

**ELLIS COUNTY, TEXAS**

**Comprehensive Annual Financial  
Report**

**For the Year Ended  
September 30, 2009**

**Prepared by: Ellis County Auditor's Office**

**ELLIS COUNTY, TEXAS  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 SEPTEMBER 30, 2009**

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# ELLIS COUNTY AUDITOR'S OFFICE

**Michael S. Navarro, CPA**  
County Auditor

Audit Division

**Cheryl Chambers**  
1st Assistant

**Beth Allen**  
Assistant

**Linda Lake**  
Assistant

**De Vonda Spurlock**  
Assistant

MIS Division

**Teral Crawford**  
MIS Director

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March 30, 2010

Honorable District Judges of Ellis County and

Honorable Members of the Ellis County Commissioners Court:

As prescribed by Local Government Code Section 114.025 of the State of Texas, the Comprehensive Annual Financial Report of the government of Ellis County, Texas for the fiscal year ended September 30, 2009 is hereby submitted. These basic financial statements are the responsibility of the County's management. It is my belief that the data, as presented, is accurate in all material aspects; that it is presented in a manner to fairly set forth the financial position and results of operations of the County; and that all disclosures necessary to enable the readers to gain the maximum understanding of the County's financial affairs have been included.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Nonprofit Organizations. Information related to this single audit, including the Schedule of Federal Financial Assistance, Findings and Recommendations, and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit 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 a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

Profile of the Government

Ellis County is located in north central Texas, 20 miles south of Dallas. The County provides a full range of services authorized by statute. These services include general governmental services such as recording and licensing, maintaining the county and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation and maintaining county roads and bridges. The County is a public corporation and political subdivision of the State of Texas, officially established by the State legislature on December 20, 1849. Waxahachie is the county seat and home of the historic Ellis County Courthouse built in 1895 and recognized by many as one of the most picturesque buildings in the state. William Hawkins was the first chief justice (county judge). Judge Oran Milo Roberts presided over the first term of the Ellis County district court during the fall of 1850. The 2009 estimated population for the County was 152,750. The general governing body of the County is the elected five-member Commissioners Court in accordance with Article, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, every two years, two are up for election. The County Judge is elected at large to serve a four-year term.

## **Local Economy**

Ellis County is transitioning from a rural to a more urbanized economy, however, agriculture is still an important economic factor. Other major industries include honey processing, steel fabricators, automobile shipping, power generation, and manufacturers of fiberglass insulation, cement, vinyl siding, warehousing and much more. The County comprises 939.91 square miles of the Blackland Prairie. Two major north-south interstates, I-35E and I-45, run through Ellis County, and east-west traffic is enhanced by State Highway 287. Local industry benefits from proximity to two major airports as well as railway hubs. The County is home to several institutions of higher education as well as recognized and exemplary public school districts. One of the County's two outstanding hospitals recently moved into a new, state-of-the-art facility, while the other completed a large expansion project. Although population growth has slowed, Ellis County is faring well compared to other areas in terms of housing.

According to the North Central Texas Council of Governments, the estimated population of Ellis County is 152,750. This represents a 3.21% increase from the prior year. At the last official census, Ellis County experienced a 30.8% increase from 1990 to 2000. From April 1, 2000 to July 1, 2008, the population of Ellis County has increased 33.1% compared to a 16.7% increase in the state of Texas. The most recent data from the US Census Bureau shows that of persons age 25+, 77.8% in Ellis County are high school graduates compared to the state rate of 75.7%. 17.1% hold a bachelor's degree or higher compared to the state rate of 23.2%. The mean travel time to work for workers age 16+ is 30.3 minutes compared to the 25.4 minutes for Texas. Residents are continuing to be drawn to the County due to the small, hometown values and relaxed atmosphere combined with the close proximity to the metroplex that the County offers.

The most recent estimates from the US Census Bureau show that the median household money income in Ellis County is \$63,500 compared to the state median of \$50,049. The home ownership rate in Ellis County is 76.2% compared to the state rate of 63.8%. In Ellis County, 9.8% of the population is below the poverty level compared to the state rate of 15.8%. These statistics clearly show that the economic condition in Ellis County makes the area attractive.

Taxable property value increased from \$9,530,412,272 in 2007 to \$10,287,862,182 in 2008. Past aggressive tax abatement policies will continue to pay dividends for the taxing jurisdictions in the future. The tax abatement on the 2008 assessed value is \$311,832,234.

Based on current projections by the North Central Texas Council of Governments, the County is expected to continue to grow. They estimate the population in 2010 to be 180,617, in 2015 to be 241,778, in 2020 to be 329,476, in 2025 to be 378,161 and in 2030 to be 448,588. These estimates were based on 2000 Census numbers and will be adjusted after the 2010 census counts. My anticipation is that these numbers will be adjusted downward. The continual growth in population, while having a positive impact on the local economic community as a whole, will continue to present real challenges for the County government. If the County is to continue to provide the level of service it has established, it will need to explore all avenues of increasing revenues as well as finding more efficient ways to operate and to keep up with demands imposed by the constituents. Currently, Ellis County has one of the lower tax rates of the 254 Texas counties. Innovative leadership has enabled the County to govern effectively as well as efficiently.

## **Major Initiatives and Long Term Capital Planning**

In 2008, Ellis County purchased a tract of land in Ennis, Texas, which will serve as the future home of a satellite courthouse location. This construction is scheduled to be complete by the end of April 2010. This location has direct access from Interstate 45, enabling residents of the Eastern part of the County to have quick access to governmental services. Additionally, the detention center and justice center in Waxahachie, Texas, which were begun in prior fiscal

years, will be completed and occupied by June 2010. This will move the Waxahachie functions into a more centralized location downtown. The tax office facilities in both Waxahachie and Ennis, will have drive through service capability. When the upcoming US Census is complete, it is projected that the County will have an official county population over 125,000. This will cause additional demands on county infrastructure and facilities, as some Texas statutes only apply to counties over 125,000 Census population. Specifically, the County will have to provide a Juvenile Justice Alternative Education Program or a cooperative plan with all of the ISD's, and the County has planned to meet these infrastructure facility needs in the 2009/2010 budget. These needs will be met by building expansion on the County Farm acreage, close to US Highway 287 in Waxahachie, which will house a Juvenile Justice Alternative Education Program, vehicle storage, law enforcement training facilities and a central road and bridge storage depot

### **Financial Administration**

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

The County Auditor is the chief financial officer of the County and is responsible for substantially all County financial and accounting control functions. The Auditor's responsibilities include accounting, auditing, and financial operations. The Auditor also serves as the County Investment Officer. The Auditor does not have disbursement responsibilities.

The Commissioners Court is the governing body of the County. It has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other things, it approves the County budget, determines the County tax rate, approves contracts in the name of the County, determines whether a proposition to insure bonds should be submitted to the voters, and appoints certain County officials. The County Judge is the presiding officer of the Commissioners Court. Each Commissioner represents one of the four precincts into which the County is divided and is elected by the voters of his precinct. The County Commissioners are responsible for maintaining road and bridges, personnel and equipment for their precincts.

The Tax Collector is responsible for collecting ad valorem taxes, certain State and County fees and other revenues.

The County Treasurer is responsible for depositing money received by the County in the depository selected by the Commissioners Court. The Treasurer is also responsible for bank reconciliation and distributing disbursements.

### **Independent Audit**

State statutes do not require an annual audit by independent, certified public accountants. However, the accounting firm of Pattillo, Brown and Hill, L.L.P., was engaged by the County to perform an annual audit in accordance with local policy as well as to meet the requirements of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Nonprofit Organizations. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Ellis County, Texas' financial

statements for the period ended September 30, 2009, are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ellis County, Texas for its comprehensive annual financial report for the fiscal year ended September 30, 2008. This was the thirteenth consecutive year that this government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Auditor's Office audit staff consisting of Cheryl Chambers, Beth Allen, Linda Lake, and DeVonda Spurlock. Assistance in gathering information was obtained from numerous sources including the Ellis County Treasurer, Ellis County Judge, Ellis County Tax Assessor-Collector, Ellis County Central Appraisal District, our outside auditing firm, Pattillo, Brown and Hill, L.L.P., and the North Central Texas Council of Governments.

I would like to express my appreciation to all Ellis County Elected Officials and Department Heads for their cooperation and leadership in conducting the financial affairs of the County.

Special thanks are being extended to my staff that worked so diligently throughout the year.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael S. Navarro, CPA". The signature is fluid and cursive, with the initials "MSN" being particularly prominent.

Michael S. Navarro, CPA  
County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ellis County  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2008

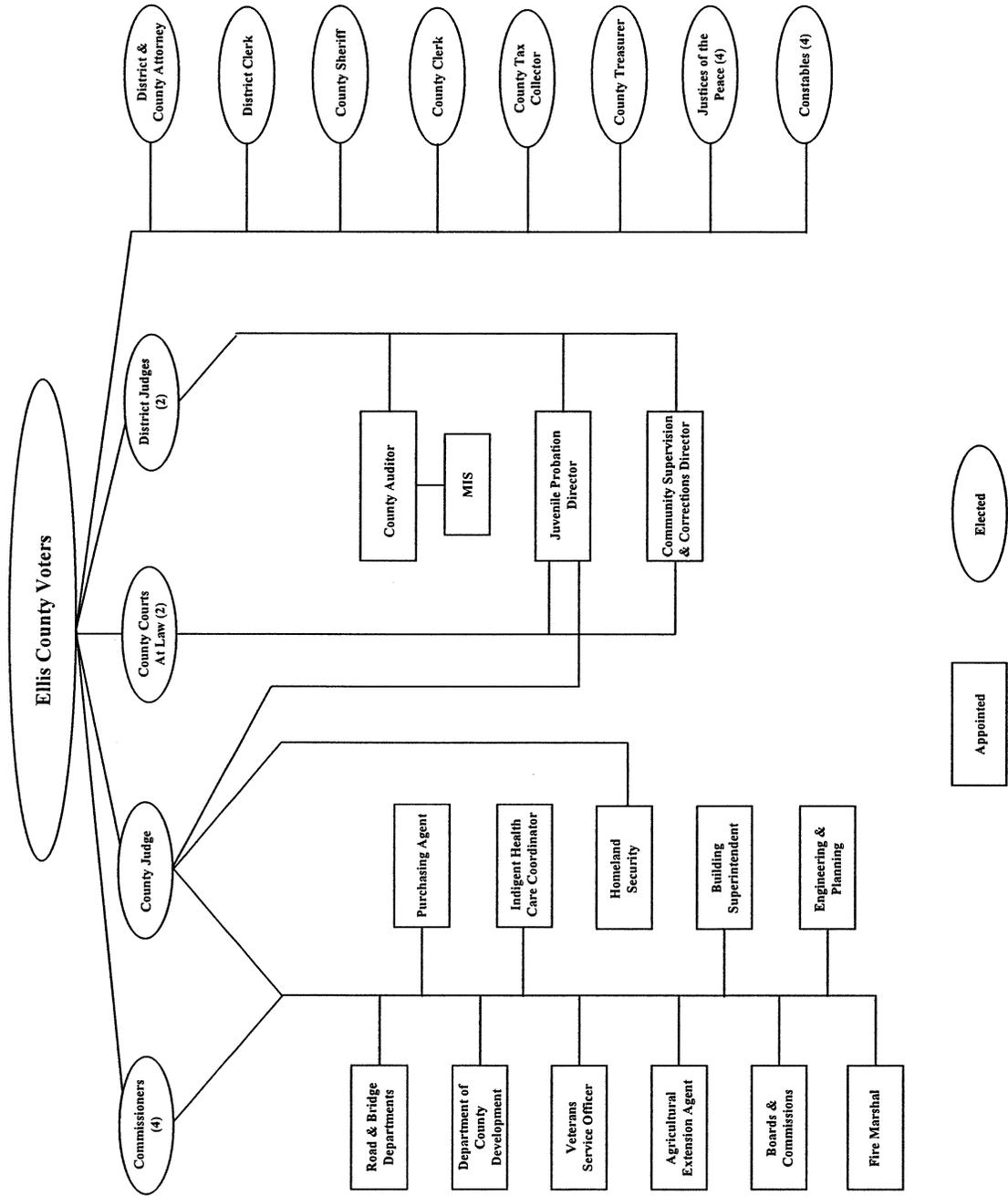
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

# ELLIS COUNTY, TEXAS ORGANIZATIONAL CHART



DIRECTORY OF PUBLIC OFFICIALS

COMMISSIONERS COURT

COUNTY JUDGE

Carol Bush

COUNTY COMMISSIONERS

Precinct 1

Dennis Robinson

Precinct 2

Bill Dodson

Precinct 3

Heath Sims

Precinct 4

Ron Brown

JUDICIAL

DISTRICT JUDGE

40<sup>th</sup> Judicial District

Gene Knize

378<sup>th</sup> Judicial District

Al Scoggins

COUNTY COURT AT LAW JUDGE I

Greg Wilhelm

COUNTY COURT AT LAW JUDGE II

Gene Calvert

JUSTICE OF THE PEACE

Precinct 1

Bill Woody

Precinct 2

Jackie Miller

Precinct 3

Curtis Polk

Precinct 4

Linda Sibley

LAW ENFORCEMENT AND LEGAL

SHERIFF

Johnny Brown

COUNTY ATTORNEY

Joe Grubbs

CONSTABLES

Precinct 1

Ben Fry

Precinct 2

Terry Nay

Precinct 3

Jimmie Ray

Precinct 4

Michael Jones

ADULT PROBATION OFFICER\*

Alfred Mims

JUVENILE PROBATION OFFICER\*

Darrin Ray

FINANCIAL ADMINISTRATION

COUNTY AUDITOR\*

Michael S. Navarro

COUNTY TREASURER

Judy Burden

TAX COLLECTOR

John Bridges

PURCHASING AGENT\*

Richard Denniston

RECORDING OFFICIALS

DISTRICT CLERK

Melanie Reed

COUNTY CLERK

Cindy Polley

\*Denotes appointed officials. All others are elected officials.

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ellis County, Texas as of and for the year ended September 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Ellis 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 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 Ellis County, Texas, as of September 30, 2009, and the respective changes in financial position thereof, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2010, on our consideration of Ellis County, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 40 through 49 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ellis County, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal 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 basic financial statements of Ellis County, Texas. The combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

March 30, 2010

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Ellis County, we offer readers of Ellis County's financial statements this narrative overview and analysis of the financial activities of Ellis County for the fiscal year ended September 30, 2009. 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-iv of this report.

### FINANCIAL HIGHLIGHTS

The assets of Ellis County exceeded its liabilities at the close of the most recent fiscal year by \$38,858,079 (*net assets*). Of this amount, \$23,232,954 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net assets increased by \$929,550.
- As of the close of the current fiscal year, Ellis County's governmental funds reported combined ending fund balances of \$50,338,618, a decrease of \$29,511,363 in comparison with the prior year. The majority of this decrease was due to capital outlay of \$30,100,343, associated with the construction of County building projects. \$47,852,438 is *available for spending* at the government's discretion (*unreserved fund balance*) in accordance with applicable laws.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$8,195,164 and 23.16% of total General Fund expenditures.
- The County's total debt decreased by \$1,672,508 (2.34%) during the current fiscal year. This decrease is attributed to principal payments made during the current fiscal year offset by the net OPEB obligation.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Ellis County's basic financial statements. Ellis County's 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 Ellis County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of Ellis 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 Ellis County is improving or deteriorating.

The *statement of activities* presents information showing how the government'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 and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Ellis 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 Ellis County include general government, public safety, roads and highways, judicial, and health and welfare.

The government-wide financial statements can be found on pages 11 – 12 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. Ellis 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 Ellis County can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term 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*.

Ellis County maintains 41 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Permanent Improvement Fund and 2007 Construction Project Fund, which are considered to be major funds. Data from the other 38 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.

Ellis County adopts an annual appropriated budget for all funds except for the Graffiti fund. A budgetary comparison statement has been provided for all budgeted funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 – 17 of this report.

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

The basic fiduciary fund financial statements can be found on page 18 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 19 – 39 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Ellis County’s progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 40 – 49 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 50 – 104 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of Ellis County, assets exceeded liabilities by \$38,858,079 at the close of the most recent fiscal year.

Ellis County’s investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is 33.8% of net assets. Ellis County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Ellis County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### Ellis County’s Net Assets

	Governmental Activities	
	2009	2008
Current and other assets	\$ 59,413,312	\$ 85,393,822
Capital assets	57,094,092	27,894,913
Total assets	<u>116,507,404</u>	<u>113,288,735</u>
Long-term liabilities	69,930,909	71,603,417
Other liabilities	7,718,416	3,757,264
Total liabilities	<u>77,649,325</u>	<u>75,360,681</u>
Net assets:		
Invested in capital assets, net of related debt	13,138,945	7,037,029
Restricted	2,486,180	1,939,499
Unrestricted	<u>23,232,954</u>	<u>28,951,526</u>
Total net assets	<u>\$ 38,858,079</u>	<u>\$ 37,928,054</u>

An additional portion of Ellis County’s net assets (6.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* \$23,232,954 may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Ellis County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

**Governmental activities.** Governmental activities increased Ellis County’s net assets by \$929,550, thereby accounting for 2.4% of the total net assets of Ellis County.

**Ellis County’s Changes in Net Assets**

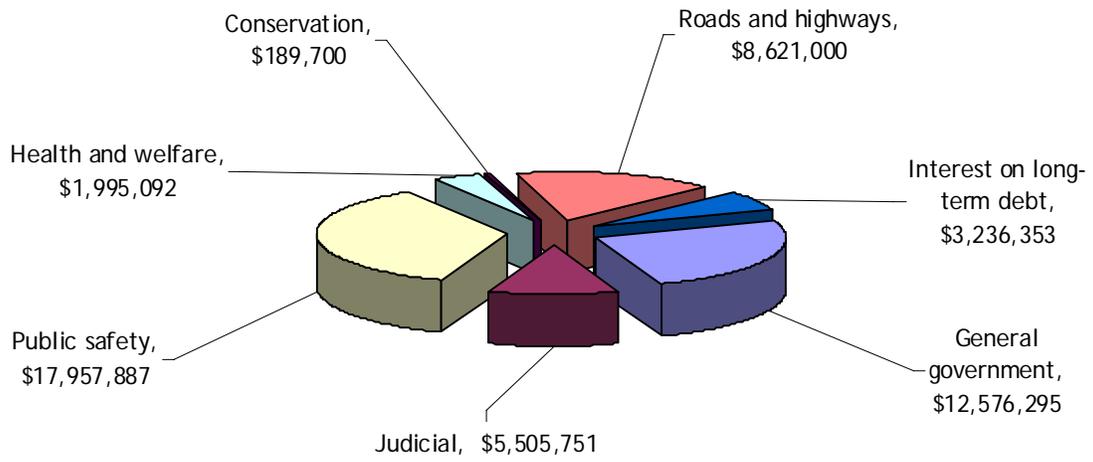
	Governmental Activities	
	2009	2008
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 8,030,039	\$ 8,409,959
Operating grants and contributions	1,408,369	1,132,539
General revenues:		
Property taxes	38,520,587	35,943,883
Investment earnings	769,177	2,999,772
Miscellaneous	2,160,005	2,050,494
Other taxes	123,451	112,250
Total Revenues	51,011,628	50,648,897
<b>EXPENSES</b>		
General government	12,576,295	11,027,372
Judicial	5,505,751	5,242,394
Public safety	17,957,887	17,125,896
Health and welfare	1,995,092	1,869,806
Conservation	189,700	196,106
Roads and highways	8,621,000	7,474,568
Interest on long-term debt	3,236,353	3,398,336
Total Expenses	50,082,078	46,334,478
<b>INCREASE (DECREASE) IN NET ASSETS</b>	929,550	4,314,419
<b>NET ASSETS, BEGINNING</b>	37,928,054	33,613,635
<b>PRIOR PERIOD ADJUSTMENT</b>	475	-
<b>NET ASSETS, ENDING</b>	\$ 38,858,079	\$ 37,928,054

Property taxes increased by \$2,576,704 (7.17%) during the year. This result is mainly due to new property on the tax rolls due to growth.

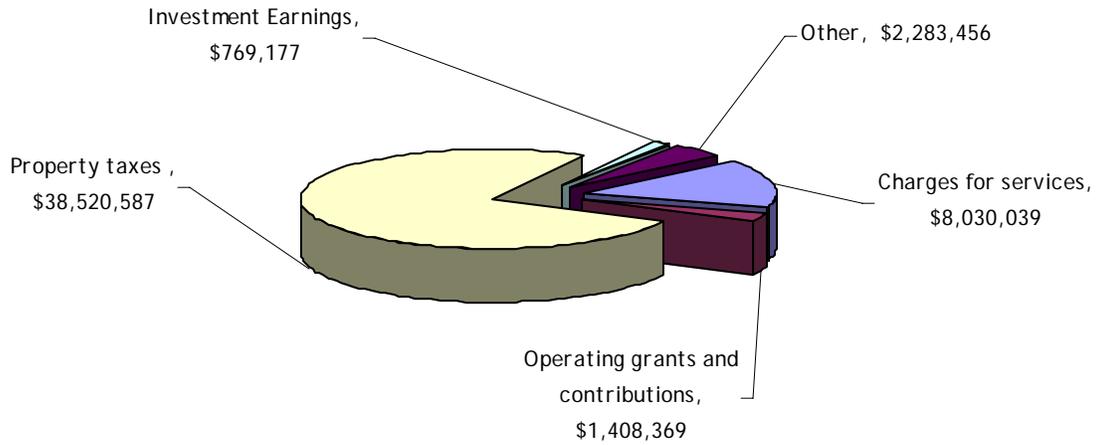
Investment income decreased primarily due to a decrease in funds available to be invested.

