Also, the County self funded share was lowered to \$475 per employee prior to fiscal year 2011, reflecting as a decrease in the remaining balance. The basic proprietary fund financial statements can be found on pages 33 through 35 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Bee County’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Unlike the proprietary funds, the fiduciary funds have increased from prior fiscal year by \$981,000, or 50% of prior year’s net assets, reflecting an increase in non-county required programs. Therefore, County community members have seen an increase in non-county required program services such as the District Clerk’s juvenile trust accounts and the tax office motor vehicle and vehicle inventory tax services. The basic fiduciary fund financial statements can be found on page 36 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 through 58 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and Internal Service Funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 60 through 102 of this report.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE STATEMENTS

As stated earlier, net assets may serve over time as a useful indicator of a government’s financial position. At the close of the 2011 fiscal year, the County’s assets exceeded liabilities by \$48,338,201 and are summarized as follows:

	BEE COUNTY’S NET ASSETS	
	Governmental Activities	
	2011	2010
Current assets	\$ 22,903,246	\$ 23,277,550
Capital assets	<u>49,049,708</u>	<u>48,619,191</u>
Total assets	<u>71,952,954</u>	<u>71,896,741</u>
Current liabilities	16,386,855	17,306,310
Noncurrent liabilities	<u>7,227,898</u>	<u>7,663,952</u>
Total liabilities	<u>23,614,753</u>	<u>24,970,262</u>
Net assets:		
Invested in capital assets, net of related debt	41,821,810	40,955,239
Restricted	4,113,845	4,198,830
Unrestricted	<u>2,402,546</u>	<u>1,772,410</u>
Total net assets	<u>\$ 48,338,201</u>	<u>\$ 46,926,479</u>

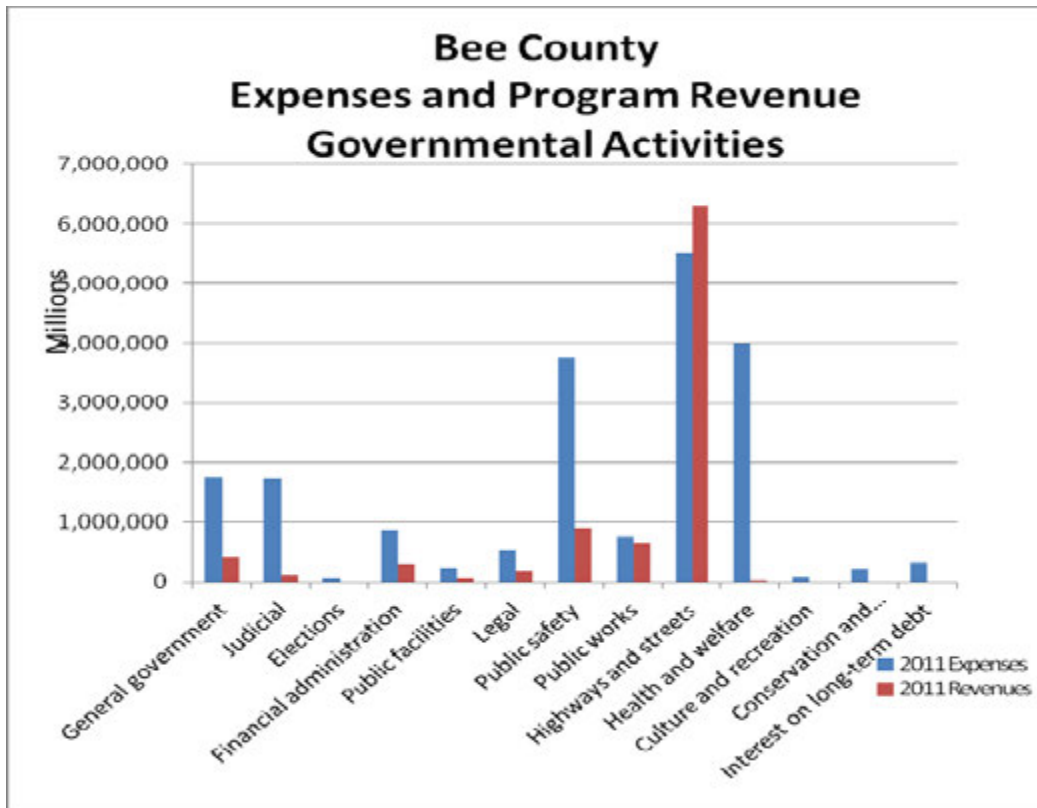
A portion of the County's net assets (\$41,821,810) reflects investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment). Bee County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to repay the debt associated with these capital assets must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities. Also, as previously mentioned, Bee County Commissioners' Court declared the capital outlay minimum amount to be \$500 this year. Therefore, \$1,156,534 of assets were declared surplus and reduced from the assets of the county. However, the amount of assets within the county still exceeds the amount of liability to assure that debt obligations are met in a timely manner. As with any entity that holds long-term debt without going into new debt, the liability has decreased from the prior year by 5% due to the principle payments made as defined by the debt amortization schedules.

BEE COUNTY'S CHANGES IN NET ASSETS

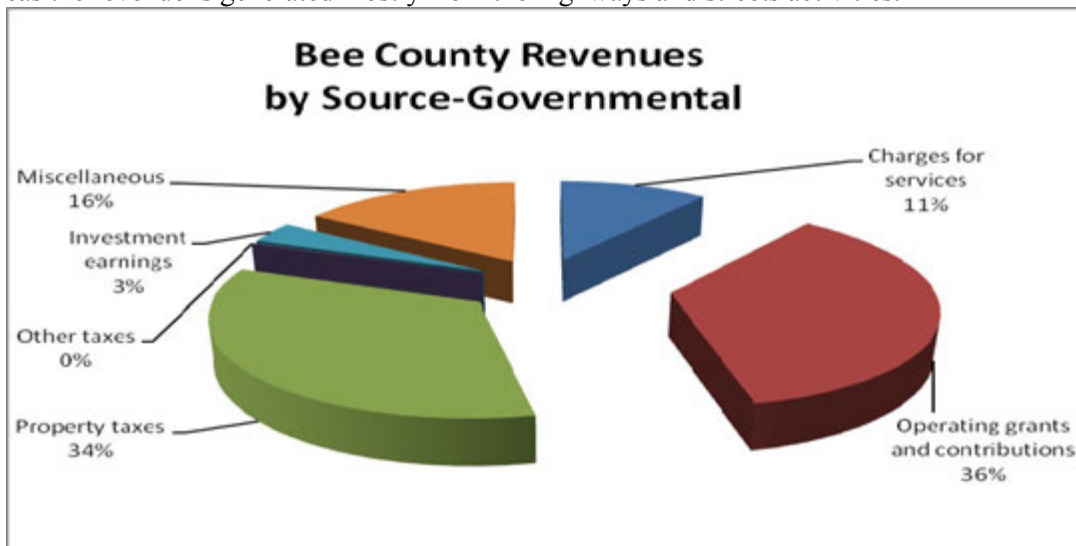
	2011	2010
REVENUES		
Program revenues:		
Charges for services	\$ 2,042,600	\$ 1,876,249
Operating grants and contributions	6,890,247	8,278,930
General revenues:		
Property taxes	6,499,133	5,766,916
Other taxes	24,153	21,809
Investment earnings	677,719	107,400
Miscellaneous	3,034,046	3,081,915
Total revenues	19,167,898	19,133,219
EXPENSES		
General government	1,747,177	1,240,413
Judicial	1,720,670	1,519,379
Elections	53,748	41,487
Financial administration	878,826	662,398
Public facilities	234,867	206,153
Legal	535,605	548,345
Public safety	3,764,470	3,742,946
Public works	758,355	799,351
Highways and streets	5,511,051	1,513,871
Health and welfare	3,975,589	8,585,583
Culture and recreation	79,220	78,568
Conservation and development	215,853	249,224
Interest on long-term debt	322,045	355,391
Total expenses	19,797,476	19,543,109
CHANGE IN NET ASSETS	(629,578)	(409,890)
NET ASSETS, BEGINNING	46,926,479	47,687,597
PRIOR PERIOD ADJUSTMENT	2,041,301	(351,228)
NET ASSETS, ENDING	\$ 48,338,202	\$ 46,926,479

Property taxes are collected to support government activity through the General Fund, Special Road and Bridge Fund, and Debt Service Fund. Property tax revenues increased \$732,217 (11%) from last fiscal year. Although overall tax rates increased slightly from 2010 to 2011 by 4% growth in both residential and commercial areas as well as a decrease of 2% on assessed values by the Appraisal District on established properties resulted in an increase of property tax revenues collected. Further analysis of the types of principal property being assessed and taxed provides an indication to the type of industry growth in Bee County. As shown on table 8, the majority of

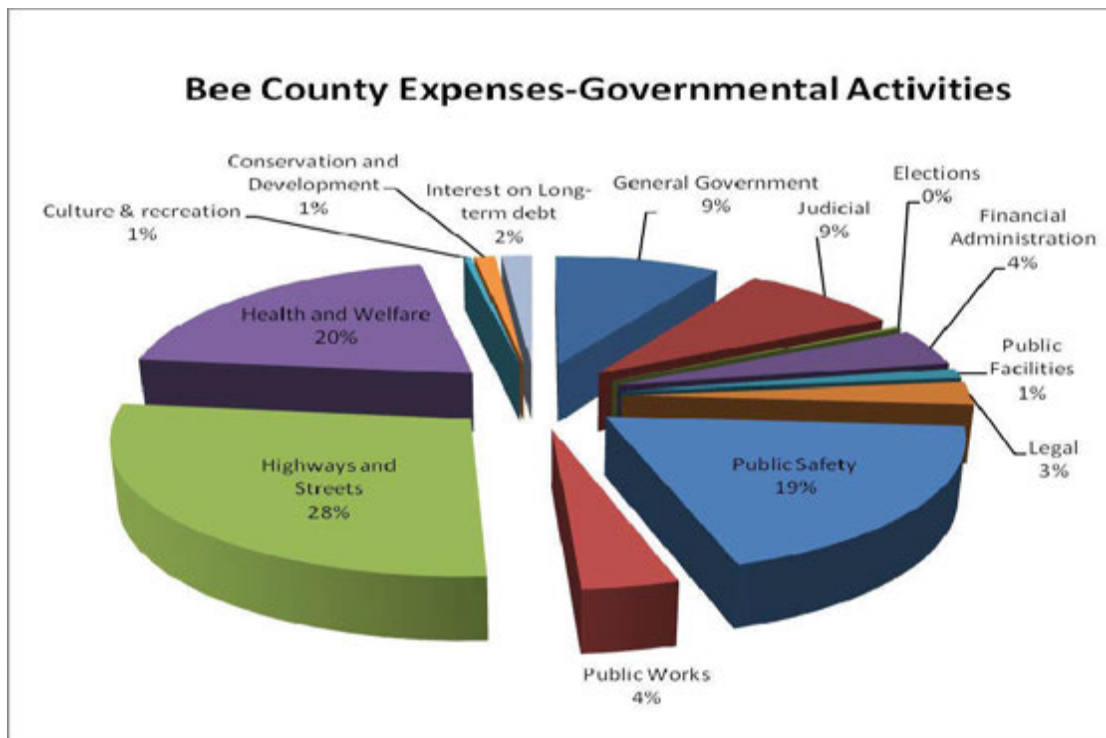
the top 10 taxpayers are from the gas and oil minerals industry. This may be indicative of a strong growth pattern for the future ten to twenty years in this industry. A second positive influence that offset the decrease of property valuations was the increase of tax collections within the penalties and interest and delinquent tax accounts as reflected on the schedule of revenues.



The chart above compares expenses and direct revenues associated with like County services. By interpreting the chart, the data indicates that the higher expenses are in the public safety, health & welfare, and highway & streets fields whereas the revenue is generated mostly from the highways and streets activities.



The pie chart above includes other revenues, i.e. tax collections that are not tied to individual services provided by the County. After analyzing the chart, the data indicates that most of the revenue sources for the County are in the property taxes and operating grants and contribution sectors.



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

Bee County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The above chart reflects that the least amount of expenditures are in the elections, culture & creation, and the conservation & development activities, which are recorded as individual funds in the general ledger.

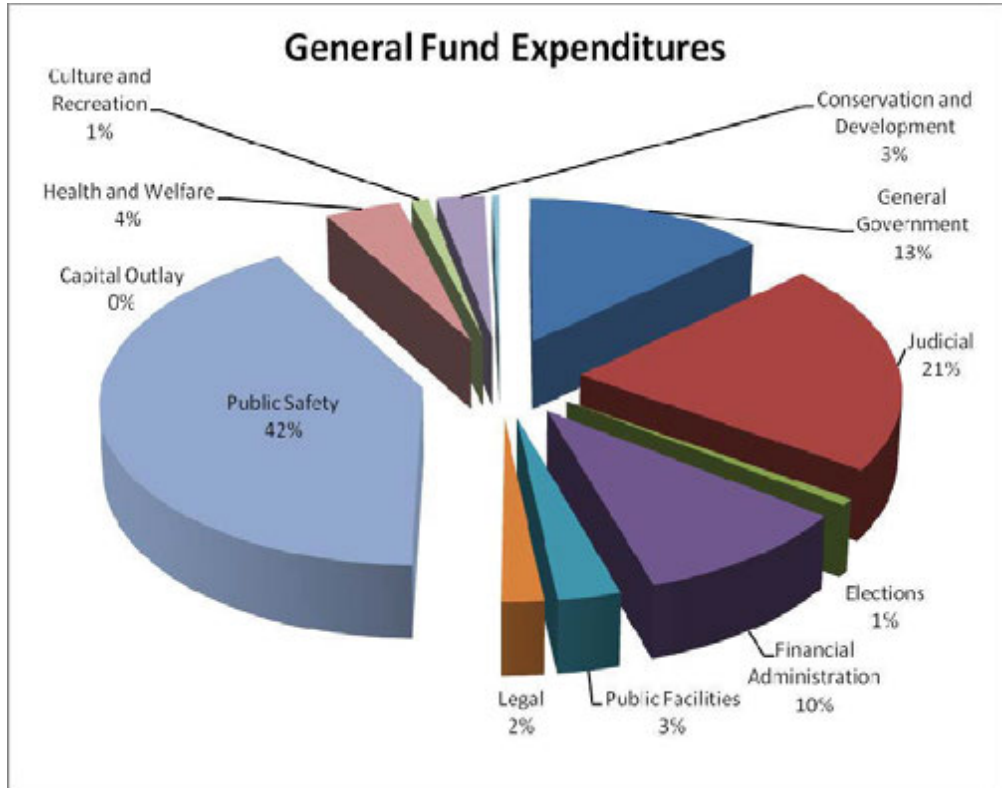
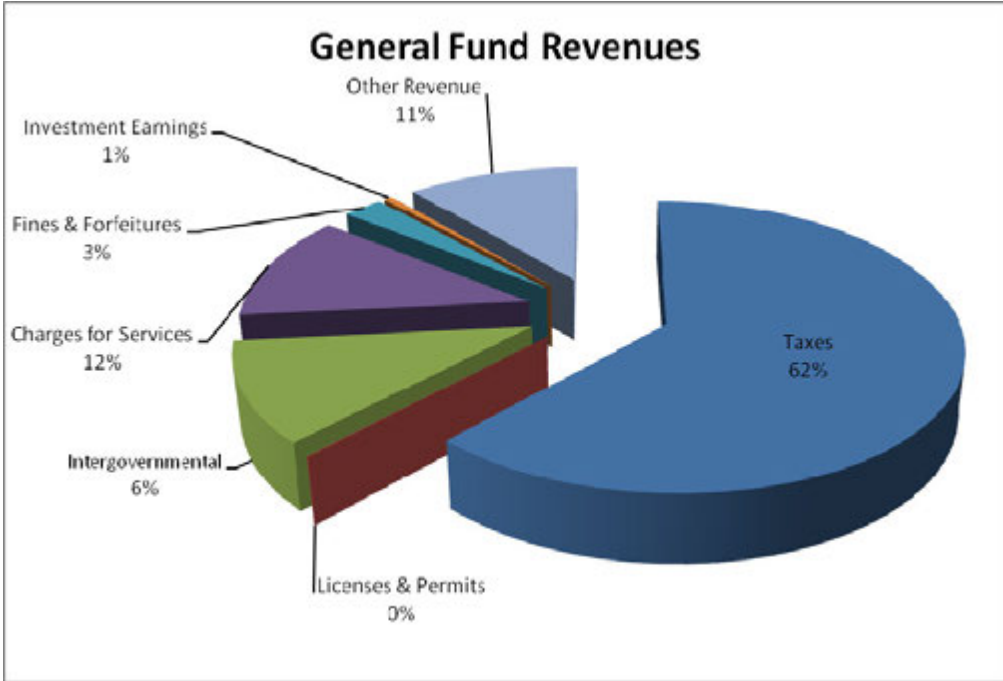
Governmental Funds: The focus of this section is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Bee County's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of a government's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

As of the end of the current fiscal year, Bee County's governmental funds reported combined ending fund balances of \$6,002,988, an increase of \$1,006,943 in comparison with the prior year mainly due to a larger cash flow in the general fund driven by the oil business in the area.

General Fund: The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$1,889,143. The debt service fund is included within the other non-major government category, as well as the road and bridge fund, capital projects, grant fund and other funds restricted to specific purposes. The debt service fund has a total fund balance of \$144,162. As explained earlier, this decrease resulted from intentional commissioner's court action to adopt a balanced budget by maintaining taxes and cutting expenses. As a measure of the general fund's liquidity, it may be useful to compare both the unreserved fund balance and total fund balance to total fund expenditures. Unreserved general fund balance for 2011 represents 26% of the total general fund expenditures. This fund balance total expenditure ratio indicates a positive financial position. The commissioner's court has set goals which include applying the general fund expenditures and transfers out to be approximately three months of annual expenditures for the fund balance. This practice was formally adopted in the fund balance policy as required by GASB54.

Other governmental funds have a total combined fund balance of \$800,920. The debt service fund is included within this category, as well as the road and bridge fund, grant fund and other funds restricted to specific purposes. The debt service fund has a total fund balance of \$144,162, an increase of \$20,016 as compared to the prior year.

The reasons for changes in the net assets were a result of operational variances and adjustments to the overall capital assets that resulted in a decrease to the overall net assets due to capital adjustments. General Fund revenues and expenditures are graphically depicted below. When an analysis is done on the General Fund Revenues and Expenditures charts, it is clear to see that most revenue is generated by taxes and most expenses are in the public safety field. Therefore, the data maybe an indicator of how the Bee County Commissioners’ Court strive to give the community members safety and other services as a benefit of taxes collected.



Other Financing Resources

Proprietary funds. The County's only type of proprietary fund is an internal service fund, commonly referred to as the insurance fund. The information is presented the same as in the government-wide financial statements, but in more detail.

Unrestricted net assets of the internal service funds at the end of the year amounted to \$127,786 with \$59,559 belonging to the Group Health Insurance fund and \$68,227 belonging to the Fuel Farm Fund.

The self-insurance fund reports all liabilities on the full accrual basis and includes claims that have occurred but not yet been reported. Complete details on each fund can be found on pages 57 through 58. The breakdown of each fund can also be found in the Combined Statement of Revenue, Expenses & Changes in Fund Net Assets Internal Service Funds report.

GENERAL FUND BUDGETARY HIGHLIGHTS

In total, the original budget and the final amended budget expenditures were increased by \$77,535. The County made significant changes that were made between the functions. The actual expenditures for this fiscal year (budget basis) ended \$181,191 under the total appropriations for expenditures. Actual revenues came in \$1,065,035 over budget, or 15% of the budgeted revenue. Total general fund expenditures and transfers did not consume 100% of the budgeted expenditures. Two percent of the budget remained from the amended budget to roll into fund balance. Adjustments were made to the budget original and final budget for favorable and unforeseen budget issues.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets: The County's investment in capital assets for its governmental activities as of September 30, 2011, amounts to \$472,145. This investment in capital assets includes building improvements, machinery and equipment. GASB Statement No. 34 requires the County to report and depreciate new infrastructure assets (roads, bridges, airport, etc.) effective with the beginning of the current year. Neither their historical cost nor related depreciation has historically been reported in the financial statements, prior to fiscal year 2010.

Major capital projects completed during year is as follows:

Building and improvements	<u>\$10,817</u>
Total projects completed	<u>\$10,817</u>

In 2011, a formula correction was made to not include items that were already disposed into the depreciation figures. Total investment in the County's capital assets decreased overall by \$1,721,161, or 3.5% due to the capital additions to building improvements, machinery and equipment.

CAPITAL ASSET AND DEBT ADMINISTRATION

**BEE COUNTY, TEXAS
CAPITAL ASSETS
(Net of depreciation)**

	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Land	\$ 292,638	\$ 292,638
Building and improvements	27,057,490	28,314,894
Furniture, equipment and machinery	3,715,412	1,578,303
Infrastructure	<u>17,984,168</u>	<u>18,433,356</u>
Total capital assets, net	<u>\$49,049,708</u>	<u>\$49,619,191</u>

Additional information on the County’s capital assets can be found in note IV-C on page 50 of this report for more detailed note information on capital asset activity.

Long-term debt:

At September 30, 2011, the County had limited general tax obligation bonds and certificates of obligation outstanding in the amount of \$6,985,000. This total debt is backed by the full faith and credit of the County. Chapter 1301, as amended, of the Texas Government Code, limits the amount of bonds that is payable from the \$0.80 Constitution tax rate.

The County is empowered by law to authorize, issue, and sell debt obligations. General obligation bonds are backed by the full faith and credit of the County, including the County’s power to levy taxes to ensure repayment of the debt. The Bee County Commissioners’ Court approves the issuance of debt and related costs associated with the issuance.

Bee County’s total debt as September 30, 2011 stands at \$6,985,000, a decreased of \$416,090 from last year. No new debt was issued by the County during the current fiscal year. Additional information on the County’s long-term liabilities can be found in note IV-F on page 53 of this report.

**Bee County, Texas
Long-Term Debt**

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Total General Obligation Refunding Bonds & Pledged Certificates	<u>\$6,985,000</u>	<u>\$7,365,000</u>

The County currently maintains an “A Stable” rating from Standard & Poor’s for general obligation debt. Additional information on the County’s long-term debt are in the notes to the financial statements and the statistical section of this report. For more detailed information on long-term debt activity, please refer to the relevant disclosures in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The unemployment rate for Bee County is currently 8.9% at September 30, 2011, which compares unfavorably to the State’s average unemployment rate of 7.9% in September 2011.

Fiscal year 2011 reflected economic growth in Bee County as residents recuperated from previous year's downturns. The outlook for Bee County is not as bleak as other US communities. Bee County is holding its' own. The eagle ford shale oil and natural gas production is creating a positive influx of business and sales tax in Bee County. Retail sales are good, causing sales tax to remain constant and most months increasing over last year. The grand opening of a Sterling Department Store in the northern part of the County is an example of this economic growth. Beeville has a lot of traffic going through helping out local stores. The increase of economic growth due to this oil industry is projected to stabilize within the next ten years.

