

EXHIBIT H-1

Self Help Center Construction Skills	U. S. Department of HUD TDHCA #723023	CACST 5310	Archive Management Fee Fund
\$ 4,773	\$ -	\$ 35,082	\$ 11,958
-	-	-	-
-	-	-	-
378	-	-	-
-	-	-	4,153
-	-	-	-
<u>\$ 5,151</u>	<u>\$ -</u>	<u>\$ 35,082</u>	<u>\$ 16,111</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
10,024	-	29,251	-
-	-	-	-
-	-	5,831	-
<u>10,024</u>	<u>-</u>	<u>35,082</u>	<u>-</u>
-	-	-	-
(4,873)	-	-	16,111
<u>(4,873)</u>	<u>-</u>	<u>-</u>	<u>16,111</u>
<u>\$ 5,151</u>	<u>\$ -</u>	<u>\$ 35,082</u>	<u>\$ 16,111</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2009

	Special Revenue Funds		
	U. S. Department of Agriculture FHA Grant Housing Preser.	HIDTA Grants District Attorney	Surcharge Fund
ASSETS			
Cash	\$ 2,462	\$ 63,805	\$ 13,647
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	45,487	4,060
Due from other governments	4,262	134,020	-
	<hr/>	<hr/>	<hr/>
Total assets	\$ 6,724	\$ 243,312	\$ 17,707
	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	241,575	1,476
Due to other governments	-	-	-
Deferred revenue	6,724	1,737	-
	<hr/>	<hr/>	<hr/>
Total liabilities	6,724	243,312	1,476
	<hr/>	<hr/>	<hr/>
Reserved, designated	-	-	-
Unreserved, undesignated	-	-	16,231
	<hr/>	<hr/>	<hr/>
Total fund balances	-	-	16,231
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	\$ 6,724	\$ 243,312	\$ 17,707
	<hr/>	<hr/>	<hr/>

EXHIBIT H-1

Law Library Fund	Courthouse Security Fund	Border Security Equipment and Technology Fund	Management & Preservation Fund
\$ 91,890	\$ 126,325	\$ -	\$ 20,681
-	-	-	-
-	-	-	-
-	-	-	-
16,636	6,166	-	8,100
-	-	-	-
<u>\$ 108,526</u>	<u>\$ 132,491</u>	<u>\$ -</u>	<u>\$ 28,781</u>
\$ 802	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	278	2,604	-
-	-	-	-
-	-	-	-
<u>802</u>	<u>278</u>	<u>2,604</u>	<u>-</u>
-	-	-	-
107,724	132,213	(2,604)	28,781
<u>107,724</u>	<u>132,213</u>	<u>(2,604)</u>	<u>28,781</u>
<u>\$ 108,526</u>	<u>\$ 132,491</u>	<u>\$ -</u>	<u>\$ 28,781</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2009

	Special Revenue Funds		
	LEOSE Fund	Border Area Narcotics Task Force	TDHCA 725125
ASSETS			
Cash	\$ 5,461	\$ 23,062	\$ 10,092
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	661	-	-
Due from other governments	-	114,891	49,481
Total assets	<u>\$ 6,122</u>	<u>\$ 137,953</u>	<u>\$ 59,573</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 15,982	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	1
Due to other funds	382	114,318	59,572
Due to other governments	-	5,000	-
Deferred revenue	-	1,448	-
Total liabilities	<u>382</u>	<u>136,748</u>	<u>59,573</u>
Reserved, designated	-	-	-
Unreserved, undesignated	<u>5,740</u>	<u>1,205</u>	<u>-</u>
Total fund balances	<u>5,740</u>	<u>1,205</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 6,122</u>	<u>\$ 137,953</u>	<u>\$ 59,573</u>

FEMA	U.S. - Mexico Border Health Association	Los Olmos Watershed Project	Construction Fund
\$ 2,500	\$ -	\$ 202,744	\$ 636,650
-	-	-	-
-	-	-	-
-	1,050	-	-
-	-	-	-
<u>\$ 2,500</u>	<u>\$ 1,050</u>	<u>\$ 202,744</u>	<u>\$ 636,650</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
75	-	-	-
-	-	-	-
<u>2,425</u>	<u>1,050</u>	<u>202,744</u>	<u>-</u>
<u>2,500</u>	<u>1,050</u>	<u>202,744</u>	<u>-</u>
-	-	-	636,650
-	-	-	-
-	-	-	636,650
<u>\$ 2,500</u>	<u>\$ 1,050</u>	<u>\$ 202,744</u>	<u>\$ 636,650</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2009

	Special Revenue Funds		
	Sheriff's Operation Linebacker	Crime Victims Asst. Program VA-07-V30-19034-01	Crime Victims Asst. Program VA-08-V30-19034-02
ASSETS			
Cash	\$ 40,682	\$ -	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	16,426
	-	-	16,426
 Total assets	<u>\$ 40,682</u>	<u>\$ -</u>	<u>\$ 16,426</u>
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 3,274	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	37,408	-	16,426
Due to other governments	-	-	-
Deferred revenue	-	-	-
	-	-	-
 Total liabilities	<u>40,682</u>	<u>-</u>	<u>16,426</u>
 Reserved, designated	-	-	-
Unreserved, undesignated	-	-	-
	-	-	-
 Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
 Total liabilities and fund balances	<u>\$ 40,682</u>	<u>\$ -</u>	<u>\$ 16,426</u>

EXHIBIT H-1

Justice Court Technology Fund	Local Border Security Program	TDHCA 725831	Victims of Domestic Violence Assistance Prog WF-08-V30-17244-05
\$ 40,255	\$ 12	\$ 12,234	\$ 4,569
-	-	-	-
-	-	-	-
-	-	-	-
1,634	-	-	4,333
41	85,216	-	11,120
<u>41,930</u>	<u>85,228</u>	<u>12,234</u>	<u>20,022</u>
\$ 459	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
172	85,228	12,234	1,663
33,706	-	-	-
-	-	-	18,359
<u>34,337</u>	<u>85,228</u>	<u>12,234</u>	<u>20,022</u>
-	-	-	-
7,593	-	-	-
<u>7,593</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>41,930</u>	<u>85,228</u>	<u>12,234</u>	<u>20,022</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2009

	Special Revenue Funds		
	Sheriff HIDTA McAllen # I3PSSP607	Homeland Security Grants	TDHCA Home Program #542064
ASSETS			
Cash	\$ 2	\$ 79	\$ -
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
	2	79	-
Total assets	\$ 2	\$ 79	\$ -
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	2	60	-
Due to other governments	-	-	-
Deferred revenue	-	19	-
	2	79	-
Total liabilities	2	79	-
Reserved, designated	-	-	-
Unreserved, undesignated	-	-	-
	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balances	\$ 2	\$ 79	\$ -

EXHIBIT H-1

ORCA TXCDBG #727449	Crime Victims Asst. Program SF-10-V30-19034-03	TXDOT Border Colonia Access Project	Buffer Zone Protection Program
\$ 36,455	\$ 7,274	\$ -	\$ -
-	-	-	-
-	-	-	-
-	16,426	-	-
-	1,834	65,105	-
<u>\$ 36,455</u>	<u>\$ 25,534</u>	<u>\$ 65,105</u>	<u>\$ -</u>
\$ -	\$ 2,336	\$ -	\$ -
-	-	-	-
-	-	-	-
36,455	22,102	65,105	-
-	-	-	-
-	1,096	-	-
<u>36,455</u>	<u>25,534</u>	<u>65,105</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 36,455</u>	<u>\$ 25,534</u>	<u>\$ 65,105</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2009