Expenses increased in 2009, driven by a 15.34% increase in roads and highways as well as an increase in general government expenses.

## Expenses By Source



## Revenues By Source



## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

*Governmental funds.* The focus of Ellis County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Ellis County's financing requirements. In particular, *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.

The General Fund is the chief operating fund of Ellis County. At the end of the current fiscal year, unreserved total fund balance of the General Fund was \$8,195,164. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund, expenditures. Unreserved total fund balance represents 23.16% of total General Fund expenditures.

The fund balance of Ellis County's General Fund decreased by \$536,641 during the current fiscal year. This decrease is primarily due a 6.28% increase in current year expenditures.

The Permanent Improvement Fund has an ending fund balance of \$11,358,113, a decrease of \$306,553 from the prior year. This decrease is a result from capital outlay expenditures.

The 2007 Capital Projects Fund has an ending fund balance of \$20,522,000, a decrease of \$29,386,363 from the prior year. This decrease is due to capital outlay expenditures being greater than investment earnings.

### General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$1,699,090 increase in appropriations) and can be briefly summarized as follows:

- Budgetary amendments were made to recognize an increase in juvenile detention costs, recognize federal funding and expenditures, recognize income and expenditures from Aircheck Texas, and on updating an aging patrol fleet.

### CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** Ellis County's investment in capital assets for its governmental activities as of September 30, 2009, amount to \$57,094,092 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and system improvements, and machinery and equipment.

**Ellis County's Capital Assets  
(net of depreciation)**

	Governmental Activities	
	2009	2008
Land	\$ 2,319,448	\$ 2,318,548
Construction work in progress	34,303,599	4,419,710
Buildings and improvements	16,599,936	17,418,017
Machinery and equipment	3,871,109	3,738,638
Total	\$ 57,094,092	\$ 27,894,913

The County had the following additions to fixed asset:

Addition to construction in progress for stage one of building projects	\$ 30,004,998
Addition to land for stage one of building projects	6,000
Purchase of vehicles and equipment	1,005,327

Additional information on Ellis County's capital assets can be found in note 4 on pages 30 – 31 of this report.

**Long-term debt.** At the end of the current fiscal year, Ellis County had total debt outstanding of \$69,930,909.

**Ellis County's Outstanding Debt  
General Obligation Bonds**

General Obligation Bonds	\$ 53,953,794
Refunding Bonds 2002	13,416,024
Capital Lease	128,320
Total	\$ 67,498,138

The County also had vacation payable of \$1,695,542 and net OPEB obligation of \$737,229.

The County's overall debt decreased from the prior year due to principal payments made during the fiscal year. Additionally, interest accrued on capital appreciation bonds held by the County in the amount of \$236,131.

Ellis County's bond rating is "AA-" rating from Fitch and an "Aa3" rating from Moody's.

Additional information on Ellis County's long-term debt can be found in note 4 on pages 31 – 33 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Based on current projections by the North Central Texas Council of Governments, Ellis County is once again expected to continue to grow. This growth, while having a positive impact on the local economic community as a whole, presents real challenges for the County government. If the County is to continue to provide the level of service it has established, it will need to explore all avenues of incoming revenue, as well as finding more efficient ways to operate and to keep up with the demands imposed by the constituents.
- When the US Census is complete, it is projected that the County will have an official county population over 125,000. This will cause additional demands on county infrastructure and facilities, as some Texas statutes only apply to counties over 125,000 Census population. Specifically, the County will have to provide a Juvenile Justice Alternative Education Program or a cooperative plan with all of the ISD's, and the County has planned to meet these infrastructure facility needs in the 2009/2010 budget.
- January 2010 total employment in Ellis County is 66,099, which represents a 1.6 percent increase from January 2009. State of Texas employment increased 0.5 percent during the same period.
- The unemployment rate in January 2010 for Ellis County was 8.4 percent, up from 7.0 percent in January 2009. State of Texas unemployment rate for January 2010 was 8.2 percent, up from 6.4 percent in January 2010.
- Ellis County is 94<sup>th</sup> of 254 Texas counties in average per capita income, and the most recent population data shows the County to be the 16<sup>th</sup> fastest growing Texas county.
- Estimated Revenue for fiscal year 2010 is \$35,309,986 for the General Fund, and estimated expenditures are \$35,309,986.

All of these factors were considered in preparing Ellis County's budget for the 2010 fiscal year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Ellis County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Michael S. Navarro, CPA, Ellis County Auditor's office, 101 West Main, Suite 301, Waxahachie, Texas 75165.

**ELLIS COUNTY, TEXAS**  
**STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2009**

	Primary Government
	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 56,824,807
Receivables, net of allowances for uncollectibles	
Taxes	1,161,053
Other	989,458
Deferred Charges	437,994
Capital assets:	
Land	2,319,448
Buildings and improvements	37,416,573
Furniture and equipment	11,997,114
Construction in progress	34,303,599
Accumulated depreciation	( 28,942,642)
Total capital assets, net of accumulated depreciation	57,094,092
 Total assets	 116,507,404
<b>LIABILITIES</b>	
Accounts payable	6,502,066
Accrued liabilities	728,146
Accrued interest	488,204
Noncurrent liabilities:	
Due within one year	3,413,752
Due in more than one year	66,517,157
Total liabilities	77,649,325
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	13,138,945
Restricted for:	
Debt service	2,486,180
Unrestricted	23,232,954
 Total net assets	 \$ 38,858,079

**The notes to the financial statements are an integral part of this statement.**

**ELLIS COUNTY, TEXAS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
<b>Primary Government:</b>					
Governmental Activities:					
General government	\$ 12,576,295	\$ 2,840,425	\$ 829,914	\$ -	\$( 8,905,956)
Judicial	5,505,751	2,266,515	72,459	-	( 3,166,777)
Public safety	17,957,887	650,674	13,535	-	( 17,293,678)
Health and welfare	1,995,092	-	-	-	( 1,995,092)
Conservation	189,700	-	-	-	( 189,700)
Roads and highways	8,621,000	2,272,425	492,461	-	( 5,856,114)
Interest on long-term debt	3,236,353	-	-	-	( 3,236,353)
Total governmental activities	<u>50,082,078</u>	<u>8,030,039</u>	<u>1,408,369</u>	<u>-</u>	<u>( 40,643,670)</u>
Total primary government	<u>\$ 50,082,078</u>	<u>\$ 8,030,039</u>	<u>\$ 1,408,369</u>	<u>\$ -</u>	<u>\$( 40,643,670)</u>
General Revenues:					
Taxes:					
Property taxes, levied for general purposes					\$ 32,142,582
Property taxes, levied for debt service					6,378,005
Other taxes					123,451
Miscellaneous					2,160,005
Investment earnings					769,177
Total general revenues					<u>41,573,220</u>
Change in net assets					929,550
Net assets, beginning					<u>37,928,054</u>
Prior period adjustment					<u>475</u>
Net assets, ending					<u>\$ 38,858,079</u>

**The notes to the financial statements are an integral part of this statement.**

**ELLIS COUNTY, TEXAS**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2009**

	<u>General</u>	<u>Permanent Improvement</u>	<u>2007 Capital Projects</u>
<b>ASSETS</b>			
Cash and investments	\$ 9,143,137	\$ 11,480,302	\$ 25,637,269
Receivables, net of allowances for uncollectibles:			
Taxes receivable	811,243	-	-
Due from other funds	675	-	-
Accounts receivable	<u>554,831</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>10,509,886</u>	\$ <u>11,480,302</u>	\$ <u>25,637,269</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 986,567	\$ 122,189	\$ 5,115,269
Accrued liabilities	642,785	-	-
Due to other funds	7,071	-	-
Deferred revenue	<u>678,299</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,314,722</u>	<u>122,189</u>	<u>5,115,269</u>
Fund balances:			
Reserved for debt service	-	-	-
Unreserved, reported in:			
General fund	8,195,164	-	-
Capital projects	-	11,358,113	20,522,000
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>8,195,164</u>	<u>11,358,113</u>	<u>20,522,000</u>
Total liabilities and fund balances	\$ <u>10,509,886</u>	\$ <u>11,480,302</u>	\$ <u>25,637,269</u>

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

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

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

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 notes to the financial statements are an integral part of this statement.**

Other Governmental Funds	Total Governmental Funds
\$ 10,564,099	\$ 56,824,807
349,810	1,161,053
16,240	16,915
-	554,831
\$ <u>10,930,149</u>	\$ <u>58,557,606</u>
\$ 278,041	\$ 6,502,066
85,361	728,146
9,844	16,915
293,562	971,861
666,808	8,218,988
2,486,180	2,486,180
-	8,195,164
1,602,041	33,482,154
6,175,120	6,175,120
10,263,341	50,338,618
\$ <u>10,930,149</u>	
	57,094,092
	1,445,137
	( 70,019,768)
	\$ <u>38,858,079</u>

**ELLIS COUNTY, TEXAS**

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

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>General</u>	<u>Permanent Improvement</u>	<u>2007 Capital Projects</u>
<b>REVENUES</b>			
Taxes	\$ 27,351,198	\$ -	\$ -
Intergovernmental	350,881	-	-
Licenses and permits	-	-	-
Fees of office	3,489,345	-	-
Fines and forfeitures	1,757,550	-	-
Interest earnings	152,087	87,584	451,515
Other	<u>1,665,783</u>	<u>-</u>	<u>-</u>
Total revenues	<u>34,766,844</u>	<u>87,584</u>	<u>451,515</u>
<b>EXPENDITURES</b>			
Current:			
General government	10,912,362	131,672	-
Judicial	5,043,565	-	-
Public safety	17,249,804	-	-
Health and welfare	1,989,696	-	-
Conservation	182,587	-	-
Roads and highways	-	-	-
Capital outlay	-	262,465	29,837,878
Debt service:			
Principal	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>35,378,014</u>	<u>394,137</u>	<u>29,837,878</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 611,170)</u>	<u>( 306,553)</u>	<u>( 29,386,363)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from capital lease	-	-	-
Transfers in	81,600	-	-
Transfers out	<u>(7,071)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>74,529</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>( 536,641)</u>	<u>( 306,553)</u>	<u>( 29,386,363)</u>
<b>FUND BALANCES, BEGINNING</b>	<u>8,731,805</u>	<u>11,664,666</u>	<u>49,908,363</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 8,195,164</u>	<u>\$ 11,358,113</u>	<u>\$ 20,522,000</u>

**The notes to the financial statements are an integral part of this statement.**

Other Governmental Funds	Total Governmental Funds
\$ 11,518,017	\$ 38,869,215
1,147,846	1,498,727
2,171,078	2,171,078
368,973	3,858,318
377,463	2,135,013
77,991	769,177
494,222	2,160,005
<u>16,155,590</u>	<u>51,461,533</u>
746,418	11,790,452
342,441	5,386,006
125,541	17,375,345
-	1,989,696
-	182,587
8,354,654	8,354,654
-	30,100,343
2,923,749	2,923,749
<u>3,038,471</u>	<u>3,038,471</u>
<u>15,531,274</u>	<u>81,141,303</u>
<u>624,316</u>	<u>( 29,679,770)</u>
168,407	168,407
148,508	230,108
<u>(223,037)</u>	<u>( 230,108)</u>
<u>93,878</u>	<u>168,407</u>
718,194	( 29,511,363)
<u>9,545,147</u>	<u>79,849,981</u>
<u>\$ 10,263,341</u>	<u>\$ 50,338,618</u>

**ELLIS COUNTY, TEXAS**

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Amounts reported for governmental activities in the Statement of Activities (page 12) are different because:

Net change in fund balances - total governmental funds (page 16)	\$( 29,511,363)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	29,198,704
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	( 449,905)
The issuance of long-term debt (e.g., bonds, leases) 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,773,985
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.	<u>( 1,081,871)</u>
Change in net assets of governmental activities (page 12)	<u>\$ 929,550</u>

**The notes to the financial statements are an integral part of this statement.**

**ELLIS COUNTY, TEXAS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2009**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ <u>7,584,707</u>
Total assets	\$ <u><u>7,584,707</u></u>
<b>LIABILITIES</b>	
Due to other governments	\$ 2,109,473
Due to beneficiaries	<u>5,475,234</u>
Total liabilities	\$ <u><u>7,584,707</u></u>

The notes to the financial statements are an integral part of this statement.

# ELLIS COUNTY, TEXAS

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Ellis County is a political subdivision of the State of Texas. The County provides a full range of services authorized by statute. Such services include general governmental services such as recording and licensing, maintaining the County and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining County roads and bridges. As required by generally accepted accounting principles, these financial statements present 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 operations and so data from those 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. Ellis County has neither of these items. The Commissioners' Court, consisting of four Commissioners and the County Judge, all elected by the voters of Ellis County, is the policy-making body of the County, which operates under provisions of state statutes.

#### B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenue, fines and fees are reported separately from business-type activities, which rely primarily on fees and charges from services provided for support. Ellis County has no business type activities.

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

The fund financial statements provide information about the County's funds. The emphasis of fund financial statements is on major governmental and non-major governmental funds each displayed in a separate column.

(continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. The County has no proprietary funds at this time. The agency funds of the County have no measurement focus. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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.

The government reports the following major governmental funds:

The **General Fund** is the primary operating fund to the County. All general tax revenues and other receipts that are not allocated by law, by budget or by contractual agreement to some other fund are accounted for in this fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid from the General Fund. This is considered the major governmental fund of the County.

The **Permanent Improvement Fund** is used to account for the renovation of existing county buildings as well as for planning for future county facility needs. It is the primary capital projects fund for the County.

The **2007 Construction Project Fund** is used to account for the construction of a Detention Center, Parking Garage, and Justice Center to house courts and related functions. Financing is provided primarily by the sale of general obligation bonds.

(continued)

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

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

Additionally, the government reports the following fund types:

Governmental Funds:

**Special Revenue Funds** – *Special Revenue Funds* account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specific purposes. Included as a Special Revenue Fund is the Road and Bridge Fund which accounts for revenues and expenditures specifically designated for the maintenance and construction of County roads and bridges.

**Debt Service Funds** – The *Debt Service Funds* account for the accumulation of resources for, and payment of interest and principal on, the County's general long-term bonded debt.

**Capital Projects Funds** – The *Capital Projects Funds* account for all resources used in the acquisition and construction of major capital facilities other than road and bridge maintenance and construction.

Fiduciary Funds:

**Trust and Agency Funds** – *Trust and Agency Funds* account for assets held by the County in a trustee, custodian, or agent capacity. The Funds are accounted for in essentially the same manner as governmental funds. The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. County offices such as the treasurer, tax collector, county attorney, sheriff, district clerk, county clerk, justice of the peace and juvenile and adult probations have trust accounts.

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

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

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

**Deposits and Investments**

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

(continued)

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

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

**Deposits and Investments** (Continued)

Statutes authorize the County to invest in (1) obligations of the U. S. Treasury, certain U. S. Agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

Investments for the County are reported at fair value in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund's financial statement of activity or statement of revenues, expenditures and changes in fund balance.

**Receivables and Payables**

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

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 25% of outstanding property taxes at September 30, 2009.

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

(continued)

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

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

**Capital Assets**

GASB Statement 34 requires the County to report and depreciate new infrastructure assets effective with the fiscal year ended September 30, 2006. 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. The retroactive reporting of infrastructure is subject to an extended implementation period and is first required for the fiscal year ending in 2007.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Improvements	20-50
Equipment	5-20
Infrastructure (streets and drainage)	35-50

**Compensated Absences**

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements. The general fund typically has been used in prior years to liquidate the liability for compensated absences.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. The government has no business-type activities.

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.

(continued)

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

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

**Fund Equity**

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

**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.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in the General, Special Revenue and Capital Projects Funds. At the end of September 30, 2009, encumbrances lapsed and were subject to reappropriation in the budget of the subsequent year.

**Insurance**

The County maintains third party insurance coverage for general liability, property, automobile liability, public official liability and worker's compensation. The County also provides group health insurance coverage for fulltime employees. There was no significant change in coverage from the prior year. Settlements have not exceeded insurance coverage for each of the past four fiscal years.

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.”

(continued)

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

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

The details of this \$70,019,768 difference are as follows:

Capital Leases, Tax Anticipation Notes, and Certificates of Obligation	\$ 66,232,236
Accreted interest payable	1,354,761
Net OPEB obligation	737,229
Compensated absences	<u>1,695,542</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ 70,019,768</u>

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

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental fund* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$29,198,704 difference are as follows:

Capital outlay (includes \$915,982 not classified as capital expenditures on the fund statements)	\$ 31,016,325
Disposals	( 13,465)
Depreciation expense	<u>( 1,804,156)</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>\$ 29,198,704</u>

Another element of that reconciliation states, “The issuance of long-term debt (e.g., bonds, leases) 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. The details of this \$2,773,985 difference are as follows:

Capital lease and bond payments	\$ 2,942,392
Proceeds from issuance of capital lease	<u>(168,407)</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>\$ 2,773,985</u>

(continued)

### 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### Budgetary Information

Annual budgets, as required by state statute, are adopted on a basis consistent with generally accepted accounting principles for all governmental funds, except the Trust and Agency Funds. All annual appropriations lapse at year-end.

The government's department heads may make transfers of appropriations within a department. Transfers of appropriation between departments require the approval of the governing council. The legal level of control is exercised at the department level. The Graffiti Fund does not have a legally adopted budget. State law provides that amendments approved by the Commissioners' Court may be made to the original budget provided that funds are available for the added disbursements. The original approved budget is issued in a separate report. Reported budgeted amounts reflect the budget as originally adopted and all budget amendments approved by the Commissioners' Court.

### 4. DETAILED NOTES ON ALL FUNDS

#### Deposits and Investments

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

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

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

(continued)

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

##### Deposits and Investments (Continued)

In compliance with the **Public Funds Investment Act**, the County has adopted a deposit and investment policy. That policy does address the following risks:

*Interest Rate Risk:* In accordance with the County's investment policy, the County manages its exposure to declines in fair values by limiting the maximum allowable stated maturity of any individual investment to two years and the weighted average maturity of its pooled investments to 90 days or less, dependent on market conditions.

*Custodial Credit Risk:* In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2009, all of the County's \$14,014,397 deposit balance was covered by FDIC insurance or collateralized with securities held by the pledging financial institution.

*Credit Risk:* It is the County's policy to limit investments to investment types with an investment quality rating no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days. The County's investments were rated AAAM by Standard and Poor's Investors Services

*Concentration of Credit Risk:* The government's investment policy requires the County to diversify its portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investments.

Under provisions of state and local statutes, the County's investment policies, and provisions of the County's depository contracts with an area financial institution, the County is authorized to place available deposits and investments in the following:

1. Obligations of the U. S., its agencies and instrumentalities;
2. Certificates of Deposit issued by state and national banks or savings or loan associations domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation or collateralized in accordance with Section 2256.09, the Texas Government Code;
3. Commercial paper that has a maturity of 270 days or less and is rated at least an A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state;

(continued)

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

**Deposits and Investments** (Continued)

4. No-load money market mutual funds; and
5. TexPool, Lone Star Investment Pool, Tex Star, Investors Cash Trust and MBIA Class.

As of September 30, 2009, the County had the following investments:

	<u>Fair Amount</u>	<u>Weighted Average Maturity (Days)</u>
<b>General Fund</b>		
Lone Star Pool	\$ 4,437,854	28
MBIA - Investment Pool	5,151,869	31
TEXSTAR	1,604,308	34
Investors' Cash Trust - MMM	108,066	48
Total general fund	<u>11,302,097</u>	
<b>Permanent Improvement Fund</b>		
Lone Star Pool	922,807	28
Investors' Cash Trust - MMM	479,716	41
TEXSTAR	9,957,031	34
Total Permanent Improvement Fund	<u>11,359,554</u>	
<b>Series 2007 Construction Fund</b>		
Lone Star Pool	5,428,704	28
MBIA - Investment Pool	8,935,395	31
Investors' Cash Trust - MMM	4,882,046	48
TEXSTAR	1,241,230	34
Total Series 2007 Construction Fund	<u>20,487,375</u>	
<b>Nonmajor Funds</b>		
Lone Star Pool	3,572,220	28
Investors' Cash Trust - MMM	1,742,038	48
TEXSTAR	839,306	34
MBIA - Investment Pool	989,805	31
Total nonmajor funds	<u>7,143,369</u>	
<b>Agency Funds</b>		
Lone Star Pool	1,111	28
Investors Cash Trust - MMM	30,437	48
Total Agency Funds	<u>31,548</u>	
<b>Totals</b>		
Investments Not Subject to Categorization		
Investments Pools/MM	<u>50,323,943</u>	
Totals	<u>\$ 50,323,943</u>	

(continued)

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

**Property Tax**

Property taxes attach as liens on property as of January 1. Taxes are levied on October 1, are due by January 31 and become delinquent on February 1. County property tax revenues are recognized when levied to the extent that they result in available spendable resources. The County is permitted by the Municipal Finance Law of the state to levy taxes up to \$.80 per \$100 of assessed valuation for general government services, permanent improvement, road and bridge and jury fund purposes other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. The combined tax-rate to finance general government services, permanent improvements, road and bridge and jury fund purposes including payment of principal and interest on long-term debt for the year ended September 30, 2009, was \$.393599 per \$100 of assessed valuation.