REQUESTS FOR INFORMATION:

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

Bee County Auditor
111 S. St. Mary's Street, Suite 101
Beeville, Texas 78102
blandina.costley@co.bee.tx.us

BASIC FINANCIAL STATEMENTS

BEE COUNTY, TEXAS
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

	Primary Government
	Governmental Activities
ASSETS	
Cash and investments	6,446,548
Taxes receivable (net of allowances)	315,505
Accounts receivable	15,991,036
Due from other governments	120,257
Inventories	20,518
Prepaid items	9,382
Capital assets:	
Land	292,638
Buildings and improvements	35,109,297
Infrastructure	27,361,537
Equipment	6,629,246
Less: accumulated depreciation	(20,343,010)
Total capital assets	49,049,708
Total assets	71,952,954
LIABILITIES	
Accounts payable	948,923
Accrued liabilities	309,798
Due to other governments	68,885
Unearned revenues	15,046,156
Accrued interest	13,093
Noncurrent liabilities:	
Due within one year	403,114
Due in more than one year	6,824,784
Total liabilities	23,614,753
NET ASSETS	
Invested in capital assets, net of related debt	41,821,810
Restricted for:	
Debt service	144,162
Capital projects	29,831
Road and bridge	115,603
District clerk purposes	15,922
County clerk purposes	64,128
District attorney purposes	41,409
County attorney purposes	2,011
County sheriff purposes	2,737
Courthouse security	26,945
Law library	90,763
Law enforcement purposes	23,211
Federal and state programs	3,557,123
Unrestricted	2,402,546
Total net assets	\$ 48,338,201

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

BEE COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Net (Expense) Revenue and Changes in Net Assets <u>Primary Government</u>
Primary government					
Governmental activities:					
General government	\$ 1,747,177	\$ 420,354	\$ -	\$(1,326,823)	
Judicial	1,720,670	117,475	-	(1,603,195)	
Elections	53,748	-	-	(53,748)	
Financial administration	878,826	249,449	50,018	(579,359)	
Public facilities	234,867	55,391	-	(179,476)	
Legal	535,605	57,993	132,021	(345,591)	
Public safety	3,764,470	440,294	471,442	(2,852,734)	
Public works	758,355	-	651,389	(106,966)	
Highways and streets	5,511,051	699,870	5,585,377	774,196	
Health and welfare	3,975,589	1,774	-	(3,973,815)	
Culture and recreation	79,220	-	-	(79,220)	
Conservation and development	215,853	-	-	(215,853)	
Interest on long-term debt	322,045	-	-	(322,045)	
Total governmental activities	<u>19,797,477</u>	<u>2,042,600</u>	<u>6,890,247</u>	<u>(10,864,630)</u>	
Total primary government	<u>\$ 19,797,477</u>	<u>\$ 2,042,600</u>	<u>\$ 6,890,247</u>	<u>\$(10,864,630)</u>	
General revenues:					
Taxes:					
Property taxes				6,499,133	
Other				24,153	
Investment earnings				677,719	
Miscellaneous				<u>3,034,046</u>	
Total general revenues				<u>10,235,051</u>	
Change in net assets				(629,579)	
Net assets, beginning				46,926,479	
Prior period adjustment				<u>2,041,301</u>	
Net assets, ending				<u>\$ 48,338,201</u>	

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

BEE COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

	General	Health Care Fund I	Health Care Fund II
ASSETS			
Cash and investments	\$ 2,144,067	3,236,506	205,835
Taxes receivable (net of allowance)	263,723	-	-
Accounts receivable	197,207	6,846,643	8,245,309
Due from other governments	8,459	-	-
Due from other funds	458,169	-	-
Prepaid assets	7,610	-	-
Total assets	\$ 3,079,235	\$ 10,083,149	\$ 8,451,144
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 602,523	\$ -	\$ 1,236
Accrued liabilities	309,798	-	-
Due to other governments	6,242	-	-
Due to other funds	(5,294)	-	-
Deferred revenue	263,730	6,840,647	8,275,614
Other liabilities	13,093	-	-
Total liabilities	1,190,092	6,840,647	8,276,850
Fund balances:			
Designated for capital projects	-	-	-
Unreserved, reported in:			
General fund	1,889,143	-	-
Special revenue funds	-	3,242,502	174,294
Capital projects fund	-	-	-
Debt service fund	-	-	-
Total fund balances	1,889,143	3,242,502	174,294
Total liabilities and fund balances	\$ 3,079,235	\$ 10,083,149	\$ 8,451,144

Amounts not reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

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

An Internal Service Fund is used by management to charge the costs of certain capital assets to individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities in the statement of net assets.

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

Net assets of governmental activities

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

Headstart Fund	Other Governmental	Total Governmental Funds
\$ -	\$ 794,316	\$ 6,380,724
-	51,782	315,505
117,226	520,264	15,926,649
-	111,262	119,721
-	-	458,169
-	1,772	9,382
<u>\$ 117,226</u>	<u>\$ 1,479,396</u>	<u>\$ 23,210,150</u>
\$ 104,821	\$ 216,864	925,444
-	-	309,798
-	62,643	68,885
116,276	347,187	458,169
-	51,782	15,431,773
-	-	13,093
<u>221,097</u>	<u>678,476</u>	<u>17,207,162</u>
-	-	-
-	-	1,889,143
(103,871)	626,927	3,939,852
-	29,831	29,831
-	144,162	144,162
<u>(103,871)</u>	<u>800,920</u>	<u>6,002,988</u>
<u>\$ 117,226</u>	<u>\$ 1,479,396</u>	
		49,049,708
		385,617
		127,786
		<u>(7,227,898)</u>
		<u>\$ 48,338,201</u>

BEE COUNTY, TEXAS

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

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>General</u>	<u>Health Care Fund I</u>	<u>Health Care Fund II</u>
REVENUES			
Taxes	\$ 4,995,677	\$ -	\$ -
Licenses and permits	4,870	-	-
Intergovernmental	902,947	-	-
Charges for services	970,367	-	-
Fines and forfeitures	208,862	-	-
Investment earnings	46,708	345,371	278,440
Other revenues	<u>910,078</u>	<u>179,759</u>	<u>135,526</u>
Total revenues	<u>8,039,509</u>	<u>525,130</u>	<u>413,966</u>
EXPENDITURES			
Current:			
General government	958,875	-	-
Judicial	1,520,401	-	-
Elections	47,492	-	-
Financial administration	726,521	-	-
Public facilities	207,531	-	-
Legal	137,769	-	-
Public safety	2,976,943	-	-
Public works	-	-	-
Highways and streets	-	-	409,108
Health and welfare	304,841	-	-
Culture and recreation	70,000	-	-
Conservation and development	190,730	-	-
Debt service:			
Principal	-	-	-
Interest and other charges	-	-	-
Capital outlay	<u>31,170</u>	<u>5,449</u>	<u>-</u>
Total expenditures	<u>7,172,273</u>	<u>5,449</u>	<u>409,108</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>867,236</u>	<u>519,681</u>	<u>4,858</u>
OTHER FINANCING SOURCES (USES)			
Capital lease	-	-	-
Transfers in	523,982	-	-
Transfers out	<u>(202,729)</u>	<u>(127,664)</u>	<u>-</u>
Total other financing sources and uses	<u>321,253</u>	<u>(127,664)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,188,489	392,017	4,858
FUND BALANCES, BEGINNING	<u>797,215</u>	<u>2,850,485</u>	<u>169,436</u>
PRIOR PERIOD ADJUSTMENT	<u>(96,561)</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,889,143</u>	<u>\$ 3,242,502</u>	<u>\$ 174,294</u>

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

<u>Headstart Fund</u>	<u>Other Governmental</u>	<u>Governmental Funds</u>
\$ -	\$ 1,438,068	\$ 6,433,745
-	604,411	609,281
2,957,344	4,552,068	8,412,359
-	121,095	1,091,462
-	132,995	341,857
-	6,145	676,664
-	162,264	1,387,627
<u>2,957,344</u>	<u>7,017,046</u>	<u>18,952,995</u>
-	27,366	986,241
-	-	1,520,401
-	-	47,492
-	50,018	776,539
-	-	207,531
-	335,497	473,266
-	349,379	3,326,322
-	670,090	670,090
3,032,009	1,428,501	4,869,618
-	3,208,028	3,512,869
-	-	70,000
-	-	190,730
-	380,000	380,000
-	358,135	358,135
-	449,076	485,695
<u>3,032,009</u>	<u>7,256,090</u>	<u>17,874,929</u>
<u>(74,665)</u>	<u>(239,044)</u>	<u>1,078,066</u>
-	-	-
-	860,621	1,384,603
-	(1,036,149)	(1,366,542)
<u>-</u>	<u>(175,528)</u>	<u>18,061</u>
(74,665)	(414,572)	1,096,127
<u>(29,206)</u>	<u>1,208,115</u>	<u>4,996,045</u>
<u>-</u>	<u>7,377</u>	<u>(89,184)</u>
<u>\$ (103,871)</u>	<u>\$ 800,920</u>	<u>\$ 6,002,988</u>

BEE COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Net change in fund balances - total governmental funds: \$ 1,096,127

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

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (1,721,161)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 89,541

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 416,090

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 19,964

Internal Service Funds are used by management to charge the costs of certain capital assets to individual funds. The net revenue of certain activities of Internal Service Funds is reported with governmental activities. (530,140)

Change in net assets of governmental activities \$(629,579)

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

BEE COUNTY, TEXAS

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

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 4,757,327	\$ 4,757,327	\$ 4,995,677	\$ 238,350
Licenses and permits	3,000	3,000	4,870	1,870
Intergovernmental	540,804	540,804	902,947	362,143
Charges for services	740,540	744,140	970,367	226,227
Fines and forfeitures	156,000	156,000	208,862	52,862
Investment earnings	45,000	45,000	46,708	1,708
Other revenues	728,203	728,203	910,078	181,875
Total revenues	<u>6,970,874</u>	<u>6,974,474</u>	<u>8,039,509</u>	<u>1,065,035</u>
EXPENDITURES				
Current:				
General government	997,706	1,035,332	958,875	76,457
Judicial	1,456,847	1,549,575	1,520,401	29,174
Elections	52,088	52,088	47,492	4,596
Financial administration	728,390	742,073	726,521	15,552
Public facilities	207,898	214,638	207,531	7,107
Legal	145,426	146,273	137,769	8,504
Public safety	2,928,468	2,943,750	2,976,943	(33,193)
Health and welfare	441,988	327,461	304,841	22,620
Culture and recreation	70,000	70,000	70,000	-
Conservation and development	222,618	233,481	190,730	42,751
Capital outlay	24,500	38,793	31,170	7,623
Total expenditures	<u>7,275,929</u>	<u>7,353,464</u>	<u>7,172,273</u>	<u>181,191</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(305,055)</u>	<u>(378,990)</u>	<u>867,236</u>	<u>1,246,226</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	523,982	(523,982)
Transfers out	-	-	(202,729)	202,729
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>321,253</u>	<u>(321,253)</u>
NET CHANGE IN FUND BALANCE	<u>(305,055)</u>	<u>(378,990)</u>	<u>1,188,489</u>	<u>1,567,479</u>
FUND BALANCE, BEGINNING	<u>797,215</u>	<u>797,215</u>	<u>797,215</u>	<u>-</u>
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>(96,561)</u>	<u>96,561</u>
FUND BALANCE, ENDING	<u>\$ 492,160</u>	<u>\$ 418,225</u>	<u>\$ 1,889,143</u>	<u>\$ 1,664,040</u>

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

BEE COUNTY, TEXAS

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

HEALTH CARE FUND I

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 326,289	\$ 326,289	\$ 345,371	\$ 19,082
Other revenue	179,759	179,759	179,759	-
Total revenues	506,048	506,048	525,130	19,082
EXPENDITURES				
Current:				
Other services and charges	4,800	4,800	5,449	(649)
Total expenditures	4,800	4,800	5,449	(649)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	501,248	501,248	519,681	18,433
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(127,664)	(127,664)	(127,664)	-
Total other financing sources and uses	(127,664)	(127,664)	(127,664)	-
NET CHANGE IN FUND BALANCE	373,584	373,584	392,017	18,433
FUND BALANCE, BEGINNING	2,850,485	2,850,485	2,850,485	-
FUND BALANCE, ENDING	\$ 3,224,069	\$ 3,224,069	\$ 3,242,502	\$ 18,433

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

BEE COUNTY, TEXAS

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

HEALTH CARE FUND II

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Investment earnings	\$ 304,160	\$ 304,160	\$ 278,440	\$(25,720)
Other revenue	135,526	135,526	135,526	-
Total revenues	439,686	439,686	413,966	(25,720)
EXPENDITURES				
Current:				
Health and welfare	439,686	439,686	409,108	30,578
Total expenditures	439,686	439,686	409,108	30,578
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,858	4,858
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	4,858	4,858
FUND BALANCE, BEGINNING	169,436	169,436	169,436	-
FUND BALANCE, ENDING	\$ 169,436	\$ 169,436	\$ 174,294	\$ 4,858

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

BEE COUNTY, TEXAS

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

HEADSTART

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 3,150,477	\$ 2,957,344	\$ (193,133)
Total revenues	-	3,150,477	2,957,344	(193,133)
EXPENDITURES				
Current:				
Health and welfare	-	3,150,477	3,032,009	118,468
Total expenditures	-	3,150,477	3,032,009	118,468
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(74,665)	(74,665)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	(74,665)	(74,665)
FUND BALANCE, BEGINNING	(29,206)	(29,206)	(29,206)	-
PRIOR PERIOD ADJUSTMENT	-	-	-	-
FUND BALANCE, ENDING	\$(29,206)	\$(29,206)	\$(103,871)	\$(74,665)

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

BEE COUNTY, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2011

	<u>Governmental Activities</u>	<u>Internal Service Funds</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$	65,824
Accounts receivable		64,387
Due from other governments		536
Inventory		<u>20,518</u>
Total current assets		<u>151,265</u>
Total assets		<u>151,265</u>
LIABILITIES		
Accounts payable		<u>23,479</u>
Total liabilities		<u>23,479</u>
NET ASSETS		
Unrestricted		<u>127,786</u>
Total net assets	\$	<u><u>127,786</u></u>

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

BEE COUNTY, TEXAS

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS**

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
OPERATING REVENUES	
Employer/employee contributions	\$ 562,371
Charges for services	<u>13,674</u>
Total operating revenues	<u>576,045</u>
OPERATING EXPENSES	
Claims and administration	1,204,552
Other supplies and expenses	<u>8,934</u>
Total operating expenses	<u>1,213,486</u>
OPERATING INCOME	<u>(637,441)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest and investment revenues	1,055
Refunds	124,307
Transfers out	<u>(18,061)</u>
Total non-operating revenues (expenses)	<u>107,301</u>
CHANGE IN NET ASSETS	<u>(530,140)</u>
TOTAL NET ASSETS, BEGINNING	<u>679,119</u>
ADJUSTMENT TO NET ASSETS	<u>(21,193)</u>
TOTAL NET ASSETS, ENDING	<u>\$ 127,786</u>

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

BEE COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from services and participants	\$ 576,045
Payments to benefit claims	(1,204,552)
Payments to vendors	(49,662)
Net cash used by operating activities	(678,169)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings	1,055
Refunds	106,246
Net cash flows provided by investing activities	107,301
DECREASE IN CASH AND CASH EQUIVALENTS	(570,868)
CASH AND EQUIVALENTS, BEGINNING	636,692
CASH AND EQUIVALENTS, ENDING	\$ 65,824
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$(637,441)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Adjustment to net assets	(21,193)
(Increase) decrease in accounts receivable	(64,387)
(Increase) decrease in accounts receivable	15,899
(Increase) decrease in inventory	6,771
(Decrease) increase in accounts payable	22,182
Net cash used by operating activities	\$(678,169)

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

BEE COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2011

	<u>Agency Fund</u>
ASSETS	
Cash and investments	\$ <u>2,858,190</u>
Total assets	\$ <u>2,858,190</u>
LIABILITIES	
Due to others	\$ <u>2,858,190</u>
Total liabilities	\$ <u>2,858,190</u>

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

**NOTES TO THE
FINANCIAL STATEMENTS**

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bee County, Texas, (the County) uses a commission form of government under the laws and statutes of the constitution of the State of Texas. The County provides various services to advance the welfare, health, morals, comfort, safety, and convenience of the County and its inhabitants. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Reporting Entity

Bee County, Texas was organized in 1858. The County operates using a commission form of government under the statutes and the Constitution of the State of Texas. The County (government) provides various services to general government (tax collection, property records, auto registration), judicial (district attorney, courts, juvenile), law enforcement and corrections (sheriff, constables, jail), roads, bridges and transportation and social services.

At the beginning of the 1997 year, the Bee County Regional Medical Center was leased to Spohn Health of Corpus Christi, Texas so the County does not have any control of this operation. The funds of the Bee County Regional Medical Center at September 30, 2011 are accounted for in Health Care Special Revenue Fund which uses these funds and other funds to provide medical services to indigents as well as other health and welfare costs. The County (government) is required by generally accepted accounting principles to present the financial statements of the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operation and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. The government did not have any discretely presented component units in fiscal year 2011. Also, the County is not a component unit of any other entity.

The accompanying basic financial statements present the government and its blended unit of the Bee County Community Action Agency defined according to criteria in GASB Statement No. 14, The Financial Reporting Entity. The Agency maintains and performs administrative functions for the federal grants and the Bee County Commissioner's court is the governing body. The accompanying basic financial statements present the government and its blended unit of the Bee County Community Action Agency defined according to criteria in GASB Statement No. 14, The Financial Reporting Entity.

The Bee County Community Action Agency is a blended component unit of Bee County. It was created to provide service to individuals and families of low income, included but not limited to, assistance to elderly and disabled adults, rural transportation, home improvements and weatherization and educational services for children. The agency is operated under the supervision of the County Commissioners. The Board of Directors consist of the members of the Commissioners and appointed positions and in the event of dissolution, net assets, if any after reversion back to the granting agency, would revert to the County.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenue.

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

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

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

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

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

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

Intergovernmental revenues, rents, commissions, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County, which includes delinquent property taxes, licenses, fees and fines. For grants, like the government-wide financial statements, the revenue is recognized when all the eligibility requirements have been met.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The County reports the following major governmental funds:

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

The Health Care I Fund is a Special Revenue Fund used to account for the initial hospital renovations.

The Health Care II Fund is a Special Revenue Fund used to account for the additional/facility expansion costs.

The Headstart Fund is a Special Revenue Fund used to account for education expenditures for lower income children.

All other governmental funds are combined and reported as nonmajor. Nonmajor funds include road fund, inland and island parks, grants, capital projects and other special revenue funds.

Additionally, the County reports the following fund types:

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs.

The Capital Projects Fund is used to account for the acquisition of capital assets or construction of major capital projects.

Internal Service Funds account for and finance the County's uninsured risks of loss from workers compensation coverage, general liability, and group health insurance. Revenues are derived from County contributions, employee and retiree/cobra premiums, investment income, and premiums from some external entities. Expenses are for benefits, claims and administrative expenses.

Fiduciary Funds are classified into private purpose and agency funds. The County only has agency funds which are used to account for assets held by the County on behalf of individuals and other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Examples of the funds held are inmate trust funds, district clerk minor trust funds, permanent school fund, county clerk funds, tax office, district attorney funds and district court funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements and this includes activity from the internal service funds.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Net Assets or Equity

1. Deposit 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 one year or less from the date of acquisition. State statutes and the County's official investment policy authorized the County to invest in obligations of the U.S. and its agencies, certificates of deposit, local government pools, repurchase agreements, money market mutual funds and direct obligations of the State of Texas of its agencies.

Investments for the County, as well as for its component units, are reported at fair market value. TexPool is a local government investment pool that operates in accordance with appropriate state laws and regulations under oversight from the Texas State Comptroller. The reported value of the pool is the same as the fair market value of the pool shares. All investment income is recognized as revenue in the appropriate fund's statement of activity and or statement of revenues, expenditures and changes in fund balance.

The County considers all highly liquid investments with original maturities of less than 90 days to be cash equivalents. Cash and cash equivalents at year-end include demand deposits and repurchase agreements. Statutes give the County the authority to invest the funds in obligations of the United States, direct obligations of the State of Texas, other obligations guaranteed or insured by the State of Texas or the United States, obligations of states, agencies, counties, or cities of any state that have been rated not less than one or its equivalent by a nationally recognized investment firm, certificates of deposit guaranteed insured or secured by approved obligations, prime domestic bankers' acceptances, commercial paper, fully collateralized repurchase agreements, and an SEC-registered, no-load money market mutual fund whose assets consist exclusively of approved obligations.

State statutes and the adopted Investment Policy govern the Agency's cash and investment policies. The Agency's policies governing bank deposits require depositories to be FDIC-insured institutions and depositories must fully collateralize all deposits in excess of FDIC insurance limits. The depository bank deposits for safekeeping and trust with the Agency's agent bank, approved pledged securities in an amount sufficient to protect the Agency funds on a day-to-day basis. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC")-Insurance.

2. Receivables and Payables

All trade and property tax receivable are shown net of an allowance for uncollectibles. Trade receivables are directly written-off when circumstances indicate a receivable is no longer collectible usually within one year a receivable when circumstances indicate a receivable is no longer collectible usually within one year a receivable was incurred. The property tax receivable allowance is equal to 100 percent of the balances older than 11 years plus .5 percent of the balances less than 11 years old which includes the current year's levy.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

2. Receivables and Payables (Continued)

Property taxes are levied prior to September 30 based on taxable value as of January 1 and become due October 1 and past due after January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. On the governmental fund financial statements outstanding property taxes receivable is reported as deferred revenue.

Accounts receivable include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and unearned revenue (a liability) at the time the contracts are approved and signed. Grant revenues are recognized when eligibility requirements established by the grantor have been met at which time unearned revenue (the liability account) is reduced.

Lending or borrowing between funds is reflected as “due to or due from” (current position) or “advances to/from other funds” (non-current). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Interfund activity reflected in “due to or due from” is eliminated on the governmental-wide statements.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories comprise of expendable supplies and gasoline held for consumption. All inventory items are expensed when used. Report inventories are offset by a reservation of fund balance, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In the fund financial statements, advances and prepayments are offset by a reservation of fund balance which indicates they do not represent “available spendable resources”.

4. Capital Assets

Capital assets, which include property, buildings and improvements and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$500 or more and an estimated useful life in excess of two years.

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

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

4. Capital Assets (Continued)

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Improvements	20
Equipment	10 - 15
Vehicles	6
Furniture	12
Heavy equipment	15
Computer equipment	7

GASB Statement No. 34 requires the County to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements.

