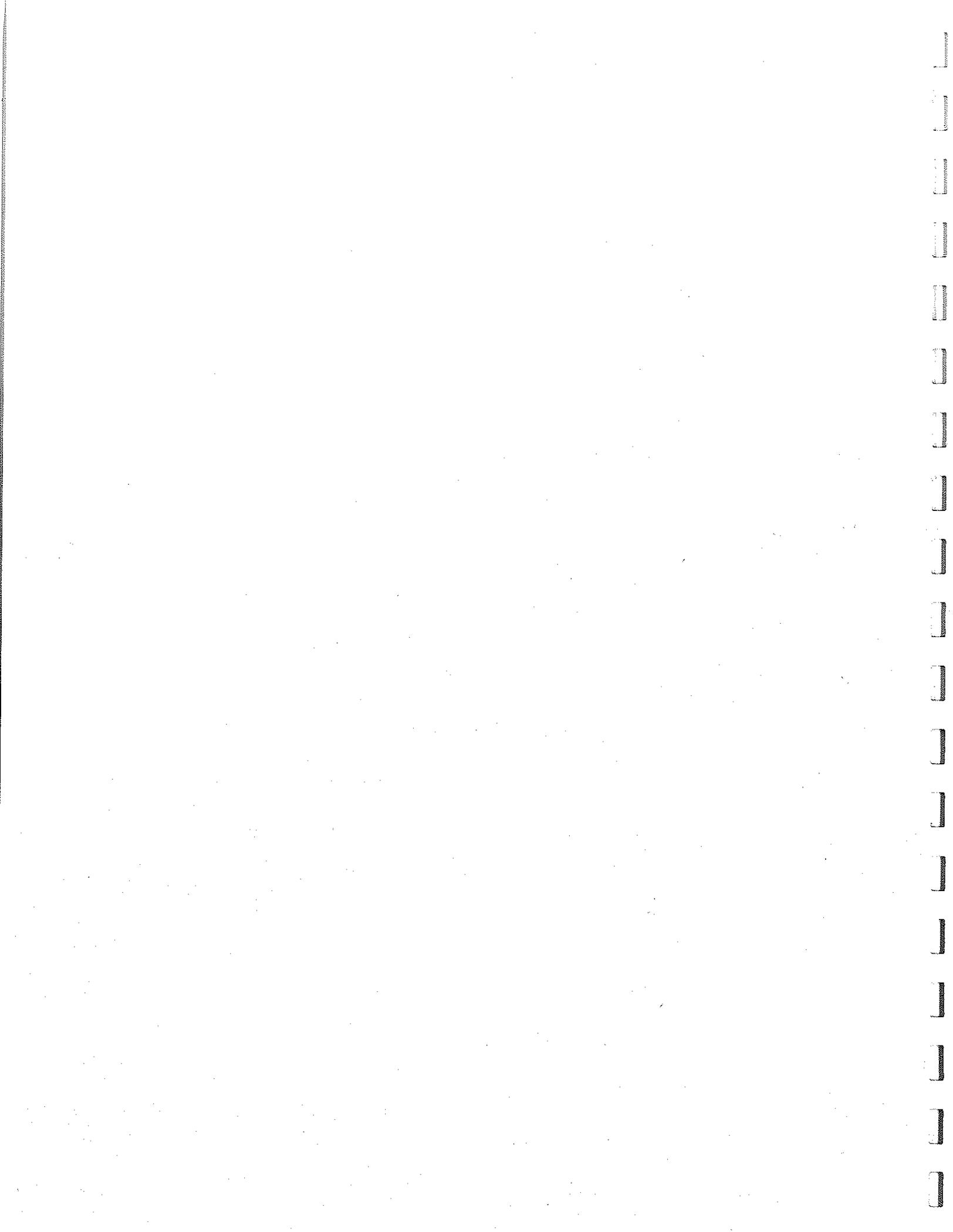


STARR COUNTY, TEXAS

Annual Financial Report

**For the Year Ended
September 30, 2014**



STARR COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

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FINANCIAL SECTION

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

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying 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, 2014, and the related notes to the financial statements, which collectively comprise of Starr County, Texas' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

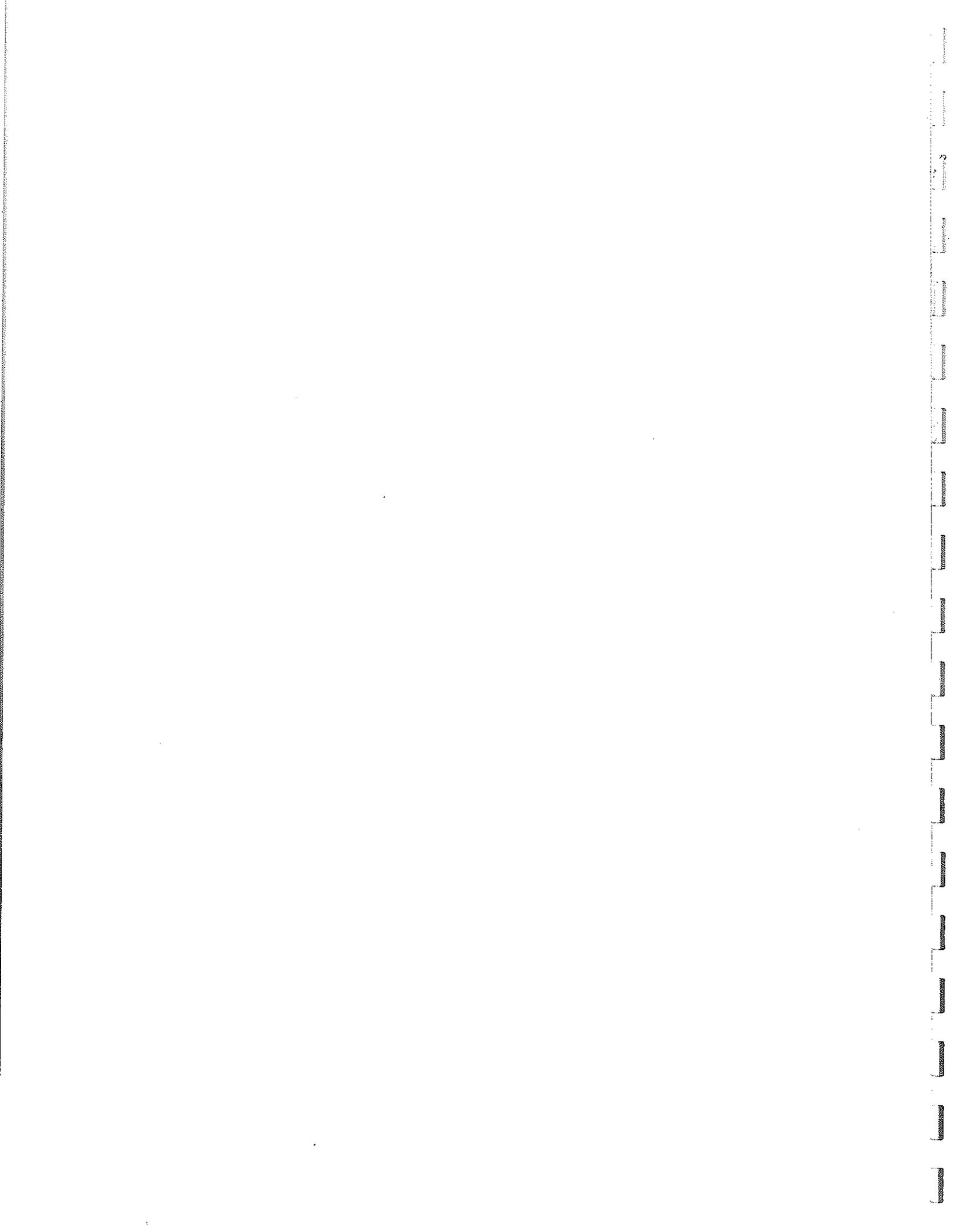
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Starr County, Texas, as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

