

ELLIS COUNTY, TEXAS

Comprehensive Annual Financial
Report

**For the Year Ended
September 30, 2011**

Prepared by: Ellis County Auditor's Office

**ELLIS COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 SEPTEMBER 30, 2011**

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INTRODUCTORY SECTION



ELLIS COUNTY AUDITOR'S OFFICE

Michael S. Navarro, CPA
County Auditor

March 29, 2012

Staff

Beth Allen
1st Assistant

Holly Davis
Assistant

DeVonda Spurlock
Assistant

Kim Brown
Assistant

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, 2011 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's accounting system supports an adequate internal control structure. This structure helps to safeguard the County's assets against loss, theft, or misuse. The accounting system provides reliable financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure provides reasonable, but not absolute, assurance that the County's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits require estimates and judgments by management.

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 2010 estimated population for the County was 149,610. 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.

Address

101 West Main, Suite 301
Waxahachie, Texas 75165

Phone

Audit (972) 825-5120
Fax (972) 825-5124

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.

Reasonably priced real property has spurred residential development over the last twenty years, which in turn spawns population growth. According to the United States Census Bureau, the population of Ellis County is 149,610. This represents a growth of 34.3% from the 2000 Census. Ellis County experienced a 30.8% increase from 1990 to 2000. Ellis County has a diverse population consisting of White 65.4%, Hispanic or Latino 23.5%, Black or African American 9.0%, and other races 2.1%. The most recent data from the US Census Bureau (2005) 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 Dallas/Ft. Worth 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 \$63,843 compared to the state median of \$50,049. The home ownership rate in Ellis County is 74.4% compared to the state rate of 63.8%. There are 54,365 housing units in the County, of which 50,503 are occupied. In Ellis County, 11.7% 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 the County makes the area attractive.

The trend of solid gains in the tax base from fiscal years 2003-2009 reversed in 2010. Taxable property value decreased from \$10,396,760,106 in tax year 2009 to \$10,313,473,113 in tax year 2010. This came primarily from a decline in the industrial development of both real and personal property. This decline has been somewhat counterbalanced by past aggressive tax abatement policies that bring additional taxable value to the tax roll annually. The current tax abatement on the 2010 assessed value is \$136,837,868.

The continued 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 Capital Planning

In calendar year 2011, Ellis County completed the initial construction on the County Farm Project. Specifically, this portion included a facility for a future Juvenile Justice Alternative Education Program, current Juvenile Probation staff offices, a short term detention holdover area, and another facility for law enforcement training and housing for the criminal investigation division of the Sheriff's Office. Future expansion for the County Farm Project could include a records retention facility as well as a vehicle storage facility.

The Federal Communications Commission (FCC) has mandated that all public safety and industrial/business licensees convert existing 25 kHz radio systems to minimum narrowband 12.5 kHz efficiency technology by January 1, 2013. This affects all land mobile Part 90, 25 kHz systems operating in the VHF (150-174 MHz) and UHF (421-512 MHz) frequency bands. This mandate affects the majority of radio system operators in Ellis County. The narrowbanding initiative requires that all equipment, including mobile radios, portable radios, and fixed infrastructure (repeaters, base stations, and control stations) currently operating at 25 kHz (wideband) be converted to 12.5 kHz (narrowband) operation by the end of 2012. Ellis County maintains primary radio systems that support the Ellis County Sheriff's Department operations, Ellis County Fire operations, and Ellis County Public Works (Road & Bridge) Departments. Each of these systems is affected by the narrowbanding mandate. There are many public safety agencies in the County that utilize these systems for day to day operations.

The County has hired RCC Consultants Inc. to assist them in this narrowband conversion. Modifications of the County radio systems for narrowband operation must be coordinated with all of its independent users. The narrowband conversion of each of these systems will be precluded by necessary repairs to the receiver voting systems that enhance coverage for each of these channels. By making these repairs, overall coverage will be improved for the County departments as well as for other users of the system. Currently the plan for 2012 includes conversion of the system to narrowband analog technology. It does not include any migration plans at this time to a new technology such as P25 operation or a trunked radio system. Inventory evaluations and cost estimates have been developed for the County departments and agencies that rely on the existing system for day to day operations that can be used in the future if and when the County decides to upgrade its system at a later date to P25 operation.

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 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 also serves as the County Investment Officer. 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. 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, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; 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, 2011, 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, 2010. This was the fifteenth 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 staff consisting of Beth Allen, Holly Davis, DeVonda Spurlock, and Kim Brown. 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 accounting 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,



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, 2010

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



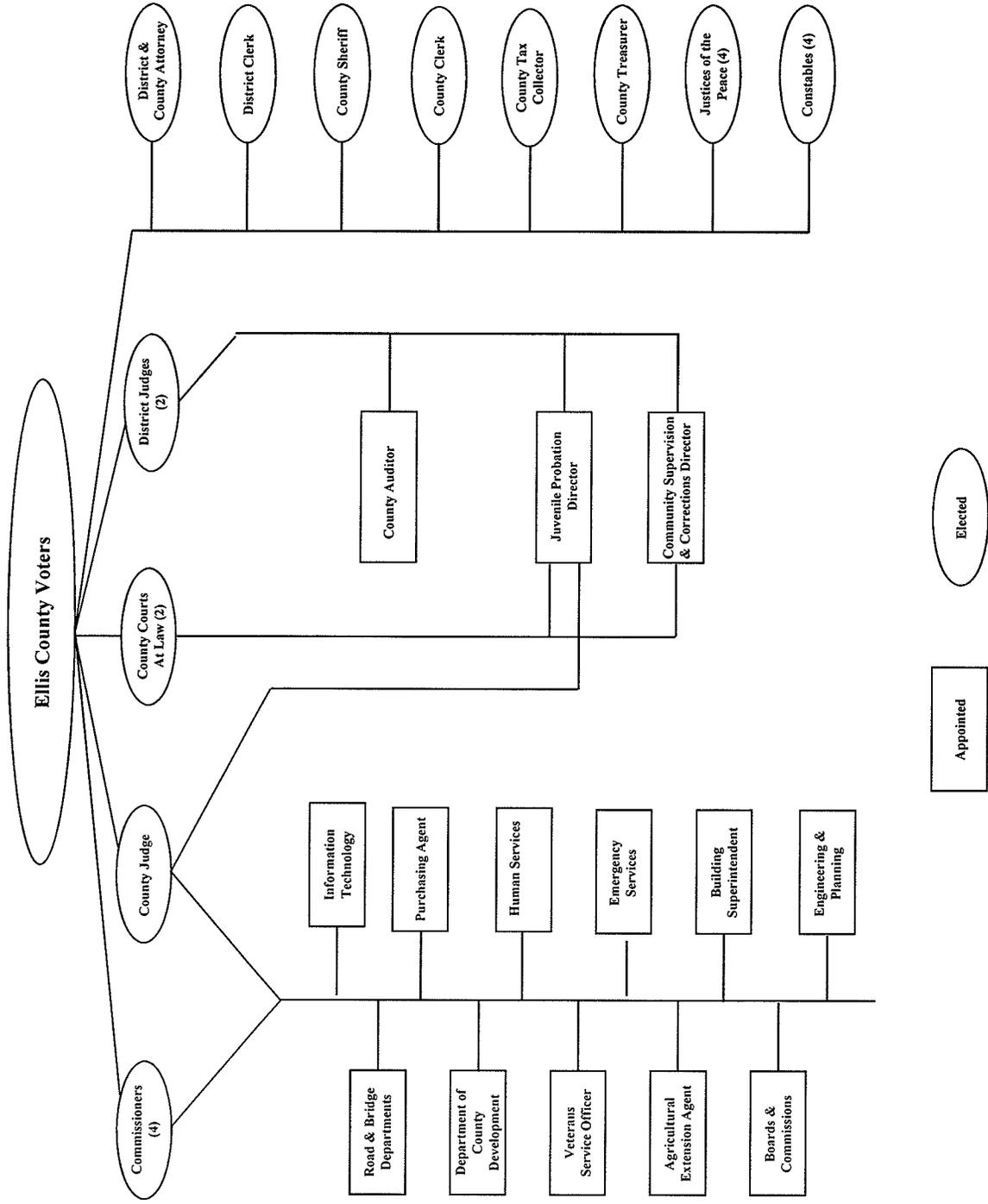
Linda C. Davidson

President

Jeffrey R. Egan

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

40th Judicial District

Bob Carroll

378th Judicial District

Joe Grubbs

COUNTY COURT AT LAW JUDGE I

Jim Chapman

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

Steve Egan

LAW ENFORCEMENT AND LEGAL

SHERIFF

Johnny Brown

COUNTY ATTORNEY

Patrick Wilson

CONSTABLES

Precinct 1

Ben Fry

Precinct 2

Terry Nay

Precinct 3

Jimmie Ray

Precinct 4

Michael Jones

ADULT PROBATION OFFICER*

Gary Hunter

JUVENILE PROBATION OFFICER*

Darrin Ray

FINANCIAL ADMINISTRATION

COUNTY AUDITOR*

Michael S. Navarro

COUNTY TREASURER

Cheryl Chambers

TAX COLLECTOR

John Bridges

PURCHASING AGENT*

Alisha Wickens

RECORDING OFFICIALS

DISTRICT CLERK

Melanie Reed

COUNTY CLERK

Cindy Polley

*Denotes appointed officials. All others are elected officials.

FINANCIAL SECTION

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2012, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of funding progress on pages 3 through 10 and 42 through 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ellis County, Texas's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards general accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

March 29, 2012

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, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages I-IV of this report.

FINANCIAL HIGHLIGHTS

The assets of Ellis County exceeded its liabilities at the close of the most recent fiscal year by \$38,330,599 (*net assets*). Of this amount, \$10,672,310 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net assets decreased by \$866,351.
- As of the close of the current fiscal year, Ellis County's governmental funds reported combined ending fund balances of \$20,626,635, a decrease of \$2,759,581 in comparison with the prior year. The majority of this decrease was due to capital outlay of \$2,996,442, associated with the construction of County building projects. \$8,208,008 is *available for spending* at the government's discretion (*unassigned fund balance*) in accordance with applicable laws.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,208,008 and 23.46% of total General Fund expenditures.
- The County's total debt decreased by \$2,254,565 (3.3%) 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 42 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 and Permanent Improvement Fund, which are considered to be major funds. Data from the other 40 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. 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 – 15 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 statements 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 16 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 17 – 39 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, including Ellis County’s General Fund budget to actual comparison. Required supplementary information can be found on pages 40 – 51 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 52 – 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 \$38,330,599 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 52.1% 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	
	2011	2010
Current and other assets	\$ 25,803,084	\$ 30,278,158
Capital assets	81,808,651	82,072,379
Total assets	<u>107,611,735</u>	<u>112,350,537</u>
Long-term liabilities	65,253,408	67,507,973
Other liabilities	4,027,728	5,645,614
Total liabilities	<u>69,281,136</u>	<u>73,153,587</u>
Net assets:		
Invested in capital assets, net of related debt	19,964,231	15,185,935
Restricted	7,694,058	2,316,833
Unrestricted	<u>10,672,310</u>	<u>21,694,182</u>
Total net assets	<u>\$ 38,330,599</u>	<u>\$ 39,196,950</u>

An additional portion of Ellis County’s net assets (20.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* \$10,672,310 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 decreased Ellis County's net assets by \$866,351, thereby accounting for 2.3% of the total net assets of Ellis County.

Ellis County's Changes in Net Assets

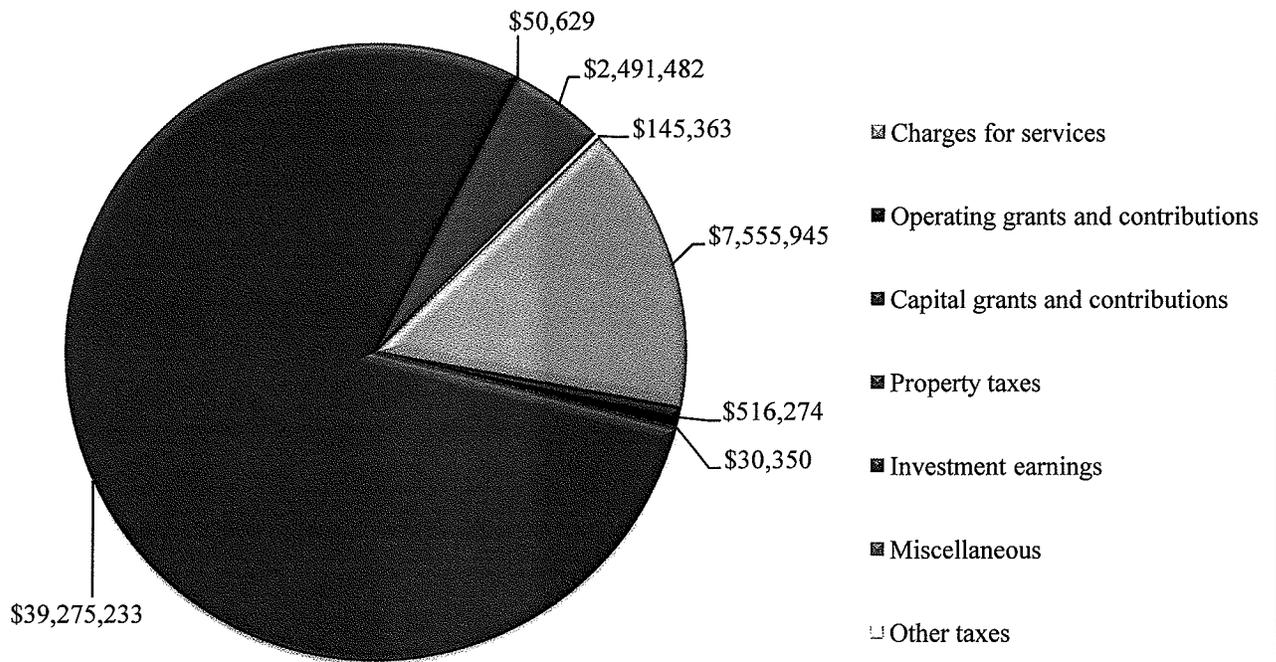
	Governmental Activities	
	2011	2010
REVENUES		
Program revenues:		
Charges for services	\$ 7,555,945	\$ 7,690,688
Operating grants and contributions	516,274	662,432
Capital grants and contributions	30,350	-
General revenues:		
Property taxes	39,275,233	39,209,600
Investment earnings	50,629	157,483
Miscellaneous	2,491,482	2,307,765
Other taxes	145,363	137,584
Total Revenues	50,065,276	50,165,552
EXPENSES		
General government	13,621,198	12,521,992
Judicial	5,565,386	5,586,861
Public safety	19,288,492	18,169,820
Health and welfare	1,216,930	1,599,566
Conservation	192,434	184,818
Roads and highways	8,088,420	8,632,387
Interest on long-term debt	2,958,767	3,131,237
Total Expenses	50,931,627	49,826,681
INCREASE (DECREASE) IN NET ASSETS	(866,351)	338,871
NET ASSETS, BEGINNING	39,196,950	38,858,079
NET ASSETS, ENDING	\$ 38,330,599	\$ 39,196,950

Property taxes increased by \$65,633 (.2%) during the year. This result is mainly due to new property on the tax rolls due to growth.

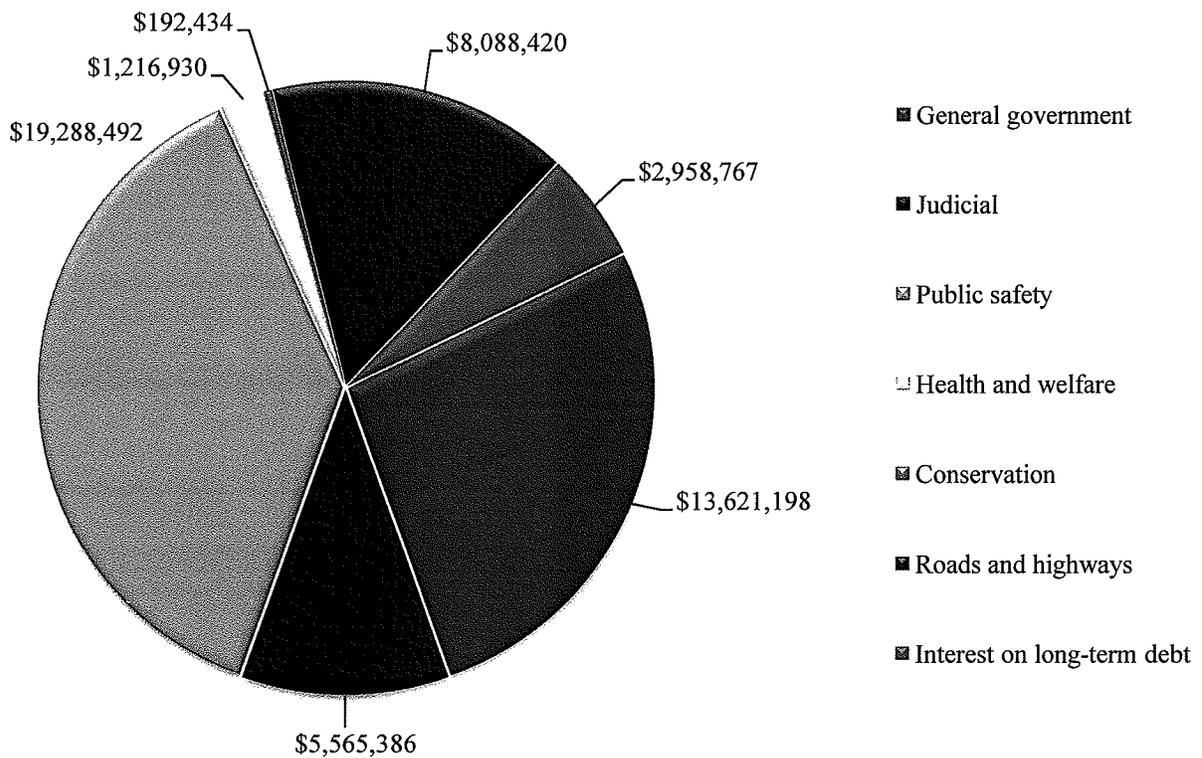
Investment income decreased primarily due to a decrease in funds available to be invested.

Expenses increased in 2011, driven by an 8.8% increase in general government as well as a decrease in interest expenses on long-term debt.

REVENUES BY SOURCE



EXPENSES 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, *unassigned 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, unassigned total fund balance of the General Fund was \$8,208,008. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned total fund balance represents 23.46% of total General Fund expenditures.