5. Compensated Absences

Vacation, sick leave, benefits and compensatory (“comp”) time are accrued by full time county employees according to guidelines established by the County’s personal policies. Said policies allow for the accumulation of sick leave of one day per month up to a maximum of thirty days, but do not provide for payment of sick leave accruals. (i.e., sick leave not taken in any given year is lost and cannot be carried over to the next year). Accordingly since such accumulated amounts are nonvesting, unused sick leave at September 30, 2011 has not been accrued in the accompanying financial statements.

The County’s policy for vacation leave allows for 10 working day of vacation leave. Vacation leave does not accumulate if not used within the year (i.e., vacation leave not taken cannot be carried over to the following year). However, any unused vacation leave up to a maximum of 10 days per year is paid to an employee upon separation from service.

Compensatory (“comp”) time off is granted at the rate of one and one-half hour time off for every hour overtime worked and can be carried forward indefinitely. At September 30, 2011, the County’s liability for accrued vacation pay and the liability for compensatory time was \$204,686.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Long-term Obligations

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

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

7. Federal and State Grants

Revenue from federal and state grants is recognized on the basis of actual expenditures incurred, limited to the amount of the total grant award. Shared revenue is recognized based on the fiscal period to which the entitlements received apply.

8. Fund Equity

In the fund financial statements, governmental funds report “reservations” of fund balance for amounts that are not available for appropriation or a legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

9. Net Assets

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

10. Use of Estimates

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

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes a reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net assets for governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. The details of capital assets and long-term debt at the beginning of the year were as follows:

<u>Capital Assets at the Beginning of Year</u>	<u>Historic Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Value at the Beginning of Year</u>	<u>Change in Net Assets</u>
Land	\$ 292,638	\$ -	\$ 292,638	
Buildings & Improvements	35,098,480	(6,783,586)	28,314,894	
Furniture & Equipment	6,363,272	(4,784,969)	1,578,303	
Infrastructure	<u>27,361,537</u>	<u>(8,928,181)</u>	<u>18,433,356</u>	
Change in Net Assets				<u>\$ 48,619,191</u>
<u>Long-term liabilities at the Beginning of Year</u>			<u>Payable at the Beginning of Year</u>	
Bonds Payable			\$ (7,365,000)	
Capital Leases			(74,302)	
Compensated Absences			<u>(224,650)</u>	
Change in Net Assets				<u>\$ (7,663,952)</u>
Net Adjustment to Net Assets				<u>\$ 56,283,143</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures and changes in fund balances and the changes in net assets of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

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

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities
(Continued)

This adjustment affects both the net asset balance and the change in net assets. The details of this adjustment are as follows:

<u>Current Year Capital Outlay</u>	<u>Amount</u>	<u>Adjustments to Changes in Net Assets</u>	<u>Adjustments in Net Assets</u>
Buildings & Improvements	\$ 10,817	\$ 10,817	
Furniture & Equipment	<u>461,328</u>	<u>461,328</u>	
Total Capital Outlay			\$ 472,145
Depreciation Expense			<u>(2,193,306)</u>
Net change in Capital Assets			<u><u>\$ (1,721,161)</u></u>
 <u>Debt Principal Payments</u>			
Bonds Payable	\$ 380,000	\$ 380,000	
Capital Lease	36,090	36,090	
Compensated Absences	<u>19,964</u>	<u>19,964</u>	
Net change in Long-term Liabilities			<u><u>\$ 436,054</u></u>

Another element of the reconciliation is described as various other reclassifications and eliminations necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This adjustment is the result of several items. The details for this element are as follows:

Property taxes	\$ 89,541
Internal service fund activities	<u>(530,140)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u><u>\$ (440,599)</u></u>

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Commissioners Court may levy taxes only in accordance with the budget. After final approval of the budget, the Commissioners Court may spend County funds only in strict compliance with the budget, except in any emergency. The Commissioners Court may authorize an emergency expenditure as an amendment to the original budget only in case of grave public necessity to meet an unusual and unforeseen condition that could have been included in the original budget only in case of grave public necessity to meet an unusual and unforeseen condition that could have been included in the original budget through the use of reasonable diligent thought and attention. If the court amends the original budget to meet and emergency, the court must file a copy of its order amending the budget with the County Clerk and the clerk shall attach the copy to the original budget. Only the Commissioners Court may amend the budget and shift funds from one budget account to another.

The original budget is adopted by Commissioners Court and filed with the County Clerk. Amendments are made during the year and approved by Commissioner Court. The budget should not be exceeded in any expenditures category under state law. The budget was amended to reflect as closely as possible revenues and expenditures for the twelve-month period. Certain categories exceeded the budget estimates. These variances were due to the fluctuations in revenues and expenditures as opposed to the prorated budget estimates.

The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by Commissioners Court, the County Judge, with the help of the County Auditor, prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to Commissioners Court.

The Commissioners Court invites various department heads to appear for a hearing concerning the department's budget request. Before determining the final budget, Commissioners Court may increase or decrease the amounts requested by various departments. Amounts finally budgeted may not exceed the estimate of revenues and available resources. Also, amendments can be made within the above guidelines.

When the Budget has been adopted by Commissioners Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of Commissioner Court advised of the condition of the various funds and accounts. Appropriations lapse at year end.

The County's legally adopted budget is at the function level. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures or expenses to budget are made on an ongoing basis. Budgets of the General, Special Revenue, and Debt Service are prepared on an annual basis. Formal budgetary integration is not employed for Capital Projects Funds because budgetary control is achieved through legally binding construction contracts. Budgetary integration is not employed for the internal service fund because expenses are not controllable by management.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue (except as noted in the following paragraph) and Debt Service Funds. All annual appropriations lapse at fiscal year-end.

Annually appropriated budgets are not adopted for all Special Revenue Funds. The Congressional Appropriations Grant, Rural Officer, Law Enforcement Grant, DA Pre-trial Intervention Services, TXCDGB Colonia, Sheriff Special Projects, Border Star Program, Skidmore Colonia Grant, BCAA Admin Fund, Child Care, Rural Transportation, Title III Nutrition, CEAP, Reliant Energy, CSBG, DOE/Exxon LINEAP, Home Program V, CPL/RE N-N, RPT Purchase, Vehicle Capital Replacement, Stop Violence Against Women, Technology Fund, CSBG McMullen, Border Star Technology Project, DOE ARRA, Pettus Water Project, Local Solicitation, CJD Grant and the Border Prosecutor Grant do not have legally adopted budgets. Accordingly, budget and actual comparisons do not include these funds.

The final budgets presented in this report reflect the budget amendments for all appropriation transfers processed during the fiscal year. More comprehensive accounting of activity on the budgetary basis is provided by request and for public inspection in The Office of the Bee County Auditor, 111S. St. Mary's Street, Suite 101, Beeville, Texas 78102.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders contracts and other commitment for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds to an extent. All outstanding purchase orders automatically carry over to and encumber the next budget year unless Commissioners Court individually approves them as an encumbrance to the prior year. Encumbrances outstanding at year-end are reported and reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. As of September 30, 2011, no encumbrances were approved by Commissioners Court to carry forward as an encumbrance from the 2010/2011 budget.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Bee County's demand deposits were within the contracted depository bank (Prosperity Bank, Beeville, Texas) Tex-Pool Accounts and Robert W. Baird Investment firm, the very large majority of which were in interest bearing accounts.

The bank deposits were all secured at the balance sheet date by FDIC coverage and by pledged U.S. government securities (as authorized by state law) held by the pledging bank's agent or trust in Bee County's name, deemed collateralized under Texas law. Both the county and the depository bank maintain copies of the safekeeping receipts related to the pledge securities.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Tex-Pool is not SEC regulated but is governed by an independent board of directors and operates in accordance with appropriate state laws and regulations such as Robert W. Baird Investments. The reported value of the pool is the market value of the pool shares. At year-end, the County's carrying amount of deposits was \$3,822,784 and the bank balance was \$4,057,380.

The County's cash deposits at September 30, 2011 were covered by federal deposit insurance or collateralized by securities pledged in the County's name and held by a separate federal reserve bank contracted by the County's depository. The highest cash balances were on hand during the month of November 2010.

As of September 30, 2011, the County had the following investments:

Investment Type	Market Value	Investment Maturities (in years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
TexPool	\$ 11,992	\$ 11,992	\$ -	\$ -	\$ -
Robert W. Baird & Co. Inc.	2,819,252	2,819,252	-	-	-
Total	<u>\$ 2,831,244</u>	<u>\$ 2,831,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional policies and contractual provisions governing deposits and investments for the County are specified below:

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

Credit Risk. In accordance with state law and the County's investment policy, investments in mutual funds and investment pools must be rated at least AAA, commercial paper must be rated at least A-1 or P-1, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A. The County's investments in investment pools were rated AAA. As of September 30, 2011, the County's investments were rated AAA by Moody's Standard & Poor's.

Concentration of Credit Risk. The County does not place a limit on the amount the County may invest in any one issuer. The County does not have a concentration of credit risk.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

A. Deposits and Investments (Continued)

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government Obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of deposits. The County does not have a custodial credit risk.

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the average dollar-weighted maturity of its portfolio to a maximum of 365 days.

B. Receivables

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

	Governmental Funds					Total
	General	Health Care Fund I	Health Care Fund II	Headstart Fund	Other Nonmajor Funds	
Receivables:						
Property Taxes	\$ 263,723	\$ -	\$ -	\$ -	\$ 51,782	\$ 315,505
Accounts	197,207	6,846,643	8,245,309	117,226	520,264	15,926,649
Intergovernmental	8,459	-	-	-	111,262	119,721
Net total receivables	<u>\$ 469,389</u>	<u>\$ 6,846,643</u>	<u>\$ 8,245,309</u>	<u>\$ 117,226</u>	<u>\$ 683,308</u>	<u>\$ 16,361,875</u>

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

	Unavailable	Unearned
Delinquent property taxes receivable	\$ 315,505	\$ -
Other	15,116,268	-
	<u>\$ 15,431,773</u>	<u>\$ -</u>

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

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

	Beginning Balance <u>10/1/10</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments/ Reclassifications</u>	Ending Balance <u>9/30/11</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 292,638	\$ -	\$ -	\$ -	\$ 292,638
Total assets not being depreciated	<u>292,638</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>292,638</u>
Capital assets, being depreceiated:					
Buildings and improvements	35,098,480	10,817	-	-	35,109,297
Furniture, equipment and machinery	6,363,272	461,328	(166,398)	(28,956)	6,629,246
Infrastructure	<u>27,361,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,361,537</u>
Total capital assets being depreciated	<u>68,823,289</u>	<u>472,145</u>	<u>(166,398)</u>	<u>(28,956)</u>	<u>69,100,080</u>
Less accumulated depreciation:					
Buildings and improvements	(6,783,586)	(897,762)	-	(370,459)	(8,051,807)
Furniture, equipment and machienry	(4,784,969)	(253,614)	-	2,124,749	(2,913,834)
Infrastructure	<u>(8,928,181)</u>	<u>(1,041,930)</u>	<u>-</u>	<u>592,742</u>	<u>(9,377,369)</u>
Total accumulated depreciation	<u>(20,496,736)</u>	<u>(2,193,306)</u>	<u>-</u>	<u>* 2,347,032</u>	<u>(20,343,010)</u>
Total capital assets being depreciated, net	<u>48,326,553</u>	<u>(1,721,161)</u>	<u>(166,398)</u>	<u>2,318,076</u>	<u>48,757,070</u>
Governmental activities capital assets, net	<u>\$ 48,619,191</u>	<u>\$ (1,721,161)</u>	<u>\$ (166,398)</u>	<u>\$ 2,318,076</u>	<u>\$ 49,049,708</u>

* In fiscal year 2011, the County made numerous adjustments to the accumulated depreciation for capital assets that have been depleted from the fixed asset subsidiary ledger.

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

Governmental activities:	
General government	\$ 129,910
Judicial	200,269
Elections	6,256
Financial administration	102,287
Public Facilities	27,336
Legal	62,339
Public safety	438,148
Public works	88,265
Highways and streets	641,433
Health and welfare	462,720
Culture and recreation	9,220
Conservation and development	<u>25,123</u>
Total depreciation expense - governmental activities	<u>\$ 2,193,306</u>

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2011, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue	\$ 458,169

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

Interfund transfers:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Special Revenue	\$ 432,784
General	Capital Projects	75,000
General	Internal Service	16,198
Special Revenue	Special Revenue	808,070
Special Revenue	General	50,688
Special Revenue	Internal Service	1,863
		<u>\$ 1,384,603</u>

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

E. Leases

The County has entered into two direct financing leases with Spohn Health System of Corpus Christi, Texas. The County is the lessor in the contracts. The two leases are for 30 years for the hospital building and 15 years for the Doctor's building. For these the County has set up the account Hospital Lease Receivable. The County recognized the receivable with a contra asset of deferred revenue lease interest. The difference is deferred revenue lease principal in the liabilities section of the balance sheets. When rents are received the interest portion of the lease is recognized as revenue and the principal portion is recognized as other financing sources. The Bee County Health Care Special Revenue Fund accounts for the hospital lease payments received and Courthouse Renovations Capital Projects Funds account for the lease payments received for the Doctors' Building lease payments.

In the event of the lessee defaulting on the contract then all property, equipment, and improvements will belong to the County. It is expected in that the lease will be renegotiated at the end of the 30 years.

The following is a schedule of the future minimum lease payments to be received and the present value of the lease payments to be received for the Hospital Building Lease as of September 30, 2011:

BEE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

E. Leases (Continued)

<u>Year</u>	<u>Amount</u>
2012	\$ 456,048
2013	456,048
2014	456,048
2015	456,048
2016	456,048
Thereafter	<u>4,566,404</u>
Total Minimum Lease Payments	6,846,644
Less Amount Representing Interest	<u>(2,377,305)</u>
Present Value of net Minimum Lease Payments	<u>\$ 4,469,339</u>

The following is a schedule of the future minimum lease payments to be received and the present value of the lease payments to be received for the Hospital Building Lease I as of September 30, 2011:

<u>Year</u>	<u>Amount</u>
2012	\$ 219,266
2013	219,266
2014	219,266
2015	219,266
2016	219,266
Thereafter	<u>2,576,427</u>
Total Minimum Lease Payments	3,672,757
Less Amount Representing Interest	<u>(1,206,838)</u>
Present Value of net Minimum Lease Payments	<u>\$ 2,465,919</u>

The following is a schedule of the future minimum lease payments to be received and the present value of the lease payments to be received for the Hospital Building Lease II as of September 30, 2011:

<u>Year</u>	<u>Amount</u>
2012	\$ 216,292
2013	216,292
2014	216,292
2015	216,292
2016	216,292
Thereafter	<u>3,491,092</u>
Total Minimum Lease Payments	4,572,552
Less Amount Representing Interest	<u>(2,140,081)</u>
Present Value of net Minimum Lease Payments	<u>\$ 2,432,471</u>

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Liabilities

The following is a summary of the long-term liability transactions of the County for the year ended September 30, 2011.

	Balance September 30, 2010	Additions	Retirements	Balance September 30, 2011	Amounts Due Within One Year
<u>Governmental activities</u>					
General obligation bonds	\$ 7,365,000	\$ -	\$ (380,000)	\$ 6,985,000	\$ 395,000
Capital leases	74,302	-	(36,090)	38,212	4,370
Compensated Absences	224,650	204,686	(224,650)	204,686	3,744
Total governmental activities	\$ 7,663,952	\$ 204,686	\$ (640,740)	\$ 7,227,898	\$ 403,114

The compensated absences liability will be liquidated from the applicable funds where the expenditure occurs. The general fund and special revenue funds are the applicable funds where expenditures are usually utilized to retire compensated absences. The estimated amount of compensated absences due within one year from September 30, 2011 is \$3,744.

Bonds

During fiscal year 2007, the County authorized \$2,470,000 of General Obligation Refunding Bonds by an order passed by the Commissioners' Court. The bonds are payable from an ad valorem tax levied within the County. Interest at rates ranging from 3.00% to 3.80% are payable at February 15 and August 15 of each year.

During fiscal year 2007, the County authorized \$7,085,000 of Combination Tax and Limited Pledge Revenue Certificate of Obligation Bonds by an order passed by the Commissioners' Court. The bonds are by the combination of ad valorem taxes and revenue bonds. Interest at rates ranging from 3.75% to 4.60% are payable at February 15 and August 15 of each year.

The debt service requirements to maturity on all bonds are:

Fiscal year Ending September 30,	Principal	Interest	Total
2012	\$ 395,000	\$ 288,394	\$ 683,394
2013	400,000	275,084	675,084
2014	405,000	263,884	668,884
2015	420,000	248,696	668,696
2016	440,000	232,526	672,526
2017-2021	2,495,000	875,496	3,370,496
2022-2026	2,430,000	280,416	2,710,416
Total	<u>6,985,000</u>	<u>\$ 2,464,496</u>	<u>\$ 9,449,496</u>

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Liabilities

Capital Leases

On February 9, 2009, the County entered into a capital lease with Government Capital Corporation to acquire a John Deere Rubber Tire Loader with Cab for a total cost of \$110,000. The interest rates for the leases range from 5.497% to 13.33%. The capital lease will be paid in three annual payments.

The minimum annual lease payments are as follows:

Year Ending August 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 38,212	\$ 2,247	\$ 40,459
Total	<u>\$ 38,212</u>	<u>\$ 2,247</u>	<u>\$ 40,459</u>

V. OTHER INFORMATION

A. Retirement Plan

Plan Description

Bee County, Texas, provides retirement, disability, and death benefits for all of its fulltime employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 574 nontraditional defined benefit pension plans. TCDRS, in the aggregate, issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service, but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal deposits in a lump sum are not entitled to any amounts contributed by their employer.

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

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

V. OTHER INFORMATION

A. Retirement Plan (Continued)

Funding Policy

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members.

Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. However, the governing body elected to pay a rate of 6.84% for the 2010 year that exceeded the actuarially determined rate as allowed by the provisions of the TCDRS Act. For the months of the accounting year in 2010 the employer contributed the actuarially determined rate of 9.00%.

The contribution rate payable by the employee members for calendar year 2010 is the rate of 6.84% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Annual Pension Act

For the employer's accounting year ending September 30, 2011, the annual pension cost for the TCDRS plan for its employees was \$426,418 and the actual contributions were \$426,418.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuations as of December 31, 2008 and December 31, 2009, the basis for determining the contribution rates for calendar years 2008 and 2009. The December 31, 2009 actuarial valuation is the most recent valuation.

Actuarial Liabilities and Funding Progress

Actuarial Valuation Date	12/31/08	12/31/09	12/31/10
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period	20	20	20
Asset valuation method	SAF: 10-yr smoothed value ESF: Fund Value	SAF: 10-yr smoothed value ESF: Fund Value	SAF: 10-yr smoothed value ESF: Fund Value
Actuarial Assumptions:			
Investment return	8.00%	8.00%	8.00%
Projected salary increases	5.3	5.3	5.4
Inflation	3.5	3.5	3.5
Cost-of-living adjustment	0.00%	0.00%	0.00%

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

V. OTHER INFORMATION (Continued)

A. Retirement Plan (Continued)

Annual Pension Act (Continued)

Trend Information for the Retirement Plan

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/08	343,660	100%	\$ -
12/31/09	352,816	100%	-
12/31/10	426,418	100%	-

Schedule of Funding Progress for the Retirement Plan

Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (I) (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	\$ 11,896,485	\$ 12,624,966	\$ 728,481	94.23%	\$ 5,542,909	13.14%
2009	13,164,960	13,909,762	744,802	94.65%	5,793,359	12.86%
2010	13,504,247	14,254,716	750,469	94.74%	5,997,444	12.51%

B. Employee Benefits Plan

The County provides group medical benefits to its employees on a self-funded basis. Stop-loss coverage is provided by an insurance company and an independent company serves as Claim Administrator.

All fulltime County employees (regularly scheduled to work at least 40 hours per week) are eligible for coverage under the Plan. Employees can enroll for personal coverage and dependent coverage.

A reconciliation of claims liabilities is shown below.

	2011	2010
Claims liabilities at October 1	\$ 2,167,789	\$ 994,406
Incurred claims	2,462,216	2,290,384
Payments on claims	<u>(1,031,718)</u>	<u>(1,117,001)</u>
Claims liabilities at September 30	<u>\$ 3,598,287</u>	<u>\$ 2,167,789</u>

All claim liabilities are due within one year of the statement of net assets.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

V. OTHER INFORMATION (Continued)

C. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The funds in the plan are held by Nationwide Retirement Solutions, Inc of Columbus, Ohio as the plan administrator for the County. The funds are held in trust by Nationwide Retirement Solutions, Inc. for the exclusive benefits of the employees and their beneficiaries who will receive these funds directly remitted by Nationwide Retirement Solutions, Inc. to the County employees and their beneficiaries, the County no longer owns the amounts deferred by the employees or related income on these amounts. Therefore, since the plan does not qualify to be included with the County's fiduciary funds there are not any plan assets included in the County's financial statements. It is noted, however, that at September 30, 2011, Nationwide Retirement Solutions, Inc. had \$627,787 (market value) in the plan for County employees.

D. Commitments and Contingencies

The County is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of the management, the outcome of these lawsuits will not have a material adverse effect on the accompanying combined financial statements, and accordingly, no provision for losses has been recorded.

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at September 30, 2011, may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

E. 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. The County provides for the management of risks through a combination of self-insurance and traditional insurance. The amount of settlements has not exceeded insurance coverage for each of the past three fiscal years.

BEE COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

V. OTHER INFORMATION (Continued)

F. Self-Insurance

The County is partially self-insured against medical costs for its employees. The employees pay \$500 deductible with a \$2,000 family deductible. Then up to the first \$5,000, the employee pays 30% of the medical costs and the County pays 70% of the medical costs. From \$5,001 to \$125,000, the County pays 100% of the medical costs. After the County has paid \$125,000 the insurance company pays 100% of the costs up to \$1,000,000 lifetime maximum. The \$125,000 is paid once thereafter the amount reduces to \$75,000.

G. Deficit Fund Balance

None of the County's funds had a deficit fund balance at September 30, 2011 except for the Headstart Fund, Rural Officer Grant, CSBG Fund, Stop Violence against Women, TXCDGB Colonia, CSBG McMullen, Border Prosecutor Grant. These deficits are expected to be liquidated by future resources of the County.

H. Prior Period Adjustments

Adjustments have been made to correct beginning fund balances for activity that should have been reflected in the prior fiscal years. In fiscal year 2011, the County made numerous adjustments to the buildings, furniture and equipment and accumulated depreciation for capital assets that have been depleted from the fixed asset subsidiary ledger.