	Special Revenue Funds		
	United Way Impact Grant	Drug Related Public Corruption Task Force	Operation Stonegarden
ASSETS			
Cash	\$ 3,792	\$ -	\$ 34,776
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	1,577	-	50,366
Due from other governments	-	47,503	502,029
Total assets	<u>\$ 5,369</u>	<u>\$ 47,503</u>	<u>\$ 587,171</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,474	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	3,866	47,503	561,706
Due to other governments	-	-	25,465
Deferred revenue	29	-	-
Total liabilities	<u>5,369</u>	<u>47,503</u>	<u>587,171</u>
Reserved, designated	-	-	-
Unreserved, undesignated	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 5,369</u>	<u>\$ 47,503</u>	<u>\$ 587,171</u>

EXHIBIT H-1

TXCDBG Disaster Relief Grant #728387	TDHCA Disaster Relief HOME #1000793	TXDOT Border Colonia Project 3rd Call	Total Nonmajor Governmental Funds
\$ 200,157	\$ 313,661	\$ 306,651	\$ 2,258,682
-	-	-	-
-	-	-	378
-	-	-	160,649
-	65,227	662,681	1,921,515
<u>\$ 200,157</u>	<u>\$ 378,888</u>	<u>\$ 969,332</u>	<u>\$ 4,341,224</u>
\$ 29,113	\$ 10,983	\$ 397,154	\$ 470,712
-	-	-	-
-	-	-	1
130	367,905	572,178	2,739,838
-	-	-	64,171
170,914	-	-	412,376
<u>200,157</u>	<u>378,888</u>	<u>969,332</u>	<u>3,687,098</u>
-	-	-	636,650
-	-	-	17,476
-	-	-	654,126
<u>\$ 200,157</u>	<u>\$ 378,888</u>	<u>\$ 969,332</u>	<u>\$ 4,341,224</u>

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

REVENUES	Special Revenue Funds		
	Chapter 19	Self Help Center	ORCA #723215
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	462,117	7,210
Fines and forfeitures	-	-	-
Interest income	-	136	-
Miscellaneous	-	240	-
Total revenues	-	462,493	7,210
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	462,117	7,210
Public safety	-	-	-
Public facilities	-	-	-
Total expenditures	-	462,117	7,210
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	376	-
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	-	(291,021)	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE (DEFICIT), END OF YEAR	\$ -	\$ (290,645)	\$ -

Self Help Center Construction Skills	U. S. Department of HUD TDHCA #723023	CACST 5310	Archive Management Fee Fund
\$ -	\$ -	\$ -	\$ -
22,604	-	58,338	-
-	-	-	-
17	-	-	109
-	-	-	41,526
<u>22,621</u>	<u>-</u>	<u>58,338</u>	<u>41,635</u>
-	-	-	-
-	-	58,338	-
-	-	-	-
<u>27,494</u>	<u>-</u>	<u>-</u>	<u>56,455</u>
<u>27,494</u>	<u>-</u>	<u>58,338</u>	<u>56,455</u>
<u>(4,873)</u>	<u>-</u>	<u>-</u>	<u>(14,820)</u>
-	-	-	-
-	(48,797)	-	30,931
<u>-</u>	<u>48,797</u>	<u>-</u>	<u>-</u>
<u>\$ (4,873)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,111</u>

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds		
	U. S. Department of Agriculture FHA Grant Housing Preser.	HIDTA Grants District Attorney	Surcharge Fund
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	154,028	212,656	41,633
Fines and forfeitures	-	-	-
Interest income	-	-	133
Miscellaneous	-	-	-
Total revenues	<u>154,028</u>	<u>212,656</u>	<u>41,766</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	154,028	-	-
Public safety	-	212,656	-
Public facilities	-	-	66,729
Total expenditures	<u>154,028</u>	<u>212,656</u>	<u>66,729</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(24,963)</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	-	-	41,194
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,231</u>

EXHIBIT H-2

Law Library Fund	Courthouse Security Fund	Border Security Equipment and Technology Fund	Management & Preservation Fund
\$ -	\$ -	\$ -	\$ -
-	-	327,065	-
18,211	24,807	-	8,215
402	520	-	83
-	-	-	126
<u>18,613</u>	<u>25,327</u>	<u>327,065</u>	<u>8,424</u>
-	-	-	-
-	-	-	-
-	1,963	329,669	-
<u>8,404</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>8,404</u>	<u>1,963</u>	<u>329,669</u>	<u>-</u>
<u>10,209</u>	<u>23,364</u>	<u>(2,604)</u>	<u>8,424</u>
-	-	-	-
97,515	108,849	-	20,357
-	-	-	-
<u>\$ 107,724</u>	<u>\$ 132,213</u>	<u>\$ (2,604)</u>	<u>\$ 28,781</u>

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds		
	LEOSE Fund	Border Area Narcotics Task Force	TDHCA 725125
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	9,240	313,557	-
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>9,240</u>	<u>313,557</u>	<u>-</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	-	-
Public safety	13,238	313,557	-
Public facilities	-	-	-
Total expenditures	<u>13,238</u>	<u>313,557</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,998)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	9,738	1,205	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ 5,740</u>	<u>\$ 1,205</u>	<u>\$ -</u>

EXHIBIT H-2

FEMA	U.S. - Mexico Border Health Association	Los Olmos Watershed Project	Construction Fund
\$ -	\$ -	\$ -	\$ -
310,160	-	-	-
-	-	-	-
-	-	-	8,910
-	-	-	-
<u>310,160</u>	<u>-</u>	<u>-</u>	<u>8,910</u>
310,160	-	-	-
-	-	-	-
-	-	-	-
-	-	-	266,531
<u>310,160</u>	<u>-</u>	<u>-</u>	<u>266,531</u>
-	-	-	(257,621)
-	-	-	-
-	-	-	894,271
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 636,650</u>

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds		
	Sheriffs Operation Linebacker	Crime Victims Asst. Program VA-07-V30-19034-01	Crime Victims Asst. Program VA-07-V30-19034-02
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	34,911
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	-	-	8,728
	-	-	8,728
Total revenues	-	-	43,639
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	-	-
Public safety	-	-	43,639
Public facilities	-	-	-
	-	-	-
Total expenditures	-	-	43,639
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -

EXHIBIT H-2

Justice Court Technology Fund	Local Border Security Program	TDHCA 725831	Victims of Domestic Violence Assistance Prog WF-08-V30-17244-05
\$ -	\$ -	\$ -	\$ -
-	235,910	2,975	60,155
11,886	-	-	-
-	-	-	-
-	-	-	-
<u>11,886</u>	<u>235,910</u>	<u>2,975</u>	<u>60,155</u>
-	-	2,975	-
-	-	-	-
46,222	235,910	-	60,155
-	-	-	-
<u>46,222</u>	<u>235,910</u>	<u>2,975</u>	<u>60,155</u>
(34,336)	-	-	-
-	-	-	-
33,664	-	-	-
<u>8,265</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds		
	Sheriff HIDTA McAllen # I3PSSP607	Homeland Security Grants	TDHCA Home Program #542064
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	105,000	-
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	-	105,000	-
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	-	-
Public safety	-	105,000	-
Public facilities	-	-	-
Total expenditures	-	105,000	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE (DEFICIT), END OF YEAR	\$ -	\$ -	\$ -

EXHIBIT H-2

ORCA TXCDBG #727449	Crime Victims Assistant Program	TXDOT Border Colonia Access Project	Buffer Zone Protection Program
\$ -	\$ -	\$ -	\$ -
737,857	1,834	-	173,000
-	-	-	-
-	-	-	-
-	459	-	-
<u>737,857</u>	<u>2,293</u>	<u>-</u>	<u>173,000</u>
737,857	-	-	-
-	2,286	-	-
-	-	-	173,000
-	-	-	-
<u>737,857</u>	<u>2,286</u>	<u>-</u>	<u>173,000</u>
-	7	-	-
-	-	-	-
-	-	-	-
-	(7)	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