The fund balance of Ellis County's General Fund increased by \$436,343 during the current fiscal year. This increase is primarily due a 2.28% decrease in current year expenditures.

The Permanent Improvement Fund has an ending fund balance of \$3,112,478, a decrease of \$3,241,056 from the prior year. This decrease is a result of capital outlay expenditures.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$882,264 increase in appropriations) and can be briefly summarized as follows:

- Budgetary amendments were made to recognize non-departmental expenditures, and to update 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, 2011, amounts to \$81,808,651 (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	
	2011	2010
Land	\$ 1,971,948	\$ 2,319,448
Construction work in progress	2,431,354	867,179
Buildings and improvements	73,511,112	74,725,359
Machinery and equipment	3,894,237	4,160,393
Total	\$ 81,808,651	\$ 82,072,379

The County had the following additions to fixed assets:

Addition to construction in progress for building projects	\$ 3,132,794
Purchase of vehicles and equipment	883,240

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 \$65,253,408.

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

General Obligation Bonds	\$ 49,111,507
Refunding Bonds	12,732,913
Total	\$ 61,844,420

The County also had vacation payable of \$1,415,985 and net OPEB obligation of \$1,993,003.

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 \$262,787.

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

- Recognizing the overall decline in taxable property, coupled with the desire to leave essential services intact, the Commissioners Court increased the property tax rate to fund the 2011/2012 budget by \$0.02 per \$100 valuation. The new rate is \$0.413599.
- In addition to raising the property tax rate, the Commissioners Court also reduced the level of staffing in areas deemed as "non-essential".
- The overall direct debt burden is low. Assisted by "pay as you go" capital spending, the county's capital needs appear manageable.
- Unfunded/underfunded mandates imposed by the State of Texas continue to be borne on the backs of local taxpayers including programs such as indigent health care, juvenile probation, legal representation for indigent defendants, and meeting standards imposed by the Texas Jail Commission.
- Estimated Revenue for fiscal year 2012 is \$35,755,359 for the General Fund, and estimated expenditures are \$35,755,359.

All of these factors were considered in preparing Ellis County's budget for the 2011 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.

BASIC FINANCIAL SECTION

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

	Primary Government
	Governmental Activities
ASSETS	
Cash and investments	\$ 23,064,927
Receivables, net of allowances for uncollectibles	
Taxes	994,339
Other	1,332,854
Deferred Charges	410,964
Capital assets:	
Land	1,971,948
Buildings and improvements	97,928,696
Furniture and equipment	12,408,398
Construction in progress	2,431,354
Accumulated depreciation	(32,931,745)
Total capital assets, net of accumulated depreciation	81,808,651
 Total assets	 107,611,735
LIABILITIES	
Accounts payable	2,726,079
Accrued liabilities	899,321
Accrued interest	402,328
Noncurrent liabilities:	
Due within one year	8,883,996
Due in more than one year	56,369,412
Total liabilities	69,281,136
NET ASSETS	
Invested in capital assets, net of related debt	19,964,231
Restricted for specific purposes	7,694,058
Unrestricted	10,672,310
 Total net assets	 \$ 38,330,599

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, 2011

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Primary Government:					
Governmental Activities:					
General government	\$ 13,621,198	\$ 2,659,585	\$ 290,574	\$ -	\$(10,671,039)
Judicial	5,565,386	1,924,482	57,131	-	(3,583,773)
Public safety	19,288,492	679,354	107,343	30,350	(18,471,445)
Health and welfare	1,216,930	-	-	-	(1,216,930)
Conservation	192,434	-	-	-	(192,434)
Roads and highways	8,088,420	2,292,524	61,226	-	(5,734,670)
Interest on long-term debt	<u>2,958,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,958,767)</u>
Total governmental activities	<u>50,931,627</u>	<u>7,555,945</u>	<u>516,274</u>	<u>30,350</u>	<u>(42,829,058)</u>
 Total primary government	 <u>\$ 50,931,627</u>	 <u>\$ 7,555,945</u>	 <u>\$ 516,274</u>	 <u>\$ 30,350</u>	 <u>\$(42,829,058)</u>
 General Revenues:					
Taxes:					
Property taxes, levied for general purposes					\$ 33,396,155
Property taxes, levied for debt service					5,879,078
Other taxes					145,363
Miscellaneous					2,491,482
Investment earnings					<u>50,629</u>
Total general revenues					<u>41,962,707</u>
					 Change in net assets (866,351)
					 Net assets, beginning <u>39,196,950</u>
					 Net assets, ending <u>\$ 38,330,599</u>

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

ELLIS COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2011

	<u>General</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and investments	\$ 9,973,653	\$ 3,508,413	\$ 9,582,861	\$ 23,064,927
Receivables, net of allowances for uncollectibles:				
Taxes receivable	721,372	-	272,967	994,339
Accounts receivable	664,336	-	-	664,336
Other receivables	<u>33,112</u>	<u>-</u>	<u>338,213</u>	<u>371,325</u>
Total assets	\$ <u>11,392,473</u>	\$ <u>3,508,413</u>	\$ <u>10,194,041</u>	\$ <u>25,094,927</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,774,251	\$ 395,935	\$ 555,893	\$ 2,726,079
Accrued liabilities	799,294	-	100,027	899,321
Deferred revenue	<u>610,920</u>	<u>-</u>	<u>231,972</u>	<u>842,892</u>
Total liabilities	<u>3,184,465</u>	<u>395,935</u>	<u>887,892</u>	<u>4,468,292</u>
Fund balances:				
Restricted for:				
Road and bridge	-	-	2,885,766	2,885,766
Public safety	-	-	1,758,450	1,758,450
Technology and security	-	-	37,193	37,193
Records management	-	-	588,398	588,398
Other statutorily restricted funds	-	-	25,273	25,273
Debt service	-	-	2,398,978	2,398,978
Capital projects	-	3,112,478	1,612,091	4,724,569
Unassigned	<u>8,208,008</u>	<u>-</u>	<u>-</u>	<u>8,208,008</u>
Total fund balances	<u>8,208,008</u>	<u>3,112,478</u>	<u>9,306,149</u>	<u>20,626,635</u>
Total liabilities and fund balances	\$ <u>11,392,473</u>	\$ <u>3,508,413</u>	\$ <u>10,194,041</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.	81,808,651
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,551,049
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(65,655,736)</u>
Net assets of governmental activities	\$ <u>38,330,599</u>

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

ELLIS COUNTY, TEXAS

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

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>General</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 28,807,735	\$ -	\$ 10,679,617	\$ 39,487,352
Intergovernmental	384,888	-	160,742	545,630
Licenses and permits	-	-	2,183,660	2,183,660
Fees of office	3,321,090	-	337,277	3,658,367
Fines and forfeitures	1,256,168	-	399,468	1,655,636
Interest earnings	25,712	9,106	15,811	50,629
Other	1,226,984	132,276	1,257,424	2,616,684
Total revenues	<u>35,022,577</u>	<u>141,382</u>	<u>15,033,999</u>	<u>50,197,958</u>
EXPENDITURES				
Current:				
General government	10,812,127	385,996	963,128	12,161,251
Judicial	5,093,331	-	427,813	5,521,144
Public safety	17,682,479	-	98,577	17,781,056
Health and welfare	1,216,930	-	-	1,216,930
Conservation	187,171	-	-	187,171
Roads and highways	-	-	7,588,925	7,588,925
Capital outlay	-	2,996,442	-	2,996,442
Debt service:				
Principal	-	-	3,102,421	3,102,421
Interest and fiscal charges	-	-	2,749,699	2,749,699
Total expenditures	<u>34,992,038</u>	<u>3,382,438</u>	<u>14,930,563</u>	<u>53,305,039</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>30,539</u>	<u>(3,241,056)</u>	<u>103,436</u>	<u>(3,107,081)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	347,500	-	-	347,500
Transfers in	72,100	-	13,796	85,896
Transfers out	(13,796)	-	(72,100)	(85,896)
Total other financing sources (uses)	<u>405,804</u>	<u>-</u>	<u>(58,304)</u>	<u>347,500</u>
NET CHANGE IN FUND BALANCES	436,343	(3,241,056)	45,132	(2,759,581)
FUND BALANCES, BEGINNING	<u>7,771,665</u>	<u>6,353,534</u>	<u>9,261,017</u>	<u>23,386,216</u>
FUND BALANCES, ENDING	<u>\$ 8,208,008</u>	<u>\$ 3,112,478</u>	<u>\$ 9,306,149</u>	<u>\$ 20,626,635</u>

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

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, 2011

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

Net change in fund balances - total governmental funds (page 14)	\$(2,759,581)
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.	(263,728)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(132,682)
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.	3,121,065
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>831,425</u>)
Change in net assets of governmental activities (page 12)	\$(<u><u>866,351</u></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, 2011

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ <u>8,119,651</u>
Total assets	\$ <u>8,119,651</u>
LIABILITIES	
Due to other governments	\$ 2,097,292
Due to beneficiaries	<u>6,022,359</u>
Total liabilities	\$ <u>8,119,651</u>

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

NOTES TO FINANCIAL STATEMENTS

ELLIS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

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.

(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.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources as they are needed.

(continued)

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

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.

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, 2011.

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 Balance

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

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

(continued)

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

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

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.

In the government-wide financial statements, the County's restrictions on net assets are for amounts that are not available for appropriation. The County's restricted net assets are as follows:

Restricted for Road and bridge	\$	2,885,766
Restricted for Public safety		1,758,450
Restricted for Technology and security		37,193
Restricted for Records management		588,398
Restricted for Other statutorily restricted funds		25,273
Restricted for Debt service		<u>2,398,978</u>
Total	\$	<u>7,694,058</u>

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, 2011, 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 five fiscal years.

(continued)

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.”

The details of this \$65,655,736 difference are as follows:

Capital Leases, General Obligation Bonds, and Certificates of Obligation	\$ 59,977,770
Accreted interest payable	1,866,650
Accrued interest payable	402,328
Net OPEB obligation	1,993,003
Compensated absences	<u>1,415,985</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	\$ <u>65,655,736</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 \$(263,728) difference are as follows:

Capital outlay (includes \$1,036,132 not classified as capital expenditures on the fund statements)	\$ 4,016,034
Disposals	(474,221)
Depreciation expense	<u>(3,805,541)</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>(263,728)</u>

(continued)

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

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

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 \$3,121,065 difference are as follows:

Capital lease and bond payments	\$ 3,102,421
Amortization of premium on bond issuance	<u>18,644</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>\$ 3,121,065</u>

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. 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.

(continued)

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. The fair value of the County's position in the pool is the same as its value of pool shares.

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.

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, 2011, all of the County's \$10,146,877 deposit balance was covered by FDIC insurance or collateralized with securities held by the pledging financial institution.

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

(continued)

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

Deposits and Investments (Continued)

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

	<u>Fair Amount</u>	<u>Weighted Average Maturity (Days)</u>
General Fund		
Lone Star Pool	\$ 1,037,026	28
MBIA - Investment Pool	4,362,875	31
TEXSTAR	2,806,602	34
Investors' Cash Trust - MMM	108,210	
Texas TERM	<u>1,000,020</u>	48
Total general fund	<u>9,314,733</u>	
Permanent Improvement Fund		
Lone Star Pool	250,128	28
Investors' Cash Trust - MMM	480,351	41
TEXSTAR	<u>2,743,273</u>	34
Total Permanent Improvement Fund	<u>3,473,752</u>	
Nonmajor Funds		
Lone Star Pool	4,117,994	28
Investors' Cash Trust - MMM	1,590,979	48
TEXSTAR	687,570	34
MBIA - Investment Pool	<u>1,870,840</u>	31
Total nonmajor funds	<u>8,267,383</u>	
Agency Funds		
Lone Star Pool	181,168	28
Investors Cash Trust - MMM	<u>30,478</u>	48
Total Agency Funds	<u>211,646</u>	
Totals		
Investments Not Subject to Categorization		
Investments Pools/MM	<u>21,267,514</u>	
Totals	<u>\$ 21,267,514</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 Section 9 of the Texas Constitution 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, 2011, 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 \$10,313,473,113 for 2010, which funds 2011 is as follows:

General Maintenance and Operations Rate:		
Interest and Sinking (Debt Rate)		\$0.059006
Operations Rate		0.301085
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:

	General	Nonmajor Funds	Total
Receivables:			
Taxes	\$ 961,830	\$ 363,962	\$ 1,325,792
Accounts receivable	664,336	-	664,336
Other receivables	<u>33,112</u>	<u>338,213</u>	<u>371,325</u>
Gross receivables	1,659,278	702,175	2,361,453
Less: allowance for uncollectibles	<u>240,458</u>	<u>90,995</u>	<u>331,453</u>
Net Total Receivables	<u>\$ 1,418,820</u>	<u>\$ 611,180</u>	<u>\$ 2,030,000</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	\$ 610,920	\$ 610,920
Nonmajor funds:		
Delinquent property taxes receivable	<u>231,972</u>	<u>231,972</u>
Governmental Funds	<u>\$ 842,892</u>	<u>\$ 842,892</u>

Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,319,448	\$ -	\$ 347,500	\$ 1,971,948
Construction work in progress	<u>867,179</u>	<u>3,132,794</u>	<u>1,568,619</u>	<u>2,431,354</u>
Total capital assets, not being depreciated	<u>3,186,627</u>	<u>3,132,794</u>	<u>1,916,119</u>	<u>4,403,302</u>
Capital assets, being depreciated:				
Buildings and improvements	96,360,077	1,568,619	-	97,928,696
Machinery and equipment	<u>12,356,221</u>	<u>883,240</u>	<u>831,063</u>	<u>12,408,398</u>
Total capital assets, being depreciated	<u>108,716,298</u>	<u>2,451,859</u>	<u>831,063</u>	<u>110,337,094</u>
Less accumulated depreciation for:				
Buildings and improvements	21,634,718	2,782,866	-	24,417,584
Machinery and equipment	<u>8,195,828</u>	<u>1,022,675</u>	<u>704,342</u>	<u>8,514,161</u>
Total accumulated depreciation	<u>29,830,546</u>	<u>3,805,541</u>	<u>704,342</u>	<u>32,931,745</u>
Total capital assets, being depreciated, net	<u>78,885,752</u>	<u>(1,353,682)</u>	<u>126,721</u>	<u>77,405,349</u>
Governmental activities capital assets, net	<u>\$ 82,072,379</u>	<u>\$ 1,779,112</u>	<u>\$ 2,042,840</u>	<u>\$ 81,808,651</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	\$ 1,438,182
Judicial	13,522
Public safety	1,917,862
Conservation	4,455
Roads and highways	<u>431,520</u>
Total depreciation expense - governmental activities	<u>\$ 3,805,541</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>207,613</u>
Total	<u>\$ 326,943</u>

During the year ended September 30, 2011, all capital leases associate with the above equipment were paid in full.

Long-term Debt

Long-term Debt Walk-forward

	Payable Amounts Outstanding 10/01/10	Issued	Retired	Accretion	Outstanding 09/30/11
General obligation bonds	\$ 50,090,000	\$ -	\$ 1,370,000	\$ -	\$ 48,720,000
Premium on issuance	410,151	-	18,644	-	391,507
Refunding bonds	14,160,126	-	1,690,000	262,787	12,732,913
Capital leases	42,421	-	42,421	-	-
Net OPEB obligation	1,457,975	839,358	304,330	-	1,993,003
Compensated absences	<u>1,347,300</u>	<u>1,452,238</u>	<u>1,383,553</u>	<u>-</u>	<u>1,415,985</u>
Totals	<u>\$ 67,507,973</u>	<u>\$ 2,291,596</u>	<u>\$ 4,808,948</u>	<u>\$ 262,787</u>	<u>\$ 65,253,408</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, 2011, is as follows:

Description	Interest Rate Payable	Amounts Original Issue	Interest Current Year	Payable Amounts Outstanding 10/01/10	Issued	Retired	Accretion on Bonds	Outstanding 09/30/11	Amounts Due Within One Year
General Obligation, Bonds, 2007	4.0-5.25%	\$ 53,875,000	\$ 2,388,313	\$ 50,090,000	\$ -	\$ 1,370,000	\$ -	\$ 48,720,000	\$ 1,425,000
Premium on Issuance			-	410,151	-	18,644	-	391,507	-
General Obligation Refunding Bonds, Series 2002	3.0-5.56%	17,146,262	323,350	12,525,126	-	1,190,000	262,787	11,597,913	6,550,000
General Obligation Refunding Bonds, Series 2010	2.18%	1,635,000	35,643	1,635,000	-	500,000	-	1,135,000	555,000
Capital leases	6.9%	168,407	1,304	42,421	-	42,421	-	-	-
Net OPEB obligation	N/A	N/A	-	1,457,975	839,358	304,330	-	1,993,003	-
Compensated absences	N/A	N/A	-	1,347,300	1,452,238	1,383,553	-	1,415,985	353,996
Totals			\$ 2,748,610	\$ 67,507,973	\$ 2,291,596	\$ 4,808,948	\$ 262,787	\$ 65,253,408	\$ 8,883,996

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	
2012	8,530,000	2,384,399	\$ 10,914,399
2013	2,070,000	2,282,169	4,352,169
2014	1,550,000	2,206,200	3,756,200
2015	1,615,000	2,140,325	3,755,325
2016	3,294,341	2,557,346	5,851,687
2017-2021	13,058,572	10,656,766	23,715,338
2022-2026	12,260,000	6,527,725	18,787,725
2027-2031	15,495,000	3,294,750	18,789,750
2032-2036	3,580,000	179,000	3,759,000
Total	\$ 61,452,913	\$ 32,228,680	\$ 93,681,593

(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, 2010, are approximately \$1,866,651 accordingly, accretion on these bonds of approximately \$262,787 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.

Current Refunding

The government issued \$1,635,000 of general obligation bonds in the prior year for a current refunding of \$1,625,000 of general obligation bonds. The refunding was undertaken to reduce the interest expense of total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$16,585. This amount is being netted against the new debt and amortized over the new debt's life, which is the same as the refunded debt. The transaction also resulted in an economic gain of \$50,482 and a reduction of \$52,003 in future debt service payments.

Interfund Receivables, Payables and Transfers

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

Interfund transfers:

	<u>Transfers In</u>		
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Transfers Out:			
General fund	\$ -	\$ 13,796	\$ 13,796
Other governmental funds	<u>72,100</u>	<u>-</u>	<u>72,100</u>
Total Transfers Out	<u>\$ 72,100</u>	<u>\$ 13,796</u>	<u>\$ 85,896</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.