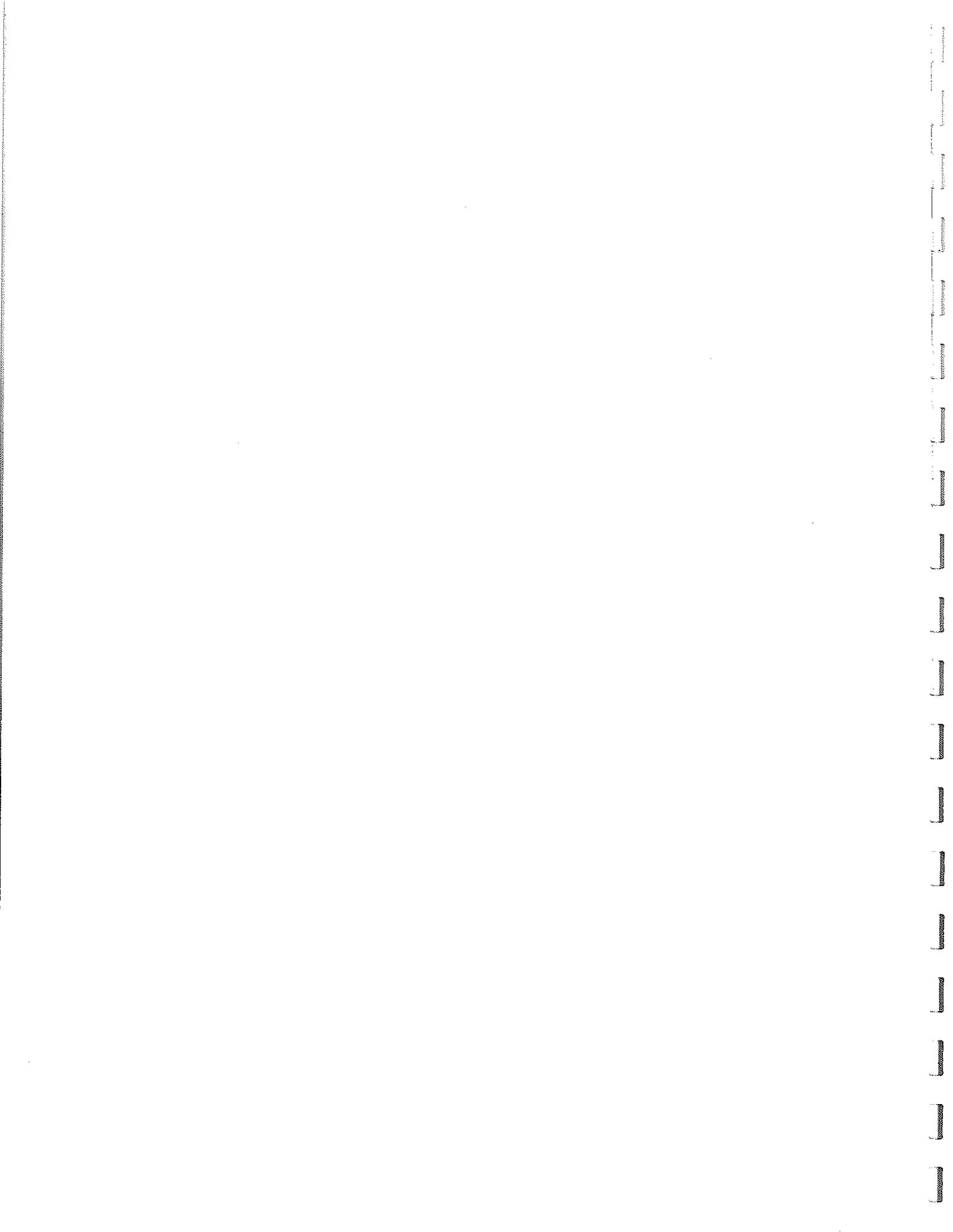
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 40 through 65 be presented to supplement the basic financial statements. Such information, although not a part of 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Starr County, Texas' financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, Non-Profit Organizations*, and the *State of Texas Single Audit Circular*, and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

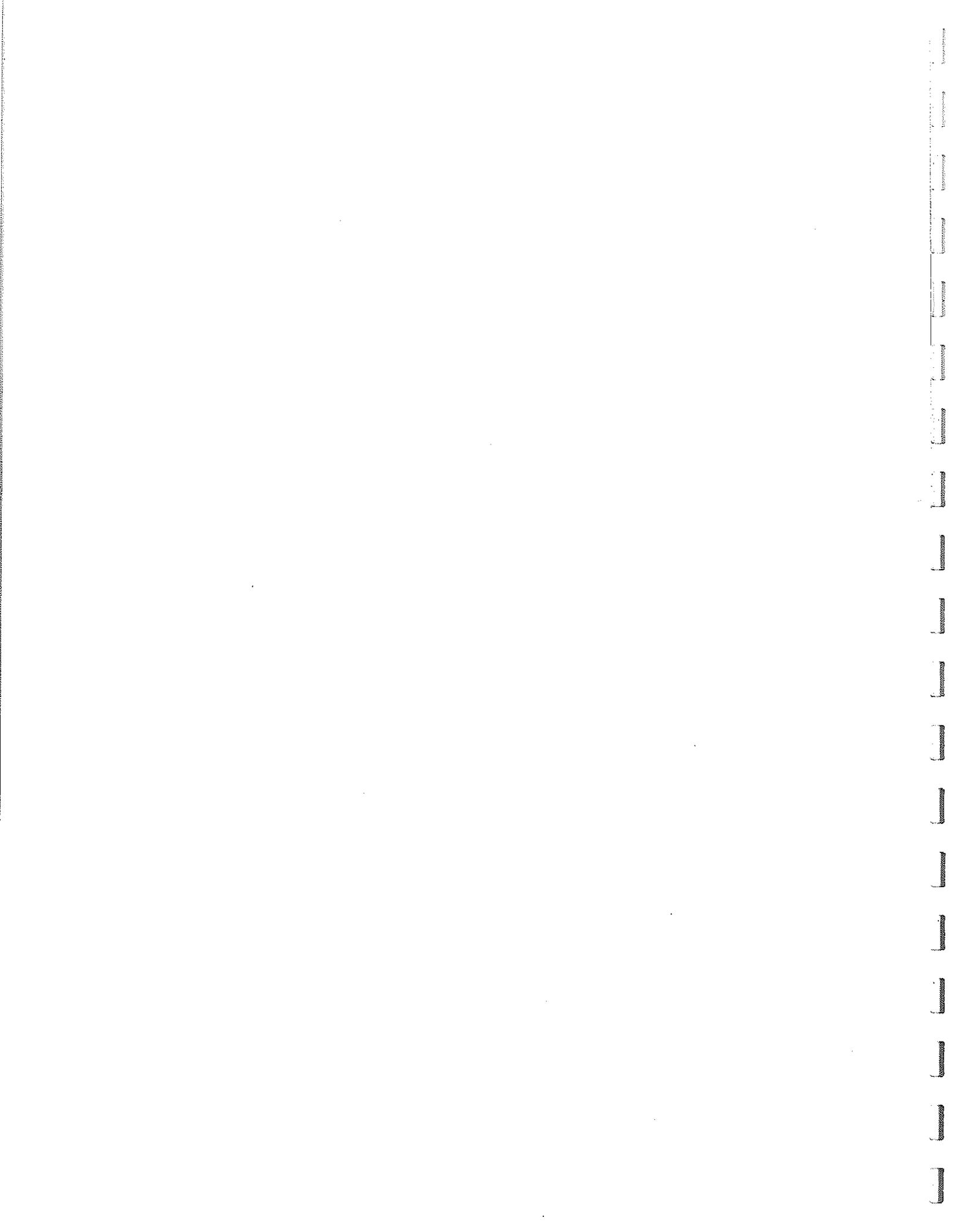


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2015, on our consideration of Starr County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Starr County, Texas' internal control over financial reporting and compliance

Patillo, Brown & Hill, C.P.A.

Brownsville, Texas
June 22, 2015



MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Starr County (County) annual financial report presents our discussion and analysis as an overview of the County's financial performance during the fiscal year ended September 30, 2014. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

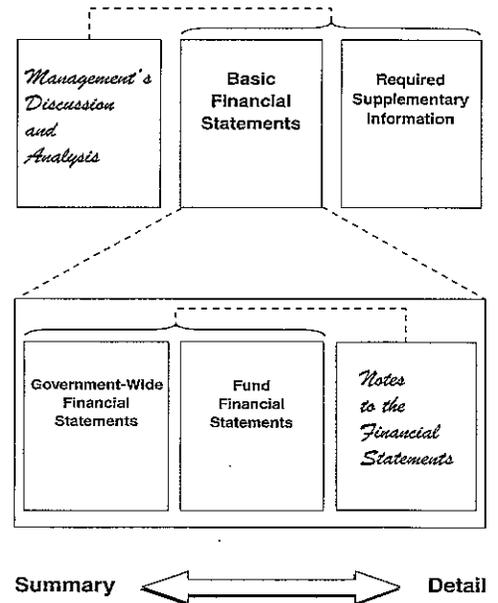
- The County's assets exceed its liabilities by \$89,211,801 (net position). Total assets were \$95,557,673 and total liabilities were \$6,345,872.
- During the year, the County's governmental fund expenditures were \$1,239,815 more than the \$24,711,651 generated in taxes and other revenues.
- The general fund reported a fund balance this year of \$1,744,509 of which \$1,150,615 is unassigned, a decrease in the unassigned fund balance of \$316,917 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates *like businesses*, such the gas operating system.
- *Fiduciary fund* statements provide information about the financial relationships in which the County's acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

Figure A-1, Required Components of the County's Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the County's financial statements, including the portion of the County's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Type of Statements	Government-wide	Governmental Funds	Fund Statements Proprietary Funds	Fiduciary Funds
Scope	Entire County government (except fiduciary funds)	The activities of the county that are not proprietary or fiduciary	Activities the county operates similar to private businesses: International Bridge, Gas System, & Transfer Station	Instances in which the County is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> ♦ Statement of net position ♦ Statement of activities 	<ul style="list-style-type: none"> ♦ Balance sheet ♦ Statement of revenues, expenditures & changes in fund balances 	<ul style="list-style-type: none"> ♦ Statement of net positions ♦ Statement of revenues, expenses and changes in fund net position ♦ Statement of cash flows 	<ul style="list-style-type: none"> ♦ Statement of fiduciary net position ♦ Statement of changes in fiduciary net positions
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the County's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net position and how they have changed. Net position—the difference between the County's assets and liabilities—is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional non-financial factors such as changes in the County's tax base.