- (1) The County's Tax Collector acts as an agent in the billing and collecting of taxes for other taxing authorities. These transactions are recorded in an agency account.
- (2) The tax rates for the County, computed per \$100 from the present taxable assessed valuation of \$10,287,862,182 for 2008, which funds 2009 is as follows:

General Maintenance and Operations Rate:	
Interest and Sinking (Debt Rate)	\$0.065089
Operations Rate	0.295002
Farm to Market Rate	<u>0.033508</u>
Total Tax Rate	<u>\$0.393599</u>

**Receivables**

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

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:			
Taxes	\$ 1,081,657	\$ 466,410	\$ 1,548,067
Accounts receivable	554,831	-	554,831
Gross receivables	<u>1,636,488</u>	<u>466,410</u>	<u>2,102,898</u>
Less: allowance for uncollectibles	<u>270,414</u>	<u>116,600</u>	<u>387,014</u>
Net Total Receivables	<u>\$ 1,366,074</u>	<u>\$ 349,810</u>	<u>\$ 1,715,884</u>

(continued)

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

**Receivables** (Continued)

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

	<u>Unavailable</u>	<u>Total</u>
General fund:		
Delinquent property taxes receivable	\$ 678,299	\$ 678,299
Nonmajor funds:		
Delinquent property taxes receivable	<u>293,562</u>	<u>293,562</u>
Governmental Funds	<u>\$ 971,861</u>	<u>\$ 971,861</u>

**Capital Assets**

Capital asset activity for the year ended September 30, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Prior Period Adjustment</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 2,318,548	\$ 6,000	\$ 5,100	\$ -	\$ 2,319,448
Construction work in progress	<u>4,419,710</u>	<u>30,004,998</u>	<u>-</u>	<u>( 121,109)</u>	<u>34,303,599</u>
Total capital assets, not being depreciated	<u>6,738,258</u>	<u>30,010,998</u>	<u>5,100</u>	<u>( 121,109)</u>	<u>36,623,047</u>
Capital assets, being depreciated:					
Buildings and improvements	37,416,573	-	-	-	37,416,573
Machinery and equipment	<u>11,139,568</u>	<u>1,005,327</u>	<u>417,967</u>	<u>270,186</u>	<u>11,997,114</u>
Total capital assets, being depreciated	<u>48,556,141</u>	<u>1,005,327</u>	<u>417,967</u>	<u>270,186</u>	<u>49,413,687</u>
Less accumulated depreciation for:					
Buildings and improvements	19,998,556	818,081	-	-	20,816,637
Machinery and equipment	<u>7,400,930</u>	<u>986,075</u>	<u>409,602</u>	<u>148,602</u>	<u>8,126,005</u>
Total accumulated depreciation	<u>27,399,486</u>	<u>1,804,156</u>	<u>409,602</u>	<u>148,602</u>	<u>28,942,642</u>
Total capital assets, being depreciated, net	<u>21,156,655</u>	<u>( 798,829)</u>	<u>8,365</u>	<u>121,584</u>	<u>20,471,045</u>
Governmental activities capital assets, net	<u>\$ 27,894,913</u>	<u>\$ 29,212,169</u>	<u>\$ 13,465</u>	<u>\$ 475</u>	<u>\$ 57,094,092</u>

(continued)

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

**Capital Assets (Continued)**

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

Governmental activities:	
General government	\$ 450,115
Judicial	3,664
Public safety	868,453
Health and welfare	5,396
Conservation	6,511
Roads and highways	<u>470,017</u>
Total depreciation expense - governmental activities	<u>\$ 1,804,156</u>

**Capital Leases**

The assets acquired through capital leases are as follows:

Asset:	<u>Activities</u>
Machinery and equipment	\$ 534,556
Less: Accumulated depreciation	<u>100,702</u>
Total	<u>\$ 433,854</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2009, were as follows:

<u>Year Ending September 30</u>	<u>Activities</u>
2010	\$ 46,541
2011	46,541
2012	<u>46,542</u>
Total minimum lease payments	139,624
Less: amount representing interest	<u>11,304</u>
Present value of minimum lease payments	<u>\$ 128,320</u>

**Long-term Debt**

**Long-term Debt Walk-forward**

	Payable Amounts Outstanding 10/01/08	Issued	Retired	Accretion	Outstanding 09/30/09
General obligation bonds	\$ 55,255,000	\$ -	\$ 1,730,000	\$ -	\$ 53,525,000
Premium on issuance	447,437	-	18,643	-	428,794
Refunding bonds	14,279,893	-	1,100,000	236,131	13,416,024
Capital leases	53,662	168,407	93,749	-	128,320
Net OPEB obligation	-	824,253	87,024	-	737,229
Compensated absences	<u>1,567,425</u>	<u>1,721,843</u>	<u>1,593,726</u>	<u>-</u>	<u>1,695,542</u>
Totals	<u>\$ 71,603,417</u>	<u>\$ 2,714,503</u>	<u>\$ 4,623,142</u>	<u>\$ 236,131</u>	<u>\$ 69,930,909</u>

(continued)

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

##### Long-term Debt (Continued)

A summary of the changes in long-term debt for the year ended September 30, 2009, is as follows:

Description	Interest Rate Payable	Amounts Original Issue	Interest Current Year	Payable Amounts Outstanding 10/01/08	Issued	Retired	Accretion on Bonds	Outstanding 09/30/09	Amounts Due Within One Year
General Obligation, Bonds, 1998	4.0-6.0%	\$ 5,000,000	\$ 111,023	\$ 2,590,000	\$ -	\$ 470,000	\$ -	\$ 2,120,000	\$ 495,000
General Obligation, Bonds, 2007	4.0-5.25%	53,875,000	2,497,750	52,665,000	-	1,260,000	-	51,405,000	1,315,000
Premium on Issuance			-	447,437	-	18,643	-	428,794	-
General Obligation Refunding Bonds, Series 2002	3.0-5.56%	17,146,262	416,919	14,279,893	-	1,100,000	236,131	13,416,024	1,140,000
Net OPEB obligation	N/A	N/A	-	-	824,253	87,024	-	737,229	-
Compensated absences	N/A	N/A	-	1,567,425	1,721,843	1,593,726	-	1,695,542	423,886
Totals			\$ 3,025,692	\$ 71,549,755	\$ 2,546,096	\$ 4,529,393	\$ 236,131	\$ 69,802,589	\$ 3,373,886

##### **Bonds**

General Long-term Debt consists of various issues of General Obligation Bonds, Certificates of Obligation and Tax Notes; the County's accrued liability for compensated absences; and other payables such as capital leases for vehicles and equipment. General Obligation Bonds, Certificates of Obligation and Tax Notes are direct obligations of the County with the County's full faith and credit pledged towards payments of those obligations. Principal and interest payments on the County's bonded debt are secured solely by ad valorem taxes levied on all taxable property within the County.

The debt service requirements on the bonded debt is as follows:

Year Ended August 31,	General Obligations		Total Requirements
	Principal	Interest	
2010	\$ 2,950,000	\$ 2,905,713	\$ 5,855,713
2011	3,075,000	2,779,496	5,854,496
2012	3,210,000	2,643,726	5,853,726
2013	3,355,000	2,503,666	5,858,666
2014	3,510,000	2,345,112	5,855,112
2015-2019	15,396,024	12,725,412	28,121,436
2020-2024	11,120,000	7,663,650	18,783,650
2025-2029	14,090,000	4,698,075	18,788,075
2030-2032	10,235,000	1,040,250	11,275,250
Total	\$ 66,941,024	\$ 39,305,100	\$ 106,246,124

(continued)

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

**Long-term Debt** (Continued)

**Accretion on Premium Compound Interest Bonds**

A portion of the bonds sold in the Series 2002 refunding bond issue was premium compound interest bonds. These obligations have par values of \$3,181,262 and maturity values of \$7,030,000. The interest on these obligations will be paid upon maturity in the fiscal years ending September 30, 2016 through 2019. The accreted values of these bonds at September 30, 2009, are approximately \$1,354,761 accordingly, accretion on these bonds of approximately \$236,131 has been recorded in the current year.

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the County is in compliance with all significant limitations and restrictions.

**Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of September 30, 2009, is as follows:

**Due to/from other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Other governmental funds	\$ 675
Other governmental funds	General fund	7,071
Other governmental funds	Other governmental funds	9,169
		<u>\$ 16,915</u>

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

**Interfund transfers:**

	<u>Transfers In</u>		
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Transfers Out:			
General fund	\$ -	\$ 7,071	\$ 7,071
Other governmental funds	<u>81,600</u>	<u>141,437</u>	<u>223,037</u>
Total Transfers Out	<u>\$ 81,600</u>	<u>\$ 148,508</u>	<u>\$ 230,108</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.

(continued)

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

##### **Other Information**

##### **Risk Management**

Ellis County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers' compensation. The County carries commercial insurance in order to manage the above listed risks. Amounts of coverage for the above types of risk have not been subject to a significant reduction in the past year. The amounts of settlements have not exceeded insurance coverage for the past three fiscal years.

##### **Health Care Coverage**

During the year ended September 30, 2009, employees of the County were covered by a health insurance plan (the "Plan"). The County contributed 100% of the premium for each employee to the Plan. Employees, at their option, authorized payroll withholdings to pay contributions for dependents. All contributions were paid to a Preferred Provider Organization. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. The contract between the County and the licensed insurer is renewable, and terms of coverage and contribution costs are included in the contractual provisions.

The latest financial statements for the self-insurance fund are available for the year ended September 30, 2009, have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

##### **Litigation**

Various claims and lawsuits are pending against the County. The evaluation of County management is that any liability to the County relating to such claims and lawsuits will not have a material impact on the County's financial position. Historically, the County has not incurred significant losses from claims or lawsuits which arise during the ordinary course of business.

##### **Grants**

The County has received Federal and State financial assistance in the form of grants and entitlements that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agencies for expenditures disallowed under terms and conditions specified in the grant agreements. In the opinion of County management such disallowance, if any, will not be significant to the County's financial position.

(continued)

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

##### **Retirement Plan**

##### **Plan Description**

Ellis County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 586 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 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

##### **Funding Policy**

The employer has elected the annually determined contribution rate (Variable Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 9.07% for the months of the accounting year in 2008, and 9.21% for the months of the calendar year in 2009. The deposit rate payable by employee members for the calendar year 2009 is the rate of 7.00% as adopted by the governing body of the employer. The employer deposit rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

##### **Annual Pension Cost**

For the employer's accounting year ending September 30, 2009, the annual pension cost for the TCDRS plan for its employees was \$3,569,372 and the actual contributions were \$3,569,372.

(continued)

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

**Retirement Plan (Continued)**

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2007 and December 31, 2006, the basis for determining the contribution rates for calendar years 2009 and 2008. The December 31, 2008, actuarial valuation is the most recent valuation.

**Actuarial Valuation Information**

Actuarial Valuation Date	12/31/06	12/31/07	12/31/08
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, open	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period	20	15	20
Asset valuation method	long-term appreciation with adjustment	SAF: 10-year smoothed value ESF: Fund Value	SAF: 10-year smoothed value ESF: Fund Value
Actuarial Assumptions:			
Investment return (1)	8.00%	8.00%	8.00%
Projected salary increases (1)	5.3%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

(1) includes inflation at the stated rate

**Trend Information**

**For the Retirement Plan for the Employees of Ellis County**

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/07	\$ 3,039,686	100%	\$ -
9/30/08	3,348,620	100%	-
9/30/09	3,569,372	100%	-

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

Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (1) (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/06	\$ 28,653,317	\$ 32,733,226	\$ 4,079,909	87.54%	\$ 16,966,755	30.23%
12/31/07	32,661,431	37,313,401	4,651,970	87.53%	19,107,201	24.05%
12/31/08	33,735,886	41,630,132	7,894,246	81.04%	20,818,503	37.92%

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

(continued)

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

**Postemployment Health Care**

*Plan Description and Funding Policy.* In addition to the pension benefits described above, the Commissioners' Court established a medical and dental insurance benefit plan for retirees that choose to participate. The County administers this single-employer defined benefit medical and dental plan ("the Retiree Medical and Dental Plan"). The Retiree Medical and Dental Plan does not issue a publicly available financial report. Eligible retirees will be provided subsidized medical and dental insurance benefits if they meet the following conditions and elect to participate:

- Must be drawing a monthly annuity from the Texas County & District Retirement System, and who retired directly from active employment with Ellis County.
- Can continue medical and dental benefits that were in effect on date of retirement.
- No open enrollment opportunity (can drop coverage at any time, but cannot add)
- Beneficiary can continue enrollment in plan as long as is drawing monthly annuity.
- Make the following payments to the County:
  1. Retiree - \$295/month
  2. Retiree's spouse - \$295/month
  3. Retiree's dependent - \$295/month
  4. Dental - \$30/month

The County will cease insurance coverage on the retiree and dependent on the last day of the month when the retiree or dependent fails to submit the required set subsidy amount.

*Annual OPEB Cost and Net OPEB Obligation.* The County's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of accrual that is projected to recognize the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2008 as required by GASB. The annual OPEB cost for the fiscal year ending September 30, 2009, is as follows:

Fiscal Year	2009
Annual Required Contribution (ARC)	\$ 824,253
Interest on Net OPEB Obligation	-
Adjustment to the ARC	-
Annual OPEB Cost	824,253
Contributions Made	( 87,024)
Increase in Net OPEB Obligation	737,229
Net OPEB Obligation, beginning of year	-
Net OPEB Obligation, ending of year	\$ 737,229
Percentage of ARC contribution	10.6%

(continued)

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

**Postemployment Health Care (Continued)**

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2009 are as follows. This information is not included for fiscal years 2008 and 2007 due to fiscal year 2009 being a transition year of the implementation of GASB Statement 45.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
09/30/2009	\$ 824,253	10.6%	\$ 737,229

*Funded Status and Funding Progress.* The funding status of the County's retiree health care plan, under GASB Statement No. 45 as of December 31, 2007 is as follows:

<u>Actuarial Valuation Date</u>	<u>12/31/2007</u>
Actuarial value of assets	\$ -
Actuarial accrued liabilities (AAL)	5,811,749
Unfunded actuarial accrued liability (UAAL)	5,811,749
Funded ratio	0.00%
Covered payroll (active plan members)	20,818,503
UAAL as a percentage of covered payroll	27.92%

Actuarial valuations of an ongoing plan involve estimates of the value reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. A schedule of funding progress presents multi-trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. A schedule of funding progress is not available in year of implementation of GASB Statement 45.

**Employee Benefits Plan**

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

(continued)

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

**Employee Benefits Plan** (Continued)

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

**Actuarial Methods and Assumptions**

Investment rate of return	4.5% net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level as a percentage of payroll
Growth Rate	3.0% per annum

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the County's retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Prior Period Adjustment**

A prior period adjustment in the amount of \$475 was made on the government-wide financial statements to capitalize \$149,077 of software costs and record \$148,602 of accumulated depreciation. The original cost of the software was \$270,186, of which \$121,109 was previously capitalized in Construction in Progress.

**ELLIS COUNTY, TEXAS**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Ad valorem tax	\$ 27,644,957	\$ 27,644,957	\$ 27,227,747	\$( 417,210)
Mixed drink tax	110,000	110,000	123,451	13,451
Total taxes	<u>27,754,957</u>	<u>27,754,957</u>	<u>27,351,198</u>	<u>( 403,759)</u>
Intergovernmental:				
State - hazardous waste fees	160,000	160,000	72,699	( 87,301)
Other	206,442	224,710	278,182	53,472
Total intergovernmental	<u>366,442</u>	<u>384,710</u>	<u>350,881</u>	<u>( 33,829)</u>
Fees of Office:				
District Clerk	406,000	406,000	369,543	( 36,457)
County Clerk	1,321,500	1,321,500	1,219,029	( 102,471)
Sheriff	240,200	240,200	228,655	( 11,545)
County Attorney	67,350	72,890	71,025	( 1,865)
Tax Collector	704,250	704,250	753,855	49,605
County Court-At-Law	157,700	157,700	156,683	( 1,017)
Justice of the Peace, Precinct #1	53,300	53,300	52,173	( 1,127)
Justice of the Peace, Precinct #2	97,700	97,700	86,745	( 10,955)
Justice of the Peace, Precinct #3	19,000	19,000	18,798	( 202)
Justice of the Peace, Precinct #4	74,500	74,500	62,169	( 12,331)
Constable, Precinct #1	50,000	50,000	55,156	5,156
Constable, Precinct #2	111,000	111,000	98,822	( 12,178)
Constable, Precinct #3	41,000	41,000	26,309	( 14,691)
Constable, Precinct #4	65,800	65,800	73,748	7,948
Elections	17,050	17,050	5,467	( 11,583)
Public Works Administration	328,100	328,100	211,168	( 116,932)
Total Fees of Office	<u>3,754,450</u>	<u>3,759,990</u>	<u>3,489,345</u>	<u>( 270,645)</u>
Fines and forfeitures	<u>2,166,000</u>	<u>2,166,000</u>	<u>1,757,550</u>	<u>( 408,450)</u>
Interest earnings	<u>468,600</u>	<u>468,600</u>	<u>152,087</u>	<u>( 316,513)</u>
Miscellaneous:				
Jail pay phone commission	90,000	90,000	75,300	( 14,700)
Miscellaneous	629,400	1,529,512	1,590,483	60,971
Total miscellaneous	<u>719,400</u>	<u>1,619,512</u>	<u>1,665,783</u>	<u>46,271</u>
Total revenues	<u>\$ 35,229,849</u>	<u>\$ 36,153,769</u>	<u>\$ 34,766,844</u>	<u>\$( 1,386,925)</u>

(continued)

**ELLIS COUNTY, TEXAS**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
County Clerk:				
Salaries	\$ 625,173	\$ 625,173	\$ 604,941	\$ 20,232
Benefits	231,070	231,070	224,342	6,728
Supplies	22,000	18,414	11,165	7,249
Capital outlay	1,500	1,659	159	1,500
Other	29,200	32,627	32,627	-
Total County Clerk	<u>908,943</u>	<u>908,943</u>	<u>873,234</u>	<u>35,709</u>
County Judge:				
Salaries	122,641	122,641	122,641	-
Benefits	33,794	34,791	34,791	-
Supplies	5,500	3,662	3,662	-
Other	22,400	23,241	13,242	9,999
Total County Judge	<u>184,335</u>	<u>184,335</u>	<u>174,336</u>	<u>9,999</u>
Juvenile Services:				
Salaries	284,824	285,747	285,747	-
Benefits	144,271	197,991	197,991	-
Supplies	5,000	4,978	4,978	-
Capital outlay	6,000	21,951	21,951	-
Other	49,950	46,137	46,137	-
Juvenile detention service	495,597	582,005	582,005	-
Nonresidential	72,000	103,217	103,217	-
Total Juvenile Services	<u>1,057,642</u>	<u>1,242,026</u>	<u>1,242,026</u>	<u>-</u>
Department of Development:				
Salaries	476,245	476,245	473,032	3,213
Benefits	168,490	168,090	165,112	2,978
Supplies	5,000	4,500	3,999	501
Capital outlay	1,000	5,414	5,191	223
Other	11,100	10,800	8,139	2,661
Automobile	20,000	17,800	12,274	5,526
Total Department of Development	<u>681,835</u>	<u>682,849</u>	<u>667,747</u>	<u>15,102</u>
Veterans Services:				
Salaries	30,355	30,355	26,088	4,267
Benefits	6,896	6,918	6,918	-
Supplies	400	378	131	247
Other	1,200	1,200	353	847
Total Veterans Services	<u>38,851</u>	<u>38,851</u>	<u>33,490</u>	<u>5,361</u>
Commissioners' Court:				
Salaries	353,820	353,820	352,820	1,000
Benefits	93,209	93,459	92,097	1,362
Supplies	600	600	482	118
Other	1,600	1,350	674	676
Total Commissioners' Court	<u>\$ 449,229</u>	<u>\$ 449,229</u>	<u>\$ 446,073</u>	<u>\$ 3,156</u>

(continued)

**ELLIS COUNTY, TEXAS**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>GENERAL GOVERNMENT (Continued)</b>				
Community Supervision/Corrections:				
Capital outlay	\$ 1,500	\$ 1,500	\$ 260	\$ 1,240
Utilities	600	600	142	458
Total Community Supervision/Correction	<u>2,100</u>	<u>2,100</u>	<u>402</u>	<u>1,698</u>
Nondepartmental:				
Payroll insurance expense	513,838	504,136	504,136	-
Other	403,230	1,328,505	1,328,505	-
Organizational dues/subscriptions	189,000	146,027	146,027	-
Comprehensive insurance	305,000	235,647	235,647	-
Tax appraisal fee	426,866	410,991	410,991	-
Legal/professional fees	60,000	101,550	101,550	-
Lawsuit settlement	15,000	220	220	-
Total Nondepartmental	<u>1,912,934</u>	<u>2,727,076</u>	<u>2,727,076</u>	<u>-</u>
Purchasing:				
Salaries	131,864	131,864	131,864	-
Benefits	42,015	42,015	41,001	1,014
Capital outlay - for all departments	400	1,200	1,200	-
Other	23,300	30,700	27,475	3,225
Total Purchasing	<u>197,579</u>	<u>205,779</u>	<u>201,540</u>	<u>4,239</u>
Elections:				
Salaries	153,130	148,317	148,317	-
Benefits	54,928	53,450	53,450	-
Capital outlay	1,300	1,182	1,182	-
Election workers salaries/benefits	59,370	78,885	78,885	-
Other	85,062	128,782	128,782	-
Total Elections	<u>353,790</u>	<u>410,616</u>	<u>410,616</u>	<u>-</u>
County Auditor:				
Salaries	263,276	262,376	260,060	2,316
Benefits	77,519	77,519	76,170	1,349
Supplies	4,500	4,500	3,246	1,254
Capital outlay	3,000	3,000	1,627	1,373
Other	8,625	9,525	9,459	66
Total County Auditor	<u>356,920</u>	<u>356,920</u>	<u>350,562</u>	<u>6,358</u>
Tax Assessor/Collector:				
Salaries	605,265	606,521	606,521	-
Benefits	224,025	221,959	220,079	1,880
Supplies	16,000	30,399	28,467	1,932
Other	21,000	19,651	18,996	655
Telephone	11,900	10,023	10,023	-
Postage	43,000	33,788	33,788	-
Capital outlay	1,200	49	49	-
Total Tax Assessor/Collector	<u>\$ 922,390</u>	<u>\$ 922,390</u>	<u>\$ 917,923</u>	<u>\$ 4,467</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