Health Care Coverage

During the year ended September 30, 2011, 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, 2011, 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 618 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P. O. Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the 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 9.84% for the months of the accounting year in 2010, and 9.32% for the months of the calendar year in 2011.

The deposit rate payable by employee members for the calendar year 2011 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, 2011, the annual pension cost for the TCDRS plan for its employees was \$3,589,715 and the actual contributions were \$3,589,715.

(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, 2008 and December 31, 2009, the basis for determining the contribution rates for calendar years 2010 and 2011. The December 31, 2010, actuarial valuation is the most recent valuation.

Actuarial Valuation Information

Actuarial Valuation Date	12/31/08	12/31/09	12/31/10
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period in years	20	20	20
Asset valuation method	SAF: 10-year smoothed value ESF: fund value	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%	5.4%	5.4%
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
09/30/2009	\$ 3,569,372	100%	-
09/30/2010	3,686,031	100%	-
09/30/2011	3,589,715	100%	-

The funded status as of December 31, 2010, is presented as follows:

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)
12/31/10	41,140,125	49,490,094	8,349,969	83.13%	21,687,321	38.50%

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

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

(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.

Funding Policy and Annual OPEB Cost. The County's annual other postemployment benefits (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter 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, 2011, is as follows:

Fiscal Year	2011
Annual Required Contribution (ARC)	\$ 773,749
Interest on Net OPEB Obligation	65,609
Adjustment to the ARC	(60,786)
Annual OPEB Cost	778,572
Contributions Made	(243,544)
Increase in Net OPEB Obligation	535,028
Net OPEB Obligation, beginning of year	1,457,975
Net OPEB Obligation, ending of year	\$ 1,993,003
Percentage of ARC contribution	31.3%

(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 ending September 30, 2011 and the two preceding fiscal years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Amount Contributed</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
09/30/2009	\$ 824,253	\$ 87,024	10.6%	\$ 737,229
09/30/2010	851,350	130,604	15.3%	1,457,975
09/30/2011	778,572	243,544	31.3%	1,993,003

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, 2010 is as follows:

<u>Actuarial Valuation Date</u>	<u>12/31/2010</u>
Actuarial value of assets	\$ -
Actuarial accrued liabilities (AAL)	6,179,551
Unfunded actuarial accrued liability (UAAL)	6,179,551
Funded ratio	0.00%
Covered payroll (active plan members)	21,687,321
UAAL as a percentage of covered payroll	28.49%

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. The required schedule of funding progress presented as required supplementary information provides multi-year 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.

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)

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

Inflation Rate	3.00% per annum
Investment rate of return	4.5% net of expenses
Actuarial cost method	Projected Unit Credit Cost Method
Amortization period	Open 30 year period
Amortization method	Level as a percentage of payroll
Inflation and Salary growth rate	3.0% per annum
Medical trend	9.0% in 2011 decreasing by 0.5% per year for 9 years to an ultimate rate of 4.5%

Subsequent Event

In October 2011, the County issued General Obligation Refunding Bonds, Series 2011, in the amount of \$5,485,000. The purpose of this bond issuance was to refund \$5,305,000 of the General Obligation Refunding Bonds, Series 2002. This resulted in a net present value savings of \$272,664. In addition to the regularly scheduled February 1, 2012 principal payment of \$1,245,000, this portion was reported as amounts due within one year for long-term debt.

REQUIRED SUPPLEMENTARY INFORMATION

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Ad valorem tax	\$ 29,042,665	\$ 29,042,665	\$ 28,662,372	\$ (380,293)
Mixed drink tax	150,000	150,000	145,363	(4,637)
Total taxes	<u>29,192,665</u>	<u>29,192,665</u>	<u>28,807,735</u>	<u>(384,930)</u>
Intergovernmental:				
State - hazardous waste fees	40,000	40,000	41,006	1,006
Other	<u>250,835</u>	<u>277,824</u>	<u>343,882</u>	<u>66,058</u>
Total intergovernmental	<u>290,835</u>	<u>317,824</u>	<u>384,888</u>	<u>67,064</u>
Fees of Office:				
District Clerk	399,308	399,308	384,323	(14,985)
County Clerk	1,076,200	1,076,200	1,000,918	(75,282)
Sheriff	227,500	227,500	270,566	43,066
County Attorney	59,320	61,261	60,532	(729)
Tax Collector	784,000	784,000	855,066	71,066
County Court-At-Law	156,300	156,300	157,528	1,228
Justice of the Peace, Precinct #1	46,300	46,300	50,737	4,437
Justice of the Peace, Precinct #2	67,800	67,800	88,578	20,778
Justice of the Peace, Precinct #3	16,900	16,900	16,480	(420)
Justice of the Peace, Precinct #4	53,650	53,650	43,166	(10,484)
Constable, Precinct #1	36,600	36,600	35,316	(1,284)
Constable, Precinct #2	86,000	86,000	80,955	(5,045)
Constable, Precinct #3	29,200	29,200	32,792	3,592
Constable, Precinct #4	77,000	77,000	66,513	(10,487)
Elections	11,000	11,000	8,372	(2,628)
Public Works Administration	<u>189,000</u>	<u>189,000</u>	<u>169,248</u>	<u>(19,752)</u>
Total Fees of Office	<u>3,316,078</u>	<u>3,318,019</u>	<u>3,321,090</u>	<u>3,071</u>
Fines and forfeitures	<u>1,515,000</u>	<u>1,515,000</u>	<u>1,256,168</u>	<u>(258,832)</u>
Interest earnings	<u>40,000</u>	<u>40,000</u>	<u>25,712</u>	<u>(14,288)</u>
Miscellaneous:				
Jail pay phone commission	84,000	84,000	76,089	(7,911)
Miscellaneous	<u>519,700</u>	<u>1,100,244</u>	<u>1,150,895</u>	<u>50,651</u>
Total miscellaneous	<u>603,700</u>	<u>1,184,244</u>	<u>1,226,984</u>	<u>42,740</u>
Total revenues	<u>\$ 34,958,278</u>	<u>\$ 35,567,752</u>	<u>\$ 35,022,577</u>	<u>\$ (545,175)</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
GENERAL GOVERNMENT				
County Clerk:				
Salaries	\$ 625,173	\$ 625,173	\$ 617,492	\$ 7,681
Benefits	231,089	228,689	227,389	1,300
Supplies	20,240	21,587	21,587	-
Capital outlay	1,500	1,500	-	1,500
Other	27,425	28,478	28,478	-
Total County Clerk	905,427	905,427	894,946	10,481
County Judge:				
Salaries	154,556	339,184	337,733	1,451
Benefits	46,254	98,804	98,804	-
Supplies	3,500	7,829	5,951	1,878
Other	13,500	30,330	25,097	5,233
Total County Judge	217,810	476,147	467,585	8,562
Juvenile Services:				
Salaries	284,824	284,824	224,161	60,663
Benefits	203,035	203,035	198,928	4,107
Supplies	5,000	6,006	6,006	-
Capital outlay	6,000	6,000	5,959	41
Other	49,950	56,944	52,731	4,213
Juvenile detention service	623,764	650,764	576,321	74,443
Nonresidential	72,000	92,000	86,472	5,528
Total Juvenile Services	1,244,573	1,299,573	1,150,578	148,995
Department of Development:				
Salaries	419,359	432,489	432,489	-
Benefits	145,365	147,409	147,409	-
Supplies	4,000	2,297	2,297	-
Capital outlay	2,500	3,125	3,125	-
Other	8,600	37,908	37,908	-
Automobile	18,700	15,745	15,745	-
Total Department of Development	598,524	638,973	638,973	-
Veterans Services:				
Salaries	30,355	30,355	26,543	3,812
Benefits	6,939	6,939	6,304	635
Supplies	400	200	93	107
Other	1,000	1,200	1,171	29
Total Veterans Services	38,694	38,694	34,111	4,583
Commissioners' Court:				
Salaries	352,820	352,820	347,963	4,857
Benefits	92,021	92,021	91,576	445
Supplies	450	450	365	85
Other	1,000	1,000	994	6
Total Commissioners' Court	\$ 446,291	\$ 446,291	\$ 440,898	\$ 5,393

(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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
GENERAL GOVERNMENT (Continued)				
Community Supervision/Corrections:				
Capital outlay	\$ 2,500	\$ 2,500	\$ -	\$ 2,500
Utilities	600	600	-	600
Total Community Supervision/Correction	<u>3,100</u>	<u>3,100</u>	<u>-</u>	<u>3,100</u>
Nondepartmental:				
Payroll insurance expense	675,000	500,018	500,018	-
Other	984,331	1,803,490	1,803,490	-
Organizational dues/subscriptions	179,000	195,193	195,193	-
Comprehensive insurance	305,000	355,439	268,210	87,229
Tax appraisal fee	390,000	385,345	385,345	-
Legal/professional fees	47,000	49,148	49,148	-
Total Nondepartmental	<u>2,580,331</u>	<u>3,288,633</u>	<u>3,201,404</u>	<u>87,229</u>
Purchasing:				
Salaries	131,864	131,864	129,126	2,738
Benefits	42,067	41,806	40,062	1,744
Capital outlay - for all departments	400	602	-	602
Other	9,600	9,659	9,659	-
Total Purchasing	<u>183,931</u>	<u>183,931</u>	<u>178,847</u>	<u>5,084</u>
Elections:				
Salaries	153,130	157,008	157,008	-
Benefits	54,881	56,568	56,568	-
Capital outlay	1,300	1,300	-	1,300
Election workers salaries/benefits	59,000	35,705	35,705	-
Other	88,300	114,150	114,082	68
Total Elections	<u>356,611</u>	<u>364,731</u>	<u>363,363</u>	<u>1,368</u>
County Auditor:				
Salaries	262,276	262,276	248,687	13,589
Benefits	77,629	77,629	74,895	2,734
Supplies	4,500	4,500	3,096	1,404
Capital outlay	2,700	2,700	1,628	1,072
Other	8,625	8,625	6,944	1,681
Total County Auditor	<u>355,730</u>	<u>355,730</u>	<u>335,250</u>	<u>20,480</u>
Tax Assessor/Collector:				
Salaries	605,265	605,265	590,361	14,904
Benefits	221,815	221,815	218,955	2,860
Supplies	14,000	26,987	26,987	-
Other	28,400	29,800	28,049	1,751
Telephone	11,000	12,740	12,740	-
Postage	42,000	26,173	21,932	4,241
Capital outlay	700	400	200	200
Total Tax Assessor/Collector	<u>\$ 923,180</u>	<u>\$ 923,180</u>	<u>\$ 899,224</u>	<u>\$ 23,956</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
GENERAL GOVERNMENT (Continued)				
Treasurer:				
Salaries	\$ 102,748	\$ 102,748	\$ 102,748	\$ -
Benefits	30,794	30,579	29,691	888
Other	14,100	14,543	12,635	1,908
Capital outlay	500	272	-	272
Total Treasurer	<u>148,142</u>	<u>148,142</u>	<u>145,074</u>	<u>3,068</u>
Human Services:				
Salaries	213,640	213,640	204,281	9,359
Benefits	69,104	69,104	67,188	1,916
Supplies	5,900	5,688	4,648	1,040
Utilities	1,350	1,453	1,453	-
Other	<u>1,008,776</u>	<u>1,011,160</u>	<u>889,769</u>	<u>121,391</u>
Total Human Services	<u>1,298,770</u>	<u>1,301,045</u>	<u>1,167,339</u>	<u>133,706</u>
Courthouse/Office Building:				
Salaries	198,501	198,139	198,139	-
Benefits	80,727	80,142	80,142	-
Supplies	14,500	17,748	17,748	-
Capital outlay	2,000	1,916	1,916	-
Other	21,750	20,473	20,473	-
Utilities	-	-	-	-
Telephone	500	538	538	-
Repairs and maintenance	<u>99,050</u>	<u>104,981</u>	<u>104,981</u>	<u>-</u>
Total Courthouse/Office Buildings	<u>417,028</u>	<u>423,937</u>	<u>423,937</u>	<u>-</u>
Engineering:				
Salaries	347,054	347,139	347,139	-
Benefits	95,586	95,586	94,622	964
Supplies	2,200	6,115	5,900	215
Capital outlay	-	1,500	1,428	72
Other	29,700	22,700	16,048	6,652
Utilities	<u>4,000</u>	<u>5,500</u>	<u>5,461</u>	<u>39</u>
Total Engineering	<u>478,540</u>	<u>478,540</u>	<u>470,598</u>	<u>7,942</u>
MIS:				
Salaries	184,628	-	-	-
Benefits	53,429	-	-	-
Supplies	11,480	-	-	-
Capital outlay	2,400	-	-	-
Other	6,400	-	-	-
Total Computer	<u>258,337</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government	<u>\$ 10,455,019</u>	<u>\$ 11,276,074</u>	<u>\$ 10,812,127</u>	<u>\$ 463,947</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
JUDICIAL				
40th Judicial District Judge:				
Salaries	\$ 98,836	\$ 98,836	\$ 98,836	\$ -
Benefits	35,474	35,474	34,648	826
Supplies	6,500	6,500	3,737	2,763
Capital outlay	3,500	3,000	1,969	1,031
Other	16,950	17,450	14,723	2,727
Total 40th Judicial District Judge	161,260	161,260	153,913	7,347
378th Judicial District Judge:				
Salaries	36,591	36,591	36,591	-
Benefits	18,483	18,483	18,081	402
Supplies	6,000	6,295	4,504	1,791
Capital outlay	3,000	2,700	729	1,971
Other	13,900	13,905	6,877	7,028
Total 378th Judicial District Judge	77,974	77,974	66,782	11,192
District Clerk:				
Salaries	441,604	442,950	442,950	-
Benefits	160,960	160,960	159,714	1,246
Supplies	17,500	16,084	16,017	67
Capital outlay	3,500	3,500	1,684	1,816
Other	111,400	111,470	97,489	13,981
Total District Clerk	734,964	734,964	717,854	17,110
County Court-at-Law:				
Salaries	227,796	235,042	235,042	-
Benefits	57,239	59,669	59,669	-
Capital outlay	1,500	856	856	-
Other	22,111	18,672	18,672	-
Total County Court-at-Law	308,646	314,239	314,239	-
County Court-at-Law #2:				
Salaries	227,203	227,218	227,218	-
Benefits	58,757	59,007	59,007	-
Other	14,112	14,113	12,919	1,194
Utilities	850	889	889	-
Supplies	5,000	4,582	3,561	1,021
Capital outlay	900	1,014	1,014	-
Total County Court-at-Law #2	\$ 306,822	\$ 306,823	\$ 304,608	\$ 2,215