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general administration, judicial, legal, financial administration, public facilities, public safety, health and welfare, culture and recreation, conservation agriculture and highways and streets. Taxes, charges for services, and grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law.
- The Commissioners' Court establishes other funds to control and manage money for particular purposes or to show that it is properly using certain grants and local sources.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Proprietary funds*—Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net Position: The County's combined net position was \$89,211,801 at September 30, 2014, an increase of \$1,219,989 or 1.4% over combined net position of \$87,991,812 at September 30, 2013. This increase is mostly due to current and other assets. (See Table A-1)

Table A-1 Governmental Activities

	2014	2013	Increase (Decrease)
Assets:			
Current and other assets	\$21,378,089	\$19,827,893	\$1,550,196
Capital assets (net of depreciation)	74,179,584	73,886,849	292,735
Total Assets	<u>95,557,673</u>	<u>93,714,742</u>	<u>1,842,931</u>
Liabilities:			
Current and noncurrent liabilities	3,318,872	2,792,930	525,942
Long-term liabilities	3,027,000	2,930,000	97,000
Total Liabilities	<u>6,345,872</u>	<u>5,722,930</u>	<u>622,942</u>
Net Position:			
Invested in capital assets, net of related debt	71,152,584	70,956,849	195,735
Restricted for capital projects	585,590	585,275	315
Restricted for debt service	3,205,708	3,221,197	(15,489)
Restricted for landfill post closure costs	593,894	590,580	3,314
Unrestricted	13,674,025	12,637,911	1,036,114
Total Net Position	<u>\$89,211,801</u>	<u>\$87,991,812</u>	<u>\$1,219,989</u>

Changes in net position:

The County's total revenues were \$26,412,721. (See Table A-2). The total cost of all programs and services was \$25,182,077 of which 33% or \$8,351,576 of these costs are for public safety.

Governmental Activities

- Property tax revenues increased by 7.46%. Tax revenues for the year ended September 30, 2014, increased to \$14,748,195 from \$13,724,410 the previous year, an increase of \$1,023,785.

Table A-2 Governmental Activities

	2014	2013	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	\$ 5,238,445	\$ 5,152,981	\$ 85,464
Operating Grants and Contributions	4,968,428	4,296,864	671,564
General revenues:			
Property Taxes	14,748,195	13,724,410	1,023,785
Interest	19,424	28,507	(9,083)
Transfers	997,886	685,074	312,812
Contributed Capital	-0-	786,652	(786,652)
Miscellaneous	440,343	83,629	356,714
Total Revenues	26,412,721	24,758,117	1,654,604
Expenses:			
Public safety	8,351,576	8,597,869	(246,293)
Judicial	2,336,631	2,136,621	200,010
Highways and streets	5,052,794	4,741,061	311,733
Public facilities	379,469	323,617	55,852
Financial administration	1,050,370	1,028,686	21,684
Legal	904,533	818,802	85,731
Health and welfare	1,612,754	1,421,863	190,891
Conservation and agriculture	140,847	139,753	1,094
General government	5,231,548	4,866,748	364,800
Culture and recreation	-0-	-0-	-0-
Debt service-interest on debt	121,555	118,407	3,148
Debt service-Bond issuance costs	-0-	-0-	-0-
Total Expenses	25,182,077	24,193,427	988,650
Increase in Net Position	1,230,644	564,690	665,954
Net Position – Beginning	87,991,812	87,427,122	564,690
Prior period adjustment	(10,655)	-0-	(10,655)
Net Position – Ending	<u>\$ 89,211,801</u>	<u>\$ 87,991,812</u>	<u>\$ 1,219,989</u>

Table A-3 presents the cost of each of the County's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local revenues.

- The cost of all *governmental* activities this year was \$25,182,077, an increase of \$988,650 or 4.1% increase compared to \$24,193,427 for the prior year.

- However, the amount that our taxpayers paid for these activities through property taxes was only \$14,748,195.
- Some of the cost was paid by those who directly benefited from the programs and totaled \$5,238,445. This is an increase of \$85,464 or 1.7% from last year's revenues, which were \$5,152,981.
- Grants and contributions this year amounted to \$4,968,428, an increase of \$671,564, or 15.6% over last year's grants and contributions which totaled \$4,296,864.

Table A-3 Governmental

	<u>Total Expense</u>	<u>Program Revenues</u>	<u>Net Expense</u>
Public safety	\$ 8,351,576	\$ 3,807,021	\$ 4,544,555
Highways and streets	5,052,794	1,734,761	3,318,033
General government	5,231,548	4,665,091	566,457
Judicial	2,336,631	-0-	2,336,631
Health and Welfare	1,612,754	-0-	1,612,754

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Revenues from governmental fund types totaled \$24,711,651 for the year ended September 30, 2014, an increase of \$2,057,746, or 9% over the preceding year's total governmental revenues of \$22,653,905. The increase in revenues is mainly from increase in intergovernmental revenues and taxes.

General Fund Budgetary Highlights

Over the course of the year, the County revised its general fund budget 51 times. Actual general fund expenditures were \$16,217,046, which was \$10,913 over the final budget amounts.

On the other hand, actual general fund resources available were \$15,903,441, which was under the final budgeted amount by \$121,120.

CAPITAL ASSETS

At the end of 2014, the County had invested \$74,179,584 in a broad range of capital assets, including land, buildings, improvements, machinery, equipment, vehicles, and infrastructure. (See Table A-4.) This amount represents an increase of \$1,497,306, a 2% increase from FY 2013. The increase is attributed mainly to infrastructure.

Table A-4 Governmental

	<u>2014</u>	<u>2013</u>	<u>Increase (Decrease)</u>
Land	\$ 1,268,680	\$ 1,268,680	\$ -0-
Construction in progress	-0-	829,655	(829,655)
Buildings and improvements	17,638,429	17,357,862	280,567
Furniture and equipment	10,108,179	9,584,439	523,740
Infrastructure	<u>58,870,755</u>	<u>57,348,101</u>	<u>1,522,654</u>
Totals at historical cost	87,886,043	86,388,737	1,497,306
Less:			
Accumulated depreciation	<u>13,706,459</u>	<u>12,501,887</u>	<u>1,204,572</u>
Net Capital Assets	<u>\$74,179,584</u>	<u>\$73,886,850</u>	<u>\$ 292,734</u>

LONG TERM DEBT

At year end the County has \$3,027,000 in long-term debt outstanding as shown in Table A-5. More detailed information about the County's debt is presented in the notes to the financial statements.

Table A-5 Governmental

	Balance <u>9/30/13</u>	Principal <u>Issued</u>	<u>Adjustments</u>	Principal <u>Retired</u>	Balance <u>9/30/14</u>
Certificates of Obligation	\$ 2,930,000	\$ -	\$ -	\$ (445,000)	\$ 2,485,000
Note Payable Series, 2011A	-	-	63,000	(21,000)	42,000
Tax Note, Series 2014A	-	500,000	-	-	500,000
Totals	<u>\$ 2,930,000</u>	<u>\$ 500,000</u>	<u>\$ 63,000</u>	<u>\$ (466,000)</u>	<u>\$ 3,027,000</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised values used for the 2015 budget preparation increased by approximately \$8,643,910.
- The property tax rates will decrease by \$0.01 per \$100.00 of assessed valuation.
- Employees' group health insurance continues to increase.
- There will be no salary increase for FY 2015.

These indicators were taken into account when adopting the general fund budget for 2015. Amounts available for appropriation in the general fund budget are \$16,280,253, an increase of \$255,692, or 1.6% over the final 2014 budget of \$16,024,561. Property taxes will increase due to the increased appraised values.

General fund expenditures are budgeted to increase in 2014 to \$16,280,253, an increase of \$74,120, or .46% over the final 2014 budgeted expenditures of \$16,206,133.

If these estimates are realized, the County's budgetary general fund balance is not expected to change appreciably by the close of FY 2015.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning information provided in this report should be addressed to:

Starr County Auditor
 Starr County Courthouse Annex
 100 N. FM 3167, Suite 217
 Rio Grande City, TX 78582
 Telephone: (956) 716-4800

BASIC FINANCIAL STATEMENTS

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STARR COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 2,831,530	\$ 61,863	\$ 2,893,393
Investments	4,537,135	108,234	4,645,369
Receivables (net of allowances for uncollectibles)			
Taxes	11,317,405	-	11,317,405
Accounts	396,074	70,808	466,882
Other	550	-	550
Due from agencies	505,180	-	505,180
Internal balances	583,400	(583,400)	-
Due from other governments	612,921	-	612,921
Other assets	593,894	-	593,894
Supplies inventory	-	55,079	55,079
Prepaid insurance	-	88,241	88,241
Capital assets (net of accumulated depreciation)			
Land	1,268,680	1,406,530	2,675,210
Landfill closure costs	-	21,000	21,000
Buildings and improvements	10,087,678	2,930,789	13,018,467
Furniture and equipment	3,952,471	276,667	4,229,138
Infrastructure	58,870,755	-	58,870,755
Total assets	<u>95,557,673</u>	<u>4,435,811</u>	<u>99,993,484</u>
LIABILITIES			
Accounts payable	1,559,213	84,998	1,644,211
Bank overdraft	73,075	-	73,075
Accrued liabilities	256,223	1,804	258,027
Other liabilities	1,963	109,926	111,889
Due to agencies	710,233	-	710,233
Due to other governments	268,890	609,489	878,379
Unearned revenue	449,275	-	449,275
Non-current liabilities			
Due within one year	545,761	68,920	614,681
Due in more than one year	2,481,239	830,931	3,312,170
Total liabilities	<u>6,345,872</u>	<u>1,706,068</u>	<u>8,051,940</u>
NET POSITION			
Net investment in capital assets	71,152,584	3,735,135	74,887,719
Restricted for			
Capital projects	585,590	-	585,590
Debt service	3,205,708	-	3,205,708
Landfill post closure cost	593,894	-	593,894
Unrestricted	13,674,025	(1,005,392)	12,668,633
Total net position	<u>\$ 89,211,801</u>	<u>\$ 2,729,743</u>	<u>\$ 91,941,544</u>