	Special Revenue Funds		
	United Way Impact Grant	Drug Related Public Corruption Task Force	Operation Stonegarden
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	11,221	47,503	1,520,817
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>11,221</u>	<u>47,503</u>	<u>1,520,817</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	11,221	-	-
Public safety	-	47,503	1,520,817
Public facilities	-	-	-
Total expenditures	<u>11,221</u>	<u>47,503</u>	<u>1,520,817</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT), END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EXHIBIT H-2

TXCDBG Disaster Relief Grant #728387	TDHCA Disaster Relief HOME #1000793	TXDOT Border Colonia Project 3rd Call	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -
179,086	65,227	1,920,483	7,014,587
-	-	-	63,119
-	-	-	10,310
-	-	-	51,079
<u>179,086</u>	<u>65,227</u>	<u>1,920,483</u>	<u>\$ 7,139,095</u>
179,086	-	1,920,483	3,150,561
-	65,227	-	760,427
-	-	-	3,103,329
-	-	-	425,613
<u>179,086</u>	<u>65,227</u>	<u>1,920,483</u>	<u>7,439,930</u>
-	-	-	(300,835)
-	-	-	-
-	-	-	897,906
-	-	-	57,055
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 654,126</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

	Border Area Narcotics Task Force - Forfeiture	Arrest Fee Fund	Tertiary Care Fund
ASSETS			
Cash	\$ 14,019	\$ -	\$ 9,252
Investments	-	-	-
Accounts receivable	-	-	-
Due from other funds	71,736	-	1,145
Other assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 85,755</u>	<u>\$ -</u>	<u>\$ 10,397</u>
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ 5,184
Due to other governments	-	-	5,153
Funds held in escrow	-	-	-
Accounts payable	-	-	-
Other liabilities	<u>85,755</u>	<u>-</u>	<u>60</u>
Total liabilities	<u>\$ 85,755</u>	<u>\$ -</u>	<u>\$ 10,397</u>

EXHIBIT H-3

229th Judicial District Probation Fund	Juvenile Probation & Restitution Fund	County Attorney Fund	District Attorney Fund	County Clerk Fund
\$ 41,915	\$ 2,834	\$ 88,722	\$ 2,343,824	\$ 1,215,055
-	-	-	139,534	-
-	-	-	-	-
-	-	-	293,546	-
-	-	-	-	-
<u>\$ 41,915</u>	<u>\$ 2,834</u>	<u>\$ 88,722</u>	<u>\$ 2,776,904</u>	<u>\$ 1,215,055</u>
\$ 44	\$ -	\$ 4,333	\$ 49,355	\$ 242,384
31,485	-	-	-	-
-	-	-	1,006,729	297,606
-	-	-	-	-
<u>10,386</u>	<u>2,834</u>	<u>84,389</u>	<u>1,720,820</u>	<u>675,065</u>
<u>\$ 41,915</u>	<u>\$ 2,834</u>	<u>\$ 88,722</u>	<u>\$ 2,776,904</u>	<u>\$ 1,215,055</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

	Detention Center Fund	Motor Vehicle Tax Fund	Tax Assessor Collector Fund
ASSETS			
Cash	\$ 180,494	\$ 605,750	\$ 382,336
Investments	-	-	-
Accounts receivable	-	23,515	44,891
Due from other funds	-	183	34,080
Other assets	-	-	167,948
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 180,494</u>	<u>\$ 629,448</u>	<u>\$ 629,255</u>
LIABILITIES			
Due to other funds	\$ -	\$ 93,163	\$ 583,902
Due to other governments	-	327,798	45,352
Funds held in escrow	45,897	-	-
Accounts payable	-	-	-
Other liabilities	134,597	208,487	1
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 180,494</u>	<u>\$ 629,448</u>	<u>\$ 629,255</u>

EXHIBIT H-3

District Clerk's Fund	District Clerk's Investment Trust Fund	Sheriff's Department Fund	Planning Department Fund	Consolidated Court Cost Fund
\$ 849,887	\$ -	\$ 422,151	\$ 338	\$ 70,846
-	2,992,613	395,810	-	-
-	-	-	-	-
-	-	37,408	-	139,231
-	-	-	-	-
<u>\$ 849,887</u>	<u>\$ 2,992,613</u>	<u>\$ 855,369</u>	<u>\$ 338</u>	<u>\$ 210,077</u>
\$ 189,707	\$ -	\$ -	\$ 338	\$ 24,061
-	-	-	-	59,928
660,180	2,992,613	160,914	-	-
-	-	-	-	-
-	-	694,455	-	126,088
<u>\$ 849,887</u>	<u>\$ 2,992,613</u>	<u>\$ 855,369</u>	<u>\$ 338</u>	<u>\$ 210,077</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

	Retirement System Fund	Jury Fund	TNRCC Inspection Fees Fund
ASSETS			
Cash	\$ 1,834	\$ (11,678)	\$ 1,184
Investments	-	-	-
Accounts receivable	-	-	-
Due from other funds	110,918	12,608	-
Other assets	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 112,752</u>	<u>\$ 930</u>	<u>\$ 1,184</u>
LIABILITIES			
Due to other funds	\$ 1,834	\$ -	\$ 54
Due to other governments	110,918	-	1,130
Funds held in escrow	-	-	-
Accounts payable	-	-	-
Other liabilities	-	930	-
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 112,752</u>	<u>\$ 930</u>	<u>\$ 1,184</u>

EXHIBIT H-3

Justice of the Peace Fund	Fourth Court of Appeals Fund	Total
\$ 77,074	\$ 50	\$ 6,295,887
-	-	3,527,957
-	-	68,406
-	1,162	702,017
<u>-</u>	<u>-</u>	<u>167,948</u>
<u>\$ 77,074</u>	<u>\$ 1,212</u>	<u>\$ 10,762,215</u>
\$ 49,169	\$ 2	1,243,530
-	1,162	582,926
-	-	5,163,939
-	-	-
<u>27,905</u>	<u>48</u>	<u>3,771,820</u>
<u>\$ 77,074</u>	<u>\$ 1,212</u>	<u>\$ 10,762,215</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

ARREST FEE FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ -	\$ -	\$ -	-
Due from other funds	-	-	-	-
Other Assets	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Other liabilities	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

229th JUDICIAL DISTRICT PROBATION FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 34,875	\$ 330,958	\$ 323,918	\$ 41,915
Accounts receivable	-	-	-	-
Due from other funds	-	-	-	-
Other assets	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 34,875</u>	<u>\$ 330,958</u>	<u>\$ 323,918</u>	<u>\$ 41,915</u>
LIABILITIES				
Due to other funds	\$ 3,234	\$ 4,717	\$ 7,907	\$ 44
Due to other governments	21,460	326,036	316,011	31,485
Other liabilities	10,181	205	-	10,386
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 34,875</u>	<u>\$ 330,958</u>	<u>\$ 323,918</u>	<u>\$ 41,915</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

JUVENILE PROBATION & RESTITUTION FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 2,138	\$ 696	\$ -	\$ 2,834
Other assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,138</u>	<u>\$ 696</u>	<u>\$ -</u>	<u>\$ 2,834</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Other liabilities	<u>2,138</u>	<u>696</u>	<u>-</u>	<u>2,834</u>
Total liabilities	<u>\$ 2,138</u>	<u>\$ 696</u>	<u>\$ -</u>	<u>\$ 2,834</u>

COUNTY ATTORNEY FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 19,819	\$ 191,439	\$ 122,536	\$ 88,722
Total assets	<u>\$ 19,819</u>	<u>\$ 191,439</u>	<u>\$ 122,536</u>	<u>\$ 88,722</u>
LIABILITIES				
Due to other funds	\$ 4,333	\$ -	\$ -	\$ 4,333
Other liabilities	<u>15,486</u>	<u>195,773</u>	<u>126,870</u>	<u>84,389</u>
Total liabilities	<u>\$ 19,819</u>	<u>\$ 195,773</u>	<u>\$ 126,870</u>	<u>\$ 88,722</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