EXPENDITURES (Continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>GENERAL GOVERNMENT (Continued)</b>				
Treasurer:				
Salaries	\$ 102,748	\$ 102,748	\$ 102,748	\$ -
Benefits	30,847	30,847	29,801	1,046
Other	14,800	14,800	6,533	8,267
Capital outlay	700	1,704	1,299	405
Total Treasurer	<u>149,095</u>	<u>150,099</u>	<u>140,381</u>	<u>9,718</u>
Human Services:				
Salaries	245,555	247,740	247,348	392
Benefits	81,656	81,656	80,440	1,216
Supplies	4,000	3,508	3,326	182
Utilities	2,600	2,600	2,012	588
Other	1,814,307	1,309,414	970,146	339,268
Capital outlay	750	750	99	651
Total Human Services	<u>2,148,868</u>	<u>1,645,668</u>	<u>1,303,371</u>	<u>342,297</u>
Courthouse/Office Building:				
Salaries	175,297	175,296	175,296	-
Benefits	70,324	69,363	69,363	-
Supplies	19,000	17,522	17,522	-
Capital outlay	2,000	1,963	1,963	-
Other	17,566	16,363	16,363	-
Utilities	238,366	258,131	258,131	-
Telephone	70,000	92,268	92,268	-
Repairs and maintenance	75,300	108,075	108,075	-
Total Courthouse/Office Buildings	<u>667,853</u>	<u>738,981</u>	<u>738,981</u>	<u>-</u>
Engineering:				
Salaries	295,349	303,441	303,441	-
Benefits	83,521	84,290	84,290	-
Supplies	1,500	5,800	5,086	714
Capital outlay	-	2,297	2,202	95
Other	37,500	38,839	31,630	7,209
Utilities	3,900	3,900	2,901	999
Total Engineering	<u>421,770</u>	<u>438,567</u>	<u>429,550</u>	<u>9,017</u>
MIS:				
Salaries	184,628	184,628	184,628	-
Benefits	55,441	55,441	53,090	2,351
Supplies	11,480	6,167	5,224	943
Capital outlay	400	3,131	3,130	1
Other	6,400	8,982	8,982	-
Total Computer	<u>258,349</u>	<u>258,349</u>	<u>255,054</u>	<u>3,295</u>
Total General Government	<u>\$ 10,712,483</u>	<u>\$ 11,362,778</u>	<u>\$ 10,912,362</u>	<u>\$ 450,416</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

EXPENDITURES (Continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>JUDICIAL</b>				
40th Judicial District Judge:				
Salaries	\$ 98,836	\$ 98,836	\$ 98,836	\$ -
Benefits	37,002	37,002	35,877	1,125
Supplies	6,500	6,500	4,031	2,469
Capital outlay	3,500	3,500	400	3,100
Other	16,950	16,950	11,669	5,281
Total 40th Judicial District Judge	<u>162,788</u>	<u>162,788</u>	<u>150,813</u>	<u>11,975</u>
378th Judicial District Judge:				
Salaries	36,591	36,591	36,591	-
Benefits	19,938	20,234	20,234	-
Supplies	6,000	5,704	170	5,534
Capital outlay	3,000	3,000	264	2,736
Other	13,900	13,900	8,318	5,582
Total 378th Judicial District Judge	<u>79,429</u>	<u>79,429</u>	<u>65,577</u>	<u>13,852</u>
District Clerk:				
Salaries	441,604	441,604	438,479	3,125
Benefits	161,846	161,846	158,028	3,818
Supplies	14,000	15,000	14,889	111
Capital outlay	3,500	3,500	584	2,916
Other	109,100	108,100	93,360	14,740
Total District Clerk	<u>730,050</u>	<u>730,050</u>	<u>705,340</u>	<u>24,710</u>
County Court-at-Law:				
Salaries	227,796	227,796	227,558	238
Benefits	58,992	58,992	57,914	1,078
Capital outlay	1,500	2,000	1,449	551
Other	21,031	21,031	19,868	1,163
Total County Court-at-Law	<u>309,319</u>	<u>309,819</u>	<u>306,789</u>	<u>3,030</u>
County Court-at-Law #2:				
Salaries	227,203	227,203	227,203	-
Benefits	58,890	58,890	57,956	934
Other	12,425	12,725	10,469	2,256
Utilities	850	630	488	142
Supplies	5,000	5,720	5,720	-
Capital outlay	900	100	100	-
Total County Court-at-Law #2	<u>\$ 305,268</u>	<u>\$ 305,268</u>	<u>\$ 301,936</u>	<u>\$ 3,332</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

EXPENDITURES (Continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>JUDICIAL (Continued)</b>				
Justice of the Peace #1:				
Salaries	\$ 152,254	\$ 155,884	\$ 155,884	\$ -
Benefits	53,438	53,438	52,578	860
Capital outlay	1,500	1,500	393	1,107
Other	22,600	18,970	13,099	5,871
Total Justice of the Peace #1	229,792	229,792	221,954	7,838
Justice of the Peace #2:				
Salaries	209,140	209,140	208,105	1,035
Benefits	74,711	74,711	73,628	1,083
Capital outlay	2,500	3,080	3,042	38
Other	21,360	20,780	20,075	705
Total Justice of the Peace #2	307,711	307,711	304,850	2,861
Justice of the Peace #3:				
Salaries	146,565	146,565	145,570	995
Benefits	45,900	45,206	45,156	50
Capital outlay	800	1,067	1,067	-
Other	11,596	12,023	12,023	-
Total Justice of the Peace #3	204,861	204,861	203,816	1,045
Justice of the Peace #4:				
Salaries	152,254	152,254	152,200	54
Benefits	53,649	53,649	53,016	633
Capital outlay	1,000	839	839	-
Other	22,960	23,121	22,886	235
Total Justice of the Peace #4	229,863	229,863	228,941	922
Court Reporter:				
Other	63,000	70,312	70,312	-
Total Court Reporter	63,000	70,312	70,312	-
County and District Attorney:				
Salaries	1,749,834	1,743,534	1,723,233	20,301
Benefits	569,877	572,783	561,150	11,633
Supplies	17,000	14,646	14,646	-
Capital outlay	2,200	2,544	2,374	170
Other	170,890	181,834	181,834	-
Total County and District Attorney	2,509,801	2,515,341	2,483,237	32,104
Total Judicial	\$ 5,131,882	\$ 5,145,234	\$ 5,043,565	\$ 101,669

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

EXPENDITURES (Continued)	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>PUBLIC SAFETY</b>				
Sheriff:				
Salaries	\$ 5,110,808	\$ 5,120,808	\$ 4,883,605	\$ 237,203
Benefits	1,562,578	1,562,578	1,510,330	52,248
Supplies	40,000	31,800	31,494	306
Capital outlay	22,350	24,350	20,654	3,696
Other	479,410	548,648	408,680	139,968
Utilities	85,000	100,139	100,139	-
Automobile Purchases/Expenses	406,600	759,370	730,642	28,728
Total Sheriff	<u>7,706,746</u>	<u>8,147,693</u>	<u>7,685,544</u>	<u>462,149</u>
Highway Patrol:				
Salaries	34,880	34,880	34,880	-
Benefits	<u>13,777</u>	<u>13,777</u>	<u>13,675</u>	<u>102</u>
Total Highway Patrol	<u>48,657</u>	<u>48,657</u>	<u>48,555</u>	<u>102</u>
Fire Marshall:				
Salaries	75,450	75,450	71,986	3,464
Benefits	26,039	26,039	25,291	748
Auto	6,950	6,950	3,817	3,133
Capital outlay	600	1,600	504	1,096
Other	<u>44,900</u>	<u>43,900</u>	<u>41,435</u>	<u>2,465</u>
Total Fire Marshall	<u>153,939</u>	<u>153,939</u>	<u>143,033</u>	<u>10,906</u>
Constable #1:				
Salaries	98,468	98,468	98,468	-
Benefits	29,983	29,983	29,422	561
Capital outlay	-	596	596	-
Other	9,460	14,353	6,733	7,620
Automobile	<u>10,225</u>	<u>9,629</u>	<u>6,220</u>	<u>3,409</u>
Total Constable #1	<u>148,136</u>	<u>153,029</u>	<u>141,439</u>	<u>11,590</u>
Constable #2:				
Salaries	141,600	141,600	141,041	559
Benefits	43,964	43,964	42,835	1,129
Capital outlay	2,400	16,886	15,960	926
Other	13,570	23,202	21,866	1,336
Automobile	<u>19,700</u>	<u>32,939</u>	<u>31,388</u>	<u>1,551</u>
Total Constable #2	<u>\$ 221,234</u>	<u>\$ 258,591</u>	<u>\$ 253,090</u>	<u>\$ 5,501</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>PUBLIC SAFETY (Continued)</b>				
Constable #3:				
Salaries	\$ 98,468	\$ 98,168	\$ 97,948	\$ 220
Benefits	29,983	29,983	29,565	418
Capital outlay	700	1,170	1,127	43
Other	6,860	11,199	7,477	3,722
Automobile	6,900	7,123	4,039	3,084
Total Constable #3	142,911	147,643	140,156	7,487
Constable #4:				
Salaries	98,468	98,468	97,495	973
Benefits	29,771	29,771	28,570	1,201
Total Constable #4	149,614	179,499	172,663	6,836
Commercial Vehicle Enforcement:				
Salaries	28,443	28,443	28,443	-
Benefits	11,428	11,428	11,306	122
Total Commercial Vehicle Enforcement	39,871	39,871	39,749	122
Homeland Security:				
Salaries	81,725	91,658	91,658	-
Benefits	26,844	27,199	27,199	-
Capital outlay	1,500	1,383	173	1,210
Other	47,960	37,789	23,659	14,130
Automobile	5,189	5,189	3,570	1,619
Total Emergency Management	163,218	163,218	146,259	16,959
Jail				
Salaries	4,687,151	4,482,076	4,254,650	227,426
Benefits	1,631,785	1,631,785	1,540,337	91,448
Utilities	460,000	430,000	417,398	12,602
Repairs	166,000	190,411	165,175	25,236
Supplies	1,820,405	1,790,947	1,739,009	51,938
Capital outlay	33,000	270,852	180,736	90,116
Other	195,500	201,270	182,011	19,259
Total Jail	8,993,841	8,997,341	8,479,316	518,025
Total Public Safety	\$ 17,768,167	\$ 18,289,481	\$ 17,249,804	\$ 1,039,677

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES (Continued)</b>				
<b>HEALTH AND WELFARE</b>				
Mental Health/Juvenile Expense:				
Other	\$ 10,000	\$ 10,000	\$ 5,821	\$ 4,179
Total Mental Health/Juvenile Expenses	10,000	10,000	5,821	4,179
Indigent Legal:				
Other	26,500	28,500	12,634	15,866
Legal and professional fees	1,473,500	1,985,629	1,971,241	14,388
Total Pauper	1,500,000	2,014,129	1,983,875	30,254
Total Health and Welfare	1,510,000	2,024,129	1,989,696	34,433
<b>CONSERVATION</b>				
Agricultural Extension Service:				
Salaries	108,500	108,500	108,500	-
Benefits	52,017	51,726	45,471	6,255
Supplies	6,000	7,751	7,751	-
Capital outlay	2,100	1,860	1,860	-
Other	15,100	13,410	13,410	-
Auto	2,500	2,815	2,740	75
Telephone	2,700	2,855	2,855	-
Total Agricultural Extension Service	188,917	188,917	182,587	6,330
Total Conservation	188,917	188,917	182,587	6,330
Total Expenditures	35,311,449	37,010,539	35,378,014	1,632,525
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	( 81,600)	( 856,770)	( 611,170)	245,600
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	( 7,071)	( 7,071)	-
Transfers in	81,600	81,600	81,600	-
Total other financing sources (uses)	81,600	74,529	74,529	-
<b>NET CHANGE IN FUND BALANCES</b>	-	( 782,241)	( 536,641)	245,600
<b>FUND BALANCES, BEGINNING</b>	8,731,805	8,731,805	8,731,805	-
<b>FUND BALANCES, ENDING</b>	\$ 8,731,805	\$ 7,949,564	\$ 8,195,164	\$ 245,600

# ELLIS COUNTY, TEXAS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2009

### BUDGET INFORMATION

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

1. The County Judge and the County Auditor have individual meetings with department heads to receive the departmental budget requests.
2. Public workshops are held where department heads present their budget to members of the Commissioners' Court.
3. The County Judge evaluates the requests and considers the feedback of the Commissioners' Court over the next several weeks.
4. The County Auditor projects the revenues of the County for the next fiscal year.
5. The County Judge, assisted by the County Auditor, prepares a proposed budget to file with the County Clerk a minimum of seven days before a scheduled public hearing on the budget.
6. A public hearing is conducted to obtain taxpayer feedback as well as to receive feedback from the Commissioners' Court.
7. If no changes are warranted in the proposed budget, the budget is then legally enacted by the Commissioners' Court on or before September 30, in the timeframe required by statute.

After the adoption of the budget, the government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Commissioners' Court. The legal level of control is exercised at the department level. All governmental funds have legally adopted budgets with the exception of the Graffiti Fund. It does not have an adopted appropriations budget as it is considered immaterial due to the \$20 balance. State law provides that amendments approved by the Commissioners' Court may be made to the original budget provided that funds are available for the added disbursements. Reported budgeted amounts reflect the budget as originally adopted and all subsequent transfers and amendments. For internal management purposes, the budgets are detailed by line item and entered into the accounting records. Comparisons of actual expenditures to budget are made on an ongoing basis. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget appropriations lapse at year end. All encumbrances lapse at year end.

**ELLIS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2009**

	Special Revenue				
	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Farm to Market #1
<b>ASSETS</b>					
Cash and investments	\$ 323,410	\$ 839,018	\$ 366,932	\$ 725,361	\$ 380,579
Due from other funds	-	-	-	-	-
Taxes receivable	<u>9,571</u>	<u>16,815</u>	<u>16,618</u>	<u>9,310</u>	<u>25,877</u>
Total assets	<u>\$ 332,981</u>	<u>\$ 855,833</u>	<u>\$ 383,550</u>	<u>\$ 734,671</u>	<u>\$ 406,456</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,455	\$ 46,701	\$ 64,003	\$ 18,790	\$ 32,275
Accrued liabilities	19,308	23,344	22,563	18,546	-
Due to other funds	-	-	-	-	-
Deferred revenue	<u>8,002</u>	<u>14,060</u>	<u>13,894</u>	<u>7,785</u>	<u>21,906</u>
Total liabilities	<u>28,765</u>	<u>84,105</u>	<u>100,460</u>	<u>45,121</u>	<u>54,181</u>
<b>FUND BALANCES</b>					
Reserved for debt service	-	-	-	-	-
Unreserved, undesignated	<u>304,216</u>	<u>771,728</u>	<u>283,090</u>	<u>689,550</u>	<u>352,275</u>
Total fund balances	<u>304,216</u>	<u>771,728</u>	<u>283,090</u>	<u>689,550</u>	<u>352,275</u>
Total liabilities and fund balances	<u>\$ 332,981</u>	<u>\$ 855,833</u>	<u>\$ 383,550</u>	<u>\$ 734,671</u>	<u>\$ 406,456</u>

Special Revenue

Farm to Market #2	Farm to Market #3	Farm to Market #4	Lateral Road	District Clerk Archives	Justice Court Technology Fund	Jury	Law Library	District Attorney Hot Check	District Attorney Seizure
\$ 376,528	\$ 281,694	\$ 407,354	\$ 61,688	\$ 28,003	\$ 4,617	\$( 4,466)	\$ 107,883	\$ 227,430	\$ 145,348
-	-	-	-	-	-	7,071	-	-	-
<u>25,877</u>	<u>25,877</u>	<u>25,877</u>	-	-	-	<u>2,234</u>	-	-	-
<u>\$ 402,405</u>	<u>\$ 307,571</u>	<u>\$ 433,231</u>	<u>\$ 61,688</u>	<u>\$ 28,003</u>	<u>\$ 4,617</u>	<u>\$ 4,839</u>	<u>\$ 107,883</u>	<u>\$ 227,430</u>	<u>\$ 145,348</u>
\$ 38,278	\$ 3,509	\$ 35,312	\$ -	\$ -	\$ -	\$ 2,972	\$ 2,498	\$ 467	\$ -
-	-	-	-	-	-	-	1,600	-	-
-	-	-	-	-	-	-	-	-	-
<u>21,906</u>	<u>21,906</u>	<u>21,906</u>	-	-	-	<u>1,867</u>	-	-	-
<u>60,184</u>	<u>25,415</u>	<u>57,218</u>	-	-	-	<u>4,839</u>	<u>4,098</u>	<u>467</u>	-
-	-	-	-	-	-	-	-	-	-
<u>342,221</u>	<u>282,156</u>	<u>376,013</u>	<u>61,688</u>	<u>28,003</u>	<u>4,617</u>	-	<u>103,785</u>	<u>226,963</u>	<u>145,348</u>
<u>342,221</u>	<u>282,156</u>	<u>376,013</u>	<u>61,688</u>	<u>28,003</u>	<u>4,617</u>	-	<u>103,785</u>	<u>226,963</u>	<u>145,348</u>
<u>\$ 402,405</u>	<u>\$ 307,571</u>	<u>\$ 433,231</u>	<u>\$ 61,688</u>	<u>\$ 28,003</u>	<u>\$ 4,617</u>	<u>\$ 4,839</u>	<u>\$ 107,883</u>	<u>\$ 227,430</u>	<u>\$ 145,348</u>

(continued)

**ELLIS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**SEPTEMBER 30, 2009**

	Special Revenue				
	District Attorney Forfeiture	Sheriff Seizure	Sheriff Drug Forfeiture	Constable Precinct #1 Forfeiture	Constable Precinct #2 Forfeiture
<b>ASSETS</b>					
Cash and investments	\$ 395,072	\$ 331,122	\$ 36,089	\$ 181	\$ 365
Due from other funds	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Total assets	<u>\$ 395,072</u>	<u>\$ 331,122</u>	<u>\$ 36,089</u>	<u>\$ 181</u>	<u>\$ 365</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,032	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	<u>1,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for debt service	-	-	-	-	-
Unreserved, undesignated	<u>394,040</u>	<u>331,122</u>	<u>36,089</u>	<u>181</u>	<u>365</u>
Total fund balances	<u>394,040</u>	<u>331,122</u>	<u>36,089</u>	<u>181</u>	<u>365</u>
Total liabilities and fund balances	<u>\$ 395,072</u>	<u>\$ 331,122</u>	<u>\$ 36,089</u>	<u>\$ 181</u>	<u>\$ 365</u>

Special Revenue

Constable Precinct #4 Forfeiture	Records Management	General Record Management Preservation	Courthouse Security	Sheriff Federal Forfeiture	Graffiti	County Clerk Archives Management	Sheriff HIDTA	Law Enforcement Block Fund
\$ 110	\$( 7,460)	\$ 146,009	\$ 15,990	\$ 362,795	\$ -	\$ 858,910	\$ 74,885	\$ 17,588
-	9,169	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 110</u>	<u>\$ 1,709</u>	<u>\$ 146,009</u>	<u>\$ 15,990</u>	<u>\$ 362,795</u>	<u>\$ -</u>	<u>\$ 858,910</u>	<u>\$ 74,885</u>	<u>\$ 17,588</u>
\$ -	\$ 1,709	\$ -	\$ -	\$ 26,315	\$ -	\$ 2,225	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	9,169	-	-
-	-	-	-	-	-	-	-	-
-	1,709	-	-	26,315	-	11,394	-	-
-	-	-	-	-	-	-	-	-
<u>110</u>	<u>-</u>	<u>146,009</u>	<u>15,990</u>	<u>336,480</u>	<u>-</u>	<u>847,516</u>	<u>74,885</u>	<u>17,588</u>
<u>110</u>	<u>-</u>	<u>146,009</u>	<u>15,990</u>	<u>336,480</u>	<u>-</u>	<u>847,516</u>	<u>74,885</u>	<u>17,588</u>
<u>\$ 110</u>	<u>\$ 1,709</u>	<u>\$ 146,009</u>	<u>\$ 15,990</u>	<u>\$ 362,795</u>	<u>\$ -</u>	<u>\$ 858,910</u>	<u>\$ 74,885</u>	<u>\$ 17,588</u>

(continued)