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

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EXHIBIT B-1

STARR COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government		Total
					Business-type Activities		
Governmental activities:							
General government	\$ 5,231,548	\$ 4,044,627	\$ 620,464	\$ (566,457)	\$ -	\$ -	\$ (566,457)
Public safety	8,351,576	203,522	3,603,499	(4,544,555)	-	-	(4,544,555)
Judicial	2,336,631	-	-	(2,336,631)	-	-	(2,336,631)
Highways and streets	5,052,794	-	744,465	(3,318,033)	-	-	(3,318,033)
Public facilities	379,469	-	-	(379,469)	-	-	(379,469)
Financial administration	1,050,370	-	-	(1,050,370)	-	-	(1,050,370)
Legal	904,533	-	-	(904,533)	-	-	(904,533)
Health and welfare	1,612,754	-	-	(1,612,754)	-	-	(1,612,754)
Conservation and agriculture	140,847	-	-	(140,847)	-	-	(140,847)
Debt service - interest on debt	121,555	-	-	(121,555)	-	-	(121,555)
Total governmental activities	25,182,077	5,238,445	4,968,428	(14,975,204)	-	-	(14,975,204)
Business-type activities:							
International Bridge	1,413,364	1,927,928	-	-	514,564	-	514,564
Gas System	457,051	395,992	-	-	(61,059)	-	(61,059)
Transfer Station	1,025,544	768,395	-	-	(257,149)	-	(257,149)
Total business-type activities	2,895,959	3,092,315	-	-	196,356	-	196,356
Total primary government	\$ 28,078,036	\$ 8,330,760	\$ 4,968,428	(14,975,204)	196,356	-	(14,778,848)
General revenues:							
Taxes:							
Property taxes - general purposes				9,771,184	-	-	9,771,184
Property taxes - road & bridge				4,045,373	-	-	4,045,373
Property taxes - debt service				555,076	-	-	555,076
Property taxes - drainage district				376,562	-	-	376,562
Investment earnings (loss)				19,424	(29,965)	-	(10,541)
Transfers				997,886	(997,886)	-	-
Miscellaneous				440,343	-	-	440,343
Total general revenues				16,205,848	(1,027,851)	-	15,177,997
Change in net position				1,230,644	(831,495)	-	399,149
Net position, beginning				87,991,812	3,539,936	-	91,531,748
Prior period adjustment				(10,655)	21,302	-	10,647
Net position, ending				\$ 89,211,801	\$ 2,729,743	-	\$ 91,941,544

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

STARR COUNTY, TEXAS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2014

	General	Road & Bridge	Debt Service
ASSETS			
Cash	\$ 896,480	\$ -	\$ 280,463
Investments	-	-	2,878,438
Taxes receivables (net of allowance)	7,511,603	3,061,351	611,342
Accounts receivable	395,387	-	-
Accrued receivables	-	-	550
Due from other funds	1,475,039	100,614	40,506
Due from other governments	223,174	-	-
Other assets	593,894	-	-
Total assets	<u>\$ 11,095,577</u>	<u>\$ 3,161,965</u>	<u>\$ 3,811,299</u>
LIABILITIES			
Accounts payable	\$ 975,334	\$ 495,580	\$ -
Bank overdraft	-	73,075	-
Other liabilities	1,963	-	-
Accrued liabilities	237,229	-	-
Due to other funds	687,122	239,854	45
Due to other governments	17,870	-	-
Unearned revenue	-	16,276	-
Total liabilities	<u>1,919,518</u>	<u>824,785</u>	<u>45</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	7,431,550	3,026,378	605,546
Total deferred inflows of resources	<u>7,431,550</u>	<u>3,026,378</u>	<u>605,546</u>
FUND BALANCE			
Restricted	593,894	-	-
Committed	-	-	3,205,708
Assigned	-	-	-
Unassigned	1,150,615	(689,198)	-
Total fund balances	<u>1,744,509</u>	<u>(689,198)</u>	<u>3,205,708</u>
Total liabilities deferred inflows of resources and fund balance	<u>\$ 11,095,577</u>	<u>\$ 3,161,965</u>	<u>\$ 3,811,299</u>

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

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

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

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

Net Position of governmental activities

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

EXHIBIT C-1

Other Governmental Funds	Total Governmental Funds
\$ 1,654,587	\$ 2,831,530
1,658,697	4,537,135
133,109	11,317,405
687	396,074
-	550
464,921	2,081,080
389,747	612,921
-	593,894
<u>\$ 4,301,748</u>	<u>\$ 22,370,589</u>
\$ 88,299	\$ 1,559,213
-	73,075
-	1,963
18,994	256,223
775,712	1,702,733
251,020	268,890
432,999	449,275
<u>1,567,024</u>	<u>4,311,372</u>
<u>130,865</u>	<u>11,194,339</u>
<u>130,865</u>	<u>11,194,339</u>
-	593,894
2,018,269	5,223,977
585,590	585,590
-	461,417
<u>2,603,859</u>	<u>6,864,878</u>
<u>\$ 4,301,748</u>	
	74,179,584
	11,194,339
	<u>(3,027,000)</u>
	<u>\$ 89,211,801</u>

STARR COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>General</u>	<u>Road & Bridge</u>	<u>Debt Service</u>
REVENUES			
Taxes	\$ 9,456,254	\$ 3,698,572	\$ 543,437
Intergovernmental	620,464	744,465	-
Charges for services	3,859,995	105,995	-
Fines and forfeits	184,632	884,301	-
Interest	11,827	625	4,480
Miscellaneous	296,884	9,498	-
Total revenues	<u>14,430,056</u>	<u>5,443,456</u>	<u>547,917</u>
EXPENDITURES			
General administration	4,901,319	-	-
Judicial	2,172,874	-	-
Legal	865,841	-	-
Financial administration	976,758	-	-
Public facilities	245,628	-	-
Public safety	5,880,091	-	-
Health and welfare	1,043,559	-	-
Conservation agriculture	130,976	-	-
Highways and streets	-	5,295,019	-
Debt service:			
Principal retirements	-	-	466,000
Interest and fiscal charges	-	-	121,555
Total expenditures	<u>16,217,046</u>	<u>5,295,019</u>	<u>587,555</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,786,990)</u>	<u>148,437</u>	<u>(39,638)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	1,278,412	-	24,149
Operating transfers out	(305,025)	-	-
Bond proceeds	500,000	-	-
Total other financing sources (uses)	<u>1,473,387</u>	<u>-</u>	<u>24,149</u>
NET CHANGE IN FUND BALANCES	(313,603)	148,437	(15,489)
FUND BALANCES, BEGINNING OF YEAR	2,058,112	(837,635)	3,221,197
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCES, END OF YEAR	<u>\$ 1,744,509</u>	<u>\$ (689,198)</u>	<u>\$ 3,205,708</u>

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

EXHIBIT C-2

Other Governmental Funds	Total Governmental Funds
\$ 346,748	\$ 14,045,011
3,603,499	4,968,428
-	3,965,990
203,522	1,272,455
2,492	19,424
133,961	440,343
<u>4,290,222</u>	<u>24,711,651</u>
-	4,901,319
-	2,172,874
-	865,841
-	976,758
115,329	360,957
2,495,074	8,375,165
544,702	1,588,261
-	130,976
696,741	5,991,760
-	466,000
-	121,555
<u>3,851,846</u>	<u>25,951,466</u>
<u>438,376</u>	<u>(1,239,815)</u>
350	1,302,911
-	(305,025)
-	500,000
<u>350</u>	<u>1,497,886</u>
438,726	258,071
2,102,133	6,543,807
<u>63,000</u>	<u>63,000</u>
<u>\$ 2,603,859</u>	<u>\$ 6,864,878</u>

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STARR COUNTY, TEXAS

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

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Amounts reported for governmental activities in the statement of activities (page 11)
are different because:

Net change in fund balances --- total governmental funds (page 13)	\$ 258,071
--	------------

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 which capital outlays exceeded depreciation in the current period.	303,389
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Governmental funds report long term debt principal payments as expenditures. However, in the statement of activities these payments are reductions in the long term liabilities in the statement of net position.	466,000
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Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, reclassifying the bond proceeds and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.	<u>203,184</u>
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Change in net position of governmental activities (page 11)	<u>\$ 1,230,644</u>
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The notes to financial statements are in integral part of this statement.