DISTRICT ATTORNEY FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 2,056,206	\$ 2,532,455	\$ 2,244,837	\$ 2,343,824
Investments	136,488	3,046	-	139,534
Due from other funds	178,408	115,138	-	293,546
Due from other Governments	-	-	-	-
Other assets	113	-	113	-
Total assets	<u>\$ 2,371,215</u>	<u>\$ 2,650,639</u>	<u>\$ 2,244,950</u>	<u>\$ 2,776,904</u>
LIABILITIES				
Due to other funds	\$ 4,653	\$ 285,618	\$ 240,916	\$ 49,355
Funds held for others	766,593	1,391,972	1,151,836	1,006,729
Other liabilities	1,599,969	973,049	852,198	1,720,820
Total liabilities	<u>\$ 2,371,215</u>	<u>\$ 2,650,639</u>	<u>\$ 2,244,950</u>	<u>\$ 2,776,904</u>

COUNTY CLERK FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 1,075,366	\$ 1,054,354	\$ 914,665	\$ 1,215,055
Due from other funds	-	-	-	-
Total assets	<u>\$ 1,075,366</u>	<u>\$ 1,054,354</u>	<u>\$ 914,665</u>	<u>\$ 1,215,055</u>
LIABILITIES				
Due to other funds	\$ 118,271	\$ 199,225	\$ 75,112	\$ 242,384
Due to other governments	-	-	-	-
Funds held for others	294,058	5,190	1,642	297,606
Other liabilities	663,037	849,940	837,912	675,065
Total liabilities	<u>\$ 1,075,366</u>	<u>\$ 1,054,355</u>	<u>\$ 914,666</u>	<u>\$ 1,215,055</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

DETENTION CENTER FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 122,402	\$ 914,557	\$ 856,465	\$ 180,494
Total assets	<u>\$ 122,402</u>	<u>\$ 914,557</u>	<u>\$ 856,465</u>	<u>\$ 180,494</u>
LIABILITIES				
Funds held for others	\$ 54,577	\$ 635,502	\$ 644,182	\$ 45,897
Other liabilities	<u>67,825</u>	<u>279,055</u>	<u>212,283</u>	<u>134,597</u>
Total liabilities	<u>\$ 122,402</u>	<u>\$ 914,557</u>	<u>\$ 856,465</u>	<u>\$ 180,494</u>

MOTOR VEHICLE TAX FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 503,570	\$ 6,604,167	\$ 6,501,987	\$ 605,750
Accounts receivable	22,280	1,235	-	23,515
Due from other funds	<u>183</u>	<u>-</u>	<u>-</u>	<u>183</u>
Total assets	<u>\$ 526,033</u>	<u>\$ 6,605,402</u>	<u>\$ 6,501,987</u>	<u>\$ 629,448</u>
LIABILITIES				
Due to other funds	\$ 74,954	\$ 74,547	\$ 56,338	\$ 93,163
Due to other governments	398,854	327,798	398,854	327,798
Other liabilities	<u>52,225</u>	<u>6,203,056</u>	<u>6,046,794</u>	<u>208,487</u>
Total liabilities	<u>\$ 526,033</u>	<u>\$ 6,605,401</u>	<u>\$ 6,501,986</u>	<u>\$ 629,448</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

TAX ASSESSOR COLLECTOR FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 353,781	\$ 21,663,306	\$ 21,634,751	\$ 382,336
Accounts receivable	42,985	1,906	-	44,891
Due from other funds	44,130	34,035	44,085	34,080
Other assets	<u>188,012</u>	<u>51,544</u>	<u>71,608</u>	<u>167,948</u>
Total assets	<u>\$ 628,908</u>	<u>\$ 21,750,791</u>	<u>\$ 21,750,444</u>	<u>\$ 629,255</u>
LIABILITIES				
Due to other funds	\$ 467,024	\$ 14,609,069	\$ 14,492,191	\$ 583,902
Due to other governments	161,883	6,890,145	7,006,676	45,352
Other liabilities	<u>1</u>	<u>251,577</u>	<u>251,577</u>	<u>1</u>
Total liabilities	<u>\$ 628,908</u>	<u>\$ 21,750,791</u>	<u>\$ 21,750,444</u>	<u>\$ 629,255</u>

DISTRICT CLERK'S FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 833,723	\$ 1,888,149	\$ 1,871,985	\$ 849,887
Total assets	<u>\$ 833,723</u>	<u>\$ 1,888,149</u>	<u>\$ 1,871,985</u>	<u>\$ 849,887</u>
LIABILITIES				
Due to other funds	\$ 216,246	\$ 189,707	\$ 216,246	\$ 189,707
Due to other governments	-	-	-	-
Funds held for others	617,477	1,698,442	1,655,739	660,180
Other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 833,723</u>	<u>\$ 1,888,149</u>	<u>\$ 1,871,985</u>	<u>\$ 849,887</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

DISTRICT CLERK'S INVESTMENT TRUST FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Investments	\$ 2,078,451	\$ 1,317,640	\$ 403,478	\$ 2,992,613
Total assets	<u>\$ 2,078,451</u>	<u>\$ 1,317,640</u>	<u>\$ 403,478</u>	<u>\$ 2,992,613</u>
LIABILITIES				
Funds held for others	\$ 2,078,451	\$ 1,317,640	\$ 403,478	\$ 2,992,613
Total liabilities	<u>\$ 2,078,451</u>	<u>\$ 1,317,640</u>	<u>\$ 403,478</u>	<u>\$ 2,992,613</u>

SHERIFF'S DEPARTMENT FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 415,004	\$ 411,944	\$ 404,797	\$ 422,151
Investments	400,000	-	4,190	395,810
Due from other funds	<u>57,256</u>	<u>268</u>	<u>20,116</u>	<u>37,408</u>
Total assets	<u>\$ 872,260</u>	<u>\$ 412,212</u>	<u>\$ 429,103</u>	<u>\$ 855,369</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Funds held for others	158,650	3,764	1,500	160,914
Other liabilities	<u>713,610</u>	<u>408,448</u>	<u>427,603</u>	<u>694,455</u>
Total liabilities	<u>\$ 872,260</u>	<u>\$ 412,212</u>	<u>\$ 429,103</u>	<u>\$ 855,369</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

PLANNING DEPARTMENT FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 336	\$ 952	\$ 950	\$ 338
Other assets	75	-	75	-
Total assets	<u>\$ 411</u>	<u>\$ 952</u>	<u>\$ 1,025</u>	<u>\$ 338</u>
LIABILITIES				
Accounts payable	\$ -	\$ 950	\$ 950	\$ -
Due to other funds	411	2	75	338
Other liabilities	-	-	-	-
Total liabilities	<u>\$ 411</u>	<u>\$ 952</u>	<u>\$ 1,025</u>	<u>\$ 338</u>

CONSOLIDATED COURT COST FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 72,147	\$ 376,341	\$ 377,642	\$ 70,846
Due from other funds	108,036	139,231	108,036	139,231
Other assets	-	-	-	-
Total assets	<u>\$ 180,183</u>	<u>\$ 515,572</u>	<u>\$ 485,678</u>	<u>\$ 210,077</u>
LIABILITIES				
Due to other funds	\$ 31,199	\$ 24,061	\$ 31,199	\$ 24,061
Due to other governments	61,179	344,933	346,184	59,928
Other liabilities	87,805	146,578	108,295	126,088
Total liabilities	<u>\$ 180,183</u>	<u>\$ 515,572</u>	<u>\$ 485,678</u>	<u>\$ 210,077</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009
(Continued)