REQUIRED SUPPLEMENTAL INFORMATION

BEE COUNTY, TEXAS

REQUIRED SUPPLEMENTAL INFORMATION

TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

**SCHEDULE OF FUNDING PROGRESS FOR THE RETIREMENT PLAN
FOR THE EMPLOYEES OF BEE COUNTY**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Funded Ratio (a/b)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (c)</u>	<u>UAAL as a Percentage of Payroll ((b-a)/c)</u>
2006	\$ 10,858,082	\$ 10,976,995	\$ 118,913	98.92%	\$ 5,270,549	2.26%
2007	11,761,170	11,747,360	(13,810)	100.12%	5,617,690	-0.25%
2008	11,896,485	12,624,966	728,481	94.23%	5,542,909	13.14%
2009	13,164,960	13,909,762	744,802	94.65%	5,793,359	12.86%
2010	13,504,247	14,254,716	750,469	94.74%	5,997,444	12.51%

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

BEE COUNTY, TEXAS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
REVENUES				
Taxes:				
Ad valorem taxes - current	\$ 3,573,327	\$ 3,573,327	\$ 3,541,522	\$(31,805)
Penalties and interest - current	23,000	23,000	37,631	14,631
Ad valorem taxes - delinquent	45,000	45,000	86,497	41,497
Penalties and interest - delinquent	16,000	16,000	29,581	13,581
County sales taxes	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,300,446</u>	<u>200,446</u>
Total taxes	<u>4,757,327</u>	<u>4,757,327</u>	<u>4,995,677</u>	<u>238,350</u>
Licenses and permits:				
Alcohol beverage permits	<u>3,000</u>	<u>3,000</u>	<u>4,870</u>	<u>1,870</u>
Total charges for services	<u>3,000</u>	<u>3,000</u>	<u>4,870</u>	<u>1,870</u>
Intergovernmental:				
Historical Comm. acoustical grant	-	-	1,175	1,175
Mixed beverage tax	28,000	28,000	28,225	225
State indigent defense formula	19,700	19,700	19,549	(151)
State indigent defense discretionary	298,988	298,988	741,980	442,992
State allocation for County Attorney	21,950	21,950	-	(21,950)
State allocation for County Judge	21,000	21,000	17,544	(3,456)
State jury fee reimbursement	10,000	10,000	11,220	1,220
State travel reimbursement-Co. Clerk	800	800	310	(490)
Homeland security grant	50,400	50,400	1,900	(48,500)
CBCOG 911 Addressing reimbursement	32,000	32,000	26,781	(5,219)
City of Bee/Health and Sanitation	14,528	14,528	14,528	-
City of Bee/Jail Fee	12,000	12,000	13,590	1,590
Emergency management	27,938	27,938	25,430	(2,508)
Chapter 19 voters registration	3,500	3,500	-	(3,500)
Skidmore Water Supply	-	-	-	-
13th District Appeal Center	<u>-</u>	<u>-</u>	<u>715</u>	<u>715</u>
Total intergovernmental	<u>540,804</u>	<u>540,804</u>	<u>902,947</u>	<u>362,143</u>
Charges for services:				
County Judge	600	600	715	115
County Clerk	175,000	175,000	283,178	108,178
Sheriff	150,000	150,000	167,219	17,219
District Clerk	100,000	100,000	87,222	(12,778)
Tax-Assessor Collector fees	200,000	200,000	249,450	49,450
Probate Judge's training fees	250	250	330	80
Justice of the Peace No. 1	3,000	3,000	5,765	2,765
Justice of the Peace No. 2	3,000	3,000	8,147	5,147
Justice of the Peace No. 3	5,000	5,000	11,812	6,812
Justice of the Peace No. 4	2,500	2,500	4,527	2,027
Constable Precinct No. 1	100	100	505	405
Constable Precinct No. 2	750	750	150	(600)
Constable Precinct No. 3	200	200	730	530
Constable Precinct No. 4	2,000	2,000	4,205	2,205
Exposition Center	-	3,600	32,154	28,554

BEE COUNTY, TEXAS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
REVENUES (Continued)				
Charges for services: (Continued)				
County Attorney	3,000	3,000	5,584	2,584
Community affairs fees	50,000	50,000	55,392	5,392
Co. 10% State agency	45,000	45,000	53,359	8,359
County card service fee	40	40	(77)	(117)
Crime victims fee	100	100	-	(100)
Total charges for services	<u>740,540</u>	<u>744,140</u>	<u>970,367</u>	<u>226,227</u>
Fines and forfeitures:				
Justice of the Peace No. 1	21,000	21,000	13,837	(7,163)
Justice of the Peace No. 2	25,000	25,000	44,362	19,362
Justice of the Peace No. 3	80,000	80,000	119,318	39,318
Justice of the Peace No. 4	30,000	30,000	31,345	1,345
Total fines and forfeitures	<u>156,000</u>	<u>156,000</u>	<u>208,862</u>	<u>52,862</u>
Investment income and other:				
Investment income	45,000	45,000	46,708	1,708
Total investment and other	<u>45,000</u>	<u>45,000</u>	<u>46,708</u>	<u>1,708</u>
Other revenues:				
Rental fees of county buildings	10,202	10,202	9,601	(601)
Reimbursement of court appt. attorneys	16,500	16,500	13,250	(3,250)
Fundraising, CPS welfare board	500	500	63	(437)
R&B Recycling revenue	2,000	2,000	-	(2,000)
Medical center lease	51,494	51,494	154,487	102,993
Tobacco settlement	11,500	11,500	9,868	(1,632)
Normanna landfill fees	25,000	25,000	42,582	17,582
Fixed assets salvage	5,000	5,000	-	(5,000)
Insurance recovery	200	200	36,087	35,887
Refunds and sundries	2,307	2,307	56,441	54,134
Rental - correctional facility	585,000	585,000	562,400	(22,600)
Commissions - inmate telephone	18,000	18,000	22,400	4,400
Estray	500	500	2,899	2,399
Miscellaneous	-	-	-	-
Total other revenues	<u>728,203</u>	<u>728,203</u>	<u>910,078</u>	<u>181,875</u>
Total revenues	<u>\$ 6,970,874</u>	<u>\$ 6,974,474</u>	<u>\$ 8,039,509</u>	<u>\$ 1,065,035</u>

BEE COUNTY, TEXAS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

EXPENDITURES	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
General Government:				
Commissioners' court	\$ 358,354	\$ 352,126	\$ 324,886	\$ 27,240
County Clerk	302,943	309,182	301,650	7,532
Emergency management	32,405	39,412	37,246	2,166
Risk management	11,754	11,754	11,546	208
IT Department	31,413	34,299	17,410	16,889
Non-departmental	260,837	288,559	266,137	22,422
Total General Government	997,706	1,035,332	958,875	76,457
Judicial:				
County court	37,930	51,035	49,472	1,563
District court	863,730	930,707	924,875	5,832
District Clerk	260,364	266,780	253,328	13,452
Justice of the Peace 1-4	294,823	301,053	292,726	8,327
Total Judicial	1,456,847	1,549,575	1,520,401	29,174
Elections:				
Elections	52,088	52,088	47,492	4,596
Total Elections	52,088	52,088	47,492	4,596
Financial Administration:				
County Auditor	311,047	311,267	302,676	8,591
Motor vehicle and voter registration	180,555	179,714	180,265	(551)
Tax Assessor-Collector	136,788	142,152	134,640	7,512
Appraisal district	100,000	108,940	108,940	-
Total Financial Administration	728,390	742,073	726,521	15,552
Public Facilities:				
County courthouse	140,523	147,763	140,830	6,933
Congressional district office building	6,500	6,116	5,932	184
Health department probation	11,500	10,119	10,618	(499)
Courthouse Annex/Justice Center	26,500	26,500	26,012	488
Dougherty building	7,000	8,015	8,015	-
LADD building	11,375	15,925	15,924	1
Economic development	4,500	200	200	-
Total Public Facilities	207,898	214,638	207,531	7,107
Legal:				
County Attorney	145,426	146,273	137,769	8,504
Total Legal	145,426	146,273	137,769	8,504

BEE COUNTY, TEXAS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
EXPENDITURES				
Public Safety:				
Constables 1-4	\$ 39,961	\$ 39,961	\$ 34,807	\$ 5,154
Operations	31,980	31,980	29,224	2,756
Sheriff	1,333,377	1,338,901	1,321,901	17,000
Correctional facilities	1,226,966	1,236,724	1,306,954	(70,230)
Highway patrol	28,159	28,159	27,882	277
Highway patrol license	8,280	8,280	5,784	2,496
Juvenile board	103,433	103,433	94,079	9,354
Adult probation services	156,312	156,312	156,312	-
Total Public Safety	<u>2,928,468</u>	<u>2,943,750</u>	<u>2,976,943</u>	<u>(33,193)</u>
Health and Welfare:				
Environmental public health	85,214	85,714	80,524	5,190
Waste management	164,448	164,448	153,832	10,616
Welfare	192,326	77,299	70,485	6,814
Total Health and Welfare	<u>441,988</u>	<u>327,461</u>	<u>304,841</u>	<u>22,620</u>
Culture and Recreation:				
County library	70,000	70,000	70,000	-
Total Culture and Recreation	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Conservation and Development:				
Agricultural extension services	79,287	79,287	42,472	36,815
Coliseum	143,331	154,194	148,258	5,936
Total Conservation and Development	<u>222,618</u>	<u>233,481</u>	<u>190,730</u>	<u>42,751</u>
Capital Outlay:				
Capital outlay	24,500	38,793	31,170	7,623
Total Capital Outlay	<u>24,500</u>	<u>38,793</u>	<u>31,170</u>	<u>7,623</u>
 Total expenditures	 <u>\$ 7,275,929</u>	 <u>\$ 7,353,464</u>	 <u>\$ 7,172,273</u>	 <u>\$ 181,191</u>

NONMAJOR GOVERNMENTAL FUNDS

District Clerk Records Management Fund – accounts for District Clerk records management fees that are to be used for records management purposes.

County Clerk Records Management Fund – accounts for County Clerk fees that are to be used for records management purposes.

HAVA/Election Fund – (Help America Vote Act) accounts for the County Clerk and Tax Collector elections equipment, training, and voting accessibility.

Courthouse Security Fund – accounts for County and County Clerk fees that are to be used for courthouse security purposes.

Road and Bridge Funds – Operating and Special Road Tax – established to comply with Article 6790, Vernon’s Civil Statutes, which authorized counties to levy, assess and collect ad valorem taxes (property taxes) (special road and bridge tax) for the purpose of constructing and maintaining special roads and bridges within the County. These funds also account for the motor vehicle license fee and the state lateral road credit allocation revenue.

Congressional Appropriations Grant – to be utilized for the use of grant monies per budget restrictions.

Farm-to-Market Lateral Road Fund – established to comply with Article 6674, Vernon’s Civil Statutes and receives ad valorem tax revenues for the purpose of constructing and maintaining farm-to-market roads or for flood control.

County Records Management Fund – accounts for County fees that are to be used for records management purposes.

District Attorney Fund – accounts for District Attorney fees and charges for various collections.

Sheriff Special Projects Fund – accounts for grant proceeds used in tobacco age enforcement.

Border Star Program – accounts for grant proceeds used by Sheriff Department for border security.

Abandoned Vehicle Fund – accounts for proceeds of sales of abandoned or seized vehicles.

Skidmore Colonia Grant Fund – accounts for grants used for infrastructure improvements.

BCAA Administration Fund – used to accounts for administration costs of the Bee County Community Action Agency.

Child Care Fund – used to accounts for grants used for child care purposes including meals to children.

Rural Public Transportation Fund – used to accounts for transportation services for the general public in the non-urbanized service area.

Title III Nutrition Fund – used to accounts for home delivered meals to the elderly and disabled adults who are home bound.

Law Enforcement – used to increase the effectiveness and efficiency of law enforcement agencies.

Rural Officer Grant – used to increase the effectiveness and efficiency of law enforcement agencies.

C.E.A.P. Fund – Comprehensive Energy Assistance Program, this fund is used to provide household energy related services for low-income person.

Law Library Fund – to account for the cost of operating and maintaining a law library for public use. Financing is provided through fees charged as part of court costs for civil cases processed through the County and County courts.

Reliant Energy Fund – is used to provide funding for energy assistance payments to Reliant Energy customers under the CARE program.

CSBG Fund – Community Services Block Grant is used to account for direct services to low-income clients and supplements agency programs.

DOE/Exxon LINEAP Fund – is used to account for collections and disbursements for the assistance of needy clients.

Home Program V Fund – used to provide funds for the rehabilitation of homes.

Victims Assistance Fund – to account for collections and disbursements for the assistance of victims.

CP&L Neighbor to Neighbor Fund – to account for collections and disbursements for the assistance of electric utility bills.

RPT Purchase of Service Fund – Rural Public Transportation Fund, purchase of service fund is used for expanded transportation services for elderly and persons with disabilities.

Vehicle Capital Replacement Fund – used to account for capital acquisitions for Rural Public Transportation activities.

Stop Violence Against Women Fund – used for development and improvement of effective law enforcement and prosecution strategies to address violent crimes against women.

Technology Fund – accounts for grants used for technology enhancements.

County Attorney Check Collection Fund – accounts for County Attorney fees and charges for “hot check” collections.

Pre-Trial Intervention – used to account for pre-trial intervention expenses.

TXCDGB Colonia – used to account for TXCDGB expenses.

CSBG McMullen – Community Services Block Grant is used to account for direct services to low-income clients and supplements agency programs. This is a continuation of the 2008 CSBG grant.

Border Star Technology Project – used to provide funds for law enforcement technology needs such as laptops, radars, and other equipment required in the field.

DOE ARRA – American Recovery and Reinvestment Act funds used to provide home energy conservation repairs for low income households.

Pettus Water Project – used to provide funds to improve water system for the Pettus area from the Texas Community Development Program from the Office of Rural Community Affairs.

Local Solicitation Grant – to help combat violence against women, to improve the functioning of the criminal justice system and to assist victims of crime.

CJD Grant – used to fund an investigator through the district attorney's office to aid in expediting the delivery of cases to the courts and to fund the purchase of drug interdiction technology equipment to be utilized by the Sheriff's Department.

Border Prosecutor Grant – used to increase the effectiveness and efficiency of the consolidated efforts of the border security by federal, state, and local law enforcement agencies.

Debt Service Fund – used to account for the collection of levied taxes and payments of indebtedness of the County.

Capital Projects Fund – used to account for the acquisition and construction of major capital facilities other than those financed by other funds.

BEE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2011

	<u>District Clk Records Management</u>	<u>County Clk Records Management</u>	<u>HAVA/ Election Fund</u>	<u>Courthouse Security Fund</u>
ASSETS				
Cash and investments	\$ 3,258	\$ 64,901	\$ 9,179	\$ 23,382
Taxes receivable (net of allowance)	-	-	-	-
Accounts receivable	13,459	5,327	-	4,217
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 16,717</u>	<u>\$ 70,228</u>	<u>\$ 9,179</u>	<u>\$ 27,599</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 795	\$ 6,100	\$ -	\$ 654
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>795</u>	<u>6,100</u>	<u>-</u>	<u>654</u>
Fund balances:				
Designated for capital projects	-	-	-	-
Designated for debt service	-	-	-	-
Designated as unreserved for special revenue funds	<u>15,922</u>	<u>64,128</u>	<u>9,179</u>	<u>26,945</u>
Total fund balances	<u>15,922</u>	<u>64,128</u>	<u>9,179</u>	<u>26,945</u>
Total liabilities and fund balances	<u>\$ 16,717</u>	<u>\$ 70,228</u>	<u>\$ 9,179</u>	<u>\$ 27,599</u>

<u>Road & Bridge Fund</u>	<u>Special Road Tax Fund</u>	<u>Congressional Appropriations Grant</u>	<u>Farm to Market Lateral Road</u>	<u>County Records Management</u>	<u>District Attorney Fund</u>
\$ 117,571	\$ 30,924	\$ 495	\$ 3,500	\$ 12,371	\$ 42,273
-	23,404	-	1,671	-	-
19,089	-	-	-	1,178	2,158
-	-	534	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 136,660</u>	<u>\$ 54,328</u>	<u>\$ 1,029</u>	<u>\$ 5,171</u>	<u>\$ 13,549</u>	<u>\$ 44,431</u>
\$ 20,321	\$ -	\$ -	\$ -	\$ -	\$ 4,691
-	-	-	-	-	-
-	-	1,000	-	-	(737)
736	-	-	-	-	-
-	23,404	-	1,671	-	-
<u>21,057</u>	<u>23,404</u>	<u>1,000</u>	<u>1,671</u>	<u>-</u>	<u>3,954</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>115,603</u>	<u>30,924</u>	<u>29</u>	<u>3,500</u>	<u>13,549</u>	<u>40,477</u>
<u>115,603</u>	<u>30,924</u>	<u>29</u>	<u>3,500</u>	<u>13,549</u>	<u>40,477</u>
<u>\$ 136,660</u>	<u>\$ 54,328</u>	<u>\$ 1,029</u>	<u>\$ 5,171</u>	<u>\$ 13,549</u>	<u>\$ 44,431</u>

BEE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2011

	<u>Sheriff Special Projects</u>	<u>Border Star Program</u>	<u>Abandoned Vehicle Fund</u>	<u>Skidmore Colonia Grant</u>
ASSETS				
Cash and investments	\$ 2,737	\$ 45,523	\$ 25,201	\$ -
Taxes receivable (net of allowance)	-	-	-	-
Accounts receivable	-	-	700	2,135
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid assets	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 2,737</u>	<u>\$ 45,523</u>	<u>\$ 25,901</u>	<u>\$ 2,135</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Designated for capital projects	-	-	-	-
Designated for debt service	-	-	-	-
Designated as unreserved	-	-	-	-
for special revenue funds	<u>2,737</u>	<u>45,523</u>	<u>25,901</u>	<u>2,135</u>
Total fund balances	<u>2,737</u>	<u>45,523</u>	<u>25,901</u>	<u>2,135</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 2,737</u>	<u>\$ 45,523</u>	<u>\$ 25,901</u>	<u>\$ 2,135</u>

<u>BCAA Admin Fund</u>	<u>Child Care Fund</u>	<u>Rural Transportation Fund</u>	<u>Title III Nutrition Fund</u>	<u>Law Enforcement</u>	<u>Rural Officer Grant</u>
\$ 7,782	\$ 3,675	\$ 1,453	\$ 3,958	\$ 9,052	\$ 13,688
-	-	-	-	-	-
-	31,983	116,620	37,996	-	-
-	-	-	-	-	110,728
-	-	-	-	-	-
<u>1,772</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 9,554</u>	<u>\$ 35,658</u>	<u>\$ 118,073</u>	<u>\$ 41,954</u>	<u>\$ 9,052</u>	<u>\$ 124,416</u>
\$ 714	\$ 10,438	\$ 18,505	\$ 3,956	\$ 26	\$ 1,057
-	-	-	-	-	-
-	25,220	99,540	30,435	8,278	125,000
-	-	-	-	-	-
-	-	-	-	-	-
<u>714</u>	<u>35,658</u>	<u>118,045</u>	<u>34,391</u>	<u>8,304</u>	<u>126,057</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,840</u>	<u>-</u>	<u>28</u>	<u>7,563</u>	<u>748</u>	<u>(1,641)</u>
<u>8,840</u>	<u>-</u>	<u>28</u>	<u>7,563</u>	<u>748</u>	<u>(1,641)</u>
<u>\$ 9,554</u>	<u>\$ 35,658</u>	<u>\$ 118,073</u>	<u>\$ 41,954</u>	<u>\$ 9,052</u>	<u>\$ 124,416</u>

BEE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2011

	<u>CEAP Fund</u>	<u>Law Library Fund</u>	<u>Reliant Energy Fund</u>	<u>CSBG Fund</u>
ASSETS				
Cash and investments	\$ 6,172	\$ 87,438	\$ 4,843	\$ -
Taxes receivable (net of allowance)	-	-	-	-
Accounts receivable	163,957	3,325	-	14,689
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid assets	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	\$ <u>170,129</u>	\$ <u>90,763</u>	\$ <u>4,843</u>	\$ <u>14,689</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 52,449	\$ -	\$ -	\$ 16,526
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	2,203
Due to other governments	-	-	-	-
Deferred revenue	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>52,449</u>	<u>-</u>	<u>-</u>	<u>18,729</u>
Fund balances:				
Designated for capital projects	-	-	-	-
Designated for debt service	-	-	-	-
Designated as unreserved				
for special revenue funds	<u>117,680</u>	<u>90,763</u>	<u>4,843</u>	<u>(4,040)</u>
Total fund balances	<u>117,680</u>	<u>90,763</u>	<u>4,843</u>	<u>(4,040)</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	\$ <u>170,129</u>	\$ <u>90,763</u>	\$ <u>4,843</u>	\$ <u>14,689</u>

<u>DOE/Exxon LINEAP Fund</u>	<u>Home Program V Fund</u>	<u>Victims Assistance Fund</u>	<u>CPL/RE N to N Fund</u>	<u>RPT Purchase of Service</u>	<u>Vehicle Capital Replacement</u>
\$ 48	\$ -	\$ 1,954	\$ 3,813	\$ -	\$ -
-	-	-	-	-	-
-	-	26	-	20,955	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 48</u>	<u>\$ -</u>	<u>\$ 1,980</u>	<u>\$ 3,813</u>	<u>\$ 20,955</u>	<u>\$ -</u>
\$ 48	\$ -	\$ 933	\$ -	9,290	(343)
-	-	-	-	-	-
-	-	-	-	11,665	343
-	-	-	-	-	-
-	-	-	-	-	-
<u>48</u>	<u>-</u>	<u>933</u>	<u>-</u>	<u>20,955</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>1,047</u>	<u>3,813</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>1,047</u>	<u>3,813</u>	<u>-</u>	<u>-</u>
<u>\$ 48</u>	<u>\$ -</u>	<u>\$ 1,980</u>	<u>\$ 3,813</u>	<u>\$ 20,955</u>	<u>\$ -</u>

BEE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2011

	Stop Violence Against Women	Technology Fund	County Atty Check Collection	Pre Trial Intervention
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and investments	\$ 6,306	\$ 72,505	\$ -	\$ 3,194
Taxes receivable (net of allowance)	-	-	-	-
Accounts receivable	8,694	1,606	2,965	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Prepaid assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 15,000</u>	<u>\$ 74,111</u>	<u>\$ 2,965</u>	<u>\$ 3,194</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,710	\$ 7,772	\$ 954	\$ 6
Accrued liabilities	-	-	-	-
Due to other funds	15,000	-	-	-
Due to other governments	-	61,907	-	-
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>16,710</u>	<u>69,679</u>	<u>954</u>	<u>6</u>
Fund balances:				
Designated for capital projects	-	-	-	-
Designated for debt service	-	-	-	-
Designated as unreserved				
for special revenue funds	(1,710)	4,432	2,011	3,188
Total fund balances	<u>(1,710)</u>	<u>4,432</u>	<u>2,011</u>	<u>3,188</u>
Total liabilities and fund balances	<u>\$ 15,000</u>	<u>\$ 74,111</u>	<u>\$ 2,965</u>	<u>\$ 3,194</u>