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STARR COUNTY, TEXAS

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$ 9,328,212	\$ 9,328,212	\$ 9,456,254	\$ 128,042
Intergovernmental	403,698	411,924	620,464	208,540
Charges for services	4,882,200	4,882,200	3,859,995	(1,022,205)
Fines and forfeits	9,110	9,110	184,632	175,522
Interest	-	-	11,827	11,827
Miscellaneous	113,000	114,895	296,884	181,989
Total revenues	<u>14,736,220</u>	<u>14,746,341</u>	<u>14,430,056</u>	<u>(316,285)</u>
EXPENDITURES				
General administration	4,983,048	4,983,048	4,901,319	81,729
Judicial	2,038,259	2,039,759	2,172,874	(133,115)
Legal	802,413	802,413	865,841	(63,428)
Financial administration	1,052,576	1,052,576	976,758	75,818
Public facilities	265,515	265,515	245,628	19,887
Public safety	5,944,133	5,940,859	5,880,091	60,768
Health and welfare	973,153	985,048	1,043,559	(58,511)
Conservation agriculture	136,915	136,915	130,976	5,939
Total expenditures	<u>16,196,012</u>	<u>16,206,133</u>	<u>16,217,046</u>	<u>(10,913)</u>
(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,459,792)</u>	<u>(1,459,792)</u>	<u>(1,786,990)</u>	<u>(327,198)</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	1,278,220	1,278,220	1,278,412	192
Operating transfers out	-	-	(305,025)	(305,025)
Bond proceeds	-	-	500,000	500,000
Total other financing sources (uses)	<u>1,278,220</u>	<u>1,278,220</u>	<u>1,473,387</u>	<u>195,167</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	<u>(181,572)</u>	<u>(181,572)</u>	<u>(313,603)</u>	<u>(132,031)</u>
FUND BALANCE, BEGINNING OF YEAR	<u>2,058,112</u>	<u>2,058,112</u>	<u>2,058,112</u>	-
FUND BALANCE, END OF YEAR	<u>\$ 1,876,540</u>	<u>\$ 1,876,540</u>	<u>\$ 1,744,509</u>	<u>\$ (132,031)</u>

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

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STARR COUNTY, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2014

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	International Bridge	Gas System	Transfer Station	Totals
CURRENT ASSETS				
Cash on hand	\$ 7,766	\$ 300	\$ -	\$ 8,066
Cash on deposit	43,534	8,523	48	52,105
Cash - restricted for customer deposits	-	1,692	-	1,692
Investments - restricted for customer deposits	-	108,234	-	108,234
Due from other funds	400,819	-	-	400,819
Accounts receivable	-	55,145	-	55,145
Accounts receivable - disconnects	-	55,168	-	55,168
Allowance for uncollectibles	-	(39,574)	-	(39,574)
Accrued interest receivable	-	69	-	69
Supplies inventory	-	55,079	-	55,079
Prepaid insurance	74,474	13,767	-	88,241
Total current assets	<u>526,593</u>	<u>258,403</u>	<u>48</u>	<u>785,044</u>
NON-CURRENT ASSETS				
Land	1,396,530	10,000	-	1,406,530
Buildings	5,345,988	20,390	1,645,942	7,012,320
Landfill closure cost	-	-	21,000	21,000
Original purchase - distribution system	-	550,000	-	550,000
Gas distribution system	-	34,943	-	34,943
Office furniture and equipment	818,712	39,324	-	858,036
Transportation equipment	-	32,981	-	32,981
Machinery and equipment	-	74,300	282,976	357,276
Accumulated depreciation	(4,510,855)	(708,400)	(418,845)	(5,638,100)
Total non-current assets	<u>3,050,375</u>	<u>53,538</u>	<u>1,531,073</u>	<u>4,634,986</u>
Total assets	<u>3,576,968</u>	<u>311,941</u>	<u>1,531,121</u>	<u>5,420,030</u>

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STARR COUNTY, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2014
(Continued)

	BUSINESS-TYPE ACTIVITIES -			Totals
	International Bridge	Gas System	Transfer Station	
CURRENT LIABILITIES				
Accounts payable	3,152	81,846	-	84,998
Customer deposits payable	-	109,926	-	109,926
Sales tax payable	-	1,804	-	1,804
Due to other funds	-	678,498	305,721	984,219
Due to other governments	609,489	-	-	609,489
Current maturities of notes payable	-	-	68,920	68,920
Total current liabilities	<u>612,641</u>	<u>872,074</u>	<u>374,641</u>	<u>1,859,356</u>
LONG-TERM LIABILITIES				
Note payable - net of current portion	-	-	830,931	830,931
Total long-term liabilities	-	-	830,931	830,931
Total liabilities	<u>612,641</u>	<u>872,074</u>	<u>374,641</u>	<u>1,859,356</u>
NET POSITION				
Net investment in capital assets	3,050,375	53,538	631,222	3,735,135
Unrestricted	<u>(86,048)</u>	<u>(613,671)</u>	<u>(305,673)</u>	<u>(1,005,392)</u>
Total net position	<u>\$2,964,327</u>	<u>\$ (560,133)</u>	<u>\$ 325,549</u>	<u>\$ 2,729,743</u>

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

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STARR COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	International Bridge	Gas System	Transfer Station	Totals
OPERATING REVENUES				
Natural gas sales	\$ -	\$ 789,887	\$ -	\$ 789,887
Charge for services	1,866,845	-	768,395	2,635,240
Penalties	-	8,052	-	8,052
Connect fees	-	11,817	-	11,817
Intergovernmental	-	-	-	-
Rentals	57,075	-	-	57,075
Excess on peso exchange	4,008	-	-	4,008
Miscellaneous	-	-	-	-
Total operating revenues	<u>1,927,928</u>	<u>809,756</u>	<u>768,395</u>	<u>3,506,079</u>
COST OF REVENUE PRODUCING ITEMS				
Natural gas purchases	-	413,764	-	413,764
Total cost of revenue producing items	<u>-</u>	<u>413,764</u>	<u>-</u>	<u>413,764</u>
Gross profit	<u>1,927,928</u>	<u>395,992</u>	<u>768,395</u>	<u>3,092,315</u>
OPERATING EXPENSES				
Gas loss	-	44,321	-	44,321
Bad debt expense	-	5,642	-	5,642
Computer lease	-	-	-	-
Contracted services	-	-	-	-
Equipment lease	-	-	4,957	4,957
Depreciation	179,444	3,864	111,217	294,525
Group insurance	69,318	32,035	-	101,353
Insurance	114,705	-	-	114,705
Worker's compensation	9,849	3,679	-	13,528
Legal and professional	10,000	-	-	10,000
Office and building supplies	-	3,297	-	3,297
Participation costs - City of Roma	-	-	-	-
Payroll tax expense	38,943	16,920	12,649	68,512
Postage and freight	-	6,043	-	6,043
Repairs and maintenance	30,648	7,945	-	38,593
Retirement	43,506	16,737	13,815	74,058
Salaries and wages	527,987	228,458	171,155	927,600
Supplies	6,103	29,267	1,435	36,805
Telephone	3,281	6,737	-	10,018
Travel and seminars	-	-	1,599	1,599

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STARR COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

(Continued)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	International Bridge	Gas System	Transfer Station	Totals
OPERATING EXPENSES (Continued)				
Truck repairs, maintenance and supplies	-	5,357	18,352	23,709
Truck fuel	-	17,598	18,487	36,085
Hauling costs	-	-	615,080	615,080
Uniforms	12,285	3,995	3,944	20,224
Utilities	20,133	4,730	1,410	26,273
Regulatory fees	-	-	195	195
Tire recycling fees	-	-	43,943	43,943
Capital outlay	-	4,800	3,375	8,175
Bank fees	-	2,943	1,216	4,159
Miscellaneous expenses	-	12,683	2,715	15,398
Total operating expenses	<u>1,066,202</u>	<u>457,051</u>	<u>1,025,544</u>	<u>2,548,797</u>
OPERATING INCOME (LOSS)	<u>861,726</u>	<u>(61,059)</u>	<u>(257,149)</u>	<u>543,518</u>
NON-OPERATING REVENUE (EXPENSES)				
Interest revenue (expense)	519	371	(30,855)	(29,965)
Participation costs - City of Roma (expense)	<u>(347,162)</u>	<u>-</u>	<u>-</u>	<u>(347,162)</u>
Total non-operating revenue (expenses)	<u>(346,643)</u>	<u>371</u>	<u>(30,855)</u>	<u>(377,127)</u>
Income (loss) before other financing sources	<u>515,083</u>	<u>(60,688)</u>	<u>(288,004)</u>	<u>166,391</u>
OTHER FINANCING SOURCES (USES)				
Operating transfer in	-	36,488	244,038	280,526
Operating transfer out	<u>(1,278,412)</u>	<u>-</u>	<u>-</u>	<u>(1,278,412)</u>
Total other financing sources (uses)	<u>(1,278,412)</u>	<u>36,488</u>	<u>244,038</u>	<u>(997,886)</u>
CHANGES IN NET POSITION	<u>(763,329)</u>	<u>(24,200)</u>	<u>(43,966)</u>	<u>(831,495)</u>
TOTAL NET POSITION, BEGINNING	<u>3,727,656</u>	<u>(557,235)</u>	<u>369,515</u>	<u>3,539,936</u>
Prior period adjustment	<u>-</u>	<u>21,302</u>	<u>-</u>	<u>21,302</u>
TOTAL NET POSITION, ENDING	<u>\$ 2,964,327</u>	<u>\$ (560,133)</u>	<u>\$ 325,549</u>	<u>\$ 2,729,743</u>