(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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
JUDICIAL (Continued)				
Justice of the Peace #1:				
Salaries	\$ 152,254	\$ 152,314	\$ 152,314	\$ -
Benefits	52,058	52,058	51,972	86
Capital outlay	500	-	-	-
Other	20,450	20,890	19,670	1,220
Total Justice of the Peace #1	<u>225,262</u>	<u>225,262</u>	<u>223,956</u>	<u>1,306</u>
Justice of the Peace #2:				
Salaries	209,140	209,140	206,986	2,154
Benefits	74,811	74,811	74,039	772
Capital outlay	2,250	5,676	5,676	-
Other	20,510	17,084	16,008	1,076
Total Justice of the Peace #2	<u>306,711</u>	<u>306,711</u>	<u>302,709</u>	<u>4,002</u>
Justice of the Peace #3:				
Salaries	146,565	146,396	138,807	7,589
Benefits	45,934	44,542	44,542	-
Capital outlay	800	2,021	2,020	1
Other	12,096	12,436	12,436	-
Total Justice of the Peace #3	<u>205,395</u>	<u>205,395</u>	<u>197,805</u>	<u>7,590</u>
Justice of the Peace #4:				
Salaries	152,254	152,254	152,091	163
Benefits	50,156	50,156	49,882	274
Capital outlay	1,000	1,947	1,648	299
Other	23,460	22,513	21,785	728
Total Justice of the Peace #4	<u>226,870</u>	<u>226,870</u>	<u>225,406</u>	<u>1,464</u>
Court Reporter:				
Other	<u>70,000</u>	<u>70,000</u>	<u>69,060</u>	<u>940</u>
Total Court Reporter	<u>70,000</u>	<u>70,000</u>	<u>69,060</u>	<u>940</u>
County and District Attorney:				
Salaries	1,801,445	1,805,345	1,777,427	27,918
Benefits	576,843	577,143	569,351	7,792
Supplies	17,000	18,926	17,036	1,890
Capital outlay	2,200	3,270	3,035	235
Other	171,170	174,099	150,150	23,949
Total County and District Attorney	<u>2,568,658</u>	<u>2,578,783</u>	<u>2,516,999</u>	<u>61,784</u>
Total Judicial	\$ <u>5,192,562</u>	\$ <u>5,208,281</u>	\$ <u>5,093,331</u>	\$ <u>114,950</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
PUBLIC SAFETY				
Sheriff:				
Salaries	\$ 5,093,600	\$ 4,917,467	\$ 4,884,284	\$ 33,183
Benefits	1,534,626	1,534,626	1,494,820	39,806
Supplies	40,000	40,000	25,668	14,332
Capital outlay	22,350	98,331	98,331	-
Other	468,450	413,415	364,816	48,599
Utilities	88,000	131,219	131,219	-
Automobile Purchases/Expenses	371,600	1,276,852	1,276,852	-
Total Sheriff	<u>7,618,626</u>	<u>8,411,910</u>	<u>8,275,990</u>	<u>135,920</u>
Highway Patrol:				
Salaries	34,880	34,880	34,880	-
Benefits	<u>13,820</u>	<u>13,828</u>	<u>13,828</u>	-
Total Highway Patrol	<u>48,700</u>	<u>48,708</u>	<u>48,708</u>	-
Fire Marshall:				
Salaries	77,250	82,952	82,952	-
Benefits	26,539	27,551	27,551	-
Auto	6,950	7,110	5,299	1,811
Capital outlay	600	600	101	499
Other	<u>44,900</u>	<u>38,026</u>	<u>26,061</u>	<u>11,965</u>
Total Fire Marshall	<u>156,239</u>	<u>156,239</u>	<u>141,964</u>	<u>14,275</u>
Constable #1:				
Salaries	98,468	98,468	98,468	-
Benefits	29,934	29,934	28,881	1,053
Capital outlay	-	727	-	727
Other	9,060	13,727	6,414	7,313
Automobile	<u>8,575</u>	<u>8,575</u>	<u>7,290</u>	<u>1,285</u>
Total Constable #1	<u>146,037</u>	<u>151,431</u>	<u>141,053</u>	<u>10,378</u>
Constable #2:				
Salaries	99,068	99,331	99,331	-
Benefits	43,881	43,881	43,255	626
Capital outlay	1,800	5,956	5,956	-
Other	14,570	15,393	14,213	1,180
Automobile	<u>17,700</u>	<u>13,100</u>	<u>12,805</u>	<u>295</u>
Total Constable #2	<u>\$ 177,019</u>	<u>\$ 177,661</u>	<u>\$ 175,560</u>	<u>\$ 2,101</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
PUBLIC SAFETY (Continued)				
Constable #3:				
Salaries	\$ 97,868	\$ 97,868	\$ 97,868	\$ -
Benefits	29,830	30,134	30,134	-
Capital outlay	700	700	336	364
Other	7,960	11,704	7,596	4,108
Automobile	6,900	6,900	4,813	2,087
Total Constable #3	<u>143,258</u>	<u>147,306</u>	<u>140,747</u>	<u>6,559</u>
Constable #4:				
Salaries	97,268	97,268	97,268	-
Benefits	29,375	29,375	29,007	368
Capital outlay	5,300	4,300	2,956	1,344
Other	10,110	13,079	9,129	3,950
Automobile	12,015	13,015	11,911	1,104
Total Constable #4	<u>154,068</u>	<u>157,037</u>	<u>150,271</u>	<u>6,766</u>
Emergency Management:				
Salaries	81,725	88,237	88,237	-
Benefits	26,887	27,739	27,739	-
Capital outlay	15,572	13,237	9,277	3,960
Other	58,060	50,626	14,978	35,648
Automobile	4,240	3,420	3,267	153
Total Emergency Management	<u>186,484</u>	<u>183,259</u>	<u>143,498</u>	<u>39,761</u>
Jail				
Salaries	4,811,440	4,356,881	4,309,590	47,291
Benefits	1,650,929	1,608,479	1,555,927	52,552
Utilities	460,000	511,440	511,440	-
Repairs	164,500	176,950	165,590	11,360
Supplies	1,922,380	1,787,206	1,673,582	113,624
Capital outlay	19,832	73,701	73,701	-
Other	215,860	208,810	174,858	33,952
Total Jail	<u>9,244,941</u>	<u>8,723,467</u>	<u>8,464,688</u>	<u>258,779</u>
Total Public Safety	<u>\$ 17,875,372</u>	<u>\$ 18,157,018</u>	<u>\$ 17,682,479</u>	<u>\$ 474,539</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
HEALTH AND WELFARE				
Mental Health/Juvenile Expense:				
Other	\$ 7,000	\$ 9,750	\$ 9,750	\$ -
Total Mental Health/Juvenile Expenses	<u>7,000</u>	<u>9,750</u>	<u>9,750</u>	<u>-</u>
Indigent Legal:				
Other	17,500	17,500	15,718	1,782
Legal and professional fees	<u>1,683,000</u>	<u>1,444,094</u>	<u>1,191,462</u>	<u>252,632</u>
Total Pauper	<u>1,700,500</u>	<u>1,461,594</u>	<u>1,207,180</u>	<u>254,414</u>
Total Health and Welfare	<u>1,707,500</u>	<u>1,471,344</u>	<u>1,216,930</u>	<u>254,414</u>
CONSERVATION				
Agricultural Extension Service:				
Salaries	125,362	125,362	122,477	2,885
Benefits	48,498	48,498	38,771	9,727
Supplies	5,130	5,134	5,134	-
Capital outlay	1,860	1,596	1,596	-
Other	13,775	13,910	13,768	142
Auto	2,600	2,684	2,684	-
Telephone	<u>2,700</u>	<u>2,741</u>	<u>2,741</u>	<u>-</u>
Total Agricultural Extension Service	<u>199,925</u>	<u>199,925</u>	<u>187,171</u>	<u>12,754</u>
Total Conservation	<u>199,925</u>	<u>199,925</u>	<u>187,171</u>	<u>12,754</u>
Total Expenditures	<u>35,430,378</u>	<u>36,312,642</u>	<u>34,992,038</u>	<u>1,320,604</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(472,100)</u>	<u>(744,890)</u>	<u>30,539</u>	<u>775,429</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	400,000	400,000	347,500	(52,500)
Transfers out	-	-	(13,796)	(13,796)
Transfers in	<u>72,100</u>	<u>72,100</u>	<u>72,100</u>	<u>-</u>
Total other financing sources (uses)	<u>472,100</u>	<u>472,100</u>	<u>405,804</u>	<u>(66,296)</u>
NET CHANGE IN FUND BALANCES	-	(272,790)	436,343	709,133
FUND BALANCES, BEGINNING	<u>7,771,665</u>	<u>7,771,665</u>	<u>7,771,665</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 7,771,665</u>	<u>\$ 7,498,875</u>	<u>\$ 8,208,008</u>	<u>\$ 709,133</u>

ELLIS COUNTY, TEXAS

SCHEDULE OF FUNDING PROGRESS FOR EMPLOYEE RETIREMENT SYSTEM

SEPTEMBER 30, 2011

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/08	\$ 33,735,886	\$ 41,630,132	\$ 7,894,246	81.04%	\$ 20,818,503	37.92%
12/31/09	38,447,887	45,950,079	7,502,192	83.67%	22,365,837	33.54%
12/31/10	41,140,125	49,490,094	8,349,969	83.13%	21,687,321	38.50%

ELLIS COUNTY, TEXAS

SCHEDULE OF FUNDING PROGRESS FOR OTHER POSTEMPLOYMENT BENEFITS

SEPTEMBER 30, 2011

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/08	\$ -	\$ 5,811,749	\$ 5,811,749	- %	\$ 20,818,503	27.92%
12/31/10	-	6,179,551	6,179,551	- %	21,687,321	28.49%

ELLIS COUNTY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2011

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. 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.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted to expenditures for particular purposes.

ROAD AND BRIDGE FUNDS

These funds, reported by commissioner's precinct, are used to account for revenues and expenditures relating to road and bridge construction and maintenance.

FARM TO MARKET FUNDS

These funds, reported by commissioner's precinct, are used to account for revenues and expenditures relating to construction and maintenance.

LATERAL ROADS

This fund is used to account for state funding and expenditures relating to maintenance of lateral roads.

DISTRICT CLERK ARCHIVES

This fund is used to account for the receipt of archives fees from district court cases. Receipts are restricted to expenditures relating to the maintenance of district clerk records.

JUSTICE COURT TECHNOLOGY FUND

This fund is used to account for funds from court costs received and expenditures relating to justice court technological advances.

COUNTY AND DISTRICT COURT TECHNOLOGY FUND

This fund is used to account for funds from court costs received and expenditures relating to county and district court technological advances.

DISTRICT COURT RECORDS TECHNOLOGY FUND

This fund is used to account for funds from court costs received and expenditures relating to district court records technological advances.

JURY FUND

This fund is used to account for revenues and expenditures relating to various court activities.

LAW LIBRARY FUND

This fund is used to account for the receipt of law library fees collected by the County and District Clerks. Receipts are restricted to payment of the cost of maintaining the law library.

DISTRICT ATTORNEY HOT CHECK

This fund is used to account for fees collected by the District Attorney under the "Hot Check" statute. Expenditures from this fund shall be at the sole discretion of the District Attorney and may be used only to defray the salaries and expenses of their office.

DISTRICT ATTORNEY SEIZURE FUND

This fund is used to account for money and property seized by the District Attorney's Office as a result of drug seizures.

SPECIAL REVENUE FUNDS

(Continued)

DISTRICT ATTORNEY FORFEITURE FUND

This fund is used to account for money and property forfeited to the District Attorney's Office as a result of drug seizures.

SHERIFF SEIZURE FUND

This fund is used to account for money and property seized by the Sheriff's Office as a result of drug seizures.

SHERIFF DRUG FORFEITURE FUND

This fund is used to account for money and property forfeited to the Sheriff's Office as a result of drug seizures.

EMISSIONS ENFORCEMENT

This fund is used to account for money and property related to a grant which provides for enforcement action on facilities which violate emission inspection laws.

CONSTABLE FORFEITURE FUND

This fund is used to account for money and property forfeited to the Constable's Office as a result of drug seizures.

RECORDS MANAGEMENT FUND

This fund is used to account for the cost of records management in the County Clerk's office. Funding is from records management fees charged on transactions in the County Clerk's Office.

GENERAL RECORDS MANAGEMENT PRESERVATION FUND

This fund is used to account for cost of records management for general County records. Funding is from fees charged for County transactions.

COURTHOUSE SECURITY FUND

This fund is used to account for costs relating to security for County offices. Funding is from fees charged for County transactions.

SHERIFF FEDERAL FORFEITURE

This fund is used to account for funds through a sharing agreement with the Federal Government on federal drug cases.

COURT RECORDS PRESERVATION

This fund is used to account for funds from court costs received and expenditures relating to court records preservation.

COUNTY CLERK ARCHIVES MANAGEMENT

This fund is used to account for the receipt of archives fees from County court cases. Expenditures are restricted to items related to the maintenance of county clerk records.

LAW ENFORCEMENT BLOCK FUND

This fund is used to account for a grant, which provides funds for the purchase of law enforcement related equipment.

CONSTABLE SEIZURE

This fund is used to account for money and properties seized by the Constables as a result of drug seizures.

ELECTIONS ADMINISTRATION

This fund is used to account for revenues and expenses related to Elections Administration activities.

DEBT SERVICE FUNDS

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and their subsequent disbursement to pay principal, interest and related costs on the County's long term debt.

2007 DEBT SERVICE FUND

This fund is used to account for the accumulation of resources and their subsequent disbursement to pay principal, interest and related costs on the County's 2007 general obligation bond.

CAPITAL PROJECTS FUNDS

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

RIGHT-OF-WAY AVAILABLE FUND

This fund is used to account for the acquisition of right-of-ways other than those financed by proprietary funds.

ROAD DISTRICT #1 AVAILABLE FUND

This fund is used to account for the acquisition and construction of county roads that lie within the geographical boundaries of Road District #1.

ROAD DISTRICT #5 AVAILABLE FUND

This fund is used to account for the acquisition and construction of county roads that lie within the geographical boundaries of Road District #5.

ROAD DISTRICT #16 AVAILABLE FUND

This fund is used to account for the acquisition and construction of county roads that lie within the geographical boundaries of Road District #16.

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

	Special Revenue				
	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Farm to Market #1
ASSETS					
Cash and investments	\$ 220,482	\$ 358,060	\$ 417,046	\$ 516,732	\$ 425,874
Taxes receivable	5,583	11,718	11,552	5,363	21,894
Other receivables	<u>293,556</u>	<u>14,885</u>	<u>14,886</u>	<u>14,886</u>	<u>-</u>
Total assets	<u>\$ 519,621</u>	<u>\$ 384,663</u>	<u>\$ 443,484</u>	<u>\$ 536,981</u>	<u>\$ 447,768</u>
LIABILITIES					
Accounts payable	\$ 54,573	\$ 47,222	\$ 70,818	\$ 127,583	\$ 17,065
Accrued liabilities	22,212	27,701	26,505	22,788	-
Deferred revenue	<u>4,728</u>	<u>9,924</u>	<u>9,782</u>	<u>4,542</u>	<u>18,742</u>
Total liabilities	<u>81,513</u>	<u>84,847</u>	<u>107,105</u>	<u>154,913</u>	<u>35,807</u>
FUND BALANCES					
Restricted for:					
Road and bridge	438,108	299,816	336,379	382,068	411,961
Public safety	-	-	-	-	-
Technology and security	-	-	-	-	-
Records management	-	-	-	-	-
Other statutorily restricted funds	-	-	-	-	-
Debt service	-	-	-	-	-
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>438,108</u>	<u>299,816</u>	<u>336,379</u>	<u>382,068</u>	<u>411,961</u>
Total liabilities and fund balances	<u>\$ 519,621</u>	<u>\$ 384,663</u>	<u>\$ 443,484</u>	<u>\$ 536,981</u>	<u>\$ 447,768</u>

Special Revenue

Farm to Market #2	Farm to Market #3	Farm to Market #4	Lateral Road	District Clerk Archives	Justice Court Technology Fund	County & District Court Technology	District Court Records Technology	Jury
\$ 402,810	\$ 359,943	\$ 333,309	\$ 48,013	\$ 48,641	\$ 12,046	\$ 3,504	\$ 17,170	\$ 13,369
21,894	21,894	21,894	-	-	-	-	-	2,085
-	-	-	-	-	-	-	-	-
<u>\$ 424,704</u>	<u>\$ 381,837</u>	<u>\$ 355,203</u>	<u>\$ 48,013</u>	<u>\$ 48,641</u>	<u>\$ 12,046</u>	<u>\$ 3,504</u>	<u>\$ 17,170</u>	<u>\$ 15,454</u>
\$ 58,833	\$ 64,295	\$ 12,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,211
-	-	-	-	-	-	-	-	-
18,742	18,742	18,742	-	-	-	-	-	1,766
<u>77,575</u>	<u>83,037</u>	<u>31,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,977</u>
347,129	298,800	323,492	48,013	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	12,046	3,504	17,170	-
-	-	-	-	48,641	-	-	-	-
-	-	-	-	-	-	-	-	11,477
-	-	-	-	-	-	-	-	-
<u>347,129</u>	<u>298,800</u>	<u>323,492</u>	<u>48,013</u>	<u>48,641</u>	<u>12,046</u>	<u>3,504</u>	<u>17,170</u>	<u>11,477</u>
<u>\$ 424,704</u>	<u>\$ 381,837</u>	<u>\$ 355,203</u>	<u>\$ 48,013</u>	<u>\$ 48,641</u>	<u>\$ 12,046</u>	<u>\$ 3,504</u>	<u>\$ 17,170</u>	<u>\$ 15,454</u>

(continued)

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

	Special Revenue				
	Law Library	District Attorney Hot Check	District Attorney Seizure	District Attorney Forfeiture	Sheriff Seizure
ASSETS					
Cash and investments	\$ 116,768	\$ 279,538	\$ 194,384	\$ 342,635	\$ 323,532
Taxes receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Total assets	<u>\$ 116,768</u>	<u>\$ 279,538</u>	<u>\$ 194,384</u>	<u>\$ 342,635</u>	<u>\$ 323,532</u>
LIABILITIES					
Accounts payable	\$ 3,521	\$ 427	\$ -	\$ 1	\$ -
Accrued liabilities	821	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	<u>4,342</u>	<u>427</u>	<u>-</u>	<u>1</u>	<u>-</u>
FUND BALANCES					
Restricted for:					
Road and bridge	-	-	-	-	-
Public safety	-	279,111	194,384	342,634	323,532
Technology and security	-	-	-	-	-
Records management	112,426	-	-	-	-
Other statutorily restricted funds	-	-	-	-	-
Debt service	-	-	-	-	-
Capital projects	-	-	-	-	-
Total fund balances	<u>112,426</u>	<u>279,111</u>	<u>194,384</u>	<u>342,634</u>	<u>323,532</u>
Total liabilities and fund balances	<u>\$ 116,768</u>	<u>\$ 279,538</u>	<u>\$ 194,384</u>	<u>\$ 342,635</u>	<u>\$ 323,532</u>

Special Revenue

Sheriff Drug Forfeiture	Emissions Enforcement	Constable Precinct #1 Forfeiture	Constable Precinct #2 Forfeiture	Constable Precinct #4 Forfeiture	Records Management	General Record Management Preservation	Courthouse Security	Sheriff Federal Forfeiture
\$ 126,470	\$ 990	\$ 181	\$ 3,517	\$ 483	\$ -	\$ 173,975	\$ 4,473	\$ 468,285
-	-	-	-	-	-	-	-	-
<u>126,470</u>	<u>990</u>	<u>181</u>	<u>3,517</u>	<u>483</u>	<u>-</u>	<u>173,975</u>	<u>4,473</u>	<u>468,285</u>
-	990	-	39	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>-</u>	<u>990</u>	<u>-</u>	<u>39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
126,470	-	181	3,478	483	-	-	-	468,285
-	-	-	-	-	-	-	4,473	-
-	-	-	-	-	-	173,975	-	-
-	-	-	-	-	-	-	-	-
<u>126,470</u>	<u>-</u>	<u>181</u>	<u>3,478</u>	<u>483</u>	<u>-</u>	<u>173,975</u>	<u>4,473</u>	<u>468,285</u>
<u>\$ 126,470</u>	<u>\$ 990</u>	<u>\$ 181</u>	<u>\$ 3,517</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ 173,975</u>	<u>\$ 4,473</u>	<u>\$ 468,285</u>

(continued)

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

	Special Revenue				
	Court Records Preservation	County Clerk Archives Management	Law Enforcement Block Fund	Constable Precinct #4 Seizure	Elections Administration
ASSETS					
Cash and investments	\$ 12,551	\$ 335,651	\$ 17,659	\$ 2,233	\$ 13,796
Taxes receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Total assets	\$ 12,551	\$ 335,651	\$ 17,659	\$ 2,233	\$ 13,796
LIABILITIES					
Accounts payable	\$ -	\$ 94,846	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	-	94,846	-	-	-
FUND BALANCES					
Restricted for:					
Road and bridge	-	-	-	-	-
Public safety	-	-	17,659	2,233	-
Technology and security	-	-	-	-	-
Records management	12,551	240,805	-	-	-
Other statutorily restricted funds	-	-	-	-	13,796
Debt service	-	-	-	-	-
Capital projects	-	-	-	-	-
Total fund balances	12,551	240,805	17,659	2,233	13,796
Total liabilities and fund balances	\$ 12,551	\$ 335,651	\$ 17,659	\$ 2,233	\$ 13,796