RETIREMENT SYSTEM FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 13,870	\$ 1,426,657	\$ 1,438,693	\$ 1,834
Due from other funds	108,418	2,500	-	110,918
Other assets	-	12,149	12,149	-
Total assets	<u>\$ 122,288</u>	<u>\$ 1,441,306</u>	<u>\$ 1,450,842</u>	<u>\$ 112,752</u>
LIABILITIES				
Due to other funds	\$ 13,869	\$ 114	\$ 12,149	\$ 1,834
Due to other governments	108,419	1,441,192	1,438,693	110,918
Other liabilities	-	-	-	-
Total liabilities	<u>\$ 122,288</u>	<u>\$ 1,441,306</u>	<u>\$ 1,450,842</u>	<u>\$ 112,752</u>

JUSTICE OF THE PEACE FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 73,087	\$ 471,954	\$ 467,967	\$ 77,074
Total assets	<u>\$ 73,087</u>	<u>\$ 471,954</u>	<u>\$ 467,967</u>	<u>\$ 77,074</u>
LIABILITIES				
Due to other funds	\$ 45,899	\$ 41,791	\$ 38,521	\$ 49,169
Due to other governments	-	-	-	-
Other liabilities	27,188	430,163	429,446	27,905
Total liabilities	<u>\$ 73,087</u>	<u>\$ 471,954</u>	<u>\$ 467,967</u>	<u>\$ 77,074</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

FOURTH COURT OF APPEALS FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 50	\$ 1,278	\$ 1,278	\$ 50
Due from other funds	<u>1,172</u>	<u>-</u>	<u>10</u>	<u>1,162</u>
Total assets	<u>\$ 1,222</u>	<u>\$ 1,278</u>	<u>\$ 1,288</u>	<u>\$ 1,212</u>
LIABILITIES				
Due to other funds	\$ 1,174	\$ -	\$ 1,172	\$ 2
Due to other governments	-	1,277	115	1,162
Other liabilities	<u>48</u>	<u>-</u>	<u>-</u>	<u>48</u>
Total liabilities	<u>\$ 1,222</u>	<u>\$ 1,277</u>	<u>\$ 1,287</u>	<u>\$ 1,212</u>

TNRCC INSPECTION FEES FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 440	\$ 1,384	\$ 640	\$ 1,184
Other Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 440</u>	<u>\$ 1,384</u>	<u>\$ 640</u>	<u>\$ 1,184</u>
LIABILITIES				
Due to other funds	\$ 50	\$ 4	\$ -	\$ 54
Due to other governments	390	1,380	640	1,130
Other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 440</u>	<u>\$ 1,384</u>	<u>\$ 640</u>	<u>\$ 1,184</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

JURY FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ (6,377)	\$ 87,479	\$ 92,780	\$ (11,678)
Due from other funds	<u>7,937</u>	<u>8,630</u>	<u>3,959</u>	<u>12,608</u>
Total assets	<u>\$ 1,560</u>	<u>\$ 96,109</u>	<u>\$ 96,739</u>	<u>\$ 930</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Other liabilities	<u>1,560</u>	<u>96,109</u>	<u>96,739</u>	<u>930</u>
Total liabilities	<u>\$ 1,560</u>	<u>\$ 96,109</u>	<u>\$ 96,739</u>	<u>\$ 930</u>

TERTIARY CARE FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 6,833	\$ 11,727	\$ 9,308	\$ 9,252
Due from other funds	2,535	-	1,390	1,145
Other assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 9,368</u>	<u>\$ 11,727</u>	<u>\$ 10,698</u>	<u>\$ 10,397</u>
LIABILITIES				
Due to other funds	\$ 4,778	\$ 5,184	\$ 4,778	\$ 5,184
Due to other governments	4,530	5,153	4,530	5,153
Other liabilities	<u>60</u>	<u>1,390</u>	<u>1,390</u>	<u>60</u>
Total liabilities	<u>\$ 9,368</u>	<u>\$ 11,727</u>	<u>\$ 10,698</u>	<u>\$ 10,397</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2009

(Continued)

BORDER AREA NARCOTICS TASK FORCE FORFEITURE FUND

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 13,853	\$ 166	\$ -	\$ 14,019
Due from other funds	71,836	-	100	71,736
Total assets	<u>\$ 85,689</u>	<u>\$ 166</u>	<u>\$ 100</u>	<u>\$ 85,755</u>
LIABILITIES				
Other liabilities	\$ 85,689	\$ 166	\$ 100	\$ 85,755
Total liabilities	<u>\$ 85,689</u>	<u>\$ 166</u>	<u>\$ 100</u>	<u>\$ 85,755</u>

TOTAL ALL AGENCY FUNDS

	Balance October 1, 2008	Additions	Deletions	Balance September 30, 2009
ASSETS				
Cash	\$ 5,591,123	\$ 37,969,963	\$ 37,265,199	\$ 6,295,887
Investments	2,614,939	1,320,686	407,668	3,527,957
Accounts receivable	65,265	3,141	-	68,406
Due from other funds	579,911	299,802	177,696	702,017
Due from other governments	-	-	-	-
Other assets	188,200	63,693	83,945	167,948
Total assets	<u>\$ 9,039,438</u>	<u>\$ 39,657,285</u>	<u>\$ 37,934,508</u>	<u>\$ 10,762,215</u>
LIABILITIES				
Due to other funds	\$ 986,095	\$ 15,434,039	\$ 15,176,604	\$ 1,243,530
Due to other governments	756,715	9,337,914	9,511,703	582,926
Funds held for others	3,969,806	5,052,510	3,858,377	5,163,939
Accounts payable	-	950	950	-
Other liabilities	3,326,822	9,836,205	9,391,207	3,771,820
Total liabilities	<u>\$ 9,039,438</u>	<u>\$ 39,661,618</u>	<u>\$ 37,938,841</u>	<u>\$ 10,762,215</u>

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STATISTICAL SECTION

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STARR COUNTY, TEXAS

GOVERNMENT-WIDE EXPENSES BY FUNCTION

LAST FIVE FISCAL YEARS

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General government	\$ 4,129,942	\$ 2,267,203	\$ 3,045,557	\$ 2,594,283	\$ 2,181,104
Public safety	7,210,242	8,416,981	8,083,472	8,714,789	6,304,189
Judicial	1,687,339	1,682,336	1,580,355	1,563,448	1,060,706
Highways and streets	5,515,096	4,018,216	6,796,427	4,165,498	4,033,700
Public facilities	615,719	269,806	243,087	440,728	530,451
Financial administration	868,642	936,030	909,359	722,280	686,530
Legal	879,804	906,133	781,420	753,930	654,828
Health and welfare	1,585,616	1,186,481	1,435,914	1,498,880	1,281,949
Conservation and agriculture	126,889	132,642	127,661	116,720	107,605
Culture and recreation	-	-	31,695	67,948	67,157
Debt service - interest on debt	179,343	194,307	206,963	220,052	183,128
Debt service - bond issuance costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,157</u>	<u>44,157</u>
TOTAL	<u>\$ 22,798,632</u>	<u>\$ 20,010,135</u>	<u>\$ 23,241,910</u>	<u>\$ 20,902,713</u>	<u>\$ 17,135,504</u>

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STARR COUNTY

GOVERNMENT-WIDE REVENUES

LAST FIVE FISCAL YEARS

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES			
	Charges for Services	Operating Grants and Contributions		Taxes	Interest	Transfers	Miscellaneous
2009	\$ 5,171,144	\$ 8,110,453	\$	14,274,890	\$ 226,951	\$ 912,138	\$ 211,724
2008	3,885,077	6,314,610		13,117,309	388,802	996,110	208,272
2007	4,033,909	6,531,878		11,639,354	561,467	1,418,781	766,492
2006	3,486,814	4,523,558		10,667,682	366,302	1,586,411	187,770
2005	3,952,943	2,784,656		10,039,292	134,847	1,329,200	130,321

STARR COUNTY, TEXAS

EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES

LAST TEN FISCAL YEARS
(Unaudited)