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

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STARR COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	International Bridge	Gas System	Transfer Station	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 861,726	\$ (61,059)	\$ (257,149)	\$ 543,518
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	179,444	3,864	111,217	294,525
Prior period adjustment	-	21,302	-	21,302
(Increase) decrease in accounts receivable	-	2,277	-	2,277
(Increase) decrease in accounts receivable - disconnects	-	(7,354)	-	(7,354)
(Increase) decrease in allowance for uncollectible disconnects	-	5,642	-	5,642
(Increase) decrease in accrued interest receivable	159	-	-	159
(Increase) decrease in supplies inventory	-	(19,517)	-	(19,517)
(Increase) decrease in prepaid insurance	(3,238)	(4,433)	-	(7,671)
(Increase) decrease in due from other governments	(400,819)	-	712	(400,107)
Increase (decrease) in accounts payable	(17,005)	33,583	-	16,578
Increase (decrease) in sales tax payable	-	112	-	112
Increase (decrease) in customer deposit payable	-	4,145	-	4,145
Increase (decrease) in due to other funds	197,162	26,310	(700)	222,772
Net cash provided by operating activities	<u>817,429</u>	<u>4,872</u>	<u>(145,920)</u>	<u>676,381</u>
CASH FLOWS FROM(TO) NONCAPITAL FINANCING ACTIVITIES				
City of Roma participation	(347,162)	-	-	(347,162)
Operating transfers in (out)	(1,278,412)	36,488	244,038	(997,886)
Net cash provided (used) by noncapital financing activities	<u>(1,625,574)</u>	<u>36,488</u>	<u>244,038</u>	<u>(1,345,048)</u>
CASH FLOWS FROM (TO) CAPITAL AND RELATED FINANCING ACTIVITIES				
Bond principal payment	-	-	(898,181)	(898,181)
Acquisition of property and equipment	-	(36,488)	-	(36,488)
Net cash provided by (applied to) financing activities	<u>-</u>	<u>(36,488)</u>	<u>(898,181)</u>	<u>(934,669)</u>
CASH FLOWS FROM(USED) INVESTING ACTIVITIES				
Interest received	519	371	-	890
Interest expense	-	-	(30,855)	(30,855)
Net cash from (used) by investing activities	<u>519</u>	<u>371</u>	<u>(30,855)</u>	<u>(29,965)</u>
NET INCREASE (DECREASE) IN CASH	(807,626)	5,243	(830,918)	(1,633,301)
CASH BALANCES, BEGINNING OF YEAR	<u>858,926</u>	<u>113,506</u>	<u>35</u>	<u>972,467</u>
CASH BALANCES, END OF YEAR	<u>\$ 51,300</u>	<u>\$ 118,749</u>	<u>\$ (830,883)</u>	<u>\$ (660,834)</u>
RECONCILIATION OF CASH BALANCES				
Cash on hand	\$ 7,766	\$ 300	\$ -	\$ 8,066
Cash on deposit	43,534	8,523	48	52,105
Investments - unrestricted	-	-	-	-
Cash - restricted for customer deposits	-	5,525	-	5,525
Investments - restricted for customer deposits	-	104,401	-	104,401
Cash balances	<u>\$ 51,300</u>	<u>\$ 118,749</u>	<u>\$ 48</u>	<u>\$ 170,097</u>

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

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STARR COUNTY, TEXAS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

SEPTEMBER 30, 2014

ASSETS

Cash	\$ 4,873,145
Investments	2,319,177
Accounts receivable	80,719
Due from other funds	818,435
Due from other governments	-
Other assets	<u>302,182</u>
Total assets	<u>\$ 8,393,658</u>

LIABILITIES

Due to other funds	\$ 613,382
Due to other governments	930,131
Funds held in escrow	3,865,992
Accounts payable	19,920
Other liabilities	<u>2,964,233</u>
Total liabilities	<u>\$ 8,393,658</u>

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

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STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Starr County, Texas (the County) was organized in 1848. It is a public corporation and a political subdivision of the State of Texas. A Commissioners' Court composed of four (4) elected Commissioners and one elected County Judge governs the County under the statutes and the Constitution of the State of Texas. The County provides various services to advance the welfare, health, morals, comfort, safety and convenience of the County and its inhabitants.

The financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to County governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic-but not the only criterion for including a potential component unit with the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise financial accountability include, but not limited to, the selection of a voting majority of the organization's governing body, the ability to remove appointed members of the organization's governing board at will, the ability to modify or approve the budget of the organization, and the designation of management. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

For financial reporting purposes, Starr County includes all funds and the account group that are controlled by, or dependent on, the County. Control by or dependence on the County was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the County to finance any deficits that may occur, or receipt of significant subsidies from the County, and the ability to significantly influence operation. Based upon the application of the above criteria, the following is a brief review of each potential component unit addressed in defining the government's entity.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Excluded from the reporting entity:

Certain significant governmental entities providing services within the County are administered by separate boards or commissions, are not subject to oversight by the Commissioners' Court, and are responsible for their own fiscal matters. Consequently, financial information for the following entities is not included within the scope of these financial statements.

Starr County Appraisal District
Starr County Water Control and Improvement District No.2
Starr County Memorial Hospital District
All school districts in Starr County

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

Separate fund financial statements are provided for the governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The general fund is the only major fund and is reported in a separate column in the fund financial statements.

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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows including claims and judgments reported in the County's internal service fund (proprietary fund). Property taxes are recognized as revenues in the year for which they are levied. Fees and fines are considered as earned when paid.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. **Measurement focus, basis of accounting, and financial statement presentation**

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 120 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 are recorded only when payment is due.

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

The County reports three major governmental funds:

The ***General Fund*** is the County's primary operating fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

The ***Road and Bridge Fund*** is used by the County to build, repair and maintain all the roads and bridges within the County.

The ***Debt Service Fund*** is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

All other governmental funds are combined and reported as nonmajor. Nonmajor funds include Special Revenue funds and Capital Project funds.

Capital Projects Funds are used to account, on a project basis, for projects financed by the proceeds from bond issues or other financing sources. The capital funds utilize the modified accrual basis of accounting.

Proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity is segregated into contributed capital and retained earnings components. Proprietary fund measurement focus is upon determination of net income and changes in retained earnings. The County reports the following major proprietary funds:

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Measurement focus, basis of accounting, and financial statement presentation

The *International Toll Bridge, Gas System and Landfill, and Solid Waste Transfer Station Funds* are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost (expense, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenue earned, expense incurred, and/or net income, is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Additionally, the County reports the following fund type:

Fiduciary Funds - Agency funds are used to account for the assets that are held for the benefit of others or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business type activities subject to this same limitation. The County has elected not to follow subsequent private sector guidance. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Budgets

Budgets are adopted on a basis other than generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund and the Road and Bridge Fund (a special revenue fund).

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized in the governmental funds of Starr County. Expenditures are recognized when services have been performed or goods have been received.

E. Cash and Investments

Cash includes amounts in demand deposits. Investments (invested cash) consist of short-term certificates of deposit and are stated at cost. Interest income pertaining to the certificates of deposit is recorded in the fiscal year end on an accrual basis.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Cash and Investments

In accordance with the State of Texas Statutes, county funds not immediately required to pay obligations may be invested in direct debt securities of the United States, fully collateralized security repurchase agreements purchased under a master contractual agreement that specifies the rights and obligations for which the principal and interest are guaranteed by the County depository, obligations for which the principal and interest are guaranteed by the United States and direct obligations of or participation certificates guaranteed by the Federal Intermediate Credit Banks, Federal Land Banks, Federal National Mortgage Association, Federal Home Loan Banks, or Banks for Cooperatives.

F. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet.

G. Prepaid Items

Payments made to vendors for service that will benefit periods beyond the end of the fiscal year are recorded as prepaid expense assets in proprietary fund types and as expenditures in the governmental fund types.

H. Inventories

Inventories of proprietary fund types are valued and recorded at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased.

I. Compensated Absences

Vacation and sick leave benefits are accrued by County employees according to guidelines established in the County’s personnel policies. Said policies allow for the accumulation of sick leave of 12 days per year, but do not provide for payment of sick leave accruals (i.e., sick leave not taken in any given year is lost and cannot be carried over to the next year). Accordingly, since such accumulated amounts are non-vesting, unused sick leave at September 30, 2014 has not been accrued in the accompanying financial statements. The County’s policy for vacation leave allows for 10 working days of vacation after an employee has worked for the County for 6 months.

Vacation leave does not accumulate if not used within the year (i.e., vacation leave taken cannot be carried over to the following year). However, any unused vacation leave is paid to an employee upon separation from service. No accruals of vacation leave have been provided for in the accompanying financial statements, as these amounts are considered immaterial.

The County has essentially no provision for compensatory (“comp”) time off nor is any employee typically allowed to work more than 40 hours per week except Sheriff Department deputies.

**STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursement to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

K. Restricted Assets

Enterprise fund revenue bonds, as well as certain resources set aside for repayment, are classified as non-current assets on the balance sheet because their use is limited by applicable bond covenants.

L. Capital Assets

Capital assets, which include land, buildings and improvements and equipment, are reported in the government wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimate useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized. Property, plant and equipment of the primary government is depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Life in Years</u>
Buildings	50
Improvements	20
Furniture & Equipment	10
Automotive	8
Computer Equipment	5

GASB Statement No. 34 requires the County to report and depreciate new infrastructure assets. 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. The County has implemented the general and retroactive provisions of GASB Statement No. 34 in the fiscal year ended September 30, 2007.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

M. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants from specific grantor agencies. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

N. Fund Balance Classifications

The County uses the following criteria when classifying fund balances amounts:

Nonspendable – amounts not in spendable from or that are legally or contractually earmarked for a specific use. Examples include inventories and endowment principal.