**ELLIS COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**(Continued)**  
**SEPTEMBER 30, 2009**

	Special Revenue		Debt Service	
	Constable Precinct #4 Seizure	Hazardous Mitigation Grant	Debt Service	2007 Debt Service
<b>ASSETS</b>				
Cash and investments	\$ 3,092	\$ 675	\$ 1,449,752	\$ 1,005,601
Due from other funds	-	-	-	-
Taxes receivable	-	-	68,487	122,672
Total assets	\$ 3,092	\$ 675	\$ 1,518,239	\$ 1,128,273
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 500
Accrued liabilities	-	-	-	-
Due to other funds	-	675	-	-
Deferred revenue	-	-	57,264	102,568
Total liabilities	-	675	57,264	103,068
<b>FUND BALANCES</b>				
Reserved for debt service	-	-	1,460,975	1,025,205
Unreserved, undesignated	3,092	-	-	-
Total fund balances	3,092	-	1,460,975	1,025,205
Total liabilities and fund balances	\$ 3,092	\$ 675	\$ 1,518,239	\$ 1,128,273

Capital Projects					
Right of Way	2008 Right of Way	Road District #1	Road District #5	Road District #16	Totals
\$ 118,689	\$ 19,286	\$ 1,179,642	\$ 101,207	\$ 183,120	\$ 10,564,099
-	-	-	-	-	16,240
-	595	-	-	-	349,810
<u>\$ 118,689</u>	<u>\$ 19,881</u>	<u>\$ 1,179,642</u>	<u>\$ 101,207</u>	<u>\$ 183,120</u>	<u>\$ 10,930,149</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278,041
-	-	-	-	-	85,361
-	-	-	-	-	9,844
-	498	-	-	-	293,562
-	498	-	-	-	666,808
-	-	-	-	-	2,486,180
<u>118,689</u>	<u>19,383</u>	<u>1,179,642</u>	<u>101,207</u>	<u>183,120</u>	<u>7,777,161</u>
<u>118,689</u>	<u>19,383</u>	<u>1,179,642</u>	<u>101,207</u>	<u>183,120</u>	<u>10,263,341</u>
<u>\$ 118,689</u>	<u>\$ 19,881</u>	<u>\$ 1,179,642</u>	<u>\$ 101,207</u>	<u>\$ 183,120</u>	<u>\$ 10,930,149</u>

**ELLIS COUNTY, TEXAS**

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

**NONMAJOR GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Special Revenue					
	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Farm to Market #1	Farm to Market #2
<b>REVENUES</b>						
Taxes	\$ 322,884	\$ 564,745	\$ 557,281	\$ 314,330	\$ 821,560	\$ 821,560
Intergovernmental	59,525	219,832	112,636	39,376	101,347	-
Auto registration	542,770	542,770	542,769	542,769	-	-
Fees of office	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest earnings	2,263	4,795	2,980	8,269	3,226	2,656
Other	949	509	46,082	145,205	8,905	19,658
Total revenues	<u>928,391</u>	<u>1,332,651</u>	<u>1,261,748</u>	<u>1,049,949</u>	<u>935,038</u>	<u>843,874</u>
<b>EXPENDITURES</b>						
General government	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Roads and highways	918,464	1,173,143	1,407,468	1,401,826	960,957	781,984
Debt service:						
Principal	-	-	-	-	-	53,662
Interest and fiscal charges	-	-	-	-	-	4,415
Total expenditures	<u>918,464</u>	<u>1,173,143</u>	<u>1,407,468</u>	<u>1,401,826</u>	<u>960,957</u>	<u>840,061</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>9,927</u>	<u>159,508</u>	<u>( 145,720)</u>	<u>( 351,877)</u>	<u>( 25,919)</u>	<u>3,813</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from capital lease	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>9,927</u>	<u>159,508</u>	<u>( 145,720)</u>	<u>( 351,877)</u>	<u>( 25,919)</u>	<u>3,813</u>
<b>FUND BALANCES, BEGINNING</b>	<u>294,289</u>	<u>612,220</u>	<u>428,810</u>	<u>1,041,427</u>	<u>378,194</u>	<u>338,408</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 304,216</u>	<u>\$ 771,728</u>	<u>\$ 283,090</u>	<u>\$ 689,550</u>	<u>\$ 352,275</u>	<u>\$ 342,221</u>

Special Revenue								
Farm to Market #3	Farm to Market #4	Lateral Road	District Clerk Archives	Justice Court Technology Fund	Jury	Law Library	District Attorney Hot Check	District Attorney Seizure
\$ 821,560	\$ 821,560	\$ -	\$ -	\$ -	\$ 75,149	\$ -	\$ -	\$ -
-	-	61,092	-	-	67,660	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	10,150	38,899	-	-	40,591	-
-	-	-	-	-	-	-	-	124,767
2,418	2,711	208	-	-	196	1,184	1,423	309
-	-	-	-	-	11,302	115,931	1,011	-
<u>823,978</u>	<u>824,271</u>	<u>61,300</u>	<u>10,150</u>	<u>38,899</u>	<u>154,307</u>	<u>117,115</u>	<u>43,025</u>	<u>125,076</u>
-	-	-	-	34,888	-	-	-	-
-	-	-	-	-	163,154	142,085	3,539	-
-	-	-	-	-	-	-	-	-
936,699	744,113	30,000	-	-	-	-	-	-
40,087	-	-	-	-	-	-	-	-
6,454	-	-	-	-	-	-	-	-
<u>983,240</u>	<u>744,113</u>	<u>30,000</u>	<u>-</u>	<u>34,888</u>	<u>163,154</u>	<u>142,085</u>	<u>3,539</u>	<u>-</u>
( 159,262)	<u>80,158</u>	<u>31,300</u>	<u>10,150</u>	<u>4,011</u>	( 8,847)	( 24,970)	<u>39,486</u>	<u>125,076</u>
168,407	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	7,071	-	-	-
<u>168,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,071</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,145	80,158	31,300	10,150	4,011	( 1,776)	( 24,970)	39,486	125,076
<u>273,011</u>	<u>295,855</u>	<u>30,388</u>	<u>17,853</u>	<u>606</u>	<u>1,776</u>	<u>128,755</u>	<u>187,477</u>	<u>20,272</u>
<u>\$ 282,156</u>	<u>\$ 376,013</u>	<u>\$ 61,688</u>	<u>\$ 28,003</u>	<u>\$ 4,617</u>	<u>\$ -</u>	<u>\$ 103,785</u>	<u>\$ 226,963</u>	<u>\$ 145,348</u>

(continued)

ELLIS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue				
	District Attorney Forfeiture	Sheriff Seizure	Sheriff Drug Forfeiture	Constable Precinct #1 Forfeiture	Constable Precinct #2 Forfeiture
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Auto registration	-	-	-	-	-
Fees of office	-	-	-	-	-
Fines and forfeitures	84,712	31,262	24,343	-	-
Interest earnings	2,473	1,309	2,727	-	3
Other	-	-	-	-	-
Total revenues	<u>87,185</u>	<u>32,571</u>	<u>27,070</u>	<u>-</u>	<u>3</u>
<b>EXPENDITURES</b>					
General government	-	-	-	-	-
Judicial	33,663	-	-	-	-
Public safety	-	26,732	47,944	-	700
Roads and highways	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>33,663</u>	<u>26,732</u>	<u>47,944</u>	<u>-</u>	<u>700</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>53,522</u>	<u>5,839</u>	<u>( 20,874)</u>	<u>-</u>	<u>( 697)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital lease	-	-	-	-	-
Transfers out	-	-	(132,268)	-	-
Transfers in	-	132,268	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>132,268</u>	<u>( 132,268)</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	53,522	138,107	( 153,142)	-	( 697)
<b>FUND BALANCES, BEGINNING</b>	<u>340,518</u>	<u>193,015</u>	<u>189,231</u>	<u>181</u>	<u>1,062</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 394,040</u>	<u>\$ 331,122</u>	<u>\$ 36,089</u>	<u>\$ 181</u>	<u>\$ 365</u>

Special Revenue

Constable Precinct #4 Forfeiture	Records Management	General Record Management Preservation	Courthouse Security	Sheriff Federal Forfeiture	Graffiti	County Clerk Archives Management	Sheriff HIDTA	Law Enforcement Block Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	146,120	48,149	85,064	-	-	-	-	-
-	-	-	-	109,292	-	-	-	-
1	565	931	483	1,618	-	1,663	521	147
-	-	-	-	-	-	144,670	-	-
<u>1</u>	<u>146,685</u>	<u>49,080</u>	<u>85,547</u>	<u>110,910</u>	<u>-</u>	<u>146,333</u>	<u>521</u>	<u>147</u>
-	198,736	-	-	-	20	26,396	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	50,165	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	<u>198,736</u>	<u>-</u>	<u>-</u>	<u>50,165</u>	<u>20</u>	<u>26,396</u>	<u>-</u>	<u>-</u>
<u>1</u>	<u>( 52,051)</u>	<u>49,080</u>	<u>85,547</u>	<u>60,745</u>	<u>( 20)</u>	<u>119,937</u>	<u>521</u>	<u>147</u>
-	-	-	-	-	-	-	-	-
-	-	-	( 81,600)	-	-	( 9,169)	-	-
-	9,169	-	-	-	-	-	-	-
-	<u>9,169</u>	<u>-</u>	<u>( 81,600)</u>	<u>-</u>	<u>-</u>	<u>( 9,169)</u>	<u>-</u>	<u>-</u>
1	( 42,882)	49,080	3,947	60,745	( 20)	110,768	521	147
<u>109</u>	<u>42,882</u>	<u>96,929</u>	<u>12,043</u>	<u>275,735</u>	<u>20</u>	<u>736,748</u>	<u>74,364</u>	<u>17,441</u>
<u>\$ 110</u>	<u>\$ -</u>	<u>\$ 146,009</u>	<u>\$ 15,990</u>	<u>\$ 336,480</u>	<u>\$ -</u>	<u>\$ 847,516</u>	<u>\$ 74,885</u>	<u>\$ 17,588</u>

(continued)

ELLIS COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS  
(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue		Debt Service	
	Constable Precinct #4 Seizure	Hazardous Mitigation Grant	Debt Service	2007 Debt Service
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 2,292,035	\$ 4,085,970
Intergovernmental	-	486,378	-	-
Auto registration	-	-	-	-
Fees of office	-	-	-	-
Fines and forfeitures	3,087	-	-	-
Interest earnings	5	-	11,584	14,694
Other	-	-	-	-
Total revenues	<u>3,092</u>	<u>486,378</u>	<u>2,303,619</u>	<u>4,100,664</u>
<b>EXPENDITURES</b>				
General government	-	486,378	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Roads and highways	-	-	-	-
Debt service:				
Principal	-	-	1,570,000	1,260,000
Interest and fiscal charges	-	-	529,352	2,498,250
Total expenditures	<u>-</u>	<u>486,378</u>	<u>2,099,352</u>	<u>3,758,250</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>3,092</u>	<u>-</u>	<u>204,267</u>	<u>342,414</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital lease	-	-	-	-
Transfers out	-	-	-	-
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,092	-	204,267	342,414
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>1,256,708</u>	<u>682,791</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 3,092</u>	<u>\$ -</u>	<u>\$ 1,460,975</u>	<u>\$ 1,025,205</u>

Capital Projects

Right of Way	2008 Right of Way	Road District #1	Road District #5	Road District #16	Totals
\$ -	\$ 19,383	\$ -	\$ -	\$ -	\$ 11,518,017
-	-	-	-	-	1,147,846
-	-	-	-	-	2,171,078
-	-	-	-	-	368,973
-	-	-	-	-	377,463
1,106	-	3,101	944	1,478	77,991
-	-	-	-	-	494,222
<u>1,106</u>	<u>19,383</u>	<u>3,101</u>	<u>944</u>	<u>1,478</u>	<u>16,155,590</u>
-	-	-	-	-	746,418
-	-	-	-	-	342,441
-	-	-	-	-	125,541
-	-	-	-	-	8,354,654
-	-	-	-	-	2,923,749
-	-	-	-	-	3,038,471
-	-	-	-	-	<u>15,531,274</u>
<u>1,106</u>	<u>19,383</u>	<u>3,101</u>	<u>944</u>	<u>1,478</u>	<u>624,316</u>
-	-	-	-	-	168,407
-	-	-	-	-	( 223,037)
-	-	-	-	-	148,508
-	-	-	-	-	<u>93,878</u>
1,106	19,383	3,101	944	1,478	718,194
<u>117,583</u>	<u>-</u>	<u>1,176,541</u>	<u>100,263</u>	<u>181,642</u>	<u>9,545,147</u>
<u>\$ 118,689</u>	<u>\$ 19,383</u>	<u>\$ 1,179,642</u>	<u>\$ 101,207</u>	<u>\$ 183,120</u>	<u>\$ 10,263,341</u>

**ELLIS COUNTY, TEXAS**

**ROAD AND BRIDGE FUND, PRECINCT #1**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Road and bridge taxes	\$ 325,405	\$ 322,884	\$( 2,521)
Intergovernmental	-	59,525	59,525
License and permits	551,000	542,770	( 8,230)
Interest earnings	8,000	2,263	( 5,737)
Other	<u>2,000</u>	<u>949</u>	<u>( 1,051)</u>
Total revenues	<u>886,405</u>	<u>928,391</u>	<u>41,986</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Salaries	579,020	565,318	13,702
Benefits	213,037	202,701	10,336
Other	<u>388,637</u>	<u>150,445</u>	<u>238,192</u>
Total expenditures	<u>1,180,694</u>	<u>918,464</u>	<u>262,230</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 294,289)	9,927	304,216
<b>FUND BALANCE, BEGINNING</b>	<u>294,289</u>	<u>294,289</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 304,216</u>	<u>\$ 304,216</u>

**ELLIS COUNTY, TEXAS**

**ROAD AND BRIDGE FUND, PRECINCT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Road and bridge taxes	\$ 571,705	\$ 564,745	\$( 6,960)
Intergovernmental	-	219,832	219,832
License and permits	551,000	542,770	( 8,230)
Interest earnings	10,000	4,795	( 5,205)
Other	<u>509</u>	<u>509</u>	<u>-</u>
Total revenues	<u>1,133,214</u>	<u>1,332,651</u>	<u>199,437</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Salaries	719,352	621,982	97,370
Benefits	260,585	233,365	27,220
Other	352,027	317,796	34,231
Capital outlay	<u>1,250</u>	<u>-</u>	<u>1,250</u>
Total expenditures	<u>1,333,214</u>	<u>1,173,143</u>	<u>160,071</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 200,000)	159,508	359,508
<b>FUND BALANCE, BEGINNING</b>	<u>612,220</u>	<u>612,220</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 412,220</u>	<u>\$ 771,728</u>	<u>\$ 359,508</u>

**ELLIS COUNTY, TEXAS**

**ROAD AND BRIDGE FUND, PRECINCT #3**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Road and bridge taxes	\$ 566,065	\$ 557,281	\$( 8,784)
Intergovernmental	-	112,636	112,636
License and permits	551,000	542,769	( 8,231)
Interest earnings	15,000	2,980	( 12,020)
Other	36,411	46,082	9,671
Total revenues	1,168,476	1,261,748	93,272
<b>EXPENDITURES</b>			
Roads and highways:			
Salaries	649,433	636,379	13,054
Benefits	236,467	229,594	6,873
Other	552,576	541,495	11,081
Total roads and highways	1,438,476	1,407,468	31,008
Debt service:			
Principal	-	-	-
Total expenditures	1,438,476	1,407,468	31,008
<b>NET CHANGE IN FUND BALANCE</b>	( 270,000)	( 145,720)	124,280
<b>FUND BALANCE, BEGINNING</b>	428,810	428,810	-
<b>FUND BALANCE, ENDING</b>	\$ 158,810	\$ 283,090	\$ 124,280

**ELLIS COUNTY, TEXAS**

**ROAD AND BRIDGE FUND, PRECINCT #4**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Road and bridge taxes	\$ 316,880	\$ 314,330	\$( 2,550)
Intergovernmental	-	39,376	39,376
License and permits	553,000	542,769	( 10,231)
Interest earnings	20,000	8,269	( 11,731)
Other	<u>142,626</u>	<u>145,205</u>	<u>2,579</u>
Total revenues	<u>1,032,506</u>	<u>1,049,949</u>	<u>17,443</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Salaries	549,551	476,979	72,572
Benefits	192,285	176,982	15,303
Other	<u>1,332,097</u>	<u>747,865</u>	<u>584,232</u>
Total expenditures	<u>2,073,933</u>	<u>1,401,826</u>	<u>672,107</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 1,041,427)	( 351,877)	689,550
<b>FUND BALANCE, BEGINNING</b>	<u>1,041,427</u>	<u>1,041,427</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 689,550</u>	<u>\$ 689,550</u>

**ELLIS COUNTY, TEXAS**

**FARM TO MARKET FUND, PRECINCT #1**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Farm to market taxes	\$ 814,981	\$ 821,560	\$ 6,579
Intergovernmental	99,432	101,347	1,915
Interest earnings	12,000	3,226	( 8,774)
Other	<u>8,905</u>	<u>8,905</u>	<u>-</u>
Total revenues	<u>935,318</u>	<u>935,038</u>	<u>( 280)</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Capital outlay	187,719	26,507	161,212
Other	250,055	182,430	67,625
Road repairs and materials	815,738	750,067	65,671
Bridge repairs	<u>60,000</u>	<u>1,953</u>	<u>58,047</u>
Total roads and highways	<u>1,313,512</u>	<u>960,957</u>	<u>352,555</u>
Total expenditures	<u>1,313,512</u>	<u>960,957</u>	<u>352,555</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 378,194)	( 25,919)	352,275
<b>FUND BALANCE, BEGINNING</b>	<u>378,194</u>	<u>378,194</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 352,275</u>	<u>\$ 352,275</u>

**ELLIS COUNTY, TEXAS**

**FARM TO MARKET FUND, PRECINCT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Farm to market taxes	\$ 814,981	\$ 821,560	\$ 6,579
Interest earnings	12,000	2,656	( 9,344)
Other	<u>19,658</u>	<u>19,658</u>	<u>-</u>
Total revenues	<u>846,639</u>	<u>843,874</u>	<u>( 2,765)</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Capital outlay	57,909	39,557	18,352
Other	99,060	64,583	34,477
Road repairs and materials	652,359	609,396	42,963
Bridge repairs	<u>69,234</u>	<u>68,448</u>	<u>786</u>
Total roads and highways	<u>878,562</u>	<u>781,984</u>	<u>96,578</u>
Debt service:			
Principal	53,662	53,662	-
Interest and fiscal charges	<u>4,415</u>	<u>4,415</u>	<u>-</u>
Total expenditures	<u>936,639</u>	<u>840,061</u>	<u>96,578</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>( 90,000)</b>	<b>3,813</b>	<b>93,813</b>
<b>FUND BALANCE, BEGINNING</b>	<u>338,408</u>	<u>338,408</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 248,408</u></u>	<u><u>\$ 342,221</u></u>	<u><u>\$ 93,813</u></u>

**ELLIS COUNTY, TEXAS**

**FARM TO MARKET FUND, PRECINCT #3**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Farm to market taxes	\$ 814,981	\$ 821,560	\$ 6,579
Interest earnings	<u>10,000</u>	<u>2,418</u>	( 7,582)
Total revenues	<u>824,981</u>	<u>823,978</u>	( 1,003)
<b>EXPENDITURES</b>			
Roads and highways:			
Capital outlay	177,655	177,655	-
Other	137,647	135,115	2,532
Road repairs and materials	591,534	583,960	7,574
Bridge repairs	<u>40,000</u>	<u>39,969</u>	31
Total roads and highways	<u>946,836</u>	<u>936,699</u>	<u>10,137</u>
Debt service:			
Principal	40,087	40,087	-
Interest and fiscal charges	<u>6,454</u>	<u>6,454</u>	-
Total expenditures	<u>993,377</u>	<u>983,240</u>	<u>10,137</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 168,396)</u>	<u>( 159,262)</u>	<u>9,134</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from capital lease	<u>168,407</u>	<u>168,407</u>	-
Total other financing sources (uses)	<u>168,407</u>	<u>168,407</u>	-
<b>NET CHANGE IN FUND BALANCE</b>	11	9,145	9,134
<b>FUND BALANCE, BEGINNING</b>	<u>273,011</u>	<u>273,011</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ 273,022</u>	<u>\$ 282,156</u>	<u>\$ 9,134</u>

**ELLIS COUNTY, TEXAS**

**FARM TO MARKET FUND, PRECINCT #4**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Farm to market taxes	\$ 814,981	\$ 821,560	\$ 6,579
Interest earnings	<u>7,000</u>	<u>2,711</u>	<u>( 4,289)</u>
Total revenues	<u>821,981</u>	<u>824,271</u>	<u>2,290</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Capital outlay	66,042	51,000	15,042
Other	199,539	83,591	115,948
Road repairs and materials	807,255	609,410	197,845
Bridge repairs	<u>45,000</u>	<u>112</u>	<u>44,888</u>
Total expenditures	<u>1,117,836</u>	<u>744,113</u>	<u>373,723</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>( 295,855)</b>	<b>80,158</b>	<b>376,013</b>
<b>FUND BALANCE, BEGINNING</b>	<u>295,855</u>	<u>295,855</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ 376,013</u></u>	<u><u>\$ 376,013</u></u>