Debt Service		Capital Projects					
Debt Service	2007 Debt Service	Right of Way	2008 Right of Way	Road District #1	Road District #5	Road District #16	Totals
\$ 1,212,312	\$ 1,164,416	\$ 119,224	\$ 59,259	\$ 1,183,237	\$ 66,585	\$ 183,708	\$ 9,582,861
52,425	96,160	-	505	-	-	-	272,967
-	-	-	-	-	-	-	338,213
<u>\$ 1,264,737</u>	<u>\$ 1,260,576</u>	<u>\$ 119,224</u>	<u>\$ 59,764</u>	<u>\$ 1,183,237</u>	<u>\$ 66,585</u>	<u>\$ 183,708</u>	<u>\$ 10,194,041</u>
\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 555,893
-	-	-	-	-	-	-	100,027
44,398	81,437	-	427	-	-	-	231,972
<u>44,398</u>	<u>81,937</u>	<u>-</u>	<u>427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>887,892</u>
-	-	-	-	-	-	-	2,885,766
-	-	-	-	-	-	-	1,758,450
-	-	-	-	-	-	-	37,193
-	-	-	-	-	-	-	588,398
-	-	-	-	-	-	-	25,273
1,220,339	1,178,639	-	-	-	-	-	2,398,978
-	-	119,224	59,337	1,183,237	66,585	183,708	1,612,091
<u>1,220,339</u>	<u>1,178,639</u>	<u>119,224</u>	<u>59,337</u>	<u>1,183,237</u>	<u>66,585</u>	<u>183,708</u>	<u>9,306,149</u>
<u>\$ 1,264,737</u>	<u>\$ 1,260,576</u>	<u>\$ 119,224</u>	<u>\$ 59,764</u>	<u>\$ 1,183,237</u>	<u>\$ 66,585</u>	<u>\$ 183,708</u>	<u>\$ 10,194,041</u>

ELLIS COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Revenue				
	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Farm to Market #1
REVENUES					
Taxes	\$ 223,739	\$ 466,934	\$ 460,298	\$ 215,018	\$ 831,715
Intergovernmental	-	-	-	-	-
Auto registration	540,591	540,591	560,073	542,405	-
Fees of office	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest earnings	462	747	354	579	199
Other	278,670	787	51,645	537,163	108,864
Total revenues	<u>1,043,462</u>	<u>1,009,059</u>	<u>1,072,370</u>	<u>1,295,165</u>	<u>940,778</u>
EXPENDITURES					
General government	-	-	-	-	-
Judicial	-	-	-	-	-
Public safety	-	-	-	-	-
Roads and highways	907,818	1,078,438	1,113,501	1,286,111	810,165
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>907,818</u>	<u>1,078,438</u>	<u>1,113,501</u>	<u>1,286,111</u>	<u>810,165</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>135,644</u>	<u>(69,379)</u>	<u>(41,131)</u>	<u>9,054</u>	<u>130,613</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	135,644	(69,379)	(41,131)	9,054	130,613
FUND BALANCES, BEGINNING	<u>302,464</u>	<u>369,195</u>	<u>377,510</u>	<u>373,014</u>	<u>281,348</u>
FUND BALANCES, ENDING	<u>\$ 438,108</u>	<u>\$ 299,816</u>	<u>\$ 336,379</u>	<u>\$ 382,068</u>	<u>\$ 411,961</u>

Special Revenue

Farm to Market #2	Farm to Market #3	Farm to Market #4	Lateral Road	District Clerk Archives	Justice Court Technology Fund	County & District Court Technology	District Court Records Technology	Jury
\$ 831,715	\$ 831,715	\$ 831,715	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,664
-	-	-	61,226	-	-	-	-	53,040
-	-	-	-	-	-	-	-	-
-	-	-	-	10,478	25,924	2,820	9,645	-
-	-	-	-	-	-	-	-	-
328	203	260	17	-	-	-	-	40
784	-	-	-	-	-	-	-	4,508
<u>832,827</u>	<u>831,918</u>	<u>831,975</u>	<u>61,243</u>	<u>10,478</u>	<u>25,924</u>	<u>2,820</u>	<u>9,645</u>	<u>140,252</u>
-	-	-	-	-	18,171	-	-	-
-	-	-	-	-	-	-	-	128,902
-	-	-	-	-	-	-	-	-
844,111	771,540	725,475	51,766	-	-	-	-	-
-	42,421	-	-	-	-	-	-	-
-	1,304	-	-	-	-	-	-	-
<u>844,111</u>	<u>815,265</u>	<u>725,475</u>	<u>51,766</u>	<u>-</u>	<u>18,171</u>	<u>-</u>	<u>-</u>	<u>128,902</u>
(11,284)	16,653	106,500	9,477	10,478	7,753	2,820	9,645	11,350
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
(11,284)	16,653	106,500	9,477	10,478	7,753	2,820	9,645	11,350
358,413	282,147	216,992	38,536	38,163	4,293	684	7,525	127
<u>\$ 347,129</u>	<u>\$ 298,800</u>	<u>\$ 323,492</u>	<u>\$ 48,013</u>	<u>\$ 48,641</u>	<u>\$ 12,046</u>	<u>\$ 3,504</u>	<u>\$ 17,170</u>	<u>\$ 11,477</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, 2011

	Special Revenue				
	Law Library	District Attorney Hot Check	District Attorney Seizure	District Attorney Forfeiture	Sheriff Seizure
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Auto registration	-	-	-	-	-
Fees of office	-	28,099	-	-	-
Fines and forfeitures	-	-	158,304	47,952	57,155
Interest earnings	117	381	236	287	314
Other	97,521	1	-	-	-
Total revenues	<u>97,638</u>	<u>28,481</u>	<u>158,540</u>	<u>48,239</u>	<u>57,469</u>
EXPENDITURES					
General government	-	-	-	-	-
Judicial	79,496	7,369	161,487	50,559	-
Public safety	-	-	-	-	39,796
Roads and highways	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>79,496</u>	<u>7,369</u>	<u>161,487</u>	<u>50,559</u>	<u>39,796</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>18,142</u>	<u>21,112</u>	<u>(2,947)</u>	<u>(2,320)</u>	<u>17,673</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	18,142	21,112	(2,947)	(2,320)	17,673
FUND BALANCES, BEGINNING	<u>94,284</u>	<u>257,999</u>	<u>197,331</u>	<u>344,954</u>	<u>305,859</u>
FUND BALANCES, ENDING	<u>\$ 112,426</u>	<u>\$ 279,111</u>	<u>\$ 194,384</u>	<u>\$ 342,634</u>	<u>\$ 323,532</u>

Special Revenue

Sheriff Drug Forfeiture	Emissions Enforcement	Constable Precinct #1 Forfeiture	Constable Precinct #2 Forfeiture	Constable Precinct #4 Forfeiture	Records Management	General Record Management Preservation	Courthouse Security	Sheriff Federal Forfeiture
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	46,476	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	133,370	42,534	74,812	-
32,747	-	-	3,150	-	-	-	-	99,157
127	27	-	-	1	-	75	-	770
29,133	-	-	-	-	-	16,248	-	-
<u>62,007</u>	<u>46,503</u>	<u>-</u>	<u>3,150</u>	<u>1</u>	<u>133,370</u>	<u>58,857</u>	<u>74,812</u>	<u>99,927</u>
-	-	-	-	-	136,869	43,383	-	-
-	-	-	-	-	-	-	-	-
9,620	47,243	-	38	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>9,620</u>	<u>47,243</u>	<u>-</u>	<u>38</u>	<u>-</u>	<u>136,869</u>	<u>43,383</u>	<u>-</u>	<u>-</u>
<u>52,387</u>	<u>(740)</u>	<u>-</u>	<u>3,112</u>	<u>1</u>	<u>(3,499)</u>	<u>15,474</u>	<u>74,812</u>	<u>99,927</u>
-	-	-	-	-	-	-	(72,100)	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(72,100)	-
52,387	(740)	-	3,112	1	(3,499)	15,474	2,712	99,927
<u>74,083</u>	<u>740</u>	<u>181</u>	<u>366</u>	<u>482</u>	<u>3,499</u>	<u>158,501</u>	<u>1,761</u>	<u>368,358</u>
<u>\$ 126,470</u>	<u>\$ -</u>	<u>\$ 181</u>	<u>\$ 3,478</u>	<u>\$ 483</u>	<u>\$ -</u>	<u>\$ 173,975</u>	<u>\$ 4,473</u>	<u>\$ 468,285</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, 2011

	<u>Court Records Preservation</u>	<u>County Clerk Archives Management</u>	<u>Law Enforcement Block Fund</u>	<u>Constable Precinct #4 Seizure</u>	<u>Elections Administration</u>
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Auto registration	-	-	-	-	-
Fees of office	9,595	-	-	-	-
Fines and forfeitures	-	-	-	1,003	-
Interest earnings	-	928	32	2	-
Other	-	132,100	-	-	-
Total revenues	<u>9,595</u>	<u>133,028</u>	<u>32</u>	<u>1,005</u>	<u>-</u>
EXPENDITURES					
General government	-	764,705	-	-	-
Judicial	-	-	-	-	-
Public safety	-	-	-	1,880	-
Roads and highways	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>-</u>	<u>764,705</u>	<u>-</u>	<u>1,880</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>9,595</u>	<u>(631,677)</u>	<u>32</u>	<u>(875)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	-	-	-
Transfers in	-	-	-	-	13,796
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,796</u>
NET CHANGE IN FUND BALANCES	9,595	(631,677)	32	(875)	13,796
FUND BALANCES, BEGINNING	<u>2,956</u>	<u>872,482</u>	<u>17,627</u>	<u>3,108</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 12,551</u>	<u>\$ 240,805</u>	<u>\$ 17,659</u>	<u>\$ 2,233</u>	<u>\$ 13,796</u>

Debt Service		Capital Projects					
Debt Service	2007 Debt Service	Right of Way	2008 Right of Way	Road District #1	Road District #5	Road District #16	Totals
\$ 2,071,729	\$ 3,812,383	\$ -	\$ 19,992	\$ -	\$ -	\$ -	\$ 10,679,617
-	-	-	-	-	-	-	160,742
-	-	-	-	-	-	-	2,183,660
-	-	-	-	-	-	-	337,277
-	-	-	-	-	-	-	399,468
2,358	4,070	242	-	2,261	135	259	15,811
-	-	-	-	-	-	-	1,257,424
<u>2,074,087</u>	<u>3,816,453</u>	<u>242</u>	<u>19,992</u>	<u>2,261</u>	<u>135</u>	<u>259</u>	<u>15,033,999</u>
-	-	-	-	-	-	-	963,128
-	-	-	-	-	-	-	427,813
-	-	-	-	-	-	-	98,577
-	-	-	-	-	-	-	7,588,925
1,690,000	1,370,000	-	-	-	-	-	3,102,421
359,582	2,388,813	-	-	-	-	-	2,749,699
<u>2,049,582</u>	<u>3,758,813</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,930,563</u>
<u>24,505</u>	<u>57,640</u>	<u>242</u>	<u>19,992</u>	<u>2,261</u>	<u>135</u>	<u>259</u>	<u>103,436</u>
-	-	-	-	-	-	-	(72,100)
-	-	-	-	-	-	-	13,796
-	-	-	-	-	-	-	(58,304)
24,505	57,640	242	19,992	2,261	135	259	45,132
1,195,834	1,120,999	118,982	39,345	1,180,976	66,450	183,449	9,261,017
<u>\$ 1,220,339</u>	<u>\$ 1,178,639</u>	<u>\$ 119,224</u>	<u>\$ 59,337</u>	<u>\$ 1,183,237</u>	<u>\$ 66,585</u>	<u>\$ 183,708</u>	<u>\$ 9,306,149</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Road and bridge taxes	\$ 227,105	\$ 223,739	\$(3,366)
Auto registration	568,500	540,591	(27,909)
Interest earnings	500	462	(38)
Other	<u>100,000</u>	<u>278,670</u>	<u>178,670</u>
Total revenues	<u>896,105</u>	<u>1,043,462</u>	<u>147,357</u>
EXPENDITURES			
Roads and highways:			
Salaries	579,020	553,183	25,837
Benefits	217,075	207,535	9,540
Other	<u>402,474</u>	<u>147,100</u>	<u>255,374</u>
Total expenditures	<u>1,198,569</u>	<u>907,818</u>	<u>290,751</u>
NET CHANGE IN FUND BALANCE	(302,464)	135,644	438,108
FUND BALANCE, BEGINNING	<u>302,464</u>	<u>302,464</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 438,108</u>	<u>\$ 438,108</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Road and bridge taxes	\$ 472,705	\$ 466,934	\$(5,771)
Auto registration	568,000	540,591	(27,409)
Interest earnings	1,000	747	(253)
Other	<u>100,787</u>	<u>787</u>	<u>(100,000)</u>
Total revenues	<u>1,142,492</u>	<u>1,009,059</u>	<u>(133,433)</u>
EXPENDITURES			
Roads and highways:			
Salaries	629,352	587,684	41,668
Benefits	262,370	233,429	28,941
Other	349,520	256,512	93,008
Capital outlay	<u>1,250</u>	<u>813</u>	<u>437</u>
Total expenditures	<u>1,242,492</u>	<u>1,078,438</u>	<u>164,054</u>
NET CHANGE IN FUND BALANCE	(100,000)	(69,379)	30,621
FUND BALANCE, BEGINNING	<u>369,195</u>	<u>369,195</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 269,195</u>	<u>\$ 299,816</u>	<u>\$ 30,621</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, 2011

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Road and bridge taxes	\$ 466,165	\$ 460,298	\$(5,867)
License and permits	568,000	560,073	(7,927)
Interest earnings	500	354	(146)
Other	100,000	51,645	(48,355)
Total revenues	1,134,665	1,072,370	(62,295)
EXPENDITURES			
Roads and highways:			
Salaries	649,433	587,598	61,835
Benefits	239,976	227,929	12,047
Other	345,256	297,974	47,282
Total expenditures	1,234,665	1,113,501	121,164
NET CHANGE IN FUND BALANCE	(100,000)	(41,131)	58,869
FUND BALANCE, BEGINNING	377,510	377,510	-
FUND BALANCE, ENDING	\$ 277,510	\$ 336,379	\$ 58,869

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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Road and bridge taxes	\$ 218,280	\$ 215,018	\$(3,262)
License and permits	568,000	542,405	(25,595)
Interest earnings	1,800	579	(1,221)
Other	<u>433,417</u>	<u>537,163</u>	<u>103,746</u>
Total revenues	<u>1,221,497</u>	<u>1,295,165</u>	<u>73,668</u>
EXPENDITURES			
Roads and highways:			
Salaries	482,616	479,418	3,198
Benefits	198,841	185,173	13,668
Other	<u>697,395</u>	<u>621,520</u>	<u>75,875</u>
Total expenditures	<u>1,378,852</u>	<u>1,286,111</u>	<u>92,741</u>
NET CHANGE IN FUND BALANCE	(157,355)	9,054	166,409
FUND BALANCE, BEGINNING	<u>373,014</u>	<u>373,014</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 215,659</u>	<u>\$ 382,068</u>	<u>\$ 166,409</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Farm to market taxes	\$ 830,858	\$ 831,715	\$ 857
Interest earnings	500	199	(301)
Other	-	108,864	108,864
Total revenues	<u>831,358</u>	<u>940,778</u>	<u>109,420</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	61,988	3,329	58,659
Other	194,764	71,903	122,861
Road repairs and materials	795,954	734,933	61,021
Bridge repairs	<u>60,000</u>	-	<u>60,000</u>
Total roads and highways	<u>1,112,706</u>	<u>810,165</u>	<u>302,541</u>
Total expenditures	<u>1,112,706</u>	<u>810,165</u>	<u>302,541</u>
NET CHANGE IN FUND BALANCE	(281,348)	130,613	411,961
FUND BALANCE, BEGINNING	<u>281,348</u>	<u>281,348</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 411,961</u>	<u>\$ 411,961</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Farm to market taxes	\$ 830,858	\$ 831,715	\$ 857
Interest earnings	500	328	(172)
Other	<u>784</u>	<u>784</u>	<u>-</u>
Total revenues	<u>832,142</u>	<u>832,827</u>	<u>685</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	103,901	76,962	26,939
Other	106,357	60,427	45,930
Road repairs and materials	702,650	672,250	30,400
Bridge repairs	<u>69,234</u>	<u>34,472</u>	<u>34,762</u>
Total expenditures	<u>982,142</u>	<u>844,111</u>	<u>138,031</u>
NET CHANGE IN FUND BALANCE	(150,000)	(11,284)	138,716
FUND BALANCE, BEGINNING	<u>358,413</u>	<u>358,413</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 208,413</u>	<u>\$ 347,129</u>	<u>\$ 138,716</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Farm to market taxes	\$ 830,858	\$ 831,715	\$ 857
Interest earnings	300	203	(97)
Total revenues	<u>831,158</u>	<u>831,918</u>	<u>760</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	17,500	17,500	-
Other	35,643	31,253	4,390
Road repairs and materials	676,089	664,608	11,481
Bridge repairs	<u>58,200</u>	<u>58,179</u>	21
Total roads and highways	<u>787,432</u>	<u>771,540</u>	<u>15,892</u>
Debt service:			
Principal	-	42,421	(42,421)
Interest and fiscal charges	<u>43,726</u>	<u>1,304</u>	42,422
Total expenditures	<u>831,158</u>	<u>815,265</u>	<u>15,893</u>
NET CHANGE IN FUND BALANCE	-	16,653	16,653
FUND BALANCE, BEGINNING	<u>282,147</u>	<u>282,147</u>	-
FUND BALANCE, ENDING	<u>\$ 282,147</u>	<u>\$ 298,800</u>	<u>\$ 16,653</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Farm to market taxes	\$ 830,858	\$ 831,715	\$ 857
Interest earnings	<u>600</u>	<u>260</u>	<u>(340)</u>
Total revenues	<u>831,458</u>	<u>831,975</u>	<u>517</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	93,500	101,500	(8,000)
Other	195,582	123,102	72,480
Road repairs and materials	497,376	500,873	(3,497)
Bridge repairs	<u>45,000</u>	<u>-</u>	<u>45,000</u>
Total expenditures	<u>831,458</u>	<u>725,475</u>	<u>105,983</u>
NET CHANGE IN FUND BALANCE	-	106,500	106,500
FUND BALANCE, BEGINNING	<u>216,992</u>	<u>216,992</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 216,992</u>	<u>\$ 323,492</u>	<u>\$ 106,500</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, 2011