<u>TXCDGB Colonia</u>	<u>CSBG McMullen</u>	<u>Border Star Technology Project</u>	<u>DOE ARRA</u>	<u>Pettus Water Project</u>	<u>Local Solicitation Grant</u>
\$ -	\$ 2,014	\$ -	\$ 173	\$ -	10,940
-	-	-	-	-	-
-	-	-	42,544	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 2,014</u>	<u>\$ -</u>	<u>\$ 42,717</u>	<u>\$ -</u>	<u>\$ 10,940</u>
\$ 25,000	\$ 2,218	\$ -	\$ 3,705	\$ -	\$ 8
-	-	-	-	-	-
-	-	-	19,240	-	10,000
-	-	-	-	-	-
-	-	-	-	-	-
<u>25,000</u>	<u>2,218</u>	<u>-</u>	<u>22,945</u>	<u>-</u>	<u>10,008</u>
-	-	-	-	-	-
-	-	-	-	-	-
(25,000)	(204)	-	19,772	-	932
<u>(25,000)</u>	<u>(204)</u>	<u>-</u>	<u>19,772</u>	<u>-</u>	<u>932</u>
<u>\$ -</u>	<u>\$ 2,014</u>	<u>\$ -</u>	<u>\$ 42,717</u>	<u>\$ -</u>	<u>\$ 10,940</u>

BEE COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2011

	<u>CJD Grant</u>	<u>Border Prosecutor Grant</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Debt Service Fund</u>
ASSETS				
Cash and investments	\$ -	\$ -	\$ 620,323	\$ 144,162
Taxes receivable (net of allowance)	-	-	25,075	26,707
Accounts receivable	-	26,641	520,264	-
Due from other governments	-	-	111,262	-
Due from other funds	-	-	-	-
Prepaid assets	-	-	1,772	-
	<u>-</u>	<u>-</u>	<u>1,772</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ 26,641</u>	<u>\$ 1,278,696</u>	<u>\$ 170,869</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	29,331	\$ 216,864	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	-	347,187	-
Due to other governments	-	-	62,643	-
Deferred revenue	-	-	25,075	26,707
	<u>-</u>	<u>-</u>	<u>25,075</u>	<u>26,707</u>
Total liabilities	<u>-</u>	<u>29,331</u>	<u>651,769</u>	<u>26,707</u>
Fund balances:				
Designated for capital projects	-	-	-	-
Designated for debt service	-	-	-	144,162
Designated as unreserved	-	-	-	-
for special revenue funds	<u>-</u>	<u>(2,690)</u>	<u>626,927</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>(2,690)</u>	<u>626,927</u>	<u>144,162</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 26,641</u>	<u>\$ 1,278,696</u>	<u>\$ 170,869</u>

Capital Projects Fund	Nonmajor Governmental Funds
\$ 29,831	\$ 794,316
-	51,782
-	520,264
-	111,262
-	-
<u>-</u>	<u>1,772</u>
<u>\$ 29,831</u>	<u>\$ 1,479,396</u>
\$ -	\$ 216,864
-	-
-	347,187
-	62,643
<u>-</u>	<u>51,782</u>
<u>-</u>	<u>678,476</u>
29,831	29,831
-	144,162
-	626,927
<u>29,831</u>	<u>800,920</u>
<u>\$ 29,831</u>	<u>\$ 1,479,396</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	District Clk Records <u>Management</u>	County Clk Records <u>Management</u>	HAVA/ Election <u>Fund</u>	Courthouse Security <u>Fund</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	18,798	-
Charges for services	17,386	51,434	-	26,470
Fines and forfeitures	-	-	-	-
Investment income	18	283	-	153
Other revenue	-	6,699	48	-
Total revenues	<u>17,404</u>	<u>58,416</u>	<u>18,846</u>	<u>26,623</u>
EXPENDITURES				
Current:				
General government	5,230	20,636	-	-
Financial administration	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	-	49,690
Public works	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	13,194	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>5,230</u>	<u>20,636</u>	<u>13,194</u>	<u>49,690</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>12,174</u>	<u>37,780</u>	<u>5,652</u>	<u>(23,067)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(5,000)	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	12,174	37,780	652	(23,067)
FUND BALANCES, BEGINNING	3,748	26,348	8,527	50,012
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 15,922</u>	<u>\$ 64,128</u>	<u>\$ 9,179</u>	<u>\$ 26,945</u>

<u>Road & Bridge Fund</u>	<u>Special Road Tax Fund</u>	<u>Congressional Appropriations Grant</u>	<u>Farm to Market Lateral Road</u>	<u>County Records Management</u>	<u>District Attorney Fund</u>
\$ -	\$ 656,823	\$ -	\$ 24,153	\$ -	\$ -
604,411	-	-	-	-	-
-	-	245,350	21,606	-	97,669
-	-	-	-	9,159	-
95,459	-	-	-	-	-
1,024	949	-	54	54	904
63,985	5	-	3	-	1,061
<u>764,879</u>	<u>657,777</u>	<u>245,350</u>	<u>45,816</u>	<u>9,213</u>	<u>99,634</u>
-	-	-	-	1,500	-
-	-	-	-	-	-
-	-	-	-	-	264,687
-	-	-	-	-	-
-	-	-	-	-	-
1,370,982	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
96,950	-	245,321	-	-	-
<u>1,467,932</u>	<u>-</u>	<u>245,321</u>	<u>-</u>	<u>1,500</u>	<u>264,687</u>
(703,053)	657,777	29	45,816	7,713	(165,053)
657,892	-	-	-	-	152,041
(200,000)	(663,679)	-	(42,350)	-	-
<u>457,892</u>	<u>(663,679)</u>	<u>-</u>	<u>(42,350)</u>	<u>-</u>	<u>152,041</u>
(245,161)	(5,902)	29	3,466	7,713	(13,012)
360,764	36,826	-	34	5,836	52,989
-	-	-	-	-	500
<u>\$ 115,603</u>	<u>\$ 30,924</u>	<u>\$ 29</u>	<u>\$ 3,500</u>	<u>\$ 13,549</u>	<u>\$ 40,477</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Sheriff Special Projects	Border Star Program	Abandoned Vehicle Fund	Skidmore Colonia Grant
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,700	120,658	-	(50,895)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	131	126	-
Other revenue	-	-	5,174	-
Total revenues	<u>1,700</u>	<u>120,789</u>	<u>5,300</u>	<u>(50,895)</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Financial administration	-	-	-	-
Legal	-	-	-	-
Public safety	2,116	76,129	9,436	-
Public works	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	85,069
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,116</u>	<u>76,129</u>	<u>9,436</u>	<u>85,069</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(416)</u>	<u>44,660</u>	<u>(4,136)</u>	<u>(135,964)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(50,000)	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>(416)</u>	<u>44,660</u>	<u>(54,136)</u>	<u>(135,964)</u>
FUND BALANCES, BEGINNING	3,153	2	80,037	138,099
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>861</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 2,737</u>	<u>\$ 45,523</u>	<u>\$ 25,901</u>	<u>\$ 2,135</u>

BCAA Admin Fund	Child Care Fund	Rural Transportation Fund	Title III Nutrition Fund	Law Enforcement	Rural Officer Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
479,392	255,240	651,389	222,131	26,551	110,728
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	135	-
61	-	21,559	45,535	-	-
<u>479,453</u>	<u>255,240</u>	<u>672,948</u>	<u>267,666</u>	<u>26,686</u>	<u>110,728</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	32,571	-
-	-	670,090	-	-	-
-	-	-	-	-	55,503
483,685	255,240	-	257,911	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,054	-	54,866
<u>483,685</u>	<u>255,240</u>	<u>670,090</u>	<u>259,965</u>	<u>32,571</u>	<u>110,369</u>
(4,232)	-	2,858	7,701	(5,885)	359
-	-	-	-	6,753	-
-	-	-	-	(120)	-
-	-	-	-	6,633	-
(4,232)	-	2,858	7,701	748	359
12,290	-	(2,830)	(138)	-	-
782	-	-	-	-	(2,000)
<u>\$ 8,840</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ 7,563</u>	<u>\$ 748</u>	<u>\$ (1,641)</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	CEAP Fund	Law Library Fund	Reliant Energy Fund	CSBG Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,068,230	-	-	197,487
Charges for services	-	15,046	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	453	-	-
Other revenue	-	-	11,500	-
Total revenues	<u>1,068,230</u>	<u>15,499</u>	<u>11,500</u>	<u>197,487</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Financial administration	-	-	-	-
Legal	-	10,000	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	1,040,014	-	6,838	209,837
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	-	3,253
Total expenditures	<u>1,040,014</u>	<u>10,000</u>	<u>6,838</u>	<u>213,090</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>28,216</u>	<u>5,499</u>	<u>4,662</u>	<u>(15,603)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	28,216	5,499	4,662	(15,603)
FUND BALANCES, BEGINNING	89,464	85,264	181	11,563
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 117,680</u>	<u>\$ 90,763</u>	<u>\$ 4,843</u>	<u>\$(4,040)</u>

DOE/Exxon LINEAP Fund	Home Program V Fund	Victims Assistance Fund	CPL/RE N to N Fund	RPT Purchase of Service	Vehicle Capital Replacement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
53,913	-	18,283	-	106,489	50,018
-	-	-	-	-	-
-	-	60	-	-	-
-	-	26	5,500	-	-
<u>53,913</u>	<u>-</u>	<u>18,369</u>	<u>5,500</u>	<u>106,489</u>	<u>50,018</u>
-	-	-	-	-	-
-	-	-	-	-	50,018
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,759	-	61,029	2,028	59,060	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	44,832	-
<u>53,759</u>	<u>-</u>	<u>61,029</u>	<u>2,028</u>	<u>103,892</u>	<u>50,018</u>
154	-	(42,660)	3,472	2,597	-
-	-	43,935	-	-	-
-	-	-	-	-	-
-	-	43,935	-	-	-
154	-	1,275	3,472	2,597	-
790	722	(228)	341	(2,597)	-
(944)	(722)	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,047</u>	<u>\$ 3,813</u>	<u>\$ -</u>	<u>\$ -</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Stop Violence Against Women	Technology Fund	County Atty Check Collection	Pre Trial Intervention
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	189,543	-	-	-
Charges for services	-	-	-	1,600
Fines and forfeitures	-	-	32,673	174
Investment income	-	403	105	41
Other revenue	550	-	-	-
Total revenues	<u>190,093</u>	<u>403</u>	<u>32,778</u>	<u>1,815</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Financial administration	-	-	-	-
Legal	-	-	30,252	-
Public safety	-	-	-	-
Public works	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	188,842	-	-	7,527
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	-	1,800	-
Total expenditures	<u>188,842</u>	<u>-</u>	<u>32,052</u>	<u>7,527</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,251</u>	<u>403</u>	<u>726</u>	<u>(5,712)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,251	403	726	(5,712)
FUND BALANCES, BEGINNING	(2,961)	4,029	1,285	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,900</u>
FUND BALANCES, ENDING	<u><u>\$ (1,710)</u></u>	<u><u>\$ 4,432</u></u>	<u><u>\$ 2,011</u></u>	<u><u>\$ 3,188</u></u>

<u>TXCDGB Colonia</u>	<u>CSBG McMullen</u>	<u>Border Star Technology Project</u>	<u>DOE ARRA</u>	<u>Pettus Water Project</u>	<u>Local Solicitation Grant</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	8,523	78,883	385,820	62,541	31,928
-	-	-	-	-	-
-	-	-	-	-	4,689
-	-	-	-	-	193
-	-	-	-	-	-
<u>-</u>	<u>8,523</u>	<u>78,883</u>	<u>385,820</u>	<u>62,541</u>	<u>36,810</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	30,558
-	-	78,604	-	-	-
-	-	-	-	-	-
25,000	8,727	-	372,727	77,541	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>25,000</u>	<u>8,727</u>	<u>78,604</u>	<u>372,727</u>	<u>77,541</u>	<u>30,558</u>
(25,000)	(204)	279	13,093	(15,000)	6,252
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
(25,000)	(204)	279	13,093	(15,000)	6,252
-	-	(279)	6,679	15,000	(5,320)
-	-	-	-	-	-
<u>\$(25,000)</u>	<u>\$(204)</u>	<u>\$ -</u>	<u>\$ 19,772</u>	<u>\$ -</u>	<u>\$ 932</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

**NONMAJOR GOVERNMENTAL FUNDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	CJD Grant	Border Prosecutor Grant	Nonmajor Special Revenue Funds	Debt Service Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
REVENUES				
Taxes	\$ -	\$ -	\$ 680,976	\$ 757,092
Licenses and permits	-	-	604,411	-
Intergovernmental	2,862	97,231	4,552,068	-
Charges for services	-	-	121,095	-
Fines and forfeitures	-	-	132,995	-
Investment income	-	-	5,086	1,059
Other revenue	32	526	162,264	-
Total revenues	<u>2,894</u>	<u>97,757</u>	<u>6,258,895</u>	<u>758,151</u>
EXPENDITURES				
Current:				
General government	-	-	27,366	-
Financial administration	-	-	50,018	-
Legal	-	-	335,497	-
Public safety	1,055	99,778	349,379	-
Public works	-	-	670,090	-
Highways and streets	-	-	1,426,485	-
Health and welfare	-	-	3,208,028	-
Debt service:				
Principal	-	-	-	380,000
Interest and other charges	-	-	-	358,135
Capital outlay	-	-	449,076	-
Total expenditures	<u>1,055</u>	<u>99,778</u>	<u>6,515,939</u>	<u>738,135</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,839</u>	<u>(2,021)</u>	<u>(257,044)</u>	<u>20,016</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	860,621	-
Transfers out	-	-	(961,149)	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(100,528)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	1,839	(2,021)	(357,572)	20,016
FUND BALANCES, BEGINNING	(1,839)	(669)	977,122	124,146
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>7,377</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$(2,690)</u>	<u>\$ 626,927</u>	<u>\$ 144,162</u>

Capital Projects Fund	Nonmajor Governmental Funds
\$ -	\$ 1,438,068
-	604,411
-	4,552,068
-	121,095
-	132,995
-	6,145
-	162,264
-	7,017,046
-	27,366
-	50,018
-	335,497
-	349,379
-	670,090
2,016	1,428,501
-	3,208,028
-	380,000
-	358,135
-	449,076
2,016	7,256,090
(2,016)	(239,044)
-	860,621
(75,000)	(1,036,149)
(75,000)	(175,528)
(77,016)	(414,572)
106,847	1,208,115
-	7,377
\$ 29,831	\$ 800,920

BEE COUNTY, TEXAS

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

DISTRICT CLERK RECORDS MANAGEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 6,208	\$ 17,386	\$ 11,178
Investment income	<u>-</u>	<u>18</u>	<u>18</u>
Total revenues	<u>6,208</u>	<u>17,404</u>	<u>11,196</u>
EXPENDITURES			
Current:			
General government	<u>6,208</u>	<u>5,230</u>	<u>978</u>
Total expenditures	<u>6,208</u>	<u>5,230</u>	<u>978</u>
NET CHANGE IN FUND BALANCE	-	12,174	12,174
FUND BALANCE, BEGINNING	<u>3,748</u>	<u>3,748</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 3,748</u>	<u>\$ 15,922</u>	<u>\$ 12,174</u>

BEE COUNTY, TEXAS

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

COUNTY CLERK RECORDS MANAGEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Charges for services	\$ 17,000	\$ 51,434	\$ 34,434
Investment income	-	283	283
Other revenue	<u>-</u>	<u>6,699</u>	<u>6,699</u>
Total revenues	<u>17,000</u>	<u>58,416</u>	<u>41,416</u>
EXPENDITURES			
Current:			
General government	<u>17,000</u>	<u>20,636</u>	<u>(3,636)</u>
Total expenditures	<u>17,000</u>	<u>20,636</u>	<u>(3,636)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>37,780</u>	<u>37,780</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	37,780	37,780
FUND BALANCE, BEGINNING	<u>26,348</u>	<u>26,348</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 26,348</u>	<u>\$ 64,128</u>	<u>\$ 37,780</u>

BEE COUNTY, TEXAS

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

HAVA / ELECTION FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 11,001	\$ 18,798	\$ 7,797
Other revenue	<u>-</u>	<u>48</u>	<u>48</u>
Total revenues	<u>11,001</u>	<u>18,846</u>	<u>7,845</u>
EXPENDITURES			
Current:			
Health and welfare	<u>6,001</u>	<u>13,194</u>	<u>(7,193)</u>
Total expenditures	<u>6,001</u>	<u>13,194</u>	<u>(7,193)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>5,000</u>	<u>5,652</u>	<u>652</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	652	15,038
FUND BALANCE, BEGINNING	<u>8,527</u>	<u>8,527</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 8,527</u>	<u>\$ 9,179</u>	<u>\$ 15,038</u>

BEE COUNTY, TEXAS

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

COURTHOUSE SECURITY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services	\$ 21,500	\$ 26,470	\$ 4,970
Investment earnings	-	153	153
Total revenues	<u>21,500</u>	<u>26,623</u>	<u>5,123</u>
EXPENDITURES			
Current:			
Public safety	<u>48,200</u>	<u>49,690</u>	<u>(1,490)</u>
Total expenditures	<u>48,200</u>	<u>49,690</u>	<u>(1,490)</u>
NET CHANGE IN FUND BALANCE	(26,700)	(23,067)	3,633
FUND BALANCE, BEGINNING	<u>50,012</u>	<u>50,012</u>	-
FUND BALANCE, ENDING	<u>\$ 23,312</u>	<u>\$ 26,945</u>	<u>\$ 3,633</u>

BEE COUNTY, TEXAS

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

ROAD AND BRIDGE

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Licenses and permits	\$ 652,000	\$ 604,411	\$(47,589)
Fines and forfeitures	112,000	95,459	(16,541)
Investment earnings	5	1,024	1,019
Other revenue	<u>157,057</u>	<u>63,985</u>	<u>(93,072)</u>
Total revenues	<u>921,062</u>	<u>764,879</u>	<u>(156,183)</u>
EXPENDITURES			
Current:			
Highways and streets	1,478,954	1,370,982	107,972
Capital outlay	<u>100,000</u>	<u>96,950</u>	<u>3,050</u>
Total expenditures	<u>1,578,954</u>	<u>1,467,932</u>	<u>111,022</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(657,892)</u>	<u>(703,053)</u>	<u>(45,161)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	657,892	657,892	-
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Total other financing sources and uses	<u>457,892</u>	<u>457,892</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(200,000)</u>	<u>(245,161)</u>	<u>(45,161)</u>
FUND BALANCE, BEGINNING	360,764	360,764	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 160,764</u>	<u>\$ 115,603</u>	<u>\$(45,161)</u>

BEE COUNTY, TEXAS

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

SPECIAL ROAD TAX FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 663,679	\$ 656,823	\$(6,856)
Investment earnings	-	949	949
Other revenue	-	5	5
Total revenues	<u>663,679</u>	<u>657,777</u>	<u>(5,902)</u>
EXPENDITURES			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>663,679</u>	<u>657,777</u>	<u>(5,902)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(663,679)</u>	<u>(663,679)</u>	<u>-</u>
Total other financing sources and uses	<u>(663,679)</u>	<u>(663,679)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	(5,902)	(5,902)
FUND BALANCE, BEGINNING	<u>36,826</u>	<u>36,826</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 36,826</u>	<u>\$ 30,924</u>	<u>\$(5,902)</u>

BEE COUNTY, TEXAS

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

FARM-TO-MARKET & LATERAL ROAD

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 20,650	\$ 24,153	\$ 3,503
Intergovernmental	21,700	21,606	(94)
Investment earnings	-	54	54
Other revenue	-	3	3
Total revenues	<u>42,350</u>	<u>45,816</u>	<u>3,466</u>
EXPENDITURES			
Current:			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>42,350</u>	<u>45,816</u>	<u>3,466</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(42,350)</u>	<u>(42,350)</u>	<u>-</u>
Total other financing sources and uses	<u>(42,350)</u>	<u>(42,350)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	3,466	3,466
FUND BALANCE, BEGINNING	<u>34</u>	<u>34</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 34</u>	<u>\$ 3,500</u>	<u>\$ 3,466</u>

BEE COUNTY, TEXAS

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

COUNTY RECORDS MANAGEMENT

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services	\$ 5,500	\$ 9,159	\$ 3,659
Investment earnings	<u>-</u>	<u>54</u>	<u>54</u>
Total revenues	<u>5,500</u>	<u>9,213</u>	<u>3,713</u>
EXPENDITURES			
Current:			
General government	<u>5,500</u>	<u>1,500</u>	<u>4,000</u>
Total expenditures	<u>5,500</u>	<u>1,500</u>	<u>4,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>7,713</u>	<u>7,659</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	7,713	7,713
FUND BALANCE, BEGINNING	<u>5,836</u>	<u>5,836</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 5,836</u>	<u>\$ 13,549</u>	<u>\$ 7,713</u>

BEE COUNTY, TEXAS

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

DISTRICT ATTORNEY

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 116,115	\$ 97,669	\$(18,446)
Investment earnings	100	904	804
Other revenue	<u>-</u>	<u>1,061</u>	<u>1,061</u>
Total revenues	<u>116,215</u>	<u>99,634</u>	<u>(16,581)</u>
EXPENDITURES			
Current:			
Legal	<u>268,256</u>	<u>264,687</u>	<u>3,569</u>
Total expenditures	<u>268,256</u>	<u>264,687</u>	<u>3,569</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(152,041)</u>	<u>(165,053)</u>	<u>(13,012)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>152,041</u>	<u>152,041</u>	<u>-</u>
Total other financing sources and uses	<u>152,041</u>	<u>152,041</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	(13,012)	(13,012)
FUND BALANCE, BEGINNING	52,989	52,989	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>500</u>	<u>(500)</u>
FUND BALANCE, ENDING	<u>\$ 52,989</u>	<u>\$ 40,477</u>	<u>\$(13,512)</u>

BEE COUNTY, TEXAS

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

ABANDONED VEHICLE

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Investment earnings	\$ -	\$ 126	\$ 126
Other revenue	<u>59,500</u>	<u>5,174</u>	<u>(54,326)</u>
Total revenues	<u>59,500</u>	<u>5,300</u>	<u>(54,200)</u>
EXPENDITURES			
Current:			
Public safety	<u>9,500</u>	<u>9,436</u>	<u>64</u>
Total expenditures	<u>9,500</u>	<u>9,436</u>	<u>64</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>50,000</u>	<u>(4,136)</u>	<u>(54,136)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	<u>(54,136)</u>	<u>(54,136)</u>
FUND BALANCE, BEGINNING	<u>80,037</u>	<u>80,037</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 80,037</u>	<u>\$ 25,901</u>	<u>\$(54,136)</u>

BEE COUNTY, TEXAS

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

LAW LIBRARY

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services	\$ 10,500	\$ 15,046	\$ 4,546
Investment earnings	-	453	453
Total revenues	<u>10,500</u>	<u>15,499</u>	<u>4,999</u>
EXPENDITURES			
Current:			
Legal	10,500	10,000	500
Capital outlay	-	-	-
Total expenditures	<u>10,500</u>	<u>10,000</u>	<u>500</u>
NET CHANGE IN FUND BALANCE	-	5,499	5,499
FUND BALANCE, BEGINNING	<u>85,264</u>	<u>85,264</u>	-
FUND BALANCE, ENDING	<u>\$ 85,264</u>	<u>\$ 90,763</u>	<u>\$ 5,499</u>