**ELLIS COUNTY, TEXAS**

**LATERAL ROADS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 60,000	\$ 61,092	\$ 1,092
Interest earnings	<u>-</u>	<u>208</u>	<u>(208)</u>
Total revenues	<u>60,000</u>	<u>61,300</u>	<u>1,300</u>
<b>EXPENDITURES</b>			
Roads and highways:			
Other	<u>60,000</u>	<u>30,000</u>	<u>30,000</u>
Total expenditures	<u>60,000</u>	<u>30,000</u>	<u>30,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	31,300	31,300
<b>FUND BALANCE, BEGINNING</b>	<u>30,388</u>	<u>30,388</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 30,388</u>	<u>\$ 61,688</u>	<u>\$ 31,300</u>

**ELLIS COUNTY, TEXAS**

**DISTRICT CLERK ARCHIVES**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Fees of office	\$ <u>9,000</u>	\$ <u>10,150</u>	\$ <u>1,150</u>
Total revenues	<u>9,000</u>	<u>10,150</u>	<u>1,150</u>
<b>EXPENDITURES</b>			
Judicial:			
Other	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total expenditures	<u>9,000</u>	<u>-</u>	<u>9,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	10,150	10,150
<b>FUND BALANCE, BEGINNING</b>	<u>17,853</u>	<u>17,853</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	\$ <u><u>17,853</u></u>	\$ <u><u>28,003</u></u>	\$ <u><u>10,150</u></u>

**ELLIS COUNTY, TEXAS**

**JUSTICE COURT TECHNOLOGY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Other fees	<u>44,000</u>	\$ <u>38,899</u>	\$( <u>5,101</u> )
Total revenues	<u>44,000</u>	<u>38,899</u>	<u>( 5,101)</u>
<b>EXPENDITURES</b>			
General government:			
Other	<u>44,000</u>	<u>34,888</u>	<u>9,112</u>
Total expenditures	<u>44,000</u>	<u>34,888</u>	<u>9,112</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	4,011	4,011
<b>FUND BALANCE, BEGINNING</b>	<u>606</u>	<u>606</u>	-
<b>FUND BALANCE, ENDING</b>	\$ <u><u>606</u></u>	\$ <u><u>4,617</u></u>	\$ <u><u>4,011</u></u>

**ELLIS COUNTY, TEXAS**

**JURY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes	\$ 75,149	\$ 75,149	\$ -
Interest earnings	196	196	-
Intergovernmental	67,660	67,660	-
Other fees	<u>11,302</u>	<u>11,302</u>	-
Total revenues	<u>154,307</u>	<u>154,307</u>	-
<b>EXPENDITURES</b>			
Judicial:			
Jurors fees	<u>163,154</u>	<u>163,154</u>	-
Total expenditures	<u>163,154</u>	<u>163,154</u>	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 8,847)</u>	<u>( 8,847)</u>	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>7,071</u>	<u>7,071</u>	<u>14,142</u>
Total other financing sources (uses)	<u>7,071</u>	<u>7,071</u>	<u>14,142</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 1,776)</u>	<u>( 1,776)</u>	-
<b>FUND BALANCE, BEGINNING</b>	<u>1,776</u>	<u>1,776</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ELLIS COUNTY, TEXAS**

**LAW LIBRARY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest earnings	\$ 2,000	\$ 1,184	\$( 816)
Other fees	130,500	115,931	( 14,569)
Other	<u>42,500</u>	<u>-</u>	<u>( 42,500)</u>
Total revenues	<u>175,000</u>	<u>117,115</u>	<u>( 57,885)</u>
<b>EXPENDITURES</b>			
Legal:			
Salaries	78,911	53,353	25,558
Benefits	28,852	23,370	5,482
Other	65,970	64,499	1,471
Capital outlay	<u>1,267</u>	<u>863</u>	<u>404</u>
Total expenditures	<u>175,000</u>	<u>142,085</u>	<u>32,915</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	( 24,970)	( 24,970)
<b>FUND BALANCE, BEGINNING</b>	<u>128,755</u>	<u>128,755</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 128,755</u>	<u>\$ 103,785</u>	<u>\$( 24,970)</u>

**ELLIS COUNTY, TEXAS**

**DISTRICT ATTORNEY'S HOT CHECK FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Interest earnings	\$ 1,500	\$ 1,423	\$( 77)
Other fees	50,000	40,591	( 9,409)
Miscellaneous	<u>1,010</u>	<u>1,011</u>	<u>1</u>
Total revenues	<u>52,510</u>	<u>43,025</u>	<u>( 9,485)</u>
<b>EXPENDITURES</b>			
Legal:			
Other	50,510	3,539	46,971
Capital outlay	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>52,510</u>	<u>3,539</u>	<u>48,971</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	39,486	39,486
<b>FUND BALANCE, BEGINNING</b>	<u>187,477</u>	<u>187,477</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ 187,477</u>	<u>\$ 226,963</u>	<u>\$ 39,486</u>

**ELLIS COUNTY, TEXAS**

**DISTRICT ATTORNEY SEIZURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Seizures	\$ 20,000	\$ 124,767	\$ 104,767
Interest earnings	<u>-</u>	<u>309</u>	<u>309</u>
Total revenues	<u>20,000</u>	<u>125,076</u>	<u>105,076</u>
<b>EXPENDITURES</b>			
Legal:			
Release of seized funds	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>125,076</u>	<u>125,076</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	125,076	125,076
<b>FUND BALANCE, BEGINNING</b>	<u>20,272</u>	<u>20,272</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 20,272</u>	<u>\$ 145,348</u>	<u>\$ 125,076</u>

**ELLIS COUNTY, TEXAS**

**DISTRICT ATTORNEY FORFEITURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Forfeitures	\$ 10,000	\$ 84,712	\$ 74,712
Other	87,000	-	( 87,000)
Interest earnings	<u>5,000</u>	<u>2,473</u>	<u>( 2,527)</u>
Total revenues	<u>102,000</u>	<u>87,185</u>	<u>( 14,815)</u>
<b>EXPENDITURES</b>			
Legal:			
Benefits	3,000	1	2,999
Capital outlay	40,000	2,924	37,076
Other	<u>59,000</u>	<u>30,738</u>	<u>28,262</u>
Total expenditures	<u>102,000</u>	<u>33,663</u>	<u>68,337</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	53,522	53,522
<b>FUND BALANCE, BEGINNING</b>	<u>340,518</u>	<u>340,518</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ 340,518</u>	<u>\$ 394,040</u>	<u>\$ 53,522</u>

**ELLIS COUNTY, TEXAS**

**SHERIFF SEIZURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Seizures	\$ 23,732	\$ 31,262	\$ 7,530
Interest earnings	<u>3,000</u>	<u>1,309</u>	( 1,691)
Total revenues	<u>26,732</u>	<u>32,571</u>	<u>5,839</u>
 <b>EXPENDITURES</b>			
Public safety:			
Forfeited transfers	<u>26,732</u>	<u>26,732</u>	-
Total expenditures	<u>26,732</u>	<u>26,732</u>	-
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	 <u>-</u>	 <u>5,839</u>	 <u>( 5,839)</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>132,268</u>	( 132,268)
Total other financing sources (uses)	<u>-</u>	<u>132,268</u>	( 132,268)
 <b>NET CHANGE IN FUND BALANCE</b>	 -	 138,107	 138,107
 <b>FUND BALANCE, BEGINNING</b>	 <u>193,015</u>	 <u>193,015</u>	 <u>-</u>
 <b>FUND BALANCE, ENDING</b>	 <u>\$ 193,015</u>	 <u>\$ 331,122</u>	 <u>\$ 138,107</u>

**ELLIS COUNTY, TEXAS**

**SHERIFF DRUG FORFEITURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Forfeitures	\$ 30,844	\$ 24,343	\$( 6,501)
Interest earnings	3,000	2,727	( 273)
Other	<u>30,000</u>	<u>-</u>	<u>( 30,000)</u>
Total revenues	<u>63,844</u>	<u>27,070</u>	<u>( 36,774)</u>
<b>EXPENDITURES</b>			
Public safety:			
General	<u>82,844</u>	<u>47,944</u>	<u>34,900</u>
Total expenditures	<u>82,844</u>	<u>47,944</u>	<u>34,900</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 19,000)</u>	<u>( 20,874)</u>	<u>1,874</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>( 132,268)</u>	<u>( 132,268)</u>	<u>-</u>
Total other financing sources (uses)	<u>( 132,268)</u>	<u>( 132,268)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 151,268)</u>	<u>( 153,142)</u>	<u>( 1,874)</u>
<b>FUND BALANCE, BEGINNING</b>	<u>189,231</u>	<u>189,231</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 37,963</u>	<u>\$ 36,089</u>	<u>\$( 1,874)</u>

**ELLIS COUNTY, TEXAS**

**CONSTABLE, PRECINCT #1 FORFEITURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Other	\$ 100	\$ -	\$( 100)
Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>100</u>	<u>-</u>	<u>( 100)</u>
<b>EXPENDITURES</b>			
Public safety:			
General	<u>100</u>	<u>-</u>	<u>100</u>
Total expenditures	<u>100</u>	<u>-</u>	<u>100</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE, BEGINNING</b>	<u>181</u>	<u>181</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u><u>\$ 181</u></u>	<u><u>\$ 181</u></u>	<u><u>\$ -</u></u>

**ELLIS COUNTY, TEXAS**

**CONSTABLE, PRECINCT #2 FORFEITURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Other	\$ 1,050	\$ -	\$( 1,050)
Interest earnings	<u>-</u>	<u>3</u>	<u>3</u>
Total revenues	<u>1,050</u>	<u>3</u>	<u>( 1,047)</u>
<b>EXPENDITURES</b>			
Public safety:			
General	<u>1,050</u>	<u>700</u>	<u>350</u>
Total expenditures	<u>1,050</u>	<u>700</u>	<u>350</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	( 697)	( 697)
<b>FUND BALANCE, BEGINNING</b>	<u>1,062</u>	<u>1,062</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 1,062</u>	<u>\$ 365</u>	<u>\$( 697)</u>

**ELLIS COUNTY, TEXAS**

**CONSTABLE, PRECINCT #4 FORFEITURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Other	\$ 100	\$ -	\$( 100)
Interest	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues	<u>100</u>	<u>1</u>	<u>( 99)</u>
<b>EXPENDITURES</b>			
Public safety:			
General	<u>100</u>	<u>-</u>	<u>100</u>
Total expenditures	<u>100</u>	<u>-</u>	<u>100</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	1	1
<b>FUND BALANCE, BEGINNING</b>	<u>109</u>	<u>109</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 109</u>	<u>\$ 110</u>	<u>\$ 1</u>

**ELLIS COUNTY, TEXAS**

**RECORDS MANAGEMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Records management fees	\$ 175,000	\$ 146,120	\$( 28,880)
Interest earnings	<u>2,000</u>	<u>565</u>	<u>( 1,435)</u>
Total revenues	<u>177,000</u>	<u>146,685</u>	<u>( 30,315)</u>
<b>EXPENDITURES</b>			
General government:			
Other	<u>198,736</u>	<u>198,736</u>	<u>-</u>
Total expenditures	<u>198,736</u>	<u>198,736</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 21,736)</u>	<u>( 52,051)</u>	<u>( 30,315)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>9,169</u>	<u>9,169</u>	<u>18,338</u>
Total other financing sources (uses)	<u>9,169</u>	<u>9,169</u>	<u>18,338</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 12,567)</u>	<u>( 42,882)</u>	<u>( 30,315)</u>
<b>FUND BALANCE, BEGINNING</b>	<u>42,882</u>	<u>42,882</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 30,315</u>	<u>\$ -</u>	<u>\$( 30,315)</u>

**ELLIS COUNTY, TEXAS**

**GENERAL RECORDS MANAGEMENT AND PRESERVATION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
District Clerk records management fees	\$ 20,000	\$ -	\$( 20,000)
County Clerk records management fees	35,000	48,149	13,149
Interest earnings	4,000	931	( 3,069)
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>59,000</u>	<u>49,080</u>	<u>( 9,920)</u>
<b>EXPENDITURES</b>			
General government:			
Capital outlay	40,000	-	40,000
Other	<u>19,000</u>	<u>-</u>	<u>19,000</u>
Total expenditures	<u>59,000</u>	<u>-</u>	<u>59,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	49,080	49,080
<b>FUND BALANCE, BEGINNING</b>	<u>96,929</u>	<u>96,929</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 96,929</u>	<u>\$ 146,009</u>	<u>\$ 49,080</u>

**ELLIS COUNTY, TEXAS**

**COURTHOUSE SECURITY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
District clerk courthouse security fees	\$ 10,000	\$ 10,529	\$ 529
County clerk courthouse security fees	52,000	40,635	( 11,365)
JP court courthouse security fees	18,600	33,900	15,300
Interest earnings	<u>1,000</u>	<u>483</u>	<u>( 517)</u>
Total revenues	<u>81,600</u>	<u>85,547</u>	<u>3,947</u>
<b>EXPENDITURES</b>			
General government:			
Salaries	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>81,600</u>	<u>85,547</u>	<u>3,947</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>( 81,600)</u>	<u>( 81,600)</u>	<u>-</u>
Total other financing sources (uses)	<u>( 81,600)</u>	<u>( 81,600)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	3,947	3,947
<b>FUND BALANCE, BEGINNING</b>	<u>12,043</u>	<u>12,043</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 12,043</u>	<u>\$ 15,990</u>	<u>\$ 3,947</u>

**ELLIS COUNTY, TEXAS**

**SHERIFF FEDERAL FORFEITURE**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Seizures	\$ 112,136	\$ 109,292	\$( 2,844)
Other	105,000	-	( 105,000)
Interest earnings	<u>5,000</u>	<u>1,618</u>	<u>( 3,382)</u>
Total revenues	<u>222,136</u>	<u>110,910</u>	<u>( 111,226)</u>
<b>EXPENDITURES</b>			
Public safety:			
Other	169,505	-	169,505
Capital outlay	<u>76,481</u>	<u>50,165</u>	<u>26,316</u>
Total expenditures	<u>245,986</u>	<u>50,165</u>	<u>195,821</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 23,850)	60,745	84,595
<b>FUND BALANCE, BEGINNING</b>	<u>275,735</u>	<u>275,735</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 251,885</u>	<u>\$ 336,480</u>	<u>\$ 84,595</u>

**ELLIS COUNTY, TEXAS**

**COUNTY CLERK ARCHIVES MANAGEMENT**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Interest earnings	\$ 3,000	\$ 1,663	\$( 1,337)
Other	<u>175,000</u>	<u>144,670</u>	<u>( 30,330)</u>
Total revenues	<u>178,000</u>	<u>146,333</u>	<u>( 31,667)</u>
<b>EXPENDITURES</b>			
General government:			
Other	<u>168,831</u>	<u>26,396</u>	<u>142,435</u>
Total expenditures	<u>168,831</u>	<u>26,396</u>	<u>142,435</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>9,169</u>	<u>119,937</u>	<u>110,768</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>( 9,169)</u>	<u>( 9,169)</u>	<u>-</u>
Total other financing sources (uses)	<u>( 9,169)</u>	<u>( 9,169)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	110,768	110,768
<b>FUND BALANCE, BEGINNING</b>	<u>736,748</u>	<u>736,748</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 736,748</u>	<u>\$ 847,516</u>	<u>\$ 110,768</u>

**ELLIS COUNTY, TEXAS**

**SHERIFF HIDTA FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Seizures	\$ -	\$ -	\$ -
Interest	<u>521</u>	<u>521</u>	<u>-</u>
Total revenues	<u>521</u>	<u>521</u>	<u>-</u>
<b>EXPENDITURES</b>			
Public safety:			
Other	<u>521</u>	<u>-</u>	<u>521</u>
Total expenditures	<u>521</u>	<u>-</u>	<u>521</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	521	521
<b>FUND BALANCES, BEGINNING</b>	<u>74,364</u>	<u>74,364</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 74,364</u>	<u>\$ 74,885</u>	<u>\$ 521</u>

ELLIS COUNTY, TEXAS

LAW ENFORCEMENT BLOCK FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest	\$ 147	\$ 147	\$ -
Total revenues	<u>147</u>	<u>147</u>	<u>-</u>
<b>EXPENDITURES</b>			
Public safety:			
Other	<u>147</u>	<u>-</u>	<u>147</u>
Total expenditures	<u>147</u>	<u>-</u>	<u>147</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	147	147
<b>FUND BALANCE, BEGINNING</b>	<u>17,441</u>	<u>17,441</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 17,441</u>	<u>\$ 17,588</u>	<u>\$ 147</u>

**ELLIS COUNTY, TEXAS**

**CONSTABLE, PRECINCT #4 SEIZURE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Seizures	\$ 3,087	\$ 3,087	\$ -
Other	-	-	-
Interest earnings	<u>5</u>	<u>5</u>	<u>-</u>
Total revenues	<u>3,092</u>	<u>3,092</u>	<u>-</u>
<b>EXPENDITURES</b>			
Public safety:			
Other	<u>3,092</u>	<u>-</u>	<u>3,092</u>
Total expenditures	<u>3,092</u>	<u>-</u>	<u>3,092</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	3,092	3,092
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 3,092</u>	<u>\$ 3,092</u>

ELLIS COUNTY, TEXAS

HAZARD MITIGATION GRANT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 486,378	\$ 486,378	\$ -
Total revenues	<u>486,378</u>	<u>486,378</u>	<u>-</u>
<b>EXPENDITURES</b>			
General government:			
Other	<u>486,378</u>	<u>486,378</u>	<u>-</u>
Total expenditures	<u>486,378</u>	<u>486,378</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ELLIS COUNTY, TEXAS**

**DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes	\$ 2,100,441	\$ 2,292,035	\$ 191,594
Interest earnings	<u>15,000</u>	<u>11,584</u>	<u>( 3,416)</u>
Total revenues	<u>2,115,441</u>	<u>2,303,619</u>	<u>188,178</u>
 <b>EXPENDITURES</b>			
Debt service:			
Principal	1,570,000	1,570,000	-
Interest	527,942	527,942	-
Other debt service	<u>17,499</u>	<u>1,410</u>	<u>16,089</u>
Total expenditures	<u>2,115,441</u>	<u>2,099,352</u>	<u>16,089</u>
 <b>NET CHANGE IN FUND BALANCE</b>	 -	 204,267	 204,267
 <b>FUND BALANCE, BEGINNING</b>	 <u>1,256,708</u>	 <u>1,256,708</u>	 <u>-</u>
 <b>FUND BALANCE, ENDING</b>	 <u>\$ 1,256,708</u>	 <u>\$ 1,460,975</u>	 <u>\$ 204,267</u>

**ELLIS COUNTY, TEXAS**

**2007 DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes	\$ 3,775,250	\$ 4,085,970	\$ 310,720
Interest earnings	-	14,694	14,694
Total revenues	<u>3,775,250</u>	<u>4,100,664</u>	<u>325,414</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	1,260,000	1,260,000	-
Interest	2,498,250	2,498,250	-
Other	17,000	-	17,000
Total expenditures	<u>3,775,250</u>	<u>3,758,250</u>	<u>17,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	342,414	342,414
<b>FUND BALANCE, BEGINNING</b>	<u>682,791</u>	<u>682,791</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ 682,791</u>	<u>\$ 1,025,205</u>	<u>\$ 342,414</u>

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**RIGHT-OF-WAY AVAILABLE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Interest	\$ 2,000	\$ 1,106	\$( 894)
Total revenues	2,000	1,106	( 894)
<b>EXPENDITURES</b>			
Capital outlay:			
Right-of-way purchase	2,000	-	2,000
Total expenditures	2,000	-	2,000
<b>NET CHANGE IN FUND BALANCE</b>	-	1,106	1,106
<b>FUND BALANCE, BEGINNING</b>	117,583	117,583	-
<b>FUND BALANCE, ENDING</b>	\$ 117,583	\$ 118,689	\$ 1,106

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**RIGHT-OF-WAY 2008 AVAILABLE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 20,000	\$ 19,383	\$( 617)
Total revenues	<u>20,000</u>	<u>19,383</u>	<u>( 617)</u>
<b>EXPENDITURES</b>			
Capital outlay:			
Right-of-way purchase	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	19,383	19,383
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 19,383</u>	<u>\$ 19,383</u>

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**ROAD DISTRICT #1 AVAILABLE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest earnings	\$ <u>12,000</u>	\$ <u>3,101</u>	\$ <u>( 8,899)</u>
Total revenues	<u>12,000</u>	<u>3,101</u>	<u>( 8,899)</u>
<b>EXPENDITURES</b>			
Other	<u>12,000</u>	<u>-</u>	<u>12,000</u>
Total expenditures	<u>12,000</u>	<u>-</u>	<u>12,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	3,101	3,101
<b>FUND BALANCE, BEGINNING</b>	<u>1,176,541</u>	<u>1,176,541</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	\$ <u><u>1,176,541</u></u>	\$ <u><u>1,179,642</u></u>	\$ <u><u>3,101</u></u>

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**ROAD DISTRICT #5 AVAILABLE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest earnings	\$ 2,000	\$ 944	\$( 1,056)
Total revenues	<u>2,000</u>	<u>944</u>	<u>( 1,056)</u>
<b>EXPENDITURES</b>			
Other	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	944	944
<b>FUND BALANCE, BEGINNING</b>	<u>100,263</u>	<u>100,263</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 100,263</u>	<u>\$ 101,207</u>	<u>\$ 944</u>

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**ROAD DISTRICT #16 AVAILABLE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest earnings	\$ <u>3,500</u>	\$ <u>1,478</u>	\$ <u>(2,022)</u>
Total revenues	<u>3,500</u>	<u>1,478</u>	<u>(2,022)</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Total expenditures	<u>3,500</u>	<u>-</u>	<u>3,500</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	1,478	1,478
<b>FUND BALANCE, BEGINNING</b>	<u>181,642</u>	<u>181,642</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	\$ <u><u>181,642</u></u>	\$ <u><u>183,120</u></u>	\$ <u><u>1,478</u></u>