FUNCTION	2009	2008	2007	2006
General administration	\$ 3,879,843	\$ 2,645,769	\$ 3,026,064	\$ 2,569,712
Judicial & elections	1,585,159	1,581,696	1,495,697	1,501,386
Financial administration	816,038	878,133	860,657	692,235
Legal	826,530	853,054	788,795	725,854
Public facilities	639,526	607,847	2,158,352	1,323,055
Public safety	8,345,403	8,027,559	7,755,892	8,480,825
Health and welfare	1,577,451	1,193,659	1,394,654	1,492,342
Culture and recreation	-	-	30,000	64,993
Conservation-agriculture	119,205	122,481	120,809	112,287
Highways and streets (maintenance of county roads and bridges)	7,853,428	8,421,327	7,259,489	4,379,117
Capital outlay	-	-	-	-
Debt service	579,343	584,307	206,963	585,052
Totals	<u>\$ 26,221,926</u>	<u>\$ 24,915,832</u>	<u>\$ 25,097,372</u>	<u>\$ 21,926,858</u>

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$	2,118,420	\$ 2,072,442	\$ 1,609,169	\$ 1,434,498	\$ 1,096,319	\$ 1,216,597
	1,384,291	1,275,016	1,211,682	1,212,464	1,130,896	1,198,613
	626,288	639,198	624,536	620,496	614,537	592,238
	668,526	603,140	592,531	694,059	545,437	614,388
	524,443	282,010	652,881	1,038,712	1,251,427	1,488,895
	6,278,599	5,794,984	5,758,816	6,412,088	6,024,188	4,912,280
	1,250,906	751,587	554,396	542,053	184,277	184,092
	64,153	60,440	55,970	54,410	49,023	50,084
	103,099	107,555	104,661	109,604	100,401	105,314
	4,245,517	4,912,917	3,209,032	2,454,116	2,601,302	2,418,641
	-	-	-	1,381	40,397	138,104
	<u>608,128</u>	<u>265,708</u>	<u>294,241</u>	<u>309,730</u>	<u>315,160</u>	<u>323,028</u>
\$	<u>17,872,370</u>	<u>\$ 16,764,997</u>	<u>\$ 14,667,915</u>	<u>\$ 14,883,611</u>	<u>\$ 13,953,364</u>	<u>\$ 13,242,274</u>

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STARR COUNTY, TEXAS

REVENUES BY SOURCES
ALL GOVERNMENTAL FUND TYPES

LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended	Taxes	Intergovernmental	Charges for Services	Fines and Forfeitures	Interest	Miscellaneous	Total
2009	\$ 14,002,629	\$ 8,110,453	\$ 4,401,070	\$ 770,074	\$ 226,951	\$ 211,724	\$ 27,722,901
2008	12,572,737	6,314,610	3,238,928	646,149	388,802	208,272	23,369,498
2007	11,766,794	6,531,878	3,308,850	725,059	561,467	766,793	23,660,541
2006	10,411,326	4,523,558	3,096,292	599,866	366,302	187,770	19,185,114
2005	9,673,918	2,784,656	3,463,176	489,767	134,847	130,321	16,676,685
2004	7,977,154	3,234,224	3,595,908	384,195	73,821	141,904	15,407,206
2003	7,568,740	1,623,003	4,581,221	369,128	83,694	255,662	14,481,448
2002	7,022,681	2,347,963	4,089,626	280,994	100,451	243,404	14,085,119
2001	5,979,707	1,665,816	4,050,551	287,184	93,591	595,572	12,672,421
2000	5,793,270	906,395	3,939,862	209,611	134,386	640,898	11,624,422

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STARR COUNTY, TEXAS

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL GOVERNMENTAL BONDED DEBT
TO TOTAL GENERAL FUND EXPENDITURES

LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended	Debt Principal	Interest & Fiscal Charges	Total Debt Services	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
2009	\$ 400,000	\$ 179,343	\$ 579,343	\$ 13,499,786	4.29%
2008	390,000	194,307	584,307	13,464,747	4.34%
2007	375,000	206,963	581,963	13,021,431	4.47%
2006	365,000	220,052	585,052	12,005,751	4.87%
2005	425,000	183,128	608,128	11,003,547	5.53%
2004	252,000	13,708	265,708	10,526,600	2.52%
2003	267,000	27,241	294,241	10,077,368	2.92%
2002	267,000	42,730	309,730	9,775,758	3.17%
2001	257,000	58,159	315,159	8,711,602	3.62%
2000	252,000	71,028	323,028	8,978,447	3.60%

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STARR COUNTY, TEXAS

PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Operating Funds</u>	<u>Limited Tax Bonds</u>	<u>Total Constitutional Tax Levy</u>	<u>FM and Lateral Road Tax</u>	<u>Total Tax Rate</u>
2009	\$ 0.4740	\$ 0.0400	\$ 0.5140	\$ 0.1852	\$ 0.6992
2008	0.4740	0.0400	0.5140	0.1852	0.6992
2007	0.4010	0.0400	0.4410	0.1682	0.6092
2006	0.4010	0.0450	0.4460	0.1684	0.6144
2005	0.4010	0.0450	0.4460	0.1684	0.6144
2004	0.4224	0.0459	0.4683	0.1611	0.6294
2003	0.3909	0.0459	0.4368	0.1489	0.5857
2002	0.3744	0.0459	0.4203	0.1472	0.5675
2001	0.4434	0.0333	0.4767	0.1753	0.6520
2000	0.4122	0.0333	0.4455	0.1753	0.6208

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STARR COUNTY, TEXAS

ASSESSED VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended September 30,	Real Property	Personal Property	Mineral and Intangible	Total
2009	\$ -	\$ -	\$ -	\$ 2,022,845,390
2008	-	-	-	1,905,018,980
2007	-	-	-	1,998,393,440
2006	-	-	-	1,777,321,100
2005	-	-	-	1,599,742,190
2004	-	-	-	1,328,503,200
2003	-	-	-	1,364,019,670
2002	-	-	-	971,262,290
2001	-	-	-	966,237,930
2000	-	-	-	971,425,080

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STARR COUNTY, TEXAS

DEMOGRAPHIC INFORMATION

Year Ended September 30, 2009
(Unaudited)

Starr County, Texas was organized in 1848 from Nueces County and was named for Dr. J.H. Starr, a secretary of treasury of the Republic of Texas.

Area: 1,223.1 square miles

Annual rainfall: 22.3 inches

Temperature ranges: 43 degrees in January and 99 degrees in July

Population: 56,686

Growing season: 314 days

Physical features are rolling surfaces, some hills, dense brush, clay, loam, sandy soils, alluvial on the Rio Grande River. The Falcon Reservoir is located in the County. Altitudes vary from 125 to 531 feet.

Recreation includes the following: Falcon Reservoir activities; deer, whitewing dove hunting; access to Mexico; historical houses; grotto at Rio Grande City; Roma Fest in November.

With respect to minerals, there is the production of oil, natural gas, sand and gravel.

Principal cities are Rio Grande City (12,305) (the county seat), La Grulla (1,192), and Roma-Los Saenz (9,969).

Principal towns include Escobares (2,046), La Casita-Garciasville (2,287), Las Lomas (2,738), La Victoria (1,738), and La Rosita (1,757).

Agriculture income is derived mostly from crops, including sorghum, cotton, and vegetables; also from beef and fed cattle; substantial irrigation for vegetables.

Principal business includes vegetable packing, shipping, other agribusinesses; oil production; tourism; and government services.

97.54% of the population is Hispanic.

Note: The above information was obtained from the 2006-2007 Texas Almanac published by the Dallas Morning News. Dallas, Texas.