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 61,226	\$ 61,226	\$ -
Interest earnings	<u>-</u>	<u>17</u>	<u>(17)</u>
Total revenues	<u>61,226</u>	<u>61,243</u>	<u>17</u>
EXPENDITURES			
Roads and highways:			
Other	<u>99,762</u>	<u>51,766</u>	<u>47,996</u>
Total expenditures	<u>99,762</u>	<u>51,766</u>	<u>47,996</u>
NET CHANGE IN FUND BALANCE	(38,536)	9,477	48,013
FUND BALANCE, BEGINNING	<u>38,536</u>	<u>38,536</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 48,013</u>	<u>\$ 48,013</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 10,000	\$ 10,478	\$ 478
Total revenues	<u>10,000</u>	<u>10,478</u>	<u>478</u>
EXPENDITURES			
Judicial:			
Other	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>
NET CHANGE IN FUND BALANCE	-	10,478	10,478
FUND BALANCE, BEGINNING	<u>38,163</u>	<u>38,163</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 38,163</u>	<u>\$ 48,641</u>	<u>\$ 10,478</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other fees	\$ 23,500	\$ 25,924	\$ 2,424
Total revenues	<u>23,500</u>	<u>25,924</u>	<u>2,424</u>
EXPENDITURES			
General government:			
Other	<u>23,500</u>	<u>18,171</u>	<u>5,329</u>
Total expenditures	<u>23,500</u>	<u>18,171</u>	<u>5,329</u>
NET CHANGE IN FUND BALANCE	-	7,753	7,753
FUND BALANCE, BEGINNING	<u>4,293</u>	<u>4,293</u>	-
FUND BALANCE, ENDING	<u>\$ 4,293</u>	<u>\$ 12,046</u>	<u>\$ 7,753</u>

ELLIS COUNTY, TEXAS

COUNTY & DISTRICT COURT TECHNOLOGY FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other fees	\$ 500	\$ 2,820	\$ 2,320
Total revenues	<u>500</u>	<u>2,820</u>	<u>2,320</u>
EXPENDITURES			
General government:			
Other	<u>500</u>	<u>-</u>	<u>500</u>
Total expenditures	<u>500</u>	<u>-</u>	<u>500</u>
NET CHANGE IN FUND BALANCE	-	2,820	2,820
FUND BALANCE, BEGINNING	<u>684</u>	<u>684</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 684</u>	<u>\$ 3,504</u>	<u>\$ 2,820</u>

ELLIS COUNTY, TEXAS

DISTRICT COURT RECORDS TECHNOLOGY FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other fees	\$ 6,500	\$ 9,645	\$ 3,145
Total revenues	<u>6,500</u>	<u>9,645</u>	<u>3,145</u>
EXPENDITURES			
General government:			
Other	<u>6,500</u>	<u>-</u>	<u>6,500</u>
Total expenditures	<u>6,500</u>	<u>-</u>	<u>6,500</u>
NET CHANGE IN FUND BALANCE	-	9,645	9,645
FUND BALANCE, BEGINNING	<u>7,525</u>	<u>7,525</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ 7,525</u></u>	<u><u>\$ 17,170</u></u>	<u><u>\$ 9,645</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Taxes	\$ 83,900	\$ 82,664	\$(1,236)
Intergovernmental	39,902	53,040	13,138
Interest earnings	100	40	(60)
Other fees	<u>5,000</u>	<u>4,508</u>	<u>(492)</u>
Total revenues	<u>128,902</u>	<u>140,252</u>	<u>11,350</u>
EXPENDITURES			
Judicial:			
Jurors fees	<u>128,902</u>	<u>128,902</u>	<u>-</u>
Total expenditures	<u>128,902</u>	<u>128,902</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	11,350	11,350
FUND BALANCE, BEGINNING	<u>127</u>	<u>127</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 127</u>	<u>\$ 11,477</u>	<u>\$ 11,350</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 200	\$ 117	\$(83)
Other fees	105,000	97,431	(7,569)
Other	<u>-</u>	<u>90</u>	<u>90</u>
Total revenues	<u>105,200</u>	<u>97,638</u>	<u>(7,562)</u>
EXPENDITURES			
Legal:			
Salaries	18,425	18,425	-
Benefits	9,249	6,343	2,906
Other	75,306	54,507	20,799
Capital outlay	<u>2,220</u>	<u>221</u>	<u>1,999</u>
Total expenditures	<u>105,200</u>	<u>79,496</u>	<u>25,704</u>
NET CHANGE IN FUND BALANCE	-	18,142	18,142
FUND BALANCE, BEGINNING	<u>94,284</u>	<u>94,284</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 94,284</u>	<u>\$ 112,426</u>	<u>\$ 18,142</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 300	\$ 381	\$ 81
Other fees	36,000	28,099	(7,901)
Miscellaneous	-	1	1
Total revenues	<u>36,300</u>	<u>28,481</u>	<u>(7,819)</u>
EXPENDITURES			
Legal:			
Other	34,300	7,336	26,964
Capital outlay	<u>2,000</u>	<u>33</u>	<u>1,967</u>
Total expenditures	<u>36,300</u>	<u>7,369</u>	<u>28,931</u>
NET CHANGE IN FUND BALANCE	-	21,112	21,112
FUND BALANCE, BEGINNING	<u>257,999</u>	<u>257,999</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 257,999</u>	<u>\$ 279,111</u>	<u>\$ 21,112</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Seizures	\$ 158,304	\$ 158,304	\$ -
Interest earnings	<u>100</u>	<u>236</u>	<u>136</u>
Total revenues	<u>158,404</u>	<u>158,540</u>	<u>136</u>
EXPENDITURES			
Legal:			
Release of seized funds	<u>161,487</u>	<u>161,487</u>	<u>-</u>
Total expenditures	<u>161,487</u>	<u>161,487</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(3,083)	(2,947)	136
FUND BALANCE, BEGINNING	<u>197,331</u>	<u>197,331</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 194,248</u>	<u>\$ 194,384</u>	<u>\$ 136</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Forfeitures	\$ 10,000	\$ 47,952	\$ 37,952
Other	91,500	-	(91,500)
Interest earnings	<u>500</u>	<u>287</u>	<u>(213)</u>
Total revenues	<u>102,000</u>	<u>48,239</u>	<u>(53,761)</u>
EXPENDITURES			
Legal:			
Benefits	3,000	-	3,000
Capital outlay	49,493	50,054	(561)
Other	<u>49,507</u>	<u>505</u>	<u>49,002</u>
Total expenditures	<u>102,000</u>	<u>50,559</u>	<u>51,441</u>
NET CHANGE IN FUND BALANCE	-	(2,320)	(2,320)
FUND BALANCE, BEGINNING	<u>344,954</u>	<u>344,954</u>	-
FUND BALANCE, ENDING	<u>\$ 344,954</u>	<u>\$ 342,634</u>	<u>\$(2,320)</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Seizures	\$ 39,296	\$ 57,155	\$ 17,859
Interest earnings	500	314	(186)
Total revenues	<u>39,796</u>	<u>57,469</u>	<u>17,673</u>
 EXPENDITURES			
Public safety:			
Forfeited transfers	<u>39,796</u>	<u>39,796</u>	<u>-</u>
Total expenditures	<u>39,796</u>	<u>39,796</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	 -	 17,673	 17,673
 FUND BALANCE, BEGINNING	 <u>305,859</u>	 <u>305,859</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 305,859</u>	 <u>\$ 323,532</u>	 <u>\$ 17,673</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Forfeitures	\$ 10,000	\$ 32,747	\$ 22,747
Interest earnings	200	127	(73)
Other	<u>30,000</u>	<u>29,133</u>	<u>(867)</u>
Total revenues	<u>40,200</u>	<u>62,007</u>	<u>21,807</u>
EXPENDITURES			
Public safety:			
General	<u>40,200</u>	<u>9,620</u>	<u>30,580</u>
Total expenditures	<u>40,200</u>	<u>9,620</u>	<u>30,580</u>
NET CHANGE IN FUND BALANCE	-	52,387	52,387
FUND BALANCE, BEGINNING	<u>74,083</u>	<u>74,083</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 74,083</u>	<u>\$ 126,470</u>	<u>\$ 52,387</u>

ELLIS COUNTY, TEXAS

EMISSIONS ENFORCEMENT FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 46,476	\$ 46,476	\$ -
Interest earnings	27	27	-
Total revenues	<u>46,503</u>	<u>46,503</u>	<u>-</u>
EXPENDITURES			
Public safety:			
General	47,243	47,243	-
Total expenditures	<u>47,243</u>	<u>47,243</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(740)	(740)	-
FUND BALANCE, BEGINNING	<u>740</u>	<u>740</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other	\$ 180	\$ -	\$(180)
Total revenues	<u>180</u>	<u>-</u>	<u>(180)</u>
EXPENDITURES			
Public safety:			
General	<u>180</u>	<u>-</u>	<u>180</u>
Total expenditures	<u>180</u>	<u>-</u>	<u>180</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE, BEGINNING	<u>181</u>	<u>181</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 181</u>	<u>\$ 181</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Other	\$ 300	\$ -	\$(300)
Fines and forfeitures	-	3,150	3,150
Total revenues	<u>300</u>	<u>3,150</u>	<u>2,850</u>
EXPENDITURES			
Public safety:			
General	<u>300</u>	<u>38</u>	<u>262</u>
Total expenditures	<u>300</u>	<u>38</u>	<u>262</u>
NET CHANGE IN FUND BALANCE	-	3,112	3,112
FUND BALANCE, BEGINNING	<u>366</u>	<u>366</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 366</u>	<u>\$ 3,478</u>	<u>\$ 3,112</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other	\$ 100	\$ -	\$(100)
Interest	<u>-</u>	<u>1</u>	<u>1</u>
Total revenues	<u>100</u>	<u>1</u>	<u>(99)</u>
EXPENDITURES			
Public safety:			
General	<u>100</u>	<u>-</u>	<u>100</u>
Total expenditures	<u>100</u>	<u>-</u>	<u>100</u>
NET CHANGE IN FUND BALANCE	-	1	1
FUND BALANCE, BEGINNING	<u>482</u>	<u>482</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 482</u>	<u>\$ 483</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Records management fees	\$ 150,000	\$ 133,370	\$(16,630)
Interest earnings	<u>100</u>	<u>-</u>	<u>(100)</u>
Total revenues	<u>150,100</u>	<u>133,370</u>	<u>(16,730)</u>
EXPENDITURES			
General government:			
Other	<u>150,100</u>	<u>136,869</u>	<u>13,231</u>
Total expenditures	<u>150,100</u>	<u>136,869</u>	<u>13,231</u>
NET CHANGE IN FUND BALANCE	-	(3,499)	(3,499)
FUND BALANCE, BEGINNING	<u>3,499</u>	<u>3,499</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ 3,499</u></u>	<u><u>\$ -</u></u>	<u><u>\$(3,499)</u></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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
District Clerk records management fees	\$ 15,000	\$ 17,378	\$ 2,378
County Clerk records management fees	27,000	25,156	(1,844)
Interest earnings	100	75	(25)
Other	<u>10,000</u>	<u>16,248</u>	<u>6,248</u>
Total revenues	<u>52,100</u>	<u>58,857</u>	<u>6,757</u>
EXPENDITURES			
General government:			
Capital outlay	25,000	-	25,000
Other	<u>27,100</u>	<u>43,383</u>	<u>(16,283)</u>
Total expenditures	<u>52,100</u>	<u>43,383</u>	<u>8,717</u>
NET CHANGE IN FUND BALANCE	-	15,474	15,474
FUND BALANCE, BEGINNING	<u>158,501</u>	<u>158,501</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 158,501</u>	<u>\$ 173,975</u>	<u>\$ 15,474</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
District clerk courthouse security fees	\$ 10,000	\$ 10,345	\$ 345
County clerk courthouse security fees	40,000	37,782	(2,218)
JP court courthouse security fees	22,000	26,685	4,685
Interest earnings	<u>100</u>	<u>-</u>	<u>(100)</u>
Total revenues	<u>72,100</u>	<u>74,812</u>	<u>2,712</u>
EXPENDITURES			
General government:			
Salaries	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>72,100</u>	<u>74,812</u>	<u>2,712</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(72,100)</u>	<u>(72,100)</u>	<u>-</u>
Total other financing sources (uses)	<u>(72,100)</u>	<u>(72,100)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	2,712	2,712
FUND BALANCE, BEGINNING	<u>1,761</u>	<u>1,761</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,761</u>	<u>\$ 4,473</u>	<u>\$ 2,712</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Seizures	\$ -	\$ 99,157	\$ 99,157
Other	50,000	-	(50,000)
Interest earnings	<u>500</u>	<u>770</u>	<u>270</u>
Total revenues	<u>50,500</u>	<u>99,927</u>	<u>49,427</u>
EXPENDITURES			
Public safety:			
Other	<u>50,500</u>	<u>-</u>	<u>50,500</u>
Total expenditures	<u>50,500</u>	<u>-</u>	<u>50,500</u>
NET CHANGE IN FUND BALANCE	-	99,927	99,927
FUND BALANCE, BEGINNING	<u>368,358</u>	<u>368,358</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 368,358</u>	<u>\$ 468,285</u>	<u>\$ 99,927</u>

ELLIS COUNTY, TEXAS

COURT RECORDS PRESERVATION

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

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Records management fees	\$ <u>9,600</u>	\$ <u>9,595</u>	\$(<u>5</u>)
Total revenues	<u>9,600</u>	<u>9,595</u>	(<u>5</u>)
EXPENDITURES			
General government:			
Other	<u>9,600</u>	<u>-</u>	<u>9,600</u>
Total expenditures	<u>9,600</u>	<u>-</u>	<u>9,600</u>
NET CHANGE IN FUND BALANCE	-	9,595	9,595
FUND BALANCE, BEGINNING	<u>2,956</u>	<u>2,956</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>2,956</u></u>	\$ <u><u>12,551</u></u>	\$ <u><u>9,595</u></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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest earnings	\$ 500	\$ 928	\$ 428
Other	<u>150,000</u>	<u>132,100</u>	<u>(17,900)</u>
Total revenues	<u>150,500</u>	<u>133,028</u>	<u>(17,472)</u>
EXPENDITURES			
General government:			
Other	<u>764,705</u>	<u>764,705</u>	<u>-</u>
Total expenditures	<u>764,705</u>	<u>764,705</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>(614,205)</u>	<u>(631,677)</u>	<u>(17,472)</u>
FUND BALANCE, BEGINNING	<u>872,482</u>	<u>872,482</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 258,277</u>	<u>\$ 240,805</u>	<u>\$(17,472)</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, 2011

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	\$ -	\$ 32	\$ 32
Total revenues	-	32	32
EXPENDITURES			
Public safety:			
Capital outlay	17,500	-	17,500
Total expenditures	17,500	-	17,500
NET CHANGE IN FUND BALANCE	(17,500)	32	17,532
FUND BALANCE, BEGINNING	17,627	17,627	-
FUND BALANCE, ENDING	\$ 127	\$ 17,659	\$ 17,532

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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Seizures	\$ -	\$ 1,003	\$ 1,003
Other	3,100	-	(3,100)
Interest earnings	-	2	2
Total revenues	<u>3,100</u>	<u>1,005</u>	<u>(2,095)</u>
EXPENDITURES			
Public safety:			
Other	<u>3,100</u>	<u>1,880</u>	<u>1,220</u>
Total expenditures	<u>3,100</u>	<u>1,880</u>	<u>1,220</u>
NET CHANGE IN FUND BALANCE	-	(875)	(875)
FUND BALANCE, BEGINNING	<u>3,108</u>	<u>3,108</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 3,108</u>	<u>\$ 2,233</u>	<u>\$(875)</u>

ELLIS COUNTY, TEXAS

ELECTIONS ADMINISTRATION FUND

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

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Other	\$ 14,000	\$ -	\$(14,000)
Total revenues	<u>14,000</u>	<u>-</u>	<u>(14,000)</u>
EXPENDITURES			
Legal:			
Other	<u>14,000</u>	<u>-</u>	<u>14,000</u>
Total expenditures	<u>14,000</u>	<u>-</u>	<u>14,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>13,796</u>	<u>13,796</u>
Total other financing sources (uses)	<u>-</u>	<u>13,796</u>	<u>13,796</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>13,796</u>	<u>13,796</u>
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 13,796</u>	<u>\$ 13,796</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, 2011

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 1,882,581	\$ 2,071,729	\$ 189,148
Interest earnings	1,000	2,358	1,358
Total revenues	1,883,581	2,074,087	190,506
EXPENDITURES			
Debt service:			
Principal	1,690,000	1,690,000	-
Interest	358,993	358,993	-
Other debt service	11,000	589	10,411
Total expenditures	2,059,993	2,049,582	10,411
NET CHANGE IN FUND BALANCE	(176,412)	24,505	(151,907)
FUND BALANCE, BEGINNING	1,195,834	1,195,834	-
FUND BALANCE, ENDING	\$ 1,019,422	\$ 1,220,339	\$ 200,917

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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Taxes	\$ 3,444,724	\$ 3,812,383	\$ 367,659
Interest earnings	<u>1,000</u>	<u>4,070</u>	<u>3,070</u>
Total revenues	<u>3,445,724</u>	<u>3,816,453</u>	<u>370,729</u>
 EXPENDITURES			
Debt service:			
Principal	1,370,000	1,370,000	-
Interest	<u>2,399,313</u>	<u>2,388,813</u>	<u>10,500</u>
Total expenditures	<u>3,769,313</u>	<u>3,758,813</u>	<u>10,500</u>
 NET CHANGE IN FUND BALANCE	 (323,589)	 57,640	 (265,949)
 FUND BALANCE, BEGINNING	 <u>1,120,999</u>	 <u>1,120,999</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 797,410</u>	 <u>\$ 1,178,639</u>	 <u>\$ 381,229</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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest	\$ 300	\$ 242	\$(58)
Total revenues	<u>300</u>	<u>242</u>	<u>(58)</u>
EXPENDITURES			
Capital outlay:			
Right-of-way purchase	<u>300</u>	<u>-</u>	<u>300</u>
Total expenditures	<u>300</u>	<u>-</u>	<u>300</u>
NET CHANGE IN FUND BALANCE	-	242	242
FUND BALANCE, BEGINNING	<u>118,982</u>	<u>118,982</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 118,982</u>	<u>\$ 119,224</u>	<u>\$ 242</u>

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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ <u>20,000</u>	\$ <u>19,992</u>	\$ <u>(8)</u>
Total revenues	<u>20,000</u>	<u>19,992</u>	<u>(8)</u>
EXPENDITURES			
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>
NET CHANGE IN FUND BALANCE	-	19,992	19,992
FUND BALANCE, BEGINNING	<u>39,345</u>	<u>39,345</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>39,345</u></u>	\$ <u><u>59,337</u></u>	\$ <u><u>19,992</u></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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest earnings	\$ <u>1,200</u>	\$ <u>2,261</u>	\$ <u>1,061</u>
Total revenues	<u>1,200</u>	<u>2,261</u>	<u>1,061</u>
EXPENDITURES			
Other	<u>1,200</u>	<u>-</u>	<u>1,200</u>
Total expenditures	<u>1,200</u>	<u>-</u>	<u>1,200</u>
NET CHANGE IN FUND BALANCE	-	2,261	2,261
FUND BALANCE, BEGINNING	<u>1,180,976</u>	<u>1,180,976</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u>1,180,976</u>	\$ <u>1,183,237</u>	\$ <u>2,261</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ <u>300</u>	\$ <u>135</u>	\$ <u>(165)</u>
Total revenues	<u>300</u>	<u>135</u>	<u>(165)</u>
EXPENDITURES			
Other	<u>300</u>	<u>-</u>	<u>300</u>
Total expenditures	<u>300</u>	<u>-</u>	<u>300</u>
NET CHANGE IN FUND BALANCE	-	135	135
FUND BALANCE, BEGINNING	<u>66,450</u>	<u>66,450</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>66,450</u></u>	\$ <u><u>66,585</u></u>	\$ <u><u>135</u></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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 300	\$ 259	\$(41)
Total revenues	<u>300</u>	<u>259</u>	<u>(41)</u>
EXPENDITURES			
Capital outlay	<u>300</u>	<u>-</u>	<u>300</u>
Total expenditures	<u>300</u>	<u>-</u>	<u>300</u>
NET CHANGE IN FUND BALANCE	-	259	259
FUND BALANCE, BEGINNING	<u>183,449</u>	<u>183,449</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 183,449</u>	<u>\$ 183,708</u>	<u>\$ 259</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, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 10,000	\$ 9,106	\$ (894)
Other	<u>-</u>	<u>132,276</u>	<u>132,276</u>
Total revenues	<u>10,000</u>	<u>141,382</u>	<u>131,382</u>
EXPENDITURES			
General Government:			
Other	910,000	385,996	524,004
Capital outlay	<u>4,100,000</u>	<u>2,996,442</u>	<u>1,103,558</u>
Total expenditures	<u>5,010,000</u>	<u>3,382,438</u>	<u>1,627,562</u>
NET CHANGE IN FUND BALANCE	(5,000,000)	(3,241,056)	1,758,944
FUND BALANCE, BEGINNING	<u>6,353,534</u>	<u>6,353,534</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,353,534</u>	<u>\$ 3,112,478</u>	<u>\$ 1,758,944</u>

AGENCY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individual organizations, other governments and/or other funds.