BEE COUNTY, TEXAS

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

VICTIMS ASSISTANCE PROGRAM

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 18,283	\$ 18,283	\$ -
Other revenue	-	60	60
Investment earnings	-	26	26
Total revenues	<u>18,283</u>	<u>18,369</u>	<u>86</u>
EXPENDITURES			
Current:			
Health and welfare	<u>62,218</u>	<u>61,029</u>	<u>1,189</u>
Total expenditures	<u>62,218</u>	<u>61,029</u>	<u>1,189</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(43,935)</u>	<u>(42,660)</u>	<u>1,275</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>43,935</u>	<u>43,935</u>	<u>-</u>
Total other financing sources and uses	<u>43,935</u>	<u>43,935</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	1,275	1,275
FUND BALANCE, BEGINNING	(228)	(228)	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE, ENDING	<u><u>\$(228)</u></u>	<u><u>\$ 1,047</u></u>	<u><u>\$ 1,275</u></u>

BEE COUNTY, TEXAS

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

COUNTY ATTORNEY HOT CHECK COLLECTION

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 23,085	\$ -	\$(23,085)
Fines and forfeitures	-	32,673	32,673
Investment earnings	-	105	105
Total revenues	<u>23,085</u>	<u>32,778</u>	<u>9,693</u>
EXPENDITURES			
Current:			
Legal	23,085	30,252	(7,167)
Capital outlay	-	1,800	(1,800)
Total expenditures	<u>23,085</u>	<u>32,052</u>	<u>(8,967)</u>
NET CHANGE IN FUND BALANCE	-	726	726
FUND BALANCE, BEGINNING	<u>1,285</u>	<u>1,285</u>	-
FUND BALANCE, ENDING	<u>\$ 1,285</u>	<u>\$ 2,011</u>	<u>\$ 726</u>

BEE COUNTY, TEXAS

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

DEBT SERVICE

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Taxes	\$ 757,376	\$ 757,092	\$(284)
Investment earnings	<u>-</u>	<u>1,059</u>	<u>1,059</u>
Total revenues	<u>757,376</u>	<u>758,151</u>	<u>775</u>
EXPENDITURES			
Debt service:			
Principal	380,000	380,000	-
Interest and other charges	<u>377,376</u>	<u>358,135</u>	<u>19,241</u>
Total expenditures	<u>757,376</u>	<u>738,135</u>	<u>19,241</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	20,016	20,016
FUND BALANCE, BEGINNING	<u>124,146</u>	<u>124,146</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 124,146</u>	<u>\$ 144,162</u>	<u>\$ 20,016</u>

BEE COUNTY, TEXAS

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

CAPITAL PROJECTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current:			
Highways and streets	-	2,016	(2,016)
Capital outlay	<u>12,500</u>	<u>-</u>	<u>12,500</u>
Total expenditures	<u>12,500</u>	<u>2,016</u>	<u>10,484</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(12,500)</u>	<u>(2,016)</u>	<u>10,484</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	12,500	-	12,500
Transfers out	<u>(75,000)</u>	<u>(75,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(62,500)</u>	<u>(75,000)</u>	<u>12,500</u>
NET CHANGE IN FUND BALANCE	<u>(75,000)</u>	<u>(77,016)</u>	<u>(2,016)</u>
FUND BALANCE, BEGINNING	106,847	106,847	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 31,847</u>	<u>\$ 29,831</u>	<u>\$(2,016)</u>

INTERNAL SERVICE FUNDS

BEE COUNTY, TEXAS
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2011

	<u>Group Insurance Service</u>	<u>Fuel Service</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 59,558	\$ 6,266	\$ 65,824
Accounts receivable	-	64,387	64,387
Due from other governments	-	536	536
Inventory	<u>-</u>	<u>20,518</u>	<u>20,518</u>
Total current assets	<u>59,558</u>	<u>91,707</u>	<u>151,265</u>
 Total assets	 <u>59,558</u>	 <u>91,707</u>	 <u>151,265</u>
LIABILITIES			
Current liabilities:			
Accounts payable	<u>-</u>	<u>23,479</u>	<u>23,479</u>
Total current liabilities	<u>-</u>	<u>23,479</u>	<u>23,479</u>
 Total liabilities	 <u>-</u>	 <u>23,479</u>	 <u>23,479</u>
NET ASSETS			
Unrestricted	<u>59,558</u>	<u>68,228</u>	<u>127,786</u>
 Total net assets	 <u>\$ 59,558</u>	 <u>\$ 68,228</u>	 <u>\$ 127,786</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS**

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Group Insurance Service</u>	<u>Fuel Service</u>	<u>Total</u>
OPERATING REVENUES			
Employer/employee contributions	\$ 562,371	\$ -	\$ 562,371
Charges for services	<u>-</u>	<u>13,674</u>	<u>13,674</u>
Total operating revenues	<u>562,371</u>	<u>13,674</u>	<u>576,045</u>
OPERATING EXPENSES			
Claims and administration	1,204,552	-	1,204,552
Other supplies and expenses	<u>-</u>	<u>8,934</u>	<u>8,934</u>
Total operating expenses	<u>1,204,552</u>	<u>8,934</u>	<u>1,213,486</u>
OPERATING INCOME (LOSS)	(642,181)	4,740	(637,441)
NON-OPERATING REVENUES (USES)			
Interest and investment revenue	1,001	54	1,055
Refunds	124,307	-	124,307
Transfers out	<u>(16,198)</u>	<u>(1,863)</u>	<u>(18,061)</u>
Total non-operating revenues	<u>109,110</u>	<u>(1,809)</u>	<u>107,301</u>
CHANGE IN NET ASSETS	<u>(533,071)</u>	<u>2,931</u>	<u>(530,140)</u>
TOTAL NET ASSETS, BEGINNING	<u>592,629</u>	<u>86,490</u>	<u>679,119</u>
ADJUSTMENT OF NET ASSETS	<u>-</u>	<u>(21,193)</u>	<u>(21,193)</u>
TOTAL NET ASSETS, ENDING	<u>\$ 59,558</u>	<u>\$ 68,228</u>	<u>\$ 127,786</u>

BEE COUNTY, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Group Insurance Service	Fuel Service	Total
	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services and participants	\$ 562,371	\$ 13,674	\$ 576,045
Payments to benefit claims	(1,204,552)	-	(1,204,552)
Payments to vendors	<u> -</u>	<u>(49,662)</u>	<u>(49,662)</u>
Net cash provided (used) by operating activities	<u>(642,181)</u>	<u>(35,988)</u>	<u>(678,169)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	1,001	54	1,055
Refunds	<u>108,109</u>	<u>(1,863)</u>	<u>106,246</u>
Net cash flows provided by investing activities	<u>109,110</u>	<u>(1,809)</u>	<u>107,301</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(533,071)	(37,797)	(570,868)
CASH AND EQUIVALENTS, BEGINNING	<u>592,629</u>	<u>44,063</u>	<u>636,692</u>
CASH AND EQUIVALENTS, ENDING	<u><u>\$ 59,558</u></u>	<u><u>\$ 6,266</u></u>	<u><u>\$ 65,824</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$(642,181)	\$ 4,740	\$(637,441)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Adjustment to net assets	-	(21,193)	(21,193)
(Increase) decrease in accounts receivable	-	(64,387)	(64,387)
(Increase) decrease in due from other governments	-	15,899	15,899
(Increase) decrease in inventory	-	6,771	6,771
(Decrease) increase in accounts payable	<u> -</u>	<u>22,182</u>	<u>22,182</u>
Net cash provided (used) by operating activities	<u><u>\$(642,181)</u></u>	<u><u>\$ (35,988)</u></u>	<u><u>\$(678,169)</u></u>

AGENCY FUNDS

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<u>STATE AGENCY FUND</u>				
Assets:				
Cash and investments	\$ <u>58,193</u>	\$ <u>430,315</u>	\$ <u>426,511</u>	\$ <u>61,997</u>
Liabilities:				
Due to others	\$ <u>58,193</u>	\$ <u>430,315</u>	\$ <u>426,511</u>	\$ <u>61,997</u>
<u>DISTRICT CLERK FUND</u>				
Assets:				
Cash and investments	\$ <u>526,557</u>	\$ <u>1,572,051</u>	\$ <u>684,574</u>	\$ <u>1,414,034</u>
Liabilities:				
Due to others	\$ <u>526,557</u>	\$ <u>1,572,051</u>	\$ <u>684,574</u>	\$ <u>1,414,034</u>
<u>COUNTY CLERK FUND</u>				
Assets:				
Cash and investments	\$ <u>363,829</u>	\$ <u>562,338</u>	\$ <u>532,952</u>	\$ <u>393,215</u>
Liabilities:				
Due to others	\$ <u>363,829</u>	\$ <u>562,338</u>	\$ <u>532,952</u>	\$ <u>393,215</u>
<u>COUNTY ATTORNEY FUND</u>				
Assets:				
Cash and investments	\$ <u>50</u>	\$ <u>77,535</u>	\$ <u>77,535</u>	\$ <u>50</u>
Liabilities:				
Due to others	\$ <u>50</u>	\$ <u>77,535</u>	\$ <u>77,535</u>	\$ <u>50</u>
<u>TAX OFFICE FUND</u>				
Assets:				
Cash and investments	\$ <u>309,499</u>	\$ <u>27,261,797</u>	\$ <u>27,144,425</u>	\$ <u>426,871</u>
Liabilities:				
Due to others	\$ <u>309,499</u>	\$ <u>27,261,797</u>	\$ <u>27,144,425</u>	\$ <u>426,871</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS**

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<u>SHERIFF'S OFFICE - REGULAR</u>				
Assets:				
Cash and investments	\$ <u>14,822</u>	\$ <u>773,244</u>	\$ <u>776,504</u>	\$ <u>11,562</u>
Liabilities:				
Due to others	\$ <u>14,822</u>	\$ <u>773,244</u>	\$ <u>776,504</u>	\$ <u>11,562</u>
<u>SHERIFF'S OFFICE - INMATES</u>				
Assets:				
Cash and investments	\$ <u>50,637</u>	\$ <u>272,973</u>	\$ <u>277,472</u>	\$ <u>46,138</u>
Liabilities:				
Due to others	\$ <u>50,637</u>	\$ <u>272,973</u>	\$ <u>277,472</u>	\$ <u>46,138</u>
<u>JUSTICES OF THE PEACE FUND</u>				
Assets:				
Cash and investments	\$ <u>-</u>	\$ <u>581,069</u>	\$ <u>581,069</u>	\$ <u>-</u>
Liabilities:				
Due to others	\$ <u>-</u>	\$ <u>581,069</u>	\$ <u>581,069</u>	\$ <u>-</u>
<u>DISTRICT ATTORNEY FUND</u>				
Assets:				
Cash and investments	\$ <u>163</u>	\$ <u>10,516</u>	\$ <u>9,954</u>	\$ <u>725</u>
Liabilities:				
Due to others	\$ <u>163</u>	\$ <u>10,516</u>	\$ <u>9,954</u>	\$ <u>725</u>
<u>PERMANENT SCHOOL FUND</u>				
Assets:				
Cash and investments	\$ <u>130,129</u>	\$ <u>123,136</u>	\$ <u>141,148</u>	\$ <u>112,117</u>
Liabilities:				
Due to others	\$ <u>130,129</u>	\$ <u>123,136</u>	\$ <u>141,148</u>	\$ <u>112,117</u>

BEE COUNTY, TEXAS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
<u>D.A. PRE-156th COURT FUNDS</u>				
Assets:				
Cash and investments	\$ <u>423,310</u>	\$ <u>185,689</u>	\$ <u>217,518</u>	\$ <u>391,481</u>
Liabilities:				
Due to others	\$ <u>423,310</u>	\$ <u>185,689</u>	\$ <u>217,518</u>	\$ <u>391,481</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
Assets:				
Cash and investments	\$ <u>1,877,189</u>	\$ <u>31,850,663</u>	\$ <u>30,869,662</u>	\$ <u>2,858,190</u>
Liabilities:				
Due to others	\$ <u>1,877,189</u>	\$ <u>31,850,663</u>	\$ <u>30,869,662</u>	\$ <u>2,858,190</u>

**STATISTICAL SECTION
(UNAUDITED)**

TABLE 1

BEE COUNTY, TEXAS
NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Governmental Activities						
Invested in Capital Assets Net of Related Debt	\$ 18,475,004	\$ 20,169,638	\$ 22,085,406	\$ 41,822,317	\$ 40,955,239	\$ 41,821,810
Restricted	4,094,324	3,429,213	4,297,151	3,887,714	4,198,830	4,113,845
Unrestricted	2,360,871	1,801,310	1,806,465	1,977,566	1,772,410	2,402,546
Total Net Assets	<u>\$ 24,930,199</u>	<u>\$ 25,400,161</u>	<u>\$ 28,189,022</u>	<u>\$ 47,687,597</u>	<u>\$ 46,926,479</u>	<u>\$ 48,338,201</u>

Source: Comprehensive Annual Financial Report

Accrual-basis financial information for the County as a whole is available back to 2004 only, the year GASB 34 was implemented.

TABLE 2

BEE COUNTY, TEXAS
CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS

	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Expenses						
Governmental Activities:						
General Government	\$ 802,103	\$ 1,199,880	\$ 792,131	\$ 783,727	1,240,413	\$ 1,747,177
Judicial	1,497,515	1,917,754	956,717	1,341,834	1,519,379	1,720,670
Elections	12,469	15,730	31,454	32,468	41,487	53,748
Financial Administration	428,288	540,282	770,413	831,854	662,398	878,826
Public Facilities	88,389	111,502	224,226	214,328	206,153	234,867
Legal	361,128	455,560	453,787	580,963	548,345	535,605
Public Safety	2,684,142	2,682,681	3,300,359	3,505,232	3,742,946	3,764,470
Public Works	-	703,341	543,298	582,863	799,351	758,355
Highways and Streets	3,418,844	4,217,505	1,480,245	1,620,073	1,513,871	5,511,051
Health and Welfare	4,425,735	5,583,025	6,326,222	6,581,537	8,585,583	3,975,589
Culture and Recreation	50,000	70,000	70,085	75,913	78,568	79,220
Conservation and Development	267,490	337,436	230,571	285,547	249,224	215,853
Bond Interest/Agent Fees	382,222	353,893	336,511	346,879	355,391	322,045
Total Governmental Activities Expenses	<u>14,418,325</u>	<u>18,188,589</u>	<u>15,516,019</u>	<u>16,783,218</u>	<u>19,543,109</u>	<u>19,797,477</u>
Program Revenues						
Governmental Activities:						
Changes for Services:						
General Government	870,629	-	326,517	314,721	348,957	420,354
Judicial	-	-	146,726	97,076	121,176	117,475
Financial Administration	-	-	228,787	223,210	232,425	249,449
Public Facilities	-	-	38,435	50,404	49,155	55,391
Legal	-	-	35,032	31,439	48,155	57,993
Public Safety	-	-	392,184	372,978	360,284	440,294
Public Works	-	385,625	-	-	-	-
Highways and Streets	-	385,625	748,553	724,251	716,097	699,870
Health and Welfare	-	915,573	-	-	-	1,774
Operating Grants and Contributions	7,048,277	2,388,136	5,817,562	5,363,026	8,278,930	6,890,247
Capital Grants and Contributions	-	-	-	-	-	-
Total Primary Government Revenues	<u>7,918,906</u>	<u>4,074,959</u>	<u>7,733,796</u>	<u>7,177,105</u>	<u>10,155,179</u>	<u>8,932,847</u>
Net (Expense) Revenue						
Governmental Activities	(6,499,419)	(14,113,630)	(7,782,223)	(9,606,113)	(9,387,930)	(10,864,630)
Total Net (Expense) Revenue	<u>(6,499,419)</u>	<u>(14,113,630)</u>	<u>(7,782,223)</u>	<u>(9,606,113)</u>	<u>(9,387,930)</u>	<u>(10,864,630)</u>
General Revenues and Other Changes in Net Assets						
General Revenues						
Property Taxes	4,401,082	4,248,938	5,550,390	5,789,426	5,766,916	6,499,133
Other Taxes	964,612	1,119,503	20,792	21,782	21,809	24,153
Unrestricted Investment Earnings	299,870	295,228	217,272	118,518	107,400	677,719
Miscellaneous	5,678,450	6,537,029	2,981,340	3,446,296	3,081,915	3,034,046
Total Primary Government General Revenues	<u>11,344,014</u>	<u>12,200,698</u>	<u>8,769,794</u>	<u>9,376,022</u>	<u>8,978,040</u>	<u>10,235,051</u>
Changes in Net Assets						
Changes in Net Assets	4,844,595	(1,912,932)	987,571	(230,091)	(409,890)	(629,579)
Total Changes in Net Assets	<u>\$ 4,844,595</u>	<u>\$ (1,912,932)</u>	<u>\$ 987,571</u>	<u>\$ (230,091)</u>	<u>\$ (409,890)</u>	<u>\$ (629,579)</u>

Source: Comprehensive Annual Financial Report

BEE COUNTY, TEXAS
FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year				
	2002	2003	2004	2005	2006
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	3,182,641	2,888,826	2,808,030	2,700,174	2,360,872
Total General Fund	<u>\$ 3,182,641</u>	<u>\$ 2,888,826</u>	<u>\$ 2,808,030</u>	<u>\$ 2,700,174</u>	<u>\$ 2,360,872</u>
All Other Governmental Funds					
Special revenue funds	\$ 5,339,858	\$ 2,743,109	\$ 2,960,823	\$ 3,233,039	\$ 5,408,321
Capital project funds	659,465	7,595,887	6,791,770	2,054,522	280,196
Debt service funds	30,381	39,187	43,248	61,177	32,543
Road and bridge	615,273	666,803	534,438	333,311	300,291
Total All Other Governmental Funds	<u>\$ 6,644,977</u>	<u>\$ 11,044,986</u>	<u>\$ 10,330,279</u>	<u>\$ 5,682,049</u>	<u>\$ 6,021,351</u>

Source: Comprehensive Annual Financial Report

TABLE 3

Fiscal Year				
2007	2008	2009	2010	2011
\$ -	\$ -	\$ -	\$ -	\$ -
1,801,310	1,258,374	939,304	797,215	1,889,143
<u>\$ 1,801,310</u>	<u>\$ 1,258,374</u>	<u>\$ 939,304</u>	<u>\$ 797,215</u>	<u>\$ 1,889,143</u>
\$ 4,265,925	\$ 3,493,616	\$ 3,117,057	\$ 3,607,073	\$ 3,824,249
(102,962)	386,154	340,610	106,847	29,831
53,832	100,145	83,783	124,146	144,162
429,831	317,236	346,164	360,764	115,603
<u>\$ 4,646,626</u>	<u>\$ 4,297,151</u>	<u>\$ 3,887,614</u>	<u>\$ 4,198,830</u>	<u>\$ 4,113,845</u>

BEE COUNTY, TEXAS
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year				
	2002	2003	2004	2005	2006
Revenues					
Property Taxes	\$ 2,646,635	\$ 2,682,482	\$ 3,254,838	\$ 3,271,267	\$ 3,868,222
General Sales and Use Taxes	830,271	787,915	809,324	869,384	964,612
Penalty and Interest on Taxes	71,783	54,959	70,377	67,903	82,073
Licenses, Fees and Permits	665,337	644,639	716,834	781,372	759,110
Intergovernmental Revenues	4,786,553	342,579	672,976	3,201,338	7,068,277
Charges for Services	687,298	833,992	787,231	794,470	870,629
Fines	355,955	372,694	381,507	259,655	307,812
Investment Revenue	731,216	216,039	109,851	308,697	299,870
Miscellaneous Revenue	2,395,638	2,065,094	2,287,362	7,472,970	4,509,455
Total Revenues	<u>13,170,686</u>	<u>8,000,393</u>	<u>9,090,300</u>	<u>17,027,056</u>	<u>18,730,060</u>
Expenditures					
General Government	1,203,800	754,771	734,997	901,950	1,130,148
Judicial	839,158	767,934	1,153,333	1,947,500	1,904,163
Elections	13,953	22,253	10,606	26,047	22,662
Financial Administration	619,523	626,123	2,447,360	8,277,043	678,288
Public Facilities	158,383	182,809	228,003	239,938	238,389
Legal	287,597	145,949	123,005	119,844	361,128
Public Safety	2,249,577	3,784,579	2,310,902	2,448,746	3,050,501
Public Works	1,316,788	4,200	-	834,694	4,967,048
Highways and Streets	-	-	1,379,753	1,417,779	707,547
Health and Welfare	8,105,689	3,773,157	618,005	4,590,197	6,621,929
Culture and Recreation	70,000	70,000	70,000	70,000	70,000
Conservation and Development	203,459	210,727	210,920	242,845	317,490
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	269,918	250,000	265,000	250,000	260,000
Interest	123,430	133,618	380,709	384,486	352,686
Agent Fees	750	-	-	2,350	26,500
Total Expenditures	<u>15,462,025</u>	<u>10,726,120</u>	<u>9,932,593</u>	<u>21,753,419</u>	<u>20,708,479</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,291,339)</u>	<u>(2,725,727)</u>	<u>(842,293)</u>	<u>(4,726,363)</u>	<u>(1,978,419)</u>
Other Financing Sources (Uses)					
Bond Issued	-	7,085,000	-	-	-
Capital Lease	-	-	-	-	-
Transfers In	813,908	876,193	1,013,807	1,116,736	6,927,567
Transfers Out	(813,908)	(876,193)	(1,013,807)	(1,116,736)	(6,925,844)
Total Other Financing Sources (Uses)	<u>-</u>	<u>7,085,000</u>	<u>-</u>	<u>-</u>	<u>1,723</u>
Net Changes in Fund Balances	<u>\$ (2,291,339)</u>	<u>\$ 4,359,273</u>	<u>\$ (842,293)</u>	<u>\$ (4,726,363)</u>	<u>\$ (1,976,696)</u>
Debt Service as a Percentage of Noncapital Expenditures Over (Under) Expenditures.	<u>1.78%</u>	<u>2.39%</u>	<u>2.74%</u>	<u>1.16%</u>	<u>1.27%</u>

Source: Comprehensive Annual Financial Report

TABLE 4

		Fiscal Year							
		2007	2008	2009	2010	2011			
\$	3,855,922	\$	4,308,642	\$	4,637,831	\$	4,616,863	\$	6,433,745
	1,037,831		1,191,141		1,095,737		1,058,919		-
	81,672		105,559		59,465		74,548		-
	829,528		643,091		633,467		601,224		609,281
	2,433,397		7,037,496		6,759,118		9,455,211		8,412,359
	1,686,823		963,987		912,172		963,158		1,091,462
	275,533		309,156		268,440		311,867		341,857
	295,228		215,996		117,361		107,399		676,664
	5,386,707		1,761,406		2,050,204		1,843,745		1,387,627
	<u>15,882,641</u>		<u>16,536,474</u>		<u>16,533,795</u>		<u>19,032,934</u>		<u>18,952,995</u>
	1,052,628		1,082,320		1,117,750		974,028		986,241
	1,723,140		955,553		1,237,322		1,353,686		1,520,401
	31,535		31,416		29,939		36,963		47,492
	780,951		769,476		767,063		1,250,413		776,539
	250,948		223,953		197,635		176,246		207,531
	450,583		453,235		535,713		488,546		473,266
	3,353,078		3,296,343		3,232,219		3,400,954		3,326,322
	658,882		610,954		537,465		617,296		670,090
	1,878,176		1,478,444		1,493,890		1,351,620		4,869,618
	5,984,758		6,407,513		6,067,753		7,884,402		3,512,869
	70,000		70,000		70,000		70,000		70,000
	248,882		230,290		263,307		222,045		190,730
	-		46,860		1,166,201		294,142		485,695
							-		
	295,000		295,000		310,000		405,698		380,000
	344,361		334,661		344,529		353,041		355,785
	1,500		1,850		2,350		2,350		2,350
	<u>17,124,422</u>		<u>16,287,868</u>		<u>17,373,136</u>		<u>18,881,430</u>		<u>17,874,929</u>
	(1,241,781)		248,606		(839,341)		151,504		1,078,066
	-		-		-		-		-
	-		-		110,000		-		-
	1,866,833		1,283,540		1,257,242		1,282,832		1,384,603
	<u>(1,866,833)</u>		<u>(1,283,540)</u>		<u>(1,257,242)</u>		<u>(1,282,832)</u>		<u>(1,366,542)</u>
	-		-		110,000		-		18,061
\$	<u>(1,241,781)</u>	\$	<u>248,606</u>	\$	<u>(729,341)</u>	\$	<u>151,504</u>	\$	<u>1,096,127</u>
	1.75%		1.84%		1.82%		2.20%		2.17%

TABLE 5

BEE COUNTY, TEXAS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2002	1,074,938,330	Note - 1	Note - 1	341,470,330	739,732,148	0.329	2,430,641	304%
2003	1,060,415,880	Note - 1	Note - 1	338,433,890	726,127,551	0.391	2,841,061	255%
2004	1,300,429,995	Note - 1	Note - 1	520,474,120	790,953,200	0.369	2,920,634	270%
2005	1,372,867,190	Note - 1	Note - 1	517,172,795	858,025,495	0.447	3,838,634	223%
2006	1,540,154,870	Note - 1	Note - 1	615,748,520	928,469,572	0.423	3,928,633	236%
2007	1,783,329,570	Note - 1	Note - 1	821,844,324	930,098,930	0.423	3,935,528	236%
2008	1,962,721,770	Note - 1	Note - 1	1,000,109,465	962,612,305	0.446	4,290,267	224%
2009	2,071,450,120	Note - 1	Note - 1	965,528,151	1,105,921,969	0.424	4,658,288	237%
2010	2,001,739,340	Note - 1	Note - 1	961,514,905	1,040,224,415	0.501	5,048,738	206%
2011	1,984,037,000	Note - 1	Note - 1	974,991,055	1,009,045,945	0.548	5,394,285	187%

Source: Tax Assessor Collector's office

Note 1 - Reflects total values. Commercial and industrial was not able to be broken out.