Restricted – amounts that have been legally separated for a specific purpose by law or external funding source. Examples include grants, capital acquisitions, and long-term debt.

Committed – amounts that require Commission action to be used for a specific purpose. Examples include capital expenditures, self-insurance, and campus activity funds. Formal action to commit funds must occur prior to fiscal year end and can only be modified or removed by the same action.

Assigned – amounts that do not require Commission approval but are intended to be used for a specific purpose, as determined by the Superintendent or his designee. These amounts do not meet the criteria to be classified as restricted or committed.

Unassigned – residual amount in the general fund that is available to finance operating expenditures. In other funds, this classification is used only to report a deficit balance resulting from over-spending for specific purposes for which amounts had been restricted, committed, or assigned, as applicable.

O. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the term of the related debt. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges.

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 financial 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.

**STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

1. DESCRIPTION OF COUNTY OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

P. Bond Discounts and Bond Issuance Costs

In governmental fund types, bond discounts and bond issuance costs are recognized in the current period when the bonds are issued. Bond discounts and bond issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the straight-line method. Unamortized bond discounts are shown on the balance sheet as a reduction of the face amount of bonds payable whereas unamortized bond issuance costs are recorded as deferred charges (assets).

Q. Use of Estimates in the Preparation of Financial Statements

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

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and government-wide statement of activities.

The governmental fund statement of revenue, expenditures, and change in fund balance includes reconciliation between *net changes in fund balance – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

One element of that reconciliation indicates, “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 detail of this \$292,734 is as follows:

Capital outlay - additions	\$ 1,527,391
Depreciation expense	<u>(1,224,002)</u>
Net adjustment to increase <i>net changes in fund balance -- total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i> (Exhibit C-3)	<u>\$ 303,389</u>

Another element of the reconciliation states that, “The net effect of various transactions involving debt principal payment to increase net position.” The detail of this \$466,000 is as follows:

Debt principal payment	<u>\$ 466,000</u>
Net adjustment to increase <i>net changes in fund balance -- total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i> (Exhibit C-3)	<u>\$ 466,000</u>

**STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and government-wide statement of activities.

The last element of the reconciliation states that, "Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting." The detail of this \$(203,184) is as follows:

Various reclassifications	\$ <u>203,184</u>
Net adjustment to increase <i>net changes in fund balance -- total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i> (Exhibit C-3)	\$ <u>203,184</u>

3. LEGAL COMPLIANCE – BUDGETS

The County Judge is, by state statute, the Budget Officer of the County and has the responsibility of preparing the County's budget. Under the County's budgeting procedures, each department submits a budget request to the County Judge to assist him and the Commissioners' Court on budgetary matters. The County Judge reviews budget requests, holds informal hearings when needed, and fills in columns in budget preparation forms, setting out his budget recommendations to the Commissioners' Court.

The Commissioners' Court holds a public hearing on the budget and department heads may appear. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Expenditure amounts finally budgeted may not exceed the estimate of budgeted revenues and available fund balance.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. Level of control is on a line-item basis.

The following individual funds had adopted budgets for the fiscal year ended September 30, 2014:

- (a) General Fund
- (b) Road and Bridge Fund
- (c) Debt Service Fund

4. AUTHORIZED INVESTMENTS

The District is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) direct obligations of the State of Texas or its agencies, (3) obligations of political subdivisions rated not less than A by a national investment rating firm, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

5. DEPOSITS AND INVESTMENTS

At September 30, 2014, the carrying amount of the County's deposits was \$2,875,030 and total bank balances equaled \$2,694,424. Bank balances of \$250,000 are covered by federal depository insurance and the remaining \$2,444,424 were covered by collateral pledged in the County's name.

During the year ended September 30, 2014, the County had entered into an agreement with Lone Star National Bank for a letter of credit, through the bank of New York Mellon, to cover deposits in excess of FDIC coverage. The letter of credit, however, does not constitute collateral pledged in the County's name.

The fair values of investments at September 30, 2014 are summarized as follows:

	<u>Rate</u>	<u>Maturity</u>	<u>Fair Value</u>
<u>Special Revenue</u>			
Certificate of Deposit	0.10%	12/11/2014	\$ 1,001,492
			<u>\$ 1,001,492</u>
<u>Capital Projects</u>			
Certificate of Deposit	0.10%	1/9/2015	\$ 257,205
			<u>\$ 257,205</u>
<u>Debt Service</u>			
Certificate of Deposit	0.10%	11/6/2014	\$ 119,323
Certificate of Deposit	0.10%	11/16/2014	631,271
Certificate of Deposit	0.10%	12/26/2014	360,671
Certificate of Deposit	0.10%	12/18/2014	675,580
Certificate of Deposit	0.30%	1/1/2015	378,595
Certificate of Deposit	0.10%	11/6/2014	198,588
Certificate of Deposit	0.10%	1/9/2015	514,410
			<u>\$ 2,878,438</u>
<u>Enterprise Funds</u>			
Certificate of Deposit	0.10%	3/10/2015	400,000
			<u>\$ 400,000</u>

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures. The County has the following risks related to deposits and investments:

Interest Rate Risk – In accordance with state law, the County does not purchase any investments with maturities greater than 10 years.

Credit Risk – In accordance with state law, investments in mutual funds and investment pools must be rated at least AAA, and investments in obligations from other states, municipalities, counties, etc. must be rated at least A. All U.S. Government Securities and Tex Pool investments of the County are rated AAA.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

5. DEPOSITS AND INVESTMENTS

Concentration of Credit Risk – The County does not place a limit on the amount the County may invest in any one issuer. More than 5% of the County's investments are in Lonestar National Bank (100%), exclusively in Certificates of Deposit.

During the year ended September 30, 2014, the County realized no gain or loss from the sale of investments. The calculation of realized gains is independent of the calculation of the net increase in fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

6. PROPERTY TAXES

Ad valorem taxes attach an enforceable lien on property as of January 1. The taxes are levied each October 1, based on the assessed value listed as of the date the enforceable lien attaches. Appraised values are established by the Starr County Appraisal District, assessed at 100% of appraised value and certified by the Appraisal Review Board. The Starr County Tax Assessor/Collector bills and collects taxes for the County. The 2014 fiscal year tax rate was .4746 per \$100 for the general fund, .0300 per \$100 for the debt service fund, .2546 per \$100 for the FM and Lateral Road tax, and .0200 per \$100 for the Drainage District, for a total of .7792 per \$100 assessed valuation.

The County's taxes on real property are a lien against such property until paid. The County may foreclose on real property upon which it has a lien for unpaid taxes. The exception is homestead property belonging to persons 65 years of age or older.

While the County makes an effort to collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title of the property. Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years from the time such taxes become delinquent. Unlike real property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid.

Taxes are due October 1. Taxes become delinquent on February 1, of the following year, at which time penalty and interest charges are applicable. Property tax revenues are recorded as revenues when they become measurable and attainable. At September 30, property tax receivables are fully deferred.

7. LONG-TERM DEBT

Bonds

On September 2, 2014, the County issued \$500,000 of Tax Note, Series 2014A, to be used by the County to pay contractual obligations for the construction of public work. The County will reimburse itself for expenditures paid no earlier than May 1, 2014 and to pay costs of issuance. The Tax Note, Series 2014A interest rate is 3.250% and the final maturity is on September 15, 2021. Debt service payments are schedule on September 15 of each year beginning September 15, 2015.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

7. LONG-TERM DEBT

Bonds

On March 28, 2011 the County issued \$105,000 of Notes payable, Series 2011A, to be used by the County to pay part of the costs of contractual obligations for the construction of a community center. The Note, Series 2011A interest rate varies and the final maturity is on March 28, 2016. Interest on this Note is payable annually, beginning March 28, 2012 until maturity of this Note.

On January 24, 2011 the County issued \$1,429,412 of Notes payable, Series 2011, to be used by the County to pay for the cost of construction and installation of the County's Solid Waste Disposal Transfer Station. The Note, Series 2011 interest rate varies and the final maturity is on January 24, 2016. Interest on this Note is payable on the 24th day of each month, beginning February 24, 2011 until maturity of this Note.

The following is a summary of General Long-Term Debt and Revenue Bonds payable as of September 30, 2014 recorded under governmental activities and business-type activities.