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**PERMANENT IMPROVEMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Permanent improvement taxes	\$ 500	\$ -	\$ ( 500)
Interest earnings	250,000	87,584	( 162,416)
Other	-	-	-
Total revenues	<u>250,500</u>	<u>87,584</u>	<u>( 162,916)</u>
<b>EXPENDITURES</b>			
General Government:			
Other	250,500	131,672	118,828
Capital outlay	<u>262,465</u>	<u>262,465</u>	-
Total expenditures	<u>512,965</u>	<u>394,137</u>	<u>118,828</u>
<b>NET CHANGE IN FUND BALANCE</b>	( 262,465)	( 306,553)	( 44,088)
<b>FUND BALANCE, BEGINNING</b>	<u>11,664,666</u>	<u>11,664,666</u>	-
<b>FUND BALANCE, ENDING</b>	<u>\$ 11,402,201</u>	<u>\$ 11,358,113</u>	<u>\$ ( 44,088)</u>

**ELLIS COUNTY, TEXAS**

**CAPITAL PROJECTS FUNDS**

**2007 CONSTRUCTION PROJECT**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Other	\$ 48,000,000	\$ -	\$( 48,000,000)
Interest earnings	<u>750,000</u>	<u>451,515</u>	<u>( 298,485)</u>
Total revenues	<u>48,750,000</u>	<u>451,515</u>	<u>( 48,298,485)</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>48,750,000</u>	<u>29,837,878</u>	<u>18,912,122</u>
Total expenditures	<u>48,750,000</u>	<u>29,837,878</u>	<u>18,912,122</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	( 29,386,363)	( 29,386,363)
<b>FUND BALANCE, BEGINNING</b>	<u>49,908,363</u>	<u>49,908,363</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 49,908,363</u>	<u>\$ 20,522,000</u>	<u>\$( 29,386,363)</u>

**ELLIS COUNTY, TEXAS**

**AGENCY FUNDS**

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

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Balance September 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2009</u>
<b><u>COUNTY TREASURER</u></b>				
Assets:				
Cash and investments	\$ 74,370	\$ 1,097,479	\$ 1,113,669	\$ 58,180
Total assets	\$ 74,370	\$ 1,097,479	\$ 1,113,669	\$ 58,180
Liabilities:				
Due to beneficiaries	\$ 74,370	\$ 1,097,479	\$ 1,113,669	\$ 58,180
Total liabilities	\$ 74,370	\$ 1,097,479	\$ 1,113,669	\$ 58,180
<b><u>TAX COLLECTOR</u></b>				
Assets:				
Cash	\$ 1,765,513	\$ 220,180,708	\$ 219,931,201	\$ 2,015,020
Total assets	\$ 1,765,513	\$ 220,180,708	\$ 219,931,201	\$ 2,015,020
Liabilities:				
Due to other governments	\$ 1,749,816	\$ 1,999,153	\$ 1,749,816	\$ 1,999,153
Due to beneficiaries	15,697	15,867	15,697	15,867
Total liabilities	\$ 1,765,513	\$ 2,015,020	\$ 1,765,513	\$ 2,015,020
<b><u>COUNTY ATTORNEY</u></b>				
Assets:				
Cash	\$ 165,901	\$ 551,954	\$ 633,483	\$ 84,372
Total assets	\$ 165,901	\$ 551,954	\$ 633,483	\$ 84,372
Liabilities:				
Due to beneficiaries	\$ 165,901	\$ 551,954	\$ 633,483	\$ 84,372
Total liabilities	\$ 165,901	\$ 551,954	\$ 633,483	\$ 84,372

(continued)

**ELLIS COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Balance September 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2009</u>
<b><u>SHERIFF</u></b>				
Assets:				
Cash	\$ 62,763	\$ 757,031	\$ 782,574	\$ 37,220
Total assets	\$ <u>62,763</u>	\$ <u>757,031</u>	\$ <u>782,574</u>	\$ <u>37,220</u>
Liabilities:				
Due to beneficiaries	\$ 62,763	\$ 757,031	\$ 782,574	\$ 37,220
Total liabilities	\$ <u>62,763</u>	\$ <u>757,031</u>	\$ <u>782,574</u>	\$ <u>37,220</u>
<b><u>DISTRICT CLERK</u></b>				
Assets:				
Cash	\$ 3,214,455	\$ 1,313,038	\$ 1,565,001	\$ 2,962,492
Total assets	\$ <u>3,214,455</u>	\$ <u>1,313,038</u>	\$ <u>1,565,001</u>	\$ <u>2,962,492</u>
Liabilities:				
Due to beneficiaries	\$ 3,214,455	\$ 1,313,038	\$ 1,565,001	\$ 2,962,492
Total liabilities	\$ <u>3,214,455</u>	\$ <u>1,313,038</u>	\$ <u>1,565,001</u>	\$ <u>2,962,492</u>
<b><u>COUNTY CLERK</u></b>				
Assets:				
Cash	\$ 2,032,140	\$ 1,682,911	\$ 1,850,710	\$ 1,864,341
Total assets	\$ <u>2,032,140</u>	\$ <u>1,682,911</u>	\$ <u>1,850,710</u>	\$ <u>1,864,341</u>
Liabilities:				
Due to beneficiaries	\$ 2,032,140	\$ 1,682,911	\$ 1,850,710	\$ 1,864,341
Total liabilities	\$ <u>2,032,140</u>	\$ <u>1,682,911</u>	\$ <u>1,850,710</u>	\$ <u>1,864,341</u>

(continued)

**ELLIS COUNTY, TEXAS**

**AGENCY FUNDS**

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

(Continued)

**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Balance September 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2009</u>
<b><u>JUSTICE OF THE PEACE</u></b>				
Assets:				
Cash	\$ <u>133,326</u>	\$ <u>622,311</u>	\$ <u>645,317</u>	\$ <u>110,320</u>
Total assets	\$ <u>133,326</u>	\$ <u>622,311</u>	\$ <u>645,317</u>	\$ <u>110,320</u>
Liabilities:				
Due to other governments	\$ <u>133,326</u>	\$ <u>622,311</u>	\$ <u>645,317</u>	\$ <u>110,320</u>
Total liabilities	\$ <u>133,326</u>	\$ <u>622,311</u>	\$ <u>645,317</u>	\$ <u>110,320</u>
<b><u>JUVENILE PROBATION AND CORRECTIONS</u></b>				
Assets:				
Cash and investments	\$ <u>227,537</u>	\$ <u>359,734</u>	\$ <u>422,145</u>	\$ <u>165,126</u>
Total assets	\$ <u>227,537</u>	\$ <u>359,734</u>	\$ <u>422,145</u>	\$ <u>165,126</u>
Liabilities:				
Due to beneficiaries	\$ <u>227,537</u>	\$ <u>359,734</u>	\$ <u>422,145</u>	\$ <u>165,126</u>
Total liabilities	\$ <u>227,537</u>	\$ <u>359,734</u>	\$ <u>422,145</u>	\$ <u>165,126</u>
<b><u>ADULT COMMUNITY SUPERVISION AND CORRECTIONS</u></b>				
Assets:				
Cash and investments	\$ <u>386,922</u>	\$ <u>3,029,079</u>	\$ <u>3,128,365</u>	\$ <u>287,636</u>
Total assets	\$ <u>386,922</u>	\$ <u>3,029,079</u>	\$ <u>3,128,365</u>	\$ <u>287,636</u>
Liabilities:				
Due to beneficiaries	\$ <u>386,922</u>	\$ <u>3,029,079</u>	\$ <u>3,128,365</u>	\$ <u>287,636</u>
Total liabilities	\$ <u>386,922</u>	\$ <u>3,029,079</u>	\$ <u>3,128,365</u>	\$ <u>287,636</u>

(continued)

**ELLIS COUNTY, TEXAS**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
(Continued)  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Balance September 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2009</u>
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
Assets:				
Cash and investments	\$ <u>8,062,927</u>	\$ <u>229,594,245</u>	\$ <u>230,072,465</u>	\$ <u>7,584,707</u>
Total assets	\$ <u>8,062,927</u>	\$ <u>229,594,245</u>	\$ <u>230,072,465</u>	\$ <u>7,584,707</u>
Liabilities:				
Due to other governments	\$ 1,883,142	\$ 2,621,464	\$ 2,395,133	\$ 2,109,473
Due to beneficiaries	<u>6,179,785</u>	<u>8,807,093</u>	<u>9,511,644</u>	<u>5,475,234</u>
Total liabilities	\$ <u>8,062,927</u>	\$ <u>11,428,557</u>	\$ <u>11,906,777</u>	\$ <u>7,584,707</u>

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the County of Ellis' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	105
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue sources.	111
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	116
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	119
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County's provides and the activities it performs.	121

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TABLE 1

ELLIS COUNTY, TEXAS

NET ASSETS BY COMPONENT  
(Unaudited)  
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009		
Governmental activities:										
Invested in capital assets, net of related debt	\$ -	\$ 16,783,393	\$ 18,885,572	\$ 18,225,600	\$ 3,318,214	\$ 4,243,073	\$ 7,037,029	\$ 13,138,945		
Restricted	-	4,825,686	5,253,940	655,299	738,058	820,200	1,939,499	2,486,180		
Unrestricted	-	5,578,868	6,395,700	12,939,290	25,535,552	28,550,362	28,951,526	23,232,954		
Total governmental activities net assets	\$ -	\$ 27,187,947	\$ 30,535,212	\$ 31,820,189	\$ 29,591,824	\$ 33,613,635	\$ 37,928,054	\$ 38,858,079		

Ten years of information is not available; the County did not implement GASB 34 until 2003

TABLE 2

ELLIS COUNTY, TEXAS

CHANGES IN NET ASSETS  
(Unaudited)

LAST TEN FISCAL YEARS<sup>1</sup>

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>EXPENSES</b>										
Governmental activities:										
General government	\$ -	\$ -	\$ -	\$ 6,662,572	\$ 9,070,809	\$ 8,845,589	\$ 9,232,072	\$ 9,457,567	\$ 11,027,372	\$ 12,576,295
Judicial	-	-	-	4,317,576	3,851,390	4,046,313	4,185,014	4,584,015	5,242,394	5,505,751
Public safety	-	-	-	8,925,462	10,740,789	12,452,447	14,306,479	15,924,850	17,125,896	17,957,887
Health and welfare	-	-	-	1,956,606	1,959,263	2,445,497	2,585,252	2,363,193	1,869,806	1,995,092
Conservation	-	-	-	145,802	142,549	142,802	161,970	169,892	196,106	189,700
Roads and highways	-	-	-	6,613,357	5,384,181	5,241,732	6,330,052	5,576,443	7,474,568	8,621,000
Interest on long-term debt	-	-	-	814,526	851,471	931,667	907,828	941,235	3,398,336	3,236,353
Total expenses	\$ -	\$ -	\$ -	\$ 29,435,901	\$ 32,000,452	\$ 34,106,047	\$ 37,708,667	\$ 39,017,195	\$ 46,334,478	\$ 50,082,078

**PROGRAM REVENUES**

Governmental activities:										
Fees, fines and charges for services:										
General government	\$ -	\$ -	\$ -	\$ 3,673,664	\$ 3,956,295	\$ 4,617,338	\$ 3,626,361	\$ 3,555,362	\$ 3,207,150	\$ 2,840,425
Judicial	-	-	-	2,255,986	2,105,947	1,984,611	2,174,685	2,236,916	2,324,047	2,266,515
Public safety	-	-	-	960,806	703,170	650,645	405,024	744,251	663,817	650,674
Health and welfare	-	-	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	2,189,522	2,194,936	2,198,230	2,052,476	2,211,088	2,214,945	2,272,425
Operating grants and contributions	-	-	-	232,055	195,141	82,427	1,414,288	1,474,198	1,132,539	1,408,369
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	-	-	-	9,312,033	9,155,489	9,533,251	9,672,834	10,221,815	9,542,498	9,438,408

**NET (EXPENSE) REVENUE** \$ - \$ - \$ - \$ (20,123,868) \$ (22,844,963) \$ (24,572,796) \$ (28,035,833) \$ (28,795,380) \$ (36,791,980) \$ (40,643,670)

Continued



ELLIS COUNTY, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS

(Unaudited)

LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	<u>1,710,495</u>	<u>4,081,492</u>	<u>4,378,169</u>	<u>4,876,449</u>	<u>5,168,051</u>	<u>5,288,710</u>	<u>6,950,191</u>	<u>8,666,051</u>	<u>8,731,805</u>	<u>8,195,164</u>
Total general fund	<u>\$ 1,710,495</u>	<u>\$ 4,081,492</u>	<u>\$ 4,378,169</u>	<u>\$ 4,876,449</u>	<u>\$ 5,168,051</u>	<u>\$ 5,288,710</u>	<u>\$ 6,950,191</u>	<u>\$ 8,666,051</u>	<u>\$ 8,731,805</u>	<u>\$ 8,195,164</u>
Road and bridge fund										
Reserved										
Unreserved	<u>\$ 1,332,671</u>	<u>\$ 1,929,875</u>	<u>\$ 1,576,878</u>	<u>\$ 1,108,473</u>	<u>\$ 1,864,675</u>	<u>\$ 2,635,685</u>	<u>\$ 2,594,738</u>	<u>\$ 3,632,211</u>	<u>\$ 3,692,602</u>	<u>\$ 3,462,937</u>
Total road & bridge	<u>\$ 1,332,671</u>	<u>\$ 1,929,875</u>	<u>\$ 1,576,875</u>	<u>\$ 1,108,473</u>	<u>\$ 1,864,675</u>	<u>\$ 2,635,685</u>	<u>\$ 2,594,738</u>	<u>\$ 3,632,211</u>	<u>\$ 3,692,602</u>	<u>\$ 3,462,937</u>
All other governmental funds										
Reserved for:										
Debt service	\$ 521,571	\$ 520,553	\$ 588,439	\$ 528,872	\$ 515,570	\$ 681,936	\$ 738,058	\$ 820,200	\$ 1,939,499	\$ 2,486,180
Unreserved										
Capital projects funds	21,325,075	13,384,521	4,755,360	2,624,952	2,159,952	6,551,444	13,196,145	67,027,599	63,149,058	33,482,154
Special revenue funds	<u>578,186</u>	<u>706,815</u>	<u>1,418,161</u>	<u>1,419,634</u>	<u>1,439,811</u>	<u>1,492,455</u>	<u>1,574,343</u>	<u>2,120,482</u>	<u>2,337,017</u>	<u>2,712,183</u>
Total other government funds	<u>\$22,424,832</u>	<u>\$14,611,889</u>	<u>\$ 6,761,960</u>	<u>\$ 4,573,458</u>	<u>\$ 4,115,333</u>	<u>\$ 8,725,835</u>	<u>\$15,508,546</u>	<u>\$69,968,281</u>	<u>\$67,425,574</u>	<u>\$38,680,517</u>

Source: Comprehensive Annual Financial Report

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

(Unaudited)

LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>REVENUES</b>										
Property Taxes	\$ 13,843,959	\$ 16,581,262	\$ 18,549,364	\$ 20,871,477	\$ 23,198,533	\$ 25,251,205	\$ 27,347,054	\$ 29,465,001	\$ 35,931,673	\$ 38,869,215
Intergovernmental	\$ 723,374	\$ 902,187	\$ 664,249	\$ 561,643	\$ 647,686	\$ 511,101	\$ 1,414,288	\$ 1,474,198	\$ 1,132,717	\$ 1,498,727
License & Permits	\$ 1,847,656	\$ 1,721,797	\$ 2,021,017	\$ 2,025,740	\$ 2,079,994	\$ 2,104,406	\$ 2,052,476	\$ 2,211,088	\$ 2,214,945	\$ 2,171,078
Fees of Office	\$ 2,532,785	\$ 1,815,722	\$ 2,796,287	\$ 2,920,559	\$ 3,207,186	\$ 3,354,366	\$ 4,218,519	\$ 4,175,817	\$ 4,148,627	\$ 3,858,318
Fines & Forfeitures	\$ 1,529,296	\$ 1,069,897	\$ 1,483,836	\$ 2,867,310	\$ 1,998,833	\$ 2,345,817	\$ 1,933,470	\$ 2,536,161	\$ 2,298,259	\$ 2,135,013
Interest	\$ 2,049,017	\$ 1,177,323	\$ 514,410	\$ 228,415	\$ 193,702	\$ 589,713	\$ 1,190,279	\$ 1,911,951	\$ 2,999,772	\$ 769,177
Other	\$ 2,721,884	\$ 4,511,234	\$ 2,317,419	\$ 834,994	\$ 961,323	\$ 5,601,175	\$ 8,037,275	\$ 1,465,894	\$ 2,050,494	\$ 2,160,005
Total revenues	\$ 25,247,971	\$ 27,779,422	\$ 28,346,582	\$ 30,310,138	\$ 32,287,257	\$ 39,757,783	\$ 46,193,361	\$ 43,240,110	\$ 50,776,487	\$ 51,461,533

**EXPENDITURES**

Gen Government	\$ 6,188,614	\$ 5,292,408	\$ 6,961,557	\$ 6,238,717	\$ 7,002,691	\$ 7,960,428	\$ 8,305,989	\$ 8,535,648	\$ 10,557,978	\$ 11,790,452
Judicial	\$ 1,208,377	\$ 923,732	\$ 1,306,215	\$ 4,341,153	\$ 3,825,724	\$ 4,052,289	\$ 4,153,553	\$ 4,556,045	\$ 5,177,314	\$ 5,386,006
Public Safety	\$ 7,023,925	\$ 5,632,453	\$ 8,707,048	\$ 8,958,038	\$ 10,531,010	\$ 12,035,044	\$ 13,858,838	\$ 15,721,318	\$ 16,776,899	\$ 17,375,345
Health & Welfare	\$ 1,899,643	\$ 1,314,790	\$ 1,774,010	\$ 1,953,746	\$ 1,956,403	\$ 2,437,956	\$ 2,579,856	\$ 2,357,797	\$ 1,864,410	\$ 1,989,696
Conservation	\$ 111,510	\$ 67,994	\$ 118,515	\$ 145,802	\$ 142,549	\$ 142,802	\$ 177,041	\$ 164,409	\$ 189,595	\$ 182,587
Road & Bridge	\$ 3,946,182	\$ 3,955,645	\$ 6,002,873	\$ 6,010,235	\$ 4,984,460	\$ 5,263,697	\$ 6,224,065	\$ 5,686,867	\$ 7,216,815	\$ 8,354,654
Capital Outlay	\$ 5,925,534	\$ 13,432,353	\$ 9,729,813	\$ 2,778,590	\$ 1,099,397	\$ 251,260	\$ 597,882	\$ 787,964	\$ 5,737,209	\$ 30,100,343
Debt Service										
Principal	\$ 837,409	\$ 1,074,761	\$ 17,764,635	\$ 1,270,047	\$ 1,334,208	\$ 1,344,597	\$ 1,430,843	\$ 2,058,674	\$ 2,848,629	\$ 2,923,749
Interest	\$ 1,301,034	\$ 1,073,136	\$ 1,409,622	\$ 869,060	\$ 821,136	\$ 767,539	\$ 711,758	\$ 663,974	\$ 2,824,200	\$ 3,038,471
Total expenditures	\$ 28,442,228	\$ 32,767,272	\$ 53,774,288	\$ 32,565,388	\$ 31,697,578	\$ 34,255,612	\$ 38,039,825	\$ 40,532,696	\$ 53,193,049	\$ 81,141,303

Continued

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

(Unaudited)

LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009

<b>EXCESS OF REVENUES OVER (UNDER)</b>										
<b>EXPENDITURES</b>	( 3,194,257)	( 4,987,850)	(25,427,706)	( 2,255,250)	589,679	5,502,171	8,153,536	2,707,414	( 2,416,562)	(29,679,770)
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	\$ 2,000	\$ 1,738,558	\$ 106,174	\$ 112,487	\$ 455,817	\$ -	\$ 112,500	\$ 111,100	\$ 116,415	\$ 230,108
Transfers out	( 2,000)	( 1,738,558)	( 106,174)	( 112,487)	( 455,817)	-	( 112,500)	( 111,100)	( 116,415)	( 230,108)
Debt proceeds/ other	-	-	17,620,615	-	-	-	-	53,875,000	-	-
	176,331	114,525	-	96,623	-	-	201,575	630,654	-	168,407
Total other financing sources (uses)	176,331	114,525	17,620,615	96,623	-	-	201,575	54,505,654	-	168,407

<b>EXTRAORDINARY ITEMS</b>	-	-	-	-	-	-	-	-	-	-
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<b>NET CHANGE IN FUND BALANCES</b>	\$( 3,017,926)	\$( 4,873,325)	\$( 7,807,091)	\$( 2,158,627)	\$ 589,679	\$ 5,502,171	\$ 8,355,111	\$ 57,213,068	\$( 2,416,562)	\$(29,511,363)
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<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	9.5%	11.1%	43.5%	7.2%	6.9%	6.3%	5.8%	7.0%	12.2%	11.9%
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Source: Comprehensive Annual Financial Reports Concluded