Note 2 - Reflects net amounts.

BEE COUNTY, TEXAS
COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
(CONSOLIDATED DEBT STATEMENT)

LAST TEN FISCAL YEARS

Name of Governmental Unit	Fiscal Year				
	2002	2003	2004	2005	2006
Bee County	\$ 2,470,000	\$ 9,385,000	\$ 9,145,000	\$ 8,895,000	\$ 8,635,000
Cities:					
Beeville	2,880,000	4,085,000	2,585,000	2,155,000	3,370,057
School Districts:					
Beeville ISD	11,810,187	10,513,078	22,559,909	19,275,000	20,386,539
County-Line School Districts:					
Mathis ISD	6,400,000	6,225,000	6,225,000	5,620,000	5,519,930
Pawnee ISD	-	-	-	-	-
Pettus ISD	-	-	-	-	-
Skidmore-Tynan ISD	-	2,270,189	2,125,000	2,065,000	2,065,000
Three Rivers ISD	2,196,862	2,196,862	2,935,000	2,935,000	2,935,000
Refugio ISD	-	-	-	-	-
Special Districts:					
Pettus MUD	15,322	-	-	-	-
Coastal Bend College	-	4,500,000	4,500,000	4,500,000	4,000,000
Beeville Water District	5,095,368	4,576,599	4,347,982	4,347,982	3,080,905
Bee County Fire:					
District No. 70	-	-	-	-	-
District No. 71	-	-	-	-	-
District No. 72	-	-	-	-	-
District No. 73	-	-	-	-	-
TOTAL OVERLAPPING	28,397,739	34,366,728	45,277,891	40,897,982	41,357,431
GRAND TOTALS	\$ 30,867,739	\$ 43,751,728	\$ 54,422,891	\$ 49,792,982	\$ 49,992,431

Note: The above information was obtained from each entity's finance office.

* =Beeville Water District information was merged with City of Beeville in FY2009.

TABLE 6

		Fiscal Year				
		2007	2008	2009	2010	2011
\$	8,340,000	\$ 8,045,000	\$ 7,735,000	\$ 7,365,000	\$ 6,985,000	
	2,720,855	1,710,000	3,660,000	2,940,000	4,056,973	
	17,904,686	17,904,686	27,514,686	27,514,686	36,240,250	
	12,444,690	12,407,727	13,225,895	15,521,649	28,723,796	
	-	-	-	7,301,001	6,965,000	
	-	-	-	-	-	
	5,809,999	5,877,244	5,671,861	6,097,278	11,915,648	
	2,749,998	3,893,448	3,893,448	2,520,000	3,240,261	
	5,168,000	5,994,169	5,249,884	5,256,000	6,026,000	
	-	-	-	-	-	
	4,000,000	4,505,000	3,814,409	N/A	N/A	
	3,080,905	1,925,000	*	*	*	
	-	-	-	-	-	
	-	-	-	-	-	
	-	-	-	-	-	
	-	-	-	-	-	
	53,879,133	54,217,274	63,030,183	67,150,614	97,167,928	
\$	62,219,133	\$ 62,262,274	\$ 70,765,183	\$ 74,515,614	\$ 104,152,928	

BEE COUNTY, TEXAS
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUE
LAST TEN YEARS

Governmental Subdivisions	Percent Applicable To Bee County	Fiscal Year			
		2002	2003	2004	2005
Bee County	100.00%				
General Prop Tax		0.30712	0.27864	0.30187	0.28709
Debt Rate		0.05991	0.04995	0.08939	0.08217
Special Rd Tax		0.04550	0.04073	0.05300	0.05001
Farm-to-Market		0.00204	0.00182	0.00200	0.00188
<u>Cities</u>					
Beeville	100.00%	0.54740	0.54740	0.61575	0.61575
<u>School Districts</u>					
Beeville ISD	100.00%	1.48000	1.48000	0.15900	0.15900
Pawnee ISD	86.78%	1.48000	1.48000	1.20937	1.20937
Skidmore-Tynan ISD	83.89%	1.44000	1.44000	1.19700	1.19700
Pettus ISD	96.77%	1.38355	1.38355	1.58500	1.58500
<u>Colleges</u>					
Coastal Bend College	100.00%	0.13921	0.13921	0.17200	0.17200
<u>Water Districts</u>					
Pettus MUD	100.00%	-	-	-	-
Beeville Water Supply District	100.00%	0.24116	0.24116	0.23207	0.23207
Bee Groundwater Cons. District	100.00%	-	-	-	-
<u>Fire Districts</u>					
Emergency Services District No. 70	100.00%	0.01925	0.01925	0.01700	0.01700
Emergency Services District No. 71	100.00%	0.02943	0.02943	0.03000	0.03000
Emergency Services District No. 72	100.00%	0.03000	0.03000	0.03000	0.03000
Emergency Services District No. 73	100.00%	0.01000	0.01000	0.00500	0.00500

Note: The information above was obtained from each entity's financial office and the Texas Municipal Reports compiled and published by the Municipal Advisory Council of Texas. Complete information was not available for all entries.

TABLE 7

Fiscal Year					
2006	2007	2008	2009	2010	2011
0.32149	0.29495	0.31628	0.30196	0.29886	0.35503
0.06939	0.07168	0.06837	0.05646	0.06750	0.07793
0.05650	0.05650	0.05895	0.05395	0.05524	0.06539
0.00200	0.00200	0.00209	0.00191	0.00195	0.00230
0.64309	0.64309	0.58048	0.57431	0.58105	0.58105
0.15900	1.51429	1.18167	1.31800	1.31806	1.29832
1.20937	1.19584	1.18103	1.21848	1.29102	1.29102
1.19700	1.37000	1.37284	1.27701	1.27839	1.60512
1.58500	1.37000	1.04005	1.04005	1.17009	1.17000
0.16189	0.15369	0.16301	0.16800	0.16800	0.16800
-	-	0.20000	0.18551	0.19000	0.19000
0.20499	0.20499	0.18364	0.17127	0.14000	0.14000
-	-	0.01450	0.01180	0.01180	0.01180
0.01700	0.02000	0.01411	0.01194	0.01275	0.01260
0.03000	0.03000	0.03000	0.03633	0.03728	0.03728
0.03000	0.01582	0.03000	0.03102	0.03102	0.03647
0.00500	0.00500	0.02000	0.01832	0.01832	0.01832

BEE COUNTY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND LAST TEN YEARS

Name of Taxpayer	2002			2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Pioneer Natural Resources	\$ 48,592,580	1	6.57%	\$ 66,461,650	1	9.15%
Dan A Hughes Company	7,507,240	6	1.01%	18,863,250	3	2.60%
AEP Texas Central Company	11,423,690	5	1.54%	12,474,900	6	1.72%
Flint Hills Resources LP	-	0	0.00%	14,182,460	4	1.95%
Beeville Investment Partners	6,300,000	7	0.85%	6,300,000	8	0.87%
Legend Natural Gas II LP	-	0	0.00%	-	0	0.00%
West Tuleta Operating Co	-	0	0.00%	-	0	0.00%
Southwestern Bell Telephone Co	12,241,660	4	1.65%	12,995,790	5	1.79%
Pennzoil Exploration & Production	-	0	0.00%	-	0	0.00%
Welder Exploration & Prod Inc	-	0	0.00%	-	0	0.00%
Koch Petroleum Group LP	-	0	0.00%	-	0	0.00%
Devon Energy Production Co.	20,058,740	2	2.71%	34,134,180	2	4.70%
C&E Operating Inc.	-	0	0.00%	12,246,950	7	1.69%
H. E. Butt Grocery Co.	5,830,410	8	79.00%	5,688,590	9	0.78%
Helmerich & Payne Inc	-	0	0.00%	-	0	0.00%
Kinder Morgan Texas Pipeline	-	0	0.00%	5,225,990	10	0.72%
Koch Petroleum Group LP	13,890,220	3	1.88%	-	0	0.00%
Prime Operating Company	5,550,990	9	0.75%	-	0	0.00%
May Fabrication Co. Inc.	-	0	0.00%	-	0	0.00%
Walmart Stores Texas LP	-	0	0.00%	-	0	0.00%
Walmart Stores	-	0	0.00%	-	0	0.00%
First National Bank of Beeville	-	0	0.00%	-	0	0.00%
Dunn Howard L. Estate	-	0	0.00%	-	0	0.00%
Enduring Resources LLC	-	0	0.00%	-	0	0.00%
Aztec Chevrolet LLC	-	0	0.00%	-	0	0.00%
Beeville Properties LLC	-	0	0.00%	-	0	0.00%
SOTX Lodging Inc	-	0	0.00%	-	0	0.00%
Central Power and Light	-	0	0.00%	-	0	0.00%
PNR Usa, Inc.	-	0	0.00%	-	0	0.00%
Midcom Texas Pipeline Corp.	-	0	0.00%	-	0	0.00%
Milagro Producing LLC	-	0	0.00%	-	0	0.00%
Hughes Management LLC	-	0	0.00%	-	0	0.00%
Enco Exploration Company	-	0	0.00%	-	0	0.00%
Totals	\$ 131,395,530		17.76%	\$ 188,573,760		25.97%

Source: Bee County Tax Assessor/Collector

TABLE 8

2004			2005			2006		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
\$ 93,988,820	1	12.81%	\$ 93,988,820	1	11.88%	\$ 127,481,760	1	14.89%
29,390,260	2	4.01%	29,390,260	2	3.72%	29,891,050	2	3.49%
19,086,550	4	2.60%	19,086,550	4	2.41%	19,165,890	3	2.24%
13,012,710	5	1.77%	13,012,710	5	1.65%	14,784,320	4	1.73%
7,475,920	7	1.02%	7,475,920	7	0.95%	14,241,410	5	1.66%
-	0	0.00%	-	0	0.00%	11,146,290	6	1.30%
-	0	0.00%	-	0	0.00%	11,122,060	7	1.30%
9,756,200	6	1.33%	9,756,200	6	1.23%	9,349,550	8	1.09%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
21,301,350	3	2.90%	21,301,350	3	2.69%	5,626,500	9	0.66%
5,333,420	8	0.73%	5,333,420	8	0.67%	5,329,680	10	0.62%
5,263,800	9	0.72%	5,263,800	9	0.67%	-	0	0.00%
4,880,210	10	0.67%	4,880,210	10	0.62%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
-	0	0.00%	-	0	0.00%	-	0	0.00%
<u>\$ 209,489,240</u>		<u>28.56%</u>	<u>\$ 209,489,240</u>		<u>26.49%</u>	<u>\$ 248,138,510</u>		<u>28.98%</u>

BEE COUNTY, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND LAST TEN YEARS

Name of Taxpayer	2007			2008		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Pioneer Natural Resources	\$ 78,628,870	1	8.45%	\$ 100,100,560	1	10.51%
Dan A Hughes Company	28,492,170	4	3.06%	31,243,370	2	3.28%
AEP Texas Central Company	15,881,530	6	1.71%	15,520,600	7	1.63%
Flint Hills Resources LP	29,564,820	3	3.18%	26,180,290	5	2.75%
Beeville Investment Partners	7,690,640	9	0.83%	15,511,880	8	1.63%
Legend Natural Gas II LP	18,147,230	5	1.95%	27,375,450	4	2.87%
West Tuleta Operating Co	-	0	0.00%	-	0	0.00%
Southwestern Bell Telephone Co	10,512,760	7	1.13%	8,779,980	9	0.92%
Pennzoil Exploration & Production	-	0	0.00%	-	0	0.00%
Welder Exploration & Prod Inc	-	0	0.00%	15,685,480	6	1.65%
Koch Petroleum Group LP	-	0	0.00%	-	0	0.00%
Devon Energy Production Co.	-	0	0.00%	-	0	0.00%
C&E Operating Inc.	-	0	0.00%	-	0	0.00%
H. E. Butt Grocery Co.	6,733,520	10	0.72%	-	0	0.00%
Helmerich & Payne Inc	-	0	0.00%	-	0	0.00%
Kinder Morgan Texas Pipeline	-	0	0.00%	-	0	0.00%
Koch Petroleum Group LP	-	0	0.00%	-	0	0.00%
Prime Operating Company	-	0	0.00%	-	0	0.00%
May Fabrication Co. Inc.	-	0	0.00%	-	0	0.00%
Walmart Stores Texas LP	8,443,200	8	0.91%	8,764,810	10	0.92%
Walmart Stores	-	0	0.00%	-	0	0.00%
First National Bank of Beeville	-	0	0.00%	-	0	0.00%
Dunn Howard L. Estate	-	0	0.00%	-	0	0.00%
Enduring Resources LLC	-	0	0.00%	-	0	0.00%
Aztec Chevrolet LLC	-	0	0.00%	-	0	0.00%
Beeville Properties LLC	-	0	0.00%	-	0	0.00%
SOTX Lodging Inc	-	0	0.00%	-	0	0.00%
Central Power and Light	-	0	0.00%	-	0	0.00%
PNR Usa, Inc.	30,195,980	2	3.25%	30,783,840	3	3.23%
Midcom Texas Pipeline Corp.	-	0	0	-	0	0.00%
Milagro Producing LLC	-	0	0	-	0	0.00%
Hughes Management LLC	-	0	0	-	0	0.00%
Enco Exploration Company	-	0	0	-	0	0.00%
Totals	\$ 234,290,720		25.19%	\$ 279,946,260		29.40%

Source: Bee County Tax Assessor/Collector

BEE COUNTY, TEXAS
PROPERTY TAX LEVIES
LAST TEN FISCAL YEARS

	Fiscal Year				
	2002	2003	2004	2005	2006
Levy for Maintenance and Operations (M&O):					
General Fund	\$ 2,008,899	\$ 2,026,451	\$ 2,195,376	\$ 1,923,902	\$ 2,714,489
Road Fund	<u>311,410</u>	<u>312,124</u>	<u>399,331</u>	<u>359,896</u>	<u>501,919</u>
Total M & O Levy	<u>\$ 2,320,309</u>	<u>\$ 2,338,575</u>	<u>\$ 2,594,707</u>	<u>\$ 2,283,798</u>	<u>\$ 3,216,408</u>
 Levy for Debt Service (I & S):					
Debt service funds	<u>\$ 392,098</u>	<u>\$ 383,618</u>	<u>\$ 645,709</u>	<u>\$ 636,836</u>	<u>\$ 639,186</u>
Total I & S Levy	<u>392,098</u>	<u>383,618</u>	<u>645,709</u>	<u>636,836</u>	<u>639,186</u>
 Total County Levy	<u>\$ 2,712,407</u>	<u>\$ 2,722,193</u>	<u>\$ 3,240,416</u>	<u>\$ 2,920,634</u>	<u>\$ 3,855,594</u>

TABLE 9

Fiscal Year				
2007	2008	2009	2010	2011
\$ 2,763,040	\$ 3,064,452	\$ 3,244,692	\$ 3,594,002	\$ 3,919,076
<u>543,131</u>	<u>561,361</u>	<u>609,670</u>	<u>661,949</u>	<u>722,413</u>
<u>\$ 3,306,171</u>	<u>\$ 3,625,813</u>	<u>\$ 3,854,362</u>	<u>\$ 4,255,951</u>	<u>\$ 4,641,489</u>
\$ 641,711	\$ 632,011	\$ 656,879	\$ 761,089	\$ 774,677
<u>641,711</u>	<u>632,011</u>	<u>656,879</u>	<u>761,089</u>	<u>774,677</u>
\$ 3,947,882	\$ 4,257,824	\$ 4,511,241	\$ 5,017,040	\$ 5,416,166

BEE COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
GENERAL AND DEBT SERVICE FUNDS
LAST TEN FISCAL YEARS

Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Total Delinquent Collections and Cancellations	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2002	2,400,997	2,316,764	96.49%	95,450	2,400,997	100.00%	352,442	14.68%
2003	2,410,069	2,318,553	96.20%	104,140	2,410,069	100.00%	339,842	14.10%
2004	2,841,085	2,366,387	95.00%	152,102	2,518,489	88.65%	312,254	12.54%
2005	2,560,738	2,492,576	97.34%	89,683	2,560,738	100.00%	290,777	11.35%
2006	3,353,675	3,272,937	97.59%	79,768	3,352,705	99.97%	291,745	8.70%
2007	3,404,751	3,312,860	97.32%	102,990	3,404,751	100.00%	277,386	8.15%
2008	3,696,463	3,620,185	97.94%	95,557	3,696,463	100.00%	217,114	5.87%
2009	3,901,571	3,952,771	101.31%	58,812	3,901,571	100.00%	168,487	4.32%
2010	4,355,091	3,916,717	89.93%	76,296	3,993,013	91.69%	182,018	4.18%
2011	4,693,753	4,302,466	91.66%	97,375	4,399,841	93.74%	211,226	4.50%

Note: The above figures do not include penalties and interest collected on delinquent taxes. Also, all year end taxes receivable are delinquent.

BEE COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
ROAD AND BRIDGE FUND
LAST TEN FISCAL YEARS

Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Total Delinquent Collections and Cancellations	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2002	311,411	300,487	96.49%	12,380	312,867	100.47%	26,854	8.62%
2003	312,099	300,245	96.20%	13,486	313,731	100.52%	25,222	8.08%
2004	350,161	332,657	95.00%	21,382	354,039	101.11%	21,344	6.10%
2005	359,851	350,267	97.34%	12,603	362,869	100.84%	18,326	5.09%
2006	501,921	489,838	97.59%	11,938	501,776	99.97%	18,471	3.68%
2007	543,112	528,582	97.32%	16,432	545,015	100.35%	16,297	3.00%
2008	561,361	554,816	98.83%	17,878	572,694	102.02%	40,178	7.16%
2009	609,670	594,978	97.59%	9,871	604,849	99.21%	5,639	0.92%
2010	661,949	590,548	89.21%	11,916	602,464	91.01%	4,957	0.75%
2011	722,413	639,465	88.51%	9,348	648,813	89.81%	4,596	0.63%

Note: The above figures do not include penalties and interest collected on delinquent taxes. Also, all year end taxes receivable are delinquent.

BEE COUNTY, TEXAS
RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED
DEBT TO TOTAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Fiscal Fees	Total Debt	Total General Government	Ratio of Debt Service to General Total General Government
2002	269,918	123,430	750	393,348	15,460,025	2.54%
2003	250,000	133,618	-	383,618	10,726,120	3.58%
2004	265,000	380,709	-	645,709	9,750,661	6.62%
2005	250,000	384,486	2,350	534,486	21,753,419	2.46%
2006	260,000	352,686	26,500	612,686	20,708,479	2.96%
2007	295,000	344,361	2,350	639,361	17,124,422	3.73%
2008	295,000	334,661	2,350	629,661	16,287,868	3.87%
2009	310,000	344,529	2,350	654,529	17,373,136	3.77%
2010	370,000	316,486	2,350	686,486	18,881,430	3.64%
2011	380,000	302,833	2,350	682,833	17,874,929	3.82%

(1) Includes principal, interest and fiscal agent fees.

(2) Includes all general, special revenue, and debt service governmental fund types.

BEE COUNTY, TEXAS

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA

LAST TEN FISCAL YEARS

Fiscal Year Ended	Population	Assessed Valuation	Net Bonded Debt	Less Debt Service Funds	Debt Payable From Enterprise Revenues	Net Bonded Debt	Ratio Net General Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
2002	32,359	653,292,410	2,470,000	30,381	-	2,439,619	0.0037	75.39%
2003	32,359	733,468,000	2,470,000	30,381	-	2,439,619	0.0033	75.39%
2004	32,359	726,127,551	9,145,000	43,248	-	9,101,752	0.0125	281.27%
2005	33,018	790,953,200	8,895,000	61,177	-	8,833,823	0.0112	267.55%
2006	33,018	855,871,535	8,635,000	32,543	-	8,602,457	0.0101	260.54%
2007	33,018	928,469,572	8,340,000	53,832	-	8,286,168	0.0089	250.96%
2008	33,415	962,612,305	8,045,000	100,145	-	7,944,855	0.0083	237.76%
2009	32,487	1,105,921,969	7,735,000	83,783	-	7,651,217	0.0069	235.52%
2010	32,487	1,040,224,415	7,365,000	124,146	-	7,240,854	0.0070	222.88%
2011	31,861	1,009,045,945	6,985,000	144,162	-	6,840,838	0.0069	222.54%

The figures above were obtained by the County Tax Office and the Texas Almanacs published by the Dallas Morning News, Dallas, Texas.