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FEDERAL AWARDS SECTION

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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 AND THE STATE OF TEXAS
SINGLE AUDIT CIRCULAR**

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Starr County, Texas as of and for the year ended September 30, 2009, which collectively comprise Starr County, Texas' basic financial statements and have issued our report thereon dated June 18, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the standards applicable to financial audits contained in the *State of Texas Single Audit Circular*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Starr County, Texas' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Starr County, Texas' financial statements that is more than inconsequential will not be prevented or detected by Starr County, Texas' internal control.

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

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



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Starr County, Texas' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 09-01.

We noted certain matters that we reported to the management of Starr County, Texas, in a separate letter dated June 18, 2010.

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

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

Patricia Brown Hill, C.C.P.

June 18, 2010





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

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

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

Compliance

We have audited the compliance of Starr County, Texas with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the *State of Texas Single Audit Circular* that are applicable to each of its major federal and state programs for the year ended September 30, 2009. Starr County, Texas' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of Starr County, Texas' management. Our responsibility is to express an opinion on Starr County, Texas' compliance based on our audit.

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

In our opinion, Starr County, Texas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 09-02 to 09-05.

Internal Control Over Compliance

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



Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 09-02 to 09-05 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control. We do not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

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

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

Pattillo, Brown & Hill, LLP

June 18, 2010



STARR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

I. Summary of Auditors' Results

Type of report on financial statements	Unqualified
Internal control over financial reporting: Material weakness(es) identified?	None reported.
Significant deficiencies identified that are not considered to be material weakness(es)?	Yes.
Internal control over major programs: Material weakness(es) identified?	None reported.
Significant deficiencies identified that are not considered to be material weakness(es)?	Yes.
Noncompliance which is material to the basic financial statements	None reported.
Type of report on compliance with major programs	Unqualified.
Findings and questioned costs for federal awards as defined in Section 501(a), OMB Circular A-133 and the State of Texas Single Audit Circular	Yes.
Dollar threshold considered between Type A and Type B federal programs	\$300,000
Dollar threshold considered between Type A and Type B state programs	\$300,000
Low risk auditee statement	No.
Major federal programs	CFDA #97.036 – Disaster Grants - Public Asst. CFDA #97.067 – Homeland Security Program
Major state programs	TX-DOT Border Colonia Access 3 rd Call Border Security Equipment and Technology

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STARR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

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

Program

Findings/Noncompliance

Finding 09-01

Public Funds Investment Act

Criteria:

The management of Starr County, Texas is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations and contracts.

Condition:

The County does not prepare quarterly investment reports in accordance with the Public Funds Investment Act. In addition, the County's cash and investments are not properly collateralized with pledged securities for funds deposited in excess of FDIC insurance coverage.

Questioned Cost:

Questioned costs could not be quantified because the finding does not relate to specific dollar amounts.

Effect:

The County is not in compliance with the Public Funds Investment Act.

Recommendation:

We recommend that the County compile and approve quarterly investment reports prepared in accordance with the Public Funds Investment Act. We also recommend that the County enter into an agreement with their financial institutions to pledge securities in the County's name for amounts that exceed FDIC insurance coverage.

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STARR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

III. Findings and Questioned Costs for Federal and State Awards (Continued)

Major Program: Homeland Security Program – Operation Stone Garden (Continued)

<u>Program</u>	<u>Findings/Noncompliance</u>
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<u>Finding 09-03</u>	<i>Procurement</i>
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<i>Criteria:</i>	The management of Starr County, Texas is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations and contracts.
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<i>Condition:</i>	During our testing we found two instances where the procurement of goods/services did not document the County's procedures that ensure it does not conduct business with a suspended or debarred party.
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<i>Questioned Cost:</i>	See finding 09-02.
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<i>Effect:</i>	As a result, the County is not in compliance with the grant's requirements and the OMB Circular A-133 Compliance Supplement.
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<i>Recommendation:</i>	We recommend that the County adhere to the guidelines established for all federally funded programs and properly document its procurement procedures.
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STARR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

III. Findings and Questioned Costs for Federal and State Awards (Continued)

Major Program: Border Security Equipment and Technology

Program Findings/Noncompliance

Finding 09-04 Procurement

Criteria: The management of Starr County, Texas is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations and contracts.

Condition: During our testing we found three instances where the procurement of goods/services did not document the County's procedures that provide for full and open competition. The County did not follow sealed bid procedures for three grant expenditures that each exceeded \$50,000.

Questioned Cost: \$275,344

Effect: As a result, the County is not in compliance with the grant's requirements and the OMB Circular A-133 Compliance Supplement.

Recommendation: We recommend that the County adhere to the guidelines established for all federally funded programs and properly document its procurement procedures.

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STARR COUNTY, TEXAS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

IV. Prior Findings Relating to the Financial Statements Which are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned Costs</u>
<i>Finding 08-01</i>	<i>Bank Reconciliations</i>	
<i>Criteria:</i>	The management of Starr County, Texas is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations and contracts.	
<i>Condition:</i>	The County does not prepare some of its bank reconciliations on a monthly basis for several bank accounts.	
<i>Questioned Cost:</i>	Questioned costs could not be quantified because the finding does not relate to specific dollar amounts.	
<i>Effect:</i>	The County is unable to reconcile the bank accounts to the general ledger monthly.	
<i>Recommendation:</i>	Bank reconciliations should be prepared and reviewed in a timely manner in order to ensure that errors or irregularities are detected and corrected. We recommend the County establish and adhere to deadlines for the preparation of the bank reconciliations on a monthly basis. The monthly reconciliations should be completed prior to the end of the subsequent month to ensure that errors do not go undetected for periods of time.	
<i>Current Status:</i>	Item not corrected.	

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STARR COUNTY, TEXAS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

V. Prior Findings and Questioned Costs for Federal and State Awards (Continued)

Major Program: Disaster Relief – Public Assistance Grants (Continued)

Program

Findings/Noncompliance

Finding 08-03

Procurement

Criteria:

The management of Starr County, Texas is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations and contracts.

Condition:

During our testing we found several instances where the procurement of goods/services did not document the County's procedures that ensure it does not conduct business with a suspended or debarred party.

Questioned Cost:

Questioned costs could not be quantified because the finding does not relate to specific dollar amounts.

Effect:

As a result, the County is not in compliance with the grant's requirements and the OMB Circular A-133 Compliance Supplement.

Recommendation:

We recommend that the County adhere to the guidelines established for all federally funded programs and properly document its procurement procedures.

Current Status:

Item not corrected.

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STARR COUNTY, TEXAS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

V. Prior Findings and Questioned Costs for Federal and State Awards (Continued)

Major Program: Disaster Relief – Public Assistance Grants (Continued)

Program

Findings/Noncompliance

Finding 08-04

Documentation

Criteria:

The management of Starr County, Texas is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations and contracts.

Condition:

During our testing we found several instances where the County failed to maintain complete records and cost documents for all approved work, per the grant's documentation requirements.

Questioned Cost:

Questioned costs could not be quantified because the finding does not relate to specific dollar amounts.

Effect:

As a result, the County is not in compliance with the grant's requirements.

Recommendation:

We recommend that the County adhere to the guidelines established for all federally funded programs and properly document its procurement procedures.

Current Status:

Item not corrected.

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STARR COUNTY, TEXAS

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2009

Person responsible for implementation:

County Auditor's Office
Federal & State Program's Office
County Treasurer
Sheriff's Office

Estimated date of completion:

September 30, 2010

Finding 09-01:

The County Treasurer is aware of the Public Funds Investment Act and will implement the proper changes starting on the quarterly report ending September 30, 2010. Also, Starr County's depository provides an irrevocable standby Letter of Credit from Federal Home Loan Bank of Dallas in an amount equal to the amount the County has on deposit. The letter is valid for three months at which time a new letter is issued and the amount is adjusted to reflect the amount on deposit at the beginning of the three month period.