COUNTY TREASURER

This fund is used to account for County and employee deposits for health care premiums.

TAX COLLECTOR

This fund is used to record tax collections which are deposited and distributed to other county funds, the State and other taxing authorities.

COUNTY ATTORNEY

This fund is used to account for funds received in criminal investigations awarded by court order and supplemental funds from the State of Texas for use in the County Attorney's office.

SHERIFF COMMISSARY

This fund is used to account for inmate deposits, which may be used by inmates to purchase miscellaneous personal items.

DISTRICT CLERK

This fund is used to account for monies held on behalf of individuals in accordance with court ordered decrees by the District Court.

COUNTY CLERK

This fund is used to account for monies held on behalf of individuals in accordance with court ordered decrees by the County Court.

JUSTICE OF THE PEACE

This fund is used to account for assets and liabilities of cash remitted to them in an agency capacity and related disbursements made by them.

JUVENILE PROBATION CORRECTION

This fund is used to account for funds received from various sources for supervision, rehabilitation and placement of juvenile probationers.

ADULT COMMUNITY SUPPERVISION

This fund is used to account for funds received from various sources for supervision, rehabilitation and placement of adult probationers.

ELLIS COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Balance September 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2011</u>
<u>COUNTY TREASURER</u>				
Assets:				
Cash and investments	\$ 358,453	\$ 3,941,026	\$ 4,081,228	\$ 218,251
Total assets	<u>\$ 358,453</u>	<u>\$ 3,941,026</u>	<u>\$ 4,081,228</u>	<u>\$ 218,251</u>
Liabilities:				
Due to beneficiaries	\$ 358,453	\$ 3,941,026	\$ 4,081,228	\$ 218,251
Total liabilities	<u>\$ 358,453</u>	<u>\$ 3,941,026</u>	<u>\$ 4,081,228</u>	<u>\$ 218,251</u>
<u>TAX COLLECTOR</u>				
Assets:				
Cash	\$ 1,940,080	\$ 219,899,537	\$ 219,827,170	\$ 2,012,447
Total assets	<u>\$ 1,940,080</u>	<u>\$ 219,899,537</u>	<u>\$ 219,827,170</u>	<u>\$ 2,012,447</u>
Liabilities:				
Due to other governments	\$ 1,924,145	\$ 219,883,585	\$ 219,811,235	\$ 1,996,495
Due to beneficiaries	15,935	15,952	15,935	15,952
Total liabilities	<u>\$ 1,940,080</u>	<u>\$ 219,899,537</u>	<u>\$ 219,827,170</u>	<u>\$ 2,012,447</u>
<u>COUNTY ATTORNEY</u>				
Assets:				
Cash	\$ 85,064	\$ 669,773	\$ 652,455	\$ 102,382
Total assets	<u>\$ 85,064</u>	<u>\$ 669,773</u>	<u>\$ 652,455</u>	<u>\$ 102,382</u>
Liabilities:				
Due to beneficiaries	\$ 85,064	\$ 669,773	\$ 652,455	\$ 102,382
Total liabilities	<u>\$ 85,064</u>	<u>\$ 669,773</u>	<u>\$ 652,455</u>	<u>\$ 102,382</u>

(continued)

ELLIS COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Balance September 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2011</u>
<u>SHERIFF</u>				
Assets:				
Cash	\$ 39,055	\$ 1,066,088	\$ 1,052,728	\$ 52,415
Total assets	<u>\$ 39,055</u>	<u>\$ 1,066,088</u>	<u>\$ 1,052,728</u>	<u>\$ 52,415</u>
Liabilities:				
Due to beneficiaries	\$ 39,055	\$ 1,066,088	\$ 1,052,728	\$ 52,415
Total liabilities	<u>\$ 39,055</u>	<u>\$ 1,066,088</u>	<u>\$ 1,052,728</u>	<u>\$ 52,415</u>
<u>DISTRICT CLERK</u>				
Assets:				
Cash	\$ 2,383,753	\$ 863,100	\$ 1,299,517	\$ 1,947,336
Total assets	<u>\$ 2,383,753</u>	<u>\$ 863,100</u>	<u>\$ 1,299,517</u>	<u>\$ 1,947,336</u>
Liabilities:				
Due to beneficiaries	\$ 2,383,753	\$ 863,100	\$ 1,299,517	\$ 1,947,336
Total liabilities	<u>\$ 2,383,753</u>	<u>\$ 863,100</u>	<u>\$ 1,299,517</u>	<u>\$ 1,947,336</u>
<u>COUNTY CLERK</u>				
Assets:				
Cash	\$ 2,295,269	\$ 2,028,749	\$ 2,076,555	\$ 2,247,463
Total assets	<u>\$ 2,295,269</u>	<u>\$ 2,028,749</u>	<u>\$ 2,076,555</u>	<u>\$ 2,247,463</u>
Liabilities:				
Due to beneficiaries	\$ 2,295,269	\$ 2,028,749	\$ 2,076,555	\$ 2,247,463
Total liabilities	<u>\$ 2,295,269</u>	<u>\$ 2,028,749</u>	<u>\$ 2,076,555</u>	<u>\$ 2,247,463</u>

(continued)

ELLIS COUNTY, TEXAS

AGENCY FUNDS

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

	Balance September 30, 2010	Additions	Deductions	Balance September 30, 2011
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>JUSTICE OF THE PEACE</u>				
Assets:				
Cash	\$ 74,648	\$ 568,593	\$ 542,444	\$ 100,797
Total assets	<u>\$ 74,648</u>	<u>\$ 568,593</u>	<u>\$ 542,444</u>	<u>\$ 100,797</u>
Liabilities:				
Due to other governments	\$ 74,648	\$ 568,593	\$ 542,444	\$ 100,797
Total liabilities	<u>\$ 74,648</u>	<u>\$ 568,593</u>	<u>\$ 542,444</u>	<u>\$ 100,797</u>
<u>JUVENILE PROBATION AND CORRECTIONS</u>				
Assets:				
Cash and investments	\$ 520,467	\$ 1,793,259	\$ 1,490,580	\$ 823,146
Total assets	<u>\$ 520,467</u>	<u>\$ 1,793,259</u>	<u>\$ 1,490,580</u>	<u>\$ 823,146</u>
Liabilities:				
Due to beneficiaries	\$ 520,467	\$ 1,793,259	\$ 1,490,580	\$ 823,146
Total liabilities	<u>\$ 520,467</u>	<u>\$ 1,793,259</u>	<u>\$ 1,490,580</u>	<u>\$ 823,146</u>
<u>ADULT COMMUNITY SUPERVISION AND CORRECTIONS</u>				
Assets:				
Cash and investments	\$ 523,898	\$ 1,873,522	\$ 1,782,006	\$ 615,414
Total assets	<u>\$ 523,898</u>	<u>\$ 1,873,522</u>	<u>\$ 1,782,006</u>	<u>\$ 615,414</u>
Liabilities:				
Due to beneficiaries	\$ 523,898	\$ 1,873,522	\$ 1,782,006	\$ 615,414
Total liabilities	<u>\$ 523,898</u>	<u>\$ 1,873,522</u>	<u>\$ 1,782,006</u>	<u>\$ 615,414</u>

(continued)

ELLIS COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	<u>Balance September 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2011</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
Assets:				
Cash and investments	\$ 8,220,687	\$ 232,703,647	\$ 232,804,683	\$ 8,119,651
Total assets	<u>\$ 8,220,687</u>	<u>\$ 232,703,647</u>	<u>\$ 232,804,683</u>	<u>\$ 8,119,651</u>
Liabilities:				
Due to other governments	\$ 1,998,793	\$ 220,452,178	\$ 220,353,679	\$ 2,097,292
Due to beneficiaries	<u>6,221,894</u>	<u>12,251,469</u>	<u>12,451,004</u>	<u>6,022,359</u>
Total liabilities	<u>\$ 8,220,687</u>	<u>\$ 232,703,647</u>	<u>\$ 232,804,683</u>	<u>\$ 8,119,651</u>

STATISTICAL SECTION

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.

Contents	Page
Financial Trends	109
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	115
These schedules contain information to help the reader assess the County's most significant local revenue sources.	
Debt Capacity	120
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.	
Demographic and Economic Information	123
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
Operating Information	125
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.	

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									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	
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	\$ 15,185,935	\$ 19,964,231	
Restricted	4,825,686	5,253,940	655,299	738,058	820,200	1,939,499	2,486,180	2,316,833	7,694,058	
Unrestricted	5,578,868	6,395,700	12,939,290	25,535,552	28,550,362	28,951,526	23,232,954	21,694,182	10,672,310	
Total governmental activities net assets	<u>\$ 27,187,947</u>	<u>\$ 30,535,212</u>	<u>\$ 31,820,189</u>	<u>\$ 29,591,824</u>	<u>\$ 33,613,635</u>	<u>\$ 37,928,054</u>	<u>\$ 38,858,079</u>	<u>\$ 39,196,950</u>	<u>\$ 38,330,599</u>	

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 YEARS¹

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
EXPENSES										
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	\$ 12,521,992	\$ 13,621,198
Judicial	-	4,317,576	3,851,390	4,046,313	4,185,014	4,584,015	5,242,394	5,505,751	5,586,861	5,565,386
Public safety	-	8,925,462	10,740,789	12,452,447	14,306,479	15,924,850	17,125,896	17,957,887	18,169,820	19,288,492
Health and welfare	-	1,956,606	1,959,263	2,445,497	2,585,252	2,363,193	1,869,806	1,995,092	1,599,566	1,216,930
Conservation	-	145,802	142,549	142,802	161,970	169,892	196,106	189,700	184,818	192,434
Roads and highways	-	6,613,357	5,384,181	5,241,732	6,330,052	5,576,443	7,474,568	8,621,000	8,632,387	8,088,420
Interest on long-term debt	-	814,526	851,471	931,667	907,828	941,235	3,398,336	3,236,353	3,131,237	2,958,767
Total expenses	\$ -	\$ 29,435,901	\$ 32,000,452	\$ 34,106,047	\$ 37,708,667	\$ 39,017,195	\$ 46,334,478	\$ 50,082,078	\$ 49,826,681	\$ 50,931,627
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	\$ 2,873,269	\$ 2,659,585
Judicial	-	2,255,986	2,105,947	1,984,611	2,174,685	2,236,916	2,324,047	2,266,515	1,923,763	1,924,482
Public safety	-	960,806	703,170	650,645	405,024	744,251	663,817	650,674	605,550	679,354
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	2,288,106	2,292,524
Operating grants and contributions	-	232,055	195,141	82,427	1,414,288	1,474,198	1,132,539	1,408,369	662,432	516,274
Capital grants and contributions	-	-	-	-	-	-	-	-	-	30,350
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	8,353,120	8,102,569
NET (EXPENSE) REVENUE	\$ -	\$ (20,123,868)	\$ (22,844,963)	\$ (24,572,796)	\$ (28,035,833)	\$ (28,795,380)	\$ (36,791,980)	\$ (40,643,670)	\$ (41,473,561)	\$ (42,829,058)

Continued

ELLIS COUNTY, TEXAS

CHANGES IN NET ASSETS
(Unaudited)

LAST TEN FISCAL YEARS¹

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental activities:										
Property taxes	\$ -	\$ 20,881,858	\$ 23,240,361	\$ 24,936,383	\$ 27,456,824	\$ 29,439,346	\$ 36,056,133	\$ 38,644,038	\$ 39,347,184	\$ 39,420,596
Investment earnings	-	100,294	187,035	921,390	1,190,279	1,911,951	2,999,772	769,177	157,483	50,629
Loss on disposal of assets	-	-	-	-	(4,463,528)	-	-	-	-	-
Miscellaneous	-	-	-	-	1,575,759	1,465,894	2,050,494	2,160,005	2,307,765	2,491,482
Total general revenues	\$ -	\$ 20,982,152	\$ 23,427,396	\$ 25,857,773	\$ 25,759,334	\$ 32,817,191	\$ 41,106,399	\$ 41,573,220	\$ 41,812,432	\$ 41,962,707
Change in assets before extraordinary items	\$ -	\$ 858,284	\$ 582,433	\$ 1,284,977	\$ (2,276,499)	\$ 4,021,811	\$ 4,314,419	\$ 929,550	\$ 338,871	\$ (866,351)
Extraordinary items	-	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS	\$ -	\$ 858,284	\$ 582,433	\$ 1,284,977	\$ (2,276,499)	\$ 4,021,811	\$ 4,314,419	\$ 929,550	\$ 338,871	\$ (866,351)
Prior period adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,134	\$ -	\$ 475	\$ -	\$ -
										<i>Concluded</i>

Source: Comprehensive Annual Financial Report

¹Ten years of information is not available; the county did not implement GASB 34 until 2003

ELLIS COUNTY, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
 (Unaudited)
LAST TEN FISCAL YEARS
 (Modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,378,169	4,876,449	5,168,051	5,288,710	6,950,191	8,666,051	8,731,805	8,195,164	7,771,665	-
Unassigned	-	-	-	-	-	-	-	-	-	8,208,008
Total general fund	\$ 4,378,169	\$ 4,876,449	\$ 5,168,051	\$ 5,288,710	\$ 6,950,191	\$ 8,666,051	\$ 8,731,805	\$ 8,195,164	\$ 7,771,665	\$ 8,208,008
Road and bridge fund										
Unreserved	\$ 1,576,878	\$ 1,108,473	\$ 1,864,675	\$ 2,635,685	\$ 2,594,738	\$ 3,632,211	\$ 3,692,602	\$ 3,462,937	\$ 2,599,619	\$ -
Restricted for:										
Road and bridge	-	-	-	-	-	-	-	-	-	2,885,766
Total road & bridge	\$ 1,576,878	\$ 1,108,473	\$ 1,864,675	\$ 2,635,685	\$ 2,594,738	\$ 3,632,211	\$ 3,692,602	\$ 3,462,937	\$ 2,599,619	\$ 2,885,766
All other governmental funds										
Reserved for:										
Debt service	\$ 588,439	\$ 528,872	\$ 515,570	\$ 681,936	\$ 738,058	\$ 820,200	\$ 1,939,499	\$ 2,486,180	\$ 2,316,833	\$ -
Unreserved	4,755,360	2,624,952	2,159,952	6,551,444	13,196,145	67,027,599	63,149,058	33,482,154	7,942,736	-
Special revenue funds	1,418,161	1,419,634	1,439,811	1,492,455	1,574,343	2,120,482	2,337,017	2,712,183	2,755,363	-
Restricted for:										
Public Safety	-	-	-	-	-	-	-	-	-	1,758,450
Technology and Security	-	-	-	-	-	-	-	-	-	37,193
Records Management	-	-	-	-	-	-	-	-	-	588,398
Other Statutorily Restricted Funds	-	-	-	-	-	-	-	-	-	25,273
Debt Service	-	-	-	-	-	-	-	-	-	2,398,978
Capital Projects	-	-	-	-	-	-	-	-	-	4,724,569
Total other government funds	\$ 6,761,960	\$ 4,573,458	\$ 4,115,333	\$ 8,725,835	\$ 15,508,546	\$ 69,968,281	\$ 67,425,574	\$ 38,680,517	\$ 13,014,932	\$ 9,532,861

Source: Comprehensive Annual Financial Report

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

(Unaudited)

LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
REVENUES										
Property Taxes	\$ 18,549,364	\$ 20,871,477	\$ 23,198,533	\$ 25,251,205	\$ 27,347,054	\$ 29,465,001	\$ 35,931,673	\$ 38,869,215	\$ 39,409,397	\$ 39,487,352
Intergovernmental	664,249	561,643	647,686	511,101	1,414,288	1,474,198	1,132,717	1,498,727	638,103	545,630
License & Permits	2,021,017	2,025,740	2,079,994	2,104,406	2,052,476	2,211,088	2,214,945	2,171,078	2,267,653	2,183,660
Fees of Office	2,796,287	2,920,559	3,207,186	3,354,366	4,218,519	4,175,817	4,148,627	3,858,318	3,765,194	3,658,367
Fines & Forfeitures	1,483,836	2,867,310	1,998,833	2,345,817	1,933,470	2,536,161	2,298,259	2,135,013	1,723,555	1,655,636
Interest	514,410	228,415	193,702	589,713	1,190,279	1,911,951	2,999,772	769,177	157,483	50,629
Other	2,317,419	834,994	961,323	5,601,175	8,037,275	1,465,894	2,050,494	2,160,005	2,337,888	2,616,684
Total revenues	28,346,582	30,310,138	32,287,257	39,757,783	46,193,361	43,240,110	50,776,487	51,461,533	50,299,273	50,197,958