**ELLIS COUNTY, TEXAS  
 ASSESSED AND ESTIMATED ACTUAL VALUE  
 OF TAXABLE PROPERTY  
 (Unaudited)  
 LAST TEN YEARS**

**TABLE 5**

<u>Tax Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total Assessed Valuation</u>	<u>Total Direct Rate*</u>	<u>Estimated Actual Value</u>
2000	4,799,001,853	1,328,638,192	6,127,640,045	0.3313	6,127,640,045
2001	5,746,067,565	1,502,086,422	7,248,153,987	0.3515	7,248,153,987
2002	6,879,481,633	1,402,222,040	8,281,703,673	0.3514	8,281,703,673
2003	7,293,902,060	1,596,064,070	8,889,966,130	0.3514	8,889,966,130
2004	7,659,168,117	1,815,048,890	9,474,217,007	0.3513	9,474,217,007
2005	8,207,129,335	1,956,636,165	10,163,765,500	0.35	10,163,765,500
2006	8,949,770,368	1,947,251,600	10,897,021,968	0.35	10,897,021,968
2007	9,879,959,212	2,067,783,745	11,947,742,957	0.3495	11,947,742,957
2008	10,753,312,471	2,227,142,721	12,980,455,192	0.3936	12,980,455,192
2009	10,845,390,864	2,241,049,843	13,086,440,707	0.3936	13,086,440,707

\*The total direct rate applied to Ellis County's revenue base

**ELLIS COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
(Unaudited)  
LAST TEN YEARS**

**TABLE 6**

<b>TAXING JURISDICTION</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b><u>DIRECT</u></b>										
COUNTY-WIDE:										
Ellis County	\$0.29719	\$0.30202	\$0.31017	\$0.31464	\$0.31599	\$0.31891	\$0.32049	\$0.36460	\$0.360091	\$0.360091
Farm to Market	0.054304	0.049400	0.041230	0.036656	0.034006	0.031093	0.029009	0.02901	0.033508	0.033508
<b><u>OVERLAPPING GOVERNMENTS</u></b>										
CITIES:										
Bardwell	0.15230	0.16250	0.16975	0.16975	0.18536	0.18625	0.18580	0.18580	0.18580	0.195000
Cedar Hill	0.64269	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140	0.641400
Ennis	0.60000	0.60000	0.63000	0.63000	0.63000	0.73000	0.71000	0.71000	0.69500	0.695000
Ferris	0.71000	0.63793	0.60000	0.58554	0.59275	0.60000	0.60000	0.60000	0.65000	0.648087
Garrett	0.33000	0.31000	0.31000	0.31000	0.31000	0.29991	0.31984	0.33239	0.32880	0.356600
Italy	0.67000	0.64785	0.74500	0.59453	0.59453	0.68000	0.69300	0.77111	0.93673	0.934800
Maypearl	0.78000	0.78000	0.76735	0.75642	0.73716	0.73716	0.73716	0.69217	0.68440	0.688880
* Midlothian	0.29604	0.41346	0.41113	0.41182	0.42404	0.64038	0.65795	0.65000	0.65000	0.650000
Milford	0.58603	0.54935	0.52786	0.49967	0.49967	0.49547	0.50157	0.48550	0.50000	0.505800
Oak Leaf	0.19600	0.21127	0.26000	0.26174	0.35000	0.34156	0.33144	0.34854	0.34854	0.355400
Ovilla	0.39649	0.38780	0.55856	0.66675	0.68250	0.68250	0.68250	0.66800	0.66800	0.667900
Palmer	0.59880	0.59880	0.55893	0.55893	0.57165	0.57165	0.62920	0.62920	0.62920	0.629200
Pecan Hill	0.22498	0.22800	0.23154	0.23937	0.25462	0.25108	0.24066	0.25065	0.30000	0.304700
Red Oak	0.64000	0.61500	0.61500	0.61500	0.61500	0.61380	0.64000	0.63500	0.63500	0.635000
Waxahachie	0.61750	0.61750	0.61250	0.61750	0.61750	0.61500	0.61500	0.61500	0.61500	0.611208
SCHOOL DISTRICTS:										
Avalon	1.32000	1.36000	1.43300	1.34833	1.34400	1.41910	1.49380	1.37600	1.09958	1.24613
Ennis	1.46000	1.49000	1.59000	1.65190	1.65190	1.65190	1.65190	1.57000	1.40000	1.51000
Ferris	1.49000	1.49000	1.51000	1.53950	1.53700	1.77190	1.77190	1.57070	1.26970	1.27720
Italy	1.46470	1.56000	1.56000	1.50000	1.56000	1.56000	1.56000	1.43300	1.11105	1.24100
Maypearl	1.53000	1.53000	1.55000	1.55000	1.58000	1.77900	1.76900	1.64800	1.34000	1.35900
Midlothian	1.65990	1.70970	1.72000	1.72000	1.72000	1.76450	1.78750	1.69750	1.36750	1.39750
Milford	1.66120	1.66120	1.62398	1.62398	1.62398	1.62398	1.62400	1.49400	1.19000	1.18830
Palmer	1.40068	1.44650	1.56209	1.56209	1.61700	1.61700	1.61000	1.48000	1.50000	1.27730
Red Oak	1.53800	1.53800	1.53000	1.54500	1.57000	1.64000	1.64000	1.51000	1.30000	1.54000
Waxahachie	1.45580	1.54670	1.68000	1.71000	1.63900	1.71650	1.72080	1.59730	1.36000	1.36000

*Continued*

**ELLIS COUNTY, TEXAS  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
(Unaudited)  
LAST TEN YEARS**

TAXING JURISDICTION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
SPECIAL DISTRICTS:										
EC ESD #3	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000
EC ESD #2	0.03000	0.05000	0.05000	0.05750	0.05750	0.06500	0.06750	0.07025	0.07229	0.84500
EC ESD #1	0.06300	0.06500	0.06700	0.06700	0.06700	0.07000	0.07000	0.07350	0.07350	0.07350
EC ESD #4	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
EC ESD #5	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
EC ESD #6	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.06000	0.06000	0.06000
EC ESD #7	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
EC ESD #8	0.03000	0.03000	0.03000	0.03000	0.03000	0.08000	0.08000	0.10000	0.10000	0.10000
EC ESD #9	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
Ellis Co. W C & ID	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.00000	0.00000
* Midlothian Water Co.	0.19416	0.19416	0.19416	0.19416	0.19416	0.00000	0.00000	0.00000	0.00000	0.00000
										<i>Concluded</i>

Note: Tax rates are stated per \$100 assessed valuation.

Source: Central Appraisal District of Ellis County

\* Midlothian Water Co. tax rate included with City of Midlothian beginning 2005.

TABLE 7

**ELLIS COUNTY, TEXAS  
PRINCIPAL TAXPAYERS  
(Unaudited)  
SEPTEMBER 30, 2009**

<u>Name</u>	<u>Type of Business</u>	<u>2009 Assessed Valuations</u>	<u>Percentage of Total Assessed Valuation</u>
Midlothian Energy LP	Utility	\$ 400,493,670	3.06%
Walgreen Company	Distribution Center	288,811,330	2.21%
TXI Operations LP	Cement Plant	254,057,410	1.94%
HOLCIM (US), Inc.	Cement Plant	212,074,330	1.62%
Chaparral Steel Company	Steel Mill	207,746,680	1.59%
Oncor Electric Delivery Company	Utility	124,526,290	0.95%
Dartco of Texas LTD LP	Manufacturing Facility	110,335,170	0.84%
Target Corporation	Distribution Center	108,830,620	0.83%
CVS Texas Distrubution LP	Distribution Center	98,953,440	0.76%
Ennis-Tractebel Power Co LP	Utility	98,034,830	0.75%
		<u>\$ 1,903,863,770</u>	<u>14.55%</u>

Note: Total Assessed Valuation of \$ 13,086,440,707

Source: Ellis County Appraisal District

Due to the nature of this table, only current year data is presented

TABLE 8

**ELLIS COUNTY, TEXAS**  
**BUDGETED PROPERTY TAX LEVIES AND COLLECTIONS**  
 (Unaudited)  
**LAST TEN FISCAL YEARS**

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>% OF LEVY COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>% OF TOTAL TAX COLLECTION TO TAX LEVY</u>
2000	13,648,716	13,239,870	97.00%	604,089	13,843,959	101.43%
2001	16,778,500	16,136,412	96.17%	444,850	16,581,262	98.82%
2002	* 18,390,426	18,074,500	98.28%	474,864	18,549,364	100.86%
2003	* 20,308,800	19,843,239	97.71%	962,460	20,805,699	102.45%
2004	* 22,639,359	22,031,384	97.31%	1,131,482	23,162,866	102.31%
2005	* 24,485,051	23,673,110	96.68%	1,182,984	24,856,094	101.52%
2006	* 26,832,506	25,965,504	96.77%	1,379,945	27,345,449	101.91%
2007	* 28,609,607	27,966,441	97.75%	863,202	28,829,643	100.77%
2008	* 35,334,581	34,609,030	97.95%	736,070	35,345,099	100.03%
2009	* 38,175,425	37,430,852	98.05%	735,217	38,166,069	99.98%

(a) Delinquent Tax Collections includes penalty and interest.

\* Does not include Tax Increment Reinvestment Zone levy and collection

**ELLIS COUNTY, TEXAS**  
**RATIO OF NET GENERAL BONDED DEBT**  
**TO ASSESSED VALUES AND NET BONDED DEBT PER CAPITA**  
**(Unaudited)**  
**LAST TEN FISCAL YEARS**

**TABLE 9**

<b>Fiscal Year</b>	<b>Population</b>	<b>Assessed Values</b>	<b>General Bonded Debt</b>	<b>Less Amount Available in Debt Service Fund</b>	<b>Net Bonded Debt</b>	<b>Ratio of Bonded Debt to Assessed Values</b>	<b>Net Bonded Debt Per Capita</b>	<b>Ratio of Bonded Debt to Personal Income</b>
2000	111,360	6,127,640,045	25,169,325	521,207	24,648,118	0.40%	221.34	1.02%
2001	111,360	7,248,153,987	24,219,027	520,553	23,698,474	0.33%	212.81	0.88%
2002	116,555	8,281,703,673	24,282,813	588,439	23,694,374	0.29%	203.29	0.82%
2003	129,250	8,889,966,130	22,801,333	528,872	22,272,461	0.25%	172.32	0.69%
2004	129,250	9,474,217,007	21,707,073	515,570	21,191,503	0.22%	163.96	0.60%
2005	131,826	10,163,765,500	20,567,737	681,936	19,885,801	0.20%	150.85	0.53%
2006	139,300	10,897,021,968	18,701,262	738,058	17,963,204	0.16%	128.95	0.64%
2007	143,468	11,947,742,957	72,492,135	820,200	71,671,935	0.60%	499.57	2.23%
2008	147,850	12,980,455,192	69,982,330	1,939,499	68,042,831	0.53%	460.22	1.97%
2009	152,750	13,086,440,707	67,369,818	2,486,180	64,883,638	0.50%	424.77	1.81%

**Notes:**

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

(1) See Table 12 for population data.

(2) See Table 7 for taxable value of property data.

TABLE 10

**ELLIS COUNTY, TEXAS**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**(Unaudited)**  
**SEPTEMBER 30, 2009**

<u>Taxing Jurisdiction</u>	<u>Total Funded Debt</u>	<u>Percentage Applicable To Named Government</u>	<u>Overlapping Funded Net Debt</u>
<b>SPECIAL DISTRICTS:</b>			
Ellis County WC&ID #1	\$ 540,000	100.00%	\$ 540,000
<b>CITIES:</b>			
Bardwell	169,000	100.00%	\$ 169,000
Ennis	32,399,849	100.00%	\$ 32,399,849
Ferris	2,309,000	90.27%	\$ 2,084,334
Italy	3,470,267	100.00%	\$ 3,470,267
Maypearl	360,000	100.00%	\$ 360,000
Midlothian	50,405,296	100.00%	\$ 50,405,296
Milford	36,239	100.00%	\$ 36,239
Ovilla	6,618,350	91.07%	\$ 6,027,331
Palmer	2,590,000	100.00%	\$ 2,590,000
Red Oak	6,103,956	100.00%	\$ 6,103,956
Venus	1,724,322	13.43%	\$ 231,576
Waxahachie	52,258,276	100.00%	\$ 52,258,276
<b>COUNTY-LINE CITITES:</b>			
Cedar Hill	70,876,960	3.58%	\$ 2,537,395
Glenn Heights	6,159,189	30.27%	\$ 1,864,387
Grand Prairie	136,930,403	0.07%	\$ 95,851
Mansfield	99,054,627	0.13%	\$ 128,771
<b>SCHOOL DISTRICTS:</b>			
Avalon ISD	1,301,782	100.00%	\$ 1,301,782
Italy ISD	1,606,219	100.00%	\$ 1,606,219
Maypearl ISD	15,694,048	100.00%	\$ 15,694,048
Midlothian ISD	164,831,144	100.00%	\$ 164,831,144
Palmer ISD	4,779,999	100.00%	\$ 4,779,999
Red Oak ISD	99,832,143	100.00%	\$ 99,832,143
Waxahachie ISD	97,930,827	100.00%	\$ 97,930,827
<b>COUNTY-LINE SCHOOL DISTRICTS:</b>			
Ennis ISD	174,196,661	99.37%	\$ 173,099,222
Ferris ISD	30,568,879	94.77%	\$ 28,970,127
Frost ISD	1,122,000	2.56%	\$ 28,723
Milford ISD	507,433	65.85%	\$ 334,145
<b>TOTAL NET OVERLAPPING DEBT</b>			<b>\$ 749,710,908</b>
Ellis County			67,369,818

Source: Texas Municipal Reports

**TABLE 11**

**ELLIS COUNTY, TEXAS  
COMPUTATION OF LEGAL DEBT MARGIN  
(Unaudited)  
September 30, 2009**

Assessed Value of Real Property	10,845,390,864
Assessed Value of Personal and Other Property	2,241,049,843
 Total Assessed Value	 <u><u>\$ 13,086,440,707</u></u>

**Bonds Issued Under Article III,  
Section 52 of the Texas Constitution:**

The County is authorized under Article III, Section 52, of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to the rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the county.

Debt limit, 25% of Real Property Assessed Value	\$ 2,711,347,716
---	------------------

Amount of Debt Applicable to Debt Limit:

Debt Limit:		
Total Bonded Debt Applicable	67,369,818	
Less: Assets in Debt Service Fund		
available for payment of principal	2,486,180	<u>64,883,638</u>

**Legal Debt Margin, Bonds Issued Under  
Article III, Section 52 of the Texas  
Constitution**

\$ 2,646,464,078

TABLE 12

**ELLIS COUNTY, TEXAS  
DEMOGRAPHIC STATISTICS  
(Unaudited)  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>(1) Population</b>	<b>Personal Income (thousands of dollars)</b>	<b>(2) Personal Income</b>	<b>(3) Median Age</b>	<b>(4) School Enrollment</b>	<b>(4) Unemployment Rate</b>
2000	103,000	2,244,988	21,796	32.8	21,359	3.5%
2001	103,000	2,503,621	24,307	32.9	22,670	4.6%
2002	105,000	2,611,980	24,876	33.0	22,910	5.6%
2003	111,360	2,796,695	25,114	33.1	23,105	6.1%
2004	111,360	3,041,910	27,316	33.2	24,645	5.3%
2005	116,555	3,312,027	28,416	33.2	25,591	5.1%
2006	120,052	2,426,491	20,212	33.2	25,866	5.3%
2007	143,468	3,216,839	22,422	33.0	29,464	4.4%
2008	147,850	2,461,464	23,412	33.2	30,678	7.0%
2009	152,750	3,276,946	21,453	33.2	30,652	8.4%

## Data Sources:

- (1) North Central Council of Governments
- (2) U.S. Census Bureau
- (3) U.S. Bureau of Economic Analysis
- (4) Texas Comptroller

## ELLIS COUNTY, TEXAS

PRINCIPAL EMPLOYERS  
(Unaudited)  
CURRENT YEAR

<u>Employer</u>	<u>2009</u>	
	<u>Employees</u>	<u>% of Total County Employment</u>
Chaparral Steel Co.	1,000	1.49%
Walgreen's Distribution Center	838	1.25%
Dart Container Corp.	829	1.24%
Target Distribution Center	600	0.90%
Ellis County Government	535	0.80%
Ennis, Inc.	502	0.75%
Sterlite Corp.	461	0.69%
Wal-Mart Supercenter	436	0.65%
Owens-Corning Fiberglas	426	0.64%
Rock-Tenn Company	404	0.60%
Total	<u>6,031</u>	<u>9.00%</u>
Total County Employment	67,023	

Sources: North Central Texas Council of Governments

Data from 1999 is not available

TABLE 14

**ELLIS COUNTY, TEXAS**  
**COUNTY FULL TIME EMPLOYEES BY FUNCTION**  
**(Unaudited)**  
**LAST THREE FISCAL YEARS**

Function/Program	2007	2008	2009
General government	96	94	156
Judicial	74	76	77
Public safety	231	248	239
Health and welfare	8	7	1
Conservation	5	5	5
Roads and highways	64	72	70
Total	<u>478</u>	<u>502</u>	<u>548</u>

Source: Ellis County Human Services

Years prior to 2007 not available

**ELLIS COUNTY, TEXAS**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**(Unaudited)**  
**LAST THREE FISCAL YEARS**

**TABLE 15**

Function/Program	2007	2008	2009
<b>General Government</b>			
Number of A/P Transactions	13,789	14,253	18,072
Flood Plain/Building Permits	951	982	558
Aerobic Septic Permits	690	702	244
Other Septic Permits	108	118	129
Nuisance Complaints	645	680	801
New Subdivisions	61	50	21
<b>Judicial</b>			
Hot Check cases			
Number of checks processed	2,787	2,284	1286*
Number of theft by check cases filed	479	468	200*
<b>Public Safety</b>			
Number of 911 calls received	32,149	33,217	32,792
Average Jail daily population	460	462	347
Jail bookings	5,993	6,012	5,993
Jail releases	6,016	6,021	6,039
Jail inmates at September 30	385	397	302
Violations reported by Sheriff office	5,652	5,812	3,100
<b>Transportation</b>			
Roadway resurfacing (miles)	95.8	108	132.0
Mowing along roadways (equipment miles)	6,826	6,897	4,091
Ditch and culvert cleaning (miles)	110	112	102
<b>Conservation</b>			
Number of people served in programs	106,779	109,432	121,592
<b>Health and Welfare</b>			
Number of applications filed	350	403	573
Number of cases approved	57	66	94

\*estimated

**FEDERAL AWARD PROGRAMS**



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

**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**

To the Honorable County Judge  
And Commissioners' Court  
Ellis County, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ellis County, Texas (the "County") as of and for the year ended September 30, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

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

### **Compliance and Other Matters**

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

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

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

March 30, 2010



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

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND  
THE STATE OF TEXAS UNIFORM GRANT MANAGEMENT STANDARDS**

To the Honorable County Judge  
And Commissioners' Court  
Ellis County, Texas

**Compliance**

We have audited the compliance of Ellis 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 are applicable to each of its major federal programs for the year ended September 30, 2009. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Those standards 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 program occurred. An audit includes examining on a test basis, evidence about the County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2009.

## **Internal Control Over Compliance**

The management of Ellis County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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

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

March 30, 2010

**ELLIS COUNTY, TEXAS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED SEPTEMBER 30, 2009**

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Expenditures
<u>U. S. Department of Housing and Urban Development</u> Passed through the Office of Rural Community Affairs: Community Development Block Grant	14.228	724261	\$ 338,000
Community Development Block Grant	14.228	724261	121,370
Total Passed through Office of Rural Community Affairs			<u>459,370</u>
Total U. S. Department of Housing and Urban Development			<u>459,370</u>
<u>U. S. Department of Justice</u> Direct program: State Ciminal Alien Assistance Program	16.606	Alien Assistance 08/09	23,662
Total U. S. Department of Justice			<u>23,662</u>
<u>U. S. Elections Assistance Commission</u> Passed through the Texas Secretary of State: Help America Vote Act	90.401	78545	40,871
Total Passed through the Texas Secretary of State			<u>40,871</u>
Total Elections Assistance Commission			<u>40,871</u>
<u>U. S. Department of Health and Human Services</u> Passed through the Centers for Disease Control and Prevention: Cities Readiness Initiative	93.283	18-200-1	27,105
Total Passed through Centers for Disease Control and Prevention			<u>27,105</u>
Passed through Texas Department of Family and Protective Services: Title IV-E Contract (Legal)	93.658	23438981	12,180
Total Passed through Texas Department of Family and Protective Services			<u>12,180</u>
Total U. S. Department of Health and Human Services			<u>39,285</u>
<u>U. S. Department of Homeland Security</u> Passed through the Texas Office of the Governor - Division of Emergency Management: Repetitive Flood Claims	97.092	RFC08-003	486,378
Total Passed through the Texas Office of the Governor - Division of Emergency Management			<u>486,378</u>
Total U. S. Department of Homeland Security			<u>486,378</u>
Total Federal Awards			<u>\$ 1,049,566</u>

## ELLIS COUNTY, TEXAS

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

SEPTEMBER 30, 2009

#### 1. GENERAL

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

#### 2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal 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*. Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**ELLIS COUNTY, TEXAS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

**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)?	None reported
Internal control over major programs: Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
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 Uniform Grant Management Standards	None
Dollar threshold considered between Type A and Type B federal and 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	Repetitive Flood Claims, CFDA #97.092

**Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Auditing Standards**

None

**Findings and Questioned Costs for Federal Awards**

None

**ELLIS COUNTY, TEXAS**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

None