Finding 09-02:

The project director at the Sheriff's office was not aware of the County's procurement policies and procedures. He will work closely with the Auditor's office and the Federal and State Programs Office to ensure that proper procedures are followed.

Finding 09-03:

The project director at the Sheriff's office was not aware of the County's procurement policies and procedures. He will work closely with the Auditor's office and the Federal and State Programs Office to ensure that proper procedures are followed..

Finding 09-04:

The project director at the Sheriff's office was not aware of the County's procurement policies and procedures. He will work closely with the Auditor's office and the Federal and State Programs Office to ensure that proper procedures are followed.

Finding 09-05:

The project director at the Sheriff's office was not aware of the County's procurement policies and procedures. He will work closely with the Auditor's office and the Federal and State Programs Office to ensure that proper procedures are followed.

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STARR COUNTY, TEXAS
CORRECTIVE ACTION PLAN
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Finding 08-01:

The Auditor's Office Staff prepares bank reconciliations on a timely basis. The accounts under the control of the fee offices are at times not reconciled monthly. The Auditor's Office will continue to require monthly reconciliations from those departments.

Finding 08-02:

Disaster Relief-Public Assistance Grant was issued to the Starr County Emergency Management Unit and disbursed to each Commissioner's precinct as emergency needs were identified by FEMA. Upon review of the findings, corrective administrative procurement procedures will be established by the Federal & State Programs Office and will oversee any future disaster relief grants to ensure that proper procedures are followed.

Finding 08-03:

Disaster Relief-Public Assistance Grant was issued to the Starr County Emergency Management Unit and disbursed to each Commissioner's precinct as emergency needs were identified by FEMA. Upon review of the findings, corrective administrative procurement procedures will be established by the Federal & State Programs Office and will oversee any future disaster relief grants to ensure that proper procedures are followed.

Finding 08-04:

Disaster Relief-Public Assistance Grant was issued to the Starr County Emergency Management Unit and disbursed to each Commissioner's precinct as emergency needs were identified by FEMA. Upon review of the findings, corrective administrative procurement procedures will be established by the Federal & State Programs Office and will oversee any future disaster relief grants to ensure that proper procedures are followed.

Finding 08-05:

Disaster Relief-Public Assistance Grant was issued to the Starr County Emergency Management Unit and disbursed to each Commissioner's precinct as emergency needs were identified by FEMA. Upon review of the findings, corrective administrative procurement procedures will be established by the Federal & State Programs Office and will oversee any future disaster relief grants to ensure that proper procedures are followed.

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STARR COUNTY, TEXAS
CORRECTIVE ACTION PLAN
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2009

Finding 08-06:

Disaster Relief-Public Assistance Grant was issued to the Starr County Emergency Management Unit and disbursed to each Commissioner's precinct as emergency needs were identified by FEMA. Upon review of the findings, corrective administrative procurement procedures will be established by the Federal & State Programs Office and will oversee any future disaster relief grants to ensure that proper procedures are followed.

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2009

Federal Grantor/ <u>Pass Through Entity</u>	<u>CFDA</u> <u>Numbers</u>	<u>Contract</u> <u>Number</u>	<u>Total</u> <u>Expenditures</u>
U.S. Department of Housing and Urban Development			
<i>Pass through the Office of Rural Community Affairs</i>			
Community Development	14.239	727449	\$ 737,857
Community Development	14.239	725831	2,975
Community Development	14.228	723215	21,176
Community Development		728387	<u>179,086</u>
Total Office of Rural and Community Affairs			<u>941,094</u>
 <i>Pass through the Texas Department of Housing & Community Affairs</i>			
OCI Self Help Center Contract	14.228	727013	270,714
TDHCA Contract #727033	14.228	727033	191,403
TDHCA Disaster Relief Grant # 1000793		1000793	<u>65,227</u>
Total Texas Department of Housing & Community Affairs			<u>527,344</u>
 U.S. Department of Justice			
<i>Pass through the Office of Justice Programs</i>			
SCAAP	16.606	2008-AP-BX-1374	<u>28,676</u>
 <i>Pass through the Office of the Governor - Criminal Justice Division</i>			
Crime Victims Assistance Program	16.575	VA-07-V30-19304-01	-
Crime Victims Assistance Program	16.575	VA-08-V30-19304-02	36,745
Victims of Domestic Violence Assistance Program	16.588	WF-08-V30-17244-05	39,101
Victims of Domestic Violence Assistance Program	16.588	WF-07-V30-17244-04	<u>-</u>
Total Office of the Governor - Criminal Justice Division			<u>75,846</u>
 Total U.S. Department of Justice			 <u>104,522</u>
 Executive Office of the President			
<i>Pass through the Office of National Drug Control Policy & through the South Texas HIDTA Assistance Center</i>			
HIDTA Task Force Grant - MADRPCTF	-	-	47,503
HIDTA Task Force Grant	-	-	<u>212,656</u>
Total Executive Office of the Governor			<u>260,159</u>

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

Federal Grantor/ <u>Pass Through Entity</u>	<u>CFDA Numbers</u>	<u>Contract Number</u>	<u>Total Expenditures</u>
U.S. Department of Homeland Security			
<i>Pass through the Office of the Governor - Emergency Management Division</i>			
Homeland Security Grants (Operation Stonegarden)	97.067	-	1,520,817
Homeland Security Grants (LETPP)	97.074	-	105,000
Homeland Security Grants (FEMA Grants)	97.078	-	173,000
Homeland Security Grants (FEMA Disaster Grants)	97.036	-	<u>310,160</u>
Total Texas Department of Public Safety			<u>2,108,977</u>
Criminal Justice Division			
<i>Pass through the Office of the Governor</i>			
Border Area Violent Crimes Unit	16.738	DJ-06-A10-18428-02	<u>313,557</u>
U.S. Department of Agriculture			
<i>Direct Program:</i>			
U.S. Department of Agriculture FHA Grant Housing Preservation	10.433	-	55,350
U.S. Department of Agriculture FHA Grant Housing Preservation	10.433	-	<u>98,678</u>
			<u>154,028</u>
Total federal awards			<u>4,409,681</u>
State of Texas			
Texas Department of Transportation			
<i>Direct Program:</i>			
CACST		51021F3052	58,338
TX Border Colonia Access - 3rd Call		5BCF5005	1,920,483
Self Help Center - Const Skills Program	-	-	<u>22,604</u>
Total Direct Programs			<u>2,001,425</u>
Department of Health State Services			
<i>Direct Program:</i>			
Border Health Services Grant	-	2008-024697-001	<u>-</u>

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2009

Federal Grantor/ <u>Pass Through Entity</u>	<u>CFDA Numbers</u>	<u>Contract Number</u>	<u>Total Expenditures</u>
Texas Department of Public Safety			
<i>Direct Program:</i>			
Texas Border Security Program	-	BSOC-OP-BS-028	<u>235,910</u>
<i>Passed through the Governor's Division of Emergency Management:</i>			
Border Security Equipment and Technology Grant			<u>327,065</u>
Total Department of Public Safety			
Office of Court Administrator			
<i>Passed Through the City of Laredo:</i>			
TX Task Force on Indigent Defense Grant	-	212-08-214	33,369
911 Addressing Grant	-	FY2008	<u>33,345</u>
Total Passed Through the City of Laredo			<u>66,714</u>
Total state awards			<u>2,631,114</u>
Total federal and state awards			<u>\$ 7,040,795</u>

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STARR COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SEPTEMBER 30, 2009

1. BASIS OF ACCOUNTING

Starr County uses the modified accrual basis of accounting. This basis of accounting recognizes revenue in the accounting period in which it becomes available and measurable and expenditures in the accounting period in which the fund liability was incurred, if measurable, except for certain compensated absences and claims and judgments, which is recognized when the obligation are expected to be liquidated with expendable available financial resources.

Federal grants are generally considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

(Last page.)