EXPENDITURES

General Government	6,961,557	6,238,717	7,002,691	7,960,428	8,305,989	8,535,648	10,557,978	11,790,452	12,696,707	12,161,251
Judicial	1,306,215	4,341,153	3,825,724	4,052,289	4,153,553	4,556,045	5,177,314	5,386,006	5,579,419	5,521,144
Public Safety	8,707,048	8,958,038	10,531,010	12,035,044	13,858,838	15,721,318	16,776,899	17,375,345	17,888,656	17,781,056
Health & Welfare	1,774,010	1,953,746	1,956,403	2,437,956	2,579,856	2,357,797	1,864,410	1,989,696	1,599,566	1,216,930
Conservation	118,515	145,802	142,549	142,802	177,041	164,409	189,595	182,587	181,572	187,171
Road & Bridge	6,002,873	6,010,235	4,984,460	5,263,697	6,224,065	5,686,867	7,216,815	8,354,654	8,642,883	7,588,925
Capital Outlay	9,729,813	2,778,590	1,099,397	251,260	597,882	787,964	5,737,209	30,100,343	24,712,424	2,996,442
Debt Service										
Principal	17,764,635	1,270,047	1,334,208	1,344,597	1,430,843	2,058,674	2,848,629	2,923,749	4,660,898	3,102,421
Interest	1,409,622	869,060	821,136	767,539	711,758	663,974	2,824,200	3,038,471	2,924,550	2,749,699
Total expenditures	53,774,288	32,565,388	31,697,578	34,255,612	38,039,825	40,532,696	53,193,049	81,141,303	78,886,675	53,305,039

EXCESS OF REVENUES

OVER (UNDER)

\$ (25,427,706) \$ (2,255,250) \$ 589,679 \$ 5,502,171 \$ 8,153,536 \$ 2,707,414 \$ (2,416,562) \$ (29,679,770) \$ (28,587,402) \$ (3,107,081)

EXPENDITURES

Continued

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(Unaudited)
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
OTHER FINANCING SOURCES (USES)										
Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 347,500
Transfers in	106,174	112,487	455,817	-	112,500	111,100	116,415	230,108	207,938	85,896
Transfers out	(106,174)	(112,487)	(455,817)	-	(112,500)	(111,100)	(116,415)	(230,108)	(207,938)	(85,896)
Bonds issued	17,620,615	-	-	-	-	53,875,000	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	1,635,000	-
Capital leases	-	96,623	-	-	201,575	164,574	-	168,407	-	-
Premium on bonds issued	-	-	-	-	-	466,080	-	-	-	-
Total other financing sources (uses)	17,620,615	96,623	-	-	201,575	54,505,654	-	168,407	1,635,000	347,500

EXTRAORDINARY ITEMS

NET CHANGE IN FUND BALANCES	\$(7,807,091)	\$(2,158,627)	\$ 589,679	\$ 5,502,171	\$ 8,355,111	\$ 57,213,068	\$(2,416,562)	\$(29,511,363)	\$(26,952,402)	\$(2,759,581)
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DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES

	43.5%	7.2%	6.9%	6.3%	5.8%	7.0%	12.2%	11.9%	15.8%	11.9%
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Source: Comprehensive Annual Financial Reports

Concluded

TABLE 5

ELLIS COUNTY, TEXAS

**ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
(Unaudited)
LAST TEN YEARS**

Tax Year	Real Property	Personal Property	Total Assessed Valuation	Total Direct Rate*	Estimated Actual Value
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
2010	10,832,779,964	2,264,703,551	13,097,483,515	0.3936	13,097,483,515
2011	10,821,155,674	2,248,039,890	13,069,195,564	0.4136	13,069,195,564

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

TABLE 6

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

TAXING JURISDICTION	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>DIRECT</u>										
COUNTY-WIDE:										
Ellis County	\$0.31017	\$0.31464	\$0.31599	\$0.31891	\$0.32049	\$0.36460	\$0.360091	\$0.360091	\$0.360091	\$0.380091
Farm to Market	0.041230	0.036656	0.034006	0.031093	0.029009	0.02901	0.033508	0.033508	0.033508	0.033508
Total	0.351400	0.351300	0.349999	0.349999	0.349500	0.393607	0.393599	0.393599	0.393599	0.413599
<u>OVERLAPPING GOVERNMENTS</u>										
CITIES:										
Bardwell	0.16975	0.16975	0.18536	0.18625	0.18580	0.18580	0.18580	0.195000	0.219000	0.232000
Cedar Hill	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140	0.641400	0.067000	0.685880
Ennis	0.63000	0.63000	0.63000	0.73000	0.71000	0.71000	0.69500	0.695000	0.695000	0.695000
Ferris	0.60000	0.58554	0.59275	0.60000	0.60000	0.60000	0.65000	0.648087	0.687134	0.687134
Garrett	0.31000	0.31000	0.31000	0.29991	0.31984	0.33239	0.32880	0.356600	0.395259	0.427768
Italy	0.74500	0.59453	0.59453	0.68000	0.69300	0.77111	0.93673	0.934800	0.943573	0.964139
Maypearl	0.76735	0.75642	0.73716	0.73716	0.73716	0.69217	0.68440	0.688880	0.688756	0.778179
* Midlothian	0.41113	0.41182	0.42404	0.64038	0.65795	0.65000	0.65000	0.650000	0.650000	0.650000
Milford	0.52786	0.49967	0.49967	0.49547	0.50157	0.48550	0.50000	0.505800	0.409146	0.430000
Oak Leaf	0.26000	0.26174	0.35000	0.34156	0.33144	0.34854	0.34854	0.355400	0.350785	0.354539
Ovilla	0.55856	0.66675	0.68250	0.68250	0.68250	0.66800	0.66800	0.667900	0.067460	0.663800
Palmer	0.55893	0.55893	0.57165	0.57165	0.62920	0.62920	0.62920	0.629200	0.629200	0.689500
Pecan Hill	0.23154	0.23937	0.25462	0.25108	0.24066	0.25065	0.30000	0.304700	0.311275	0.316551
Red Oak	0.61500	0.61500	0.61500	0.61380	0.64000	0.63500	0.63500	0.635000	0.649000	0.649000
Waxahachie	0.61250	0.61750	0.61750	0.61500	0.61500	0.61500	0.61500	0.611208	0.680000	0.680000
SCHOOL DISTRICTS:										
Avalon	1.43300	1.34833	1.34400	1.41910	1.49380	1.37600	1.09958	1.24613	1.23655	1.23280
Ennis	1.59000	1.65190	1.65190	1.65190	1.65190	1.57000	1.40000	1.51000	1.54000	1.54000
Ferris	1.51000	1.53950	1.53700	1.77190	1.77190	1.57070	1.26970	1.27720	1.31785	1.30630
Italy	1.56000	1.50000	1.56000	1.56000	1.56000	1.43300	1.11105	1.24100	1.24100	1.24696
Maypearl	1.55000	1.55000	1.58000	1.77900	1.76900	1.64800	1.34000	1.35900	1.35900	1.35900
Midlothian	1.72000	1.72000	1.72000	1.76450	1.78750	1.69750	1.36750	1.39750	1.39750	1.54000
Milford	1.62398	1.62398	1.62398	1.62398	1.62400	1.49400	1.19000	1.18830	1.17170	1.15840
Palmer	1.56209	1.56209	1.61700	1.61700	1.61000	1.48000	1.50000	1.27730	1.26761	1.27000
Red Oak	1.53000	1.54500	1.57000	1.64000	1.64000	1.51000	1.30000	1.54000	1.54000	1.54000
Waxahachie	1.68000	1.71000	1.63900	1.71650	1.72080	1.59730	1.36000	1.36000	1.42890	1.42890

Continued

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

TAXING JURISDICTION	Fiscal Year										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
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	\$0.03000
EC ESD #2	0.05000	0.05750	0.05750	0.06500	0.06750	0.07025	0.07229	0.08450	0.09100	0.09500	
EC ESD #1	0.06700	0.06700	0.06700	0.07000	0.07000	0.07350	0.07350	0.07350	0.07350	0.07714	
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	0.06000	0.06000	0.06000	0.06000	0.05000	
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	0.08000	0.08000	0.10000	0.10000	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	0.00000	0.00000	0.00000	0.00000	
* Midlothian Water Co.	0.19416	0.19416	0.19416	0.00000	0.00000	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, 2011

<u>Name</u>	<u>Type of Business</u>	<u>2011 Assessed Valuations</u>	<u>Percentage of Total Assessed Valuation</u>	<u>2002 Assessed Valuations</u>	<u>Percentage of Total Assessed Valuation</u>
Midlothian Energy LP	Utility	\$ 344,678,320	2.64%	\$ 237,872,711	2.87%
Walgreen Company	Distribution Center	263,379,040	2.02%	-	0.00%
TXI Operations LP	Cement Plant	199,605,160	1.53%	177,649,093	2.15%
Chaparral Steel Company	Steel Mill	225,499,350	1.73%	166,703,394	2.01%
HOLCIM (US), Inc.	Cement Plant	139,222,460	1.07%	149,020,638	1.80%
Energy Transfer Fuel LP	Pipeline Construction	140,373,320	1.07%	-	0.00%
Oncor Electric Delivery Company	Utility	116,747,390	0.89%	98,955,500	1.19%
CVS Texas Distrubution LP	Distribution Center	98,349,990	0.75%	-	0.00%
Dartco of Texas LTD LP	Manufacturing Facility	94,391,650	0.72%	52,598,840	0.64%
Target	Distribution Facility	101,944,100	0.78%	-	0.00%
Elk Roofing Products	Manufacturing Facility	-	0.00%	72,254,408	0.87%
Owens Corning Fiberglass	Manufacturing Facility	-	0.00%	47,727,546	0.58%
Southwestern Bell	Utility	-	0.00%	42,427,830	0.51%
Toys R Us - Delaware, Inc.	Distribution Center	-	0.00%	39,110,992	0.47%
		<u>\$ 1,724,190,780</u>	<u>13.19%</u>	<u>\$ 1,084,320,952</u>	<u>13.09%</u>

Note: Total Assessed Valuation of \$ 13,069,195,564

Source: Ellis County Appraisal District

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>
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%
2010	*	38,756,643	38,126,672	98.37%	582,826	38,709,498	99.88%
2011	*	38,662,256	38,154,681	98.69%	624,952	38,779,633	100.30%

(a) In years prior to 2009, penalty and interest was included in the column delinquent tax collections. This leads to potential erroneous assumptions that more than 100% of the tax levy was collected. Beginning in 2009, the column no longer includes penalty and interest in an effort to avoid potential confusion. In 2011, the levy has been adjusted downward to represent the levy after accounting for a loss in value due to a tax suit of a major industrial taxpayer. Refund made in 2012.

* Does not include Tax Increment Reinvestment Zone levy and collection

TABLE 9

ELLIS COUNTY, TEXAS

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

<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Values</u>	<u>General Bonded Debt</u>	<u>Less Amount Available in Debt Service Fund</u>	<u>Net Bonded Debt</u>	<u>Ratio of Bonded Debt to Assessed Values</u>	<u>Net Bonded Debt Per Capita</u>	<u>Ratio of Bonded Debt to Personal Income</u>
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%
2010	149,610	13,097,483,515	64,660,277	2,316,833	62,343,444	0.48%	416.71	1.78%
2011	149,610	13,069,195,564	61,844,420	2,398,978	59,445,442	0.45%	397.34	1.60%

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 5 for taxable value of property data.

TABLE 10

ELLIS COUNTY, TEXAS

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
(Unaudited)
SEPTEMBER 30, 2011

<u>Taxing Jurisdiction</u>	<u>Total Funded Debt</u>	<u>Percentage Applicable To Named Government</u>	<u>Overlapping Funded Net Debt</u>
CITIES:			
Ennis	26,165,088	100.00%	\$ 26,165,088
Ferris	3,390,700	92.80%	\$ 3,146,570
Italy	3,124,247	100.00%	\$ 3,124,247
Maypearl	255,000	100.00%	\$ 255,000
Midlothian	48,873,479	100.00%	\$ 48,873,479
Milford	-	0.00%	\$ -
Ovilla	5,587,587	90.74%	\$ 5,070,176
Palmer	2,130,000	100.00%	\$ 2,130,000
Red Oak	7,529,384	100.00%	\$ 7,529,384
Venus	2,046,000	13.78%	\$ 281,939
Waxahachie	45,394,065	100.00%	\$ 45,394,065
COUNTY-LINE CITIES:			
Cedar Hill	59,984,603	3.43%	\$ 2,057,472
Glenn Heights	4,405,879	32.94%	\$ 1,451,297
Grand Prairie	151,503,261	0.21%	\$ 318,157
Mansfield	95,745,000	0.51%	\$ 488,300
SCHOOL DISTRICTS:			
Avalon ISD	1,205,000	100.00%	\$ 1,205,000
Italy ISD	1,425,000	100.00%	\$ 1,425,000
Maypearl ISD	16,842,346	100.00%	\$ 16,842,346
Midlothian ISD	238,173,590	100.00%	\$ 238,173,590
Palmer ISD	4,561,172	100.00%	\$ 4,561,172
Red Oak ISD	111,305,545	100.00%	\$ 111,305,545
Waxahachie ISD	119,326,961	100.00%	\$ 119,326,961
COUNTY-LINE SCHOOL DISTRICTS:			
Ennis ISD	158,931,309	99.09%	\$ 157,485,034
Ferris ISD	30,927,717	96.04%	\$ 29,702,979
Frost ISD	994,000	4.36%	\$ 43,338
Milford ISD	239,515	76.28%	\$ 182,702
TOTAL NET OVERLAPPING DEBT			\$ 826,538,841
Ellis County			\$ 61,844,420
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 888,383,261
TOTAL DIRECT AND OVERLAPPING DEBT PER CAPITA			\$ 5,938

Overlapping debt is developed by taking the percentage of land mass of an entity within Ellis County, and then applying that percentage to the outstanding debt of that entity.

Source: Texas Municipal Reports

ELLIS COUNTY, TEXAS

COMPUTATION OF LEGAL DEBT MARGIN
(Unaudited)
September 30, 2011

Assessed Value of Real Property	10,821,155,674
Assessed Value of Personal and Other Property	2,248,039,890
Total Assessed Value	<u>\$ 13,069,195,564</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		\$ 2,705,288,919
Amount of Debt Applicable to Debt Limit:		
Debt Limit:		
Total Bonded Debt Applicable	61,844,420	
Less: Assets in Debt Service Fund available for payment of principal	2,398,978	<u>59,445,442</u>
Legal Debt Margin, Bonds Issued Under Article III, Section 52 of the Texas Constitution		<u>\$ 2,645,843,477</u>

TABLE 12

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

Fiscal Year	(1) Population	Personal Income (thousands of dollars)	(2) Personal Income	(3) Median Age	(4) School Enrollment	(4) Unemployment Rate
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%
2010	149,610	3,502,669	23,412	33.2	30,652	8.5%
2011	149,610	3,708,682	24,789	35.0	* 32,790	8.7%

Data Sources:

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

*School enrollment does not include college or preschool

ELLIS COUNTY, TEXAS

PRINCIPAL EMPLOYERS

(Unaudited)

CURRENT YEAR

<u>Employer</u>	2011	
	<u>Employees</u>	<u>% of Total County Employment</u>
Wal-Mart Supercenters	1,036	1.37%
Waxahachie ISD	1,057	1.39%
Midlothian ISD	886	1.17%
Chaparral Steel	960	1.27%
Walgreen's Distribution Center	725	0.96%
Ennis ISD	732	0.96%
Red Oak ISD	800	1.05%
Dart Container Corp.	622	0.82%
Ellis County Government	518	0.68%
Target Distribution Center	512	0.67%
Total	<u>7,848</u>	<u>10.34%</u>
Total County Employment	75,878	

Sources: North Central Texas Council of Governments and employers

ELLIS COUNTY, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION

2011

(unaudited)

Function/Program	2011
General government	
Number of Courthouses	2
Number of Sub-Courthouses	3
Judicial	
District Courtrooms	2
County Ct. @ Law Courtrooms	2
Juvenile Courtrooms	1 *
Justice Courts	4
Public safety	
Number of Jails	1
Bed Capacity of Jail	868
Health and welfare	
Number of Offices	2
Conservation	
Number of Offices	1
Roads and highways	
Number of Bridges	165
Miles of Hard Surface Road	786
Miles of Gravel Road	164

* Shared with County Ct. @ Law

TABLE 15

ELLIS COUNTY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM
(Unaudited)
LAST THREE FISCAL YEARS

Function/Program	2007	2008	2009	2010	2011
General Government					
Number of A/P Transactions	13,789	14,253	18,072	18,492	16,946
Flood Plain/Building Permits	951	982	558	553	513
Aerobic Septic Permits	690	702	244	180	193
Other Septic Permits	108	118	129	19	34
Nuisance Complaints	645	680	801	569	765
New Subdivisions	61	50	21	13	14
Judicial					
Hot Check cases					
Number of checks processed	2,787	2,284	1,286	1,254	1,051
Number of theft by check cases filed	479	468	200	190	146
Public Safety					
Number of 911 calls received	32,149	33,217	32,792	19,299	32,325
Average Jail daily population	460	462	347	320	359
Jail bookings	5,993	6,012	5,993	5,693	5,682
Jail releases	6,016	6,021	6,039	5,365	5,703
Jail inmates at September 30	385	397	302	350	350
Violations reported by Sheriff office	5,652	5,812	3,100	4,735	29,594 *
Transportation					
Roadway resurfacing (miles)	95.8	108	132.0	121.1	119.5
Mowing along roadways (equipment miles)	6,826	6,897	4,091	1,938	3,728
Ditch and culvert cleaning (miles)	110	112	102	99	90
Conservation					
Number of people served in programs	106,779	109,432	121,592	88,680	134,686
Health and Welfare					
Number of applications filed	350	403	573	880	893
Number of cases approved	57	66	94	182	129

*2011 number includes all calls for service, not just "violations".

COMPLIANCE SECTION



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, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 29, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the 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 29, 2012