Note: The ratios above are applicable only to total tax supported debt; therefore, only general obligations debt which being paid through property taxes is included in the ratio above.

The assessed values reported are after all exemptions.

BEE COUNTY, TEXAS

COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
(CONSOLIDATED DEBT STATEMENT)

SEPTEMBER 30, 2011

<u>Name of Governmental Unit</u>	<u>Date</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Bee County	09/30/10	\$ 6,985,000	100.00%	\$ 6,985,000
Cities				
Beeville	09/30/10	4,056,973	100.00%	4,056,973
School Districts				
Beeville ISD	08/31/10	36,240,250	46.06%	16,692,259
County-Line School Districts				
Mathis ISD	08/31/10	28,723,796	46.06%	13,230,180
Pawnee ISD	08/31/10	6,965,000	86.78%	6,044,227
Pettus ISD	08/31/10	-	83.89%	-
Skidmore-Tynan ISD	08/31/10	11,915,648	100.00%	11,915,648
Three Rivers ISD	08/31/10	3,240,261	1.06%	34,347
Refugio ISD	08/31/10	6,026,000	62.00%	3,736,120
Special Districts				
Pettus MUD	07/31/10	-	100.00%	-
Coastal Bend College	08/31/10	N/A	100.00%	-
Beeville Water District	09/30/10	*	100.00%	-
Bee County Fire				
District No. 70	09/30/10	-	100.00%	-
District No. 71	09/30/10	-	100.00%	-
District No. 72	09/30/10	-	100.00%	-
District No. 73	09/30/10	-	100.00%	-
TOTAL OVERLAPPING		<u>97,167,928</u>		<u>55,709,754</u>
GRAND TOTALS		<u>\$ 104,152,928</u>		<u>\$ 62,694,754</u>

Note: The above information was obtained from each entity's finance office.

* =Beeville Water District information was merged with City of Beeville in FY2009.

BEE COUNTY, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
BONDS ISSUED UNDER TEXAS GENERAL LAWS
LAST TEN FISCAL YEARS

Fiscal Year	Total Taxable Assessed Value	Debt Limited to 25% of Assessed Value of Property	Amount of Debt Applicable to Debt Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as % of Debt Limit
2002	739,732,148	184,933,037	2,439,619	187,372,656	1.32%
2003	726,127,551	181,531,888	2,439,619	183,971,507	1.34%
2004	790,953,200	197,738,300	9,101,752	206,840,052	4.60%
2005	858,025,495	214,506,374	8,833,823	223,340,197	4.12%
2006	928,469,572	232,117,393	8,602,457	240,719,850	3.71%
2007	930,098,930	232,524,733	8,286,168	240,810,901	3.56%
2008	962,612,305	240,653,076	7,944,855	248,597,931	3.30%
2009	1,105,921,969	276,480,492	7,651,217	284,131,709	2.77%
2010	1,040,224,415	260,056,104	7,240,854	267,296,958	2.78%
2011	1,009,045,945	252,261,486	6,840,838	259,102,324	2.71%

(government may present either (1) ratio of outstanding net debt to the debt limit for 10 yrs.
or (2) the ratio of legal debt margin to the debt limit for 10 yrs.

* This constitutional limit applies only to the County's tax road bonds under Article IV, Section 52.

BEE COUNTY, TEXAS
PLEDGES REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Solid Waste Fees	Total Revenues Available	Debt Service Requirments		Total
			Interest	Principal	
2002	-	-	123,430	215,000	338,430
2003	-	-	114,078	225,000	339,078
2004	-	-	378,359	240,000	618,359
2005	-	-	359,486	250,000	609,486
2006	-	-	351,836	260,000	611,836
2007	-	-	343,511	295,000	638,511
2008	-	-	334,661	295,000	629,661
2009	-	-	325,198	310,000	635,198
2010	-	-	316,486	370,000	686,486
2011	-	-	302,833	380,000	682,833

Note: No debt is pledged to the solid waste fees.

TABLE 17

BEE COUNTY, TEXAS
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	% Of Taxable Assessed Valuation	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	Education Levels in Years of Schooling	School Enrollment	Unemployment Rate (%)
2002	1.53%	32,359	24	15,520	-	-	5,214	7.20%
2003	1.42%	32,359	24	15,695	-	-	5,013	8.10%
2004	1.06%	32,359	28	16,715	-	-	4,969	7.70%
2005	0.72%	33,018	28	17,564	-	-	4,969	7.10%
2006	0.68%	33,018	28	18,755	-	-	4,954	6.40%
2007	0.67%	33,018	28	18,755	-	-	4,954	6.00%
2008	0.67%	33,415	28	15,257	-	-	4,804	6.30%
2009	0.67%	32,487	28	15,274	-	-	4,667	9.30%
2010	0.67%	32,487	30	21,642	-	-	4,759	9.30%
2011	0.67%	31,861	30	23,397	-	-	4,896	9.10%

Sources: This information above was obtained from the U.S. Census Bureau and the business offices of the school districts located in Bee County, Texas

TABLE 18

**BEE COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT AND PRIOR YEAR**

2011				2010			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
TDCJ - McConnel/Garza	1,353	1	-	TDCJ - McConnel/Garza	1,610	1	-
Beeville ISD	525	2	-	Beeville ISD	536	2	-
U.S. Army Aviation	-	-	-	U.S. Army Aviation	250	6	-
Christus Spohn Hospital	290	3	-	Christus Spohn Hospital	296	4	-
Coastal Bend College	250	6	-	Coastal Bend College	250	5	-
H.E.B. Grocery	175	8	-	H.E.B. Grocery	175	7	-
Wal-Mart	275	4	-	Wal-Mart	297	3	-
City of Beeville	120	9	-	City of Beeville	150	9	-
Skidmore-Tynan ISD	113	10	-	Skidmore-Tynan ISD	118	10	-
County of Bee	269	5	-	County of Bee	165	8	-
Sikorsky	200	7	-	Sikorsky	-	-	-
Total	3,570			Total	3,847		

BEE COUNTY, TEXAS
CONSTRUCTION AND PROPERTY VALUES
LAST TEN FISCAL YEARS

NEW CONSTRUCTION 2011

Fiscal Year	Residential			Commercial		
	Dwelling Units	Permits	Valuation	Dwelling Units	Permits	Valuation
2002	103	5	162,450	103	8	3,720,540
2003	292	4	278,581	292	6	11,790,332
2004	505	16	839,450	505	7	2,556,000
2005	547	11	513,075	547	13	2,744,593
2006	577	17	1,112,168	577	27	17,455,645
2007	521	7	580,675	521	18	6,178,388
2008	184	6	425,000	184	-	5,468,624
2009	393	0	7,159,710	116	-	3,743,390
2010	9	9	1,039,000	-	-	-
2011	8	8	856,000	146	2	8,681,244

Fiscal Year	Property Value		
	Actual Value	Exempt	Assessed Valuation
2002	1,074,938,330	341,470,330	733,468,000
2003	1,060,415,880	334,288,329	726,127,551
2004	1,300,429,995	509,476,795	790,953,200
2005	1,372,867,170	516,995,655	855,871,515
2006	1,540,154,870	611,685,298	928,469,572
2007	1,783,329,570	853,230,640	930,098,930
2008	1,962,721,770	1,000,109,465	962,612,305
2009	2,071,450,120	965,528,151	1,105,921,969
2010	2,001,739,340	961,514,925	1,040,224,415
2011	1,984,037,000	974,991,055	1,009,045,945

BEE COUNTY, TEXAS
FULL-TIME EQUIVALENT COUNTY
GOVERNMENT EMPLOYEES BY FUNCTION/ PROGRAM
LAST TEN FISCAL YEARS

Full-time Equivalent Employees as of September	Fiscal Year				
	2002	2003	2004	2005	2006
Function/Program:					
1 General Administration	13	13	13	16	15
2 Judicial/Legislative	15	15	13	13	11
3 Legal	3	3	4	5	6
4 Elections	0	0	0	0	0
5 Financial Administration	16	17	16	14	14
6 Public Facilities	3	3	3	4	4
7 Enviromental Protection	0	0	0	0	0
8 Public Safety	65	56	53	53	53
9 Public Transportation/Works	25	23	25	24	22
10 Health and Welfare	96	98	103	93	89
11 Culture and Recreation	7	5	7	7	11
12 Conservation - Agriculture	3	3	2	3	3
Total	246	236	239	232	228

Notes: A full-time employee is scheduled to work 2,160 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,160 since fiscal year 2011 had 27 pay periods.

Sources: Various county departments

TABLE 20

Fiscal Year				
2007	2008	2009	2010	2011
15	15	22	22	19
14	15	14	13	18
8	8	8	14	16
0	0	0	0	0
14	13	12	13	13
4	4	4	5	6
0	0	0	0	0
52	49	46	48	44
22	19	20	22	22
82	97	105	96	96
9	6	4	2	2
3	3	2	2	1
223	229	237	237	237

BEE COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST FIVE FISCAL YEARS
SEPTEMBER 30, 2011

	Fiscal Year				
	2007	2008	2009	2010	2011
Administration of Justice					
JP Courts:					
Cases Filed	3307	5184	3704	4501	5274
Cases Disposed	2922	2004	403	2146	3857
Cases Appealed	4	2	2	7	3
County Courts at Law:					
Civil:					
Cases Filed	-	-	-	-	-
Cases Disposed	-	-	-	-	-
Criminal:					
Cases Filed	-	-	-	-	-
Cases Disposed	-	-	-	-	-
District Courts:					
Civil:					
Cases Filed	-	-	-	-	-
Cases Disposed	-	-	-	-	-
Criminal:					
Cases Filed	-	-	-	-	-
Cases Disposed	-	-	-	-	-
Juvenile:					
Cases Filed	-	-	-	-	-
Cases Disposed	-	-	-	-	-
General Government:					
County Clerk Filing	-	-	-	-	-
Registered Vehicles	-	-	-	-	-
Vehicle Renewals	-	-	-	-	-

BEE COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
SEPTEMBER 30, 2011

<u>Department</u>	<u>2011</u>		
	<u>Vehicles Authorized</u>	<u>Vehicles Inventory</u>	<u>Radios</u>
<u>Law Enforcement</u>			
Sheriff	29	29	55
Constable 1	0	0	0
Constable 2	0	0	1
Constable 3	0	0	0
Constable 4	0	0	1
Road & Bridge	15	15	0
General Government	5	5	3
Social Services	0	0	0
Health, Safety, and Sanitation	2	2	0
Agriculture & Consumer Science	1	1	0

(1) Information required for GASB Statement No. 44 not previously tracked before this fiscal year.

BEE COUNTY, TEXAS
SALARIES AND SURETY BONDS OF ELECTED OFFICIALS
SEPTEMBER 30, 2011

<u>Official Title</u>	<u>Incumbent</u>	<u>Budget Salary</u>	<u>Surety Bond</u>	<u>Term Ending Dates</u>
<u>District Court</u>				
Judge, 365th Judicial County	Michael E. Welborn	\$ -	\$ -	12/31/2014
Judge, 156th Judicial County	Joel B. Johnson	-	-	12/31/2014
Judge, 343rd Judicial County	Janna Whatley	-	-	12/31/2012
District Attorney	Martha Warner	-	5,000	12/31/2012
District Clerk	Zenaida Silva	41,136	5,000	12/31/2014
<u>Commissioner's Court</u>				
County Judge	David Silva	62,824	1,000	12/31/2014
Commissioner, Precinct No. 1	Carlos Salazar	41,492	3,000	12/31/2012
Commissioner, Precinct No. 2	Dennis DeWitt	41,492	3,000	12/31/2014
Commissioner, Precinct No. 3	Eloy Rodriguez	41,492	3,000	12/31/2012
Commissioner, Precinct No. 4	Ken Haggard	41,492	3,000	12/31/2014
<u>Other County Officials</u>				
Sheriff	Carlos Carrizales	41,136	10,000	12/31/2012
County Clerk	Mirella E. Davis	41,136	5,000	12/31/2014
Tax Assessor-Collector	Linda Bridge	41,136	100,000	12/31/2012
County Attorney	Michael Knight	63,306	2,500	12/31/2012
<u>Justice of the Peace</u>				
Precinct No. 1	Raul Casarez	25,477	1,000	12/31/2014
Precinct No. 2	Ted Staples	25,477	1,000	12/31/2014
Precinct No. 3	Abelardo Suniga	25,477	1,000	12/31/2014
Precinct No. 4	Joseph Lyvers	25,477	1,000	12/31/2014
<u>Constables</u>				
Precinct No. 1	Lance Frerich	5,735	1,500	12/31/2012
Precinct No. 2	Clifford Bagwell	5,735	1,500	12/31/2012
Precinct No. 3	Kirk Delgado	5,735	1,500	12/31/2012
Precinct No. 4	Esequiel Ortiz	5,735	1,500	7/12/2012

BEE COUNTY, TEXAS
SUMMARY OF INSURANCE COVERAGE
SEPTEMBER 30, 2011

<u>Type of Coverage</u>	<u>Expiration Date</u>	<u>Agency</u>	<u>Coverage Limits</u>	<u>Deductible</u>	<u>Premiums Paid FY 2009</u>	<u>Premiums Paid FY 2010</u>	<u>Premiums Paid FY 2011</u>
<u>County Buildings</u>							
Property	1/1/2012	St. Paul Travelers	\$25,586,595	-	\$ 60,215	\$ 60,182	\$ 42,739
Auto	1/1/2012	St. Paul Travelers	1,000,000	-	120,480	123,849	119,768
General Liability	1/1/2012	St. Paul Travelers	2,000,000	-	38,785	40,687	39,124
Public Officials	1/1/2012	St. Paul Travelers	2,000,000	-	23,338	25,633	25,046
Law Enforcement	1/1/2012	St. Paul Travelers	1,000,000	-	47,084	48,899	48,329
Equipment	1/1/2012	St. Paul Travelers	-	-	9,011	9,540	-
		Total Paid	\$ 31,586,595				\$ 275,006

BEE COUNTY, TEXAS
GENERAL INFORMATION
SEPTEMBER 30, 2011

Organized in 1858, Bee County, Texas was created from Karnes, Live Oak, Goliad, Refugio, and San Patricio Counties. The County was named after General Bernard Bee. Situated close to the Gulf of Mexico, Bee County is sea level to rolling, containing black, sandy, and loam soils, with mesquite and live oak trees. The County is a recreational paradise having many hunting, camping, and historical sites.

Bee County contains 842 square miles with an estimated population of 33,415. The County has an average annual rainfall of 28.9 inches and a growing season of 285 days. There is a considerable amount of oil and gas production in the County. Beeville, the County Seat and main city, has a County Hospital leased to Christus Spohn, and is an agribusiness center. As one enters the City, the Statue of Miss Justice can be seen standing majestically on top of the clock over the courthouse dome, giving the County an added air of dignity and stateliness.

Source: Texas Almanac published by Dallas Morning News, Dallas, Texas.

COMPLIANCE SECTION



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

To the Honorable County Judge
and Commissioners' Court
Bee County, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bee County, Texas (the "County") as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 10, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the standards applicable to financial audits contained in the *State of Texas Single Audit Circular*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, as discussed below, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting as item 2011-01. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *State of Texas Single Audit Circular* and which are described in the accompanying schedule of findings and questioned costs as item 2011-1.

We noted certain matters that we reported to management of the County, in a separate letter dated February 10, 2012.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

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

Handwritten signature in cursive script: Patricia Brown Hill, C.C.P.

February 10, 2012



PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND
MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR**

To the Honorable County Judge
and Commissioners' Court
Bee County, Texas

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

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

Pattillo, Brown & Hill, LLP

February 10, 2012

BEE COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantors' Identifying Number	Federal Expenditures
<u>FEDERAL AWARDS</u>			
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed through from Texas Health and Human Services Commission:</i>			
Child and Adult Care Food Program	10.558	75G7002	\$ 255,240
Total U.S. Department of Agriculture			<u>255,240</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed through from Office of Rural Community Affairs:</i>			
Community Development Block Grant	14.228	727015	(50,894)
Langford Grant/ PETTUS	14.239	728481	<u>62,541</u>
Total U.S. Department of Housing and Urban Development			<u>11,647</u>
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Pass through from Texas Department of Transportation:</i>			
Rural Transportation / ARRA Phase II	20.509	51016F7085	50,018
Rural Transportation Section 5311	20.509	51116F7179/51016F7191	297,726
Rural Transportation Section 5311	20.509	51016F7140	50,966
RPT Purchase of Service - Refugio/Live Oak	20.513	51016F7273/51116F7233	<u>103,892</u>
Total U.S. Department of Transportation			<u>502,602</u>
U.S. DEPARTMENT OF ENERGY			
<i>Direct Programs:</i>			
DOE Weatherization Assistance Program	81.042	56100000938	6,407
DOE Weatherization Assistance Program / ARRA	81.042	16090000650	385,820
LIHEAP Weatherization Assistance Program	93.568	81100000895	<u>47,352</u>
Total U.S. Department of Energy			<u>439,579</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed through from Texas Department of Aging and Disability:</i>			
<i>Passed through from Coastal Bend Council of Governments:</i>			
Special Programs for the Aging -Title III-CI	93.045	AA-3-0748-2	38,205
Special Programs for the Aging -Title III-CII	93.045	AA-3-0748-2	53,034
Special Programs for the Aging -Title III-B	93.044	AA-3-0748-2	12,758

BEE COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Federal/State Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantors' Identifying Number	Federal Expenditures
<u>FEDERAL AWARDS</u> (Continued)			
<i>Passed through from Texas Department of Community Affairs:</i>			
Comprehensive Energy Assitance Program	93.568	58100000789/58110001059	1,068,230
Community Services Block Grant - Discretionary	93.569	61110001183	8,727
Community Services Block Grant	93.569	61110001107/61100000840	213,091
<i>Direct Programs:</i>			
Headstart	93.600	06CHO175/30/31	3,032,007
<i>Passed through from Texas Department of Aging and Disability:</i>			
Social Services - Title XX	93.667	170900	79,947
Total U.S. Department of Health and Human Services			<u>4,505,999</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>5,715,067</u>

BEE COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

Federal/State Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantors' Identifying Number	Federal Expenditures
<u>STATE AWARDS</u>			
U.S. DEPARTMENT OF AGRICULTURE			
<i>Direct Award:</i>			
Home Delivered Meal Program	-	HDM-11-694	<u>5,506</u>
Total U.S. Department of Agriculture			<u>5,506</u>
TEXAS DEPARTMENT OF TRANSPORTATION			
<i>Direct Award:</i>			
Rural Transportation Section 5311	-	51216F7004/51116F70004	<u>302,697</u>
Total U.S. Department of Transportation			<u>302,697</u>
OFFICE OF THE ATTORNEY GENERAL			
<i>Direct Award:</i>			
Victim Coordinator and Liaison Grant	-		-
Texas SAVNS/Vine	-	1120435	<u>18,283</u>
Total Office of the Attorney General			<u>18,283</u>
OFFICE OF THE GOVERNOR			
<i>Pass Through the Criminal Justice Division:</i>			
Stop the Violence Against Women	-	EF-09-V30-24109-01	189,543
Border Star Technology Project	-	S4-09-A10-2312301	78,882
Texas Criminal Justice Division	-	S4-09-A10-2219801	2,862
Border Prosecutor Unit	-	CH-10-A10-2283701	<u>97,231</u>
Total Office of the Attorney General			<u>368,518</u>
TOTAL EXPENDITURES OF STATE AWARDS			<u>695,004</u>
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS			<u>\$ 6,410,071</u>

BEE COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SEPTEMBER 30, 2011

1. GENERAL

The Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state awards programs of Bee County, Texas. The County's reporting entity is defined in Note I of the basic financial statements. Federal and state awards received directly from federal agencies, as well as federal and state awards passed through other government agencies, are included on the Schedule of Expenditures of Federal and State Awards.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the basic financial statements.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local governments, and Nonprofit Organizations* and *the State of Texas Uniform Grant Management Standards*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

BEE COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2011

Summary of Auditors' Results

Type of report on financial statements	Unqualified
Internal control over financial reporting: Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	Yes
Internal control over major programs: Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	See below
Noncompliance which is material to the basic financial statements	None
Type of report on compliance with major programs	Unqualified
Findings and questioned costs for federal and state awards as defined in Section 501(a), OMB Circular A-133 and the State of Texas Single Audit Circular	None
Dollar threshold considered between Type A and Type B federal programs	\$300,000
Dollar threshold considered between Type A and Type B state programs	\$300,000
Low risk auditee statement	The County was classified as a low-risk auditee in the context of OMB Circular A-133.
Major federal programs	Rural Transportation Section 5311 CFDA # 20.509/20.513 Headstart CFDA # 93.600
Major state programs	Rural Transportation Section 5311

BEE COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

**Findings Relating to the Financial Statements Which Are Required To Be Reported in
 Accordance with *Generally Accepted Government Auditing Standards*.**

<u><i>Finding 2011-1</i></u>	<i>Bank Reconciliations</i>	<i>Questioned Costs</i>
Criteria:	The County did not properly reconcile bank accounts to the general ledger at year end.	
Condition:	Bank reconciliations for bank accounts were not properly reconciled to the general ledger.	N/A
Effect:	The County's general ledger did not reflect an accurate cash balance at year end and there is a possibility that errors went undetected for periods of time.	
Recommendation:	Bank reconciliations should be prepared and reviewed in a timely manner in order to ensure that errors or irregularities are detected and corrected.	

Findings and Questioned Costs for Federal Awards.

None reported

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

<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned Costs</u>
<i>Finding 2009-1</i>	<i>Bank Reconciliations</i>	
Condition:	Bank reconciliations for bank accounts were not properly reconciled to the general ledger.	N/A
Recommendation:	Bank reconciliations should be prepared and reviewed in a timely manner in order to ensure that errors or irregularities are detected and corrected.	
Current Status:	During our current year audit, the bank reconciliations were provided in a timely manner. However, the County was unable to revise the bank reconciliation to account for all reconciling items properly due to software issues. See current year schedule of findings and questioned costs.	

BEE COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Finding 11-1

Bank Reconciliations

Corrective Action Plan: The County will perform reconciliations monthly to insure that bank accounts are reconciled properly to the general ledger. Bank reconciliation will be available at year end to ensure that an accurate cash balance is reflected in a timely manner.

Contact Person: Blandina Costley,
Bee County Auditor

Implementation Time Frame: Effective immediately.