Governmental Activities

	Balance <u>9/30/2013</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Retirements</u>	Balance <u>9/30/2014</u>
Tax Notes Series- 2014A	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000
Certificates of Obligation, Series 2011A	-	-	63,000	(21,000)	42,000
Certificates of Obligation, Series 2004	<u>2,930,000</u>	<u>-</u>	<u>-</u>	<u>(445,000)</u>	<u>2,485,000</u>

Total Governmental-Type Activities

Long Term Liabilities	<u>\$ 2,930,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ (466,000)</u>	<u>\$ 3,027,000</u>
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Business-Type Activities

Certificates of Obligation, Series 2011	<u>\$ 967,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,250)</u>	<u>\$ 899,851</u>
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Total Business-Type Activities

Long Term Liabilities	<u>\$ 967,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,250)</u>	<u>\$ 899,851</u>
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The annual requirements to repay the governmental activities outstanding debt, as of September 30, 2014, are as follows:

Year Ended	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30,			
2015	\$ 545,761	\$ 117,690	\$ 663,451
2016	567,866	96,484	664,350
2017	569,039	74,428	643,467
2018	591,283	52,184	643,467
2019	598,599	29,068	627,667
2020-2021	<u>154,452</u>	<u>7,570</u>	<u>162,022</u>
Total	<u>\$ 3,027,000</u>	<u>\$ 377,424</u>	<u>\$ 3,404,424</u>

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

7. LONG-TERM DEBT

Bonds

The annual requirements to repay business-type activities outstanding debt, as of September 30, 2014, are as follows:

Year Ended September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 68,920	\$ 28,376	\$ 97,296
2016	830,931	8,906	839,837
Total	<u>\$ 899,851</u>	<u>\$ 37,282</u>	<u>\$ 937,133</u>

8. CAPITAL ASSETS

Capital asset activity for the County for the year ended September 30, 2014, under governmental activities was as follows:

	Primary Government				Balance 9/30/2014
	Balance 9/30/2013	Changes During Year			
		<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	
Land	\$ 1,268,680	\$ -	\$ -	\$ -	\$ 1,268,680
Construction in progress	829,655	-	-	(829,655)	-
Buildings and improvements	17,357,862	93,530	-	187,037	17,638,429
Furniture and equipment	9,584,439	553,825	(30,085)	-	10,108,179
Infrastructure	57,348,101	880,036	-	642,619	58,870,755
Total at historic cost	<u>86,388,737</u>	<u>1,527,391</u>	<u>(30,085)</u>	<u>-</u>	<u>87,886,043</u>
Less accumulated depreciation:					
Buildings and improvements	(7,198,322)	(352,429)	-	-	(7,550,751)
Furniture and equipment	(5,303,565)	(871,573)	19,430	-	(6,155,708)
Total accumulated depreciation	<u>(12,501,887)</u>	<u>(1,224,002)</u>	<u>19,430</u>	<u>-</u>	<u>(13,706,459)</u>
Governmental activities					
Capital assets, net	<u>\$ 73,886,850</u>	<u>\$ 303,389</u>	<u>\$ (10,655)</u>	<u>\$ -</u>	<u>\$ 74,179,584</u>

Depreciation expense for FY 2014 was charged to functions/programs of the County as follows:

General administration	\$ 369,383
Judicial	163,757
Legal	65,253
Financial administration	73,612
Public facilities	18,512
Public safety	444,967
Health and welfare	78,647
Conservation agriculture	9,871
Totals	<u>\$ 1,224,002</u>

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

9. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The County maintains two Enterprise Funds, which provide natural gas and International boundary crossings and transfer station. Segment information for the year ended September 30, 2014 was as follows:

	International <u>Toll Bridge</u>	Gas <u>System</u>	Transfer <u>Station</u>	<u>Total</u>
Operating revenues	\$ 1,927,928	\$ 809,756	\$ 768,395	\$ 3,506,079
Depreciation expense	(179,444)	(3,864)	(111,217)	(294,525)
Operating income (loss)	861,726	(61,059)	(257,149)	543,518
Operating transfers in (out)	(1,278,412)	36,488	244,038	(997,886)
Change in net position	(763,329)	(24,200)	(43,966)	(831,495)
Invested in capital assets, net	3,050,375	53,538	631,222	3,735,135
Unrestricted net assets	(86,048)	(613,671)	(305,673)	(1,005,392)
Notes payable - net of current	-	-	830,931	830,931

10. FIXED ASSETS OF PROPRIETARY FUNDS

Fixed assets of Proprietary Funds (Enterprise Funds) at September 30, 2014 consisted of the following:

	International <u>Bridge</u>	Gas <u>System</u>	Transfer <u>Station</u>	<u>Total</u>
Land	\$ 1,396,530	\$ 10,000	\$ -	\$ 1,406,530
Landfill closure costs	-	-	21,000	21,000
Buildings and improvements	5,345,988	20,390	1,645,942	7,012,320
Gas distribution system	-	584,943	-	584,943
Machinery, furniture and equipment	818,712	146,605	282,976	1,248,293
Total at historic cost	<u>7,561,230</u>	<u>761,938</u>	<u>1,949,918</u>	<u>10,273,086</u>
Less:				
Accumulated depreciation	<u>(4,510,855)</u>	<u>(708,400)</u>	<u>(418,845)</u>	<u>(5,638,100)</u>
Fixed assets, net of accumulated depreciation	<u>\$ 3,050,375</u>	<u>\$ 53,538</u>	<u>\$ 1,531,073</u>	<u>\$ 4,634,986</u>

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

11. CONTINGENT LIABILITIES

The County is a party to various litigations under which it may be required to pay certain monies upon decision of the courts. The County's Attorneys report various possible contingent liabilities based on the amount of damages alleged in various cases. However, it is the opinion of the County's Attorney that the County's liability in these cases that are not covered by liability insurance will be a far lesser amount than that demanded. In the opinion of the County's management, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and, accordingly, no provisions or losses have been recorded.

12. BUDGET RESULTS RECONCILED TO RESULTS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP basis). The results of operations as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances, Budget and Actual, are in accordance with budgetary process to provide a meaningful comparison with the budget.

The major differences between the budgetary basis "actual" and the GAAP basis are as follows:

- A. Basis differences – revenues and expenditures are budgeted on a cash basis while accounts shown in the combined Statement of Revenues, Expenditures and Changes in Fund Balance – All governmental fund types are presented under the modified accrual basis of accounting.
- B. Entity difference – budgets were not legally adopted for capital projects fund and the federal and state grants. As previously stated in Note 1 part D to the combined financial statements, the federal and state grants have already been excluded from the budgetary and actual figures shown on the Statement of Revenues, Expenditures and Changes in Fund Balances under Special Revenue Funds. Consequently, the amounts shown on said statement represent those of the Road and Bridge Fund only.

13. COMMITMENTS AND CONTINGENCIES

Federal and State Funds

The County has received federal and state funds as grants and other financial assistance. These funds must be spent only as allowed by the grant and other federal or state requirements. Also, the County must follow various laws and regulations when they receive these funds. If the County does not abide by these laws and regulations or does not spend the monies, as allowed under the grant agreements, the County may be required to return the grant monies, or a portion thereof, to the granting agencies. The contingent liability, if any, that may be due to the federal and state agencies, cannot be readily determined.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

14. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances, at September 30, 2014, consisted of the following individual fund receivables and payables:

	<u>Due from</u>	<u>Due to</u>
General fund:		
Special revenue funds	\$ 415,383	\$ 100,123
Debt service fund	-	34,219
Capital projects fund	-	-
Enterprise funds	692,298	400,819
Trust and agency funds	<u>367,358</u>	<u>151,961</u>
Total general fund	<u>1,475,039</u>	<u>687,122</u>
Special revenue funds:		
General fund	100,123	415,383
Special revenue funds	41,956	41,956
Trust and agency funds	<u>131,535</u>	<u>558,227</u>
Total special revenue funds	<u>273,614</u>	<u>1,015,566</u>
Debt service fund:		
General fund	34,219	-
Trust and agency funds	<u>6,287</u>	<u>45</u>
Total debt service fund	<u>40,506</u>	<u>45</u>
Capital projects fund:		
General fund	-	-
Enterprise funds	<u>291,921</u>	<u>-</u>
Total capital project fund	<u>291,921</u>	<u>-</u>
Enterprise funds:		
General fund	400,819	692,298
Capital projects fund	<u>-</u>	<u>291,921</u>
Total enterprise funds	<u>400,819</u>	<u>984,219</u>
Trust and agency funds:		
General fund	151,961	367,358
Special revenue funds	558,227	131,535
Debt service fund	45	6,287
Trust and agency funds	<u>108,202</u>	<u>108,202</u>
Total trust and agency funds	<u>818,435</u>	<u>613,382</u>
 Totals	 <u>\$ 3,300,334</u>	 <u>\$ 3,300,334</u>

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided and/or reimbursement expenditures occur, 2) payments between funds are made. Balances also result from interfund payroll transactions and end of year reclassifications made between funds.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

15. RISK MANAGEMENT

Starr County is exposed to various risks of loss relating to general liability, the accidental risk of loss of real and personal property, damage to County assets, errors and omissions, and personal risks which relate to workers' compensation. The County implements a number of risk strategies, such as purchasing commercial insurance and self-insurance with specific and full self-insurance to manage those listed risks. Amounts of coverage for these types of risk have not been subjected to a significant reduction in the current year.

16. PENSION PLAN

Plan Description

The County provides pension, 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 624 cash balance-like 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 County, within the options available in the Texas state statutes governing TCDRS. Members can retire at ages 60 and above with 8 or more years of service or with 20 years regardless of age or when the sum of their age and years 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 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 County conditioned by 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 pension plan requires that employees contribute 5% of their annual covered salary. The employer is required to contribute at an actuarially determined rate; the current rate is 8.32% of annual covered payroll. The contribution requirements of the plan members and Starr County are established and may be amended by TCDRS' Board of Trustees.

STARR COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

16. PENSION PLAN

Annual Pension Cost

For 2013, Starr County's annual pension of \$1,137,786 for TCDRS was equal to the County's required and actual contributions. The required contribution was determined as part of the December 31, 2014 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 8% investment rate of return (net of investment expenses), (b) projected salary increases of 5.4% per year, and (c) 0% for cost of living adjustments. Both (a) and (b) included an inflation component of 3.5%. The method of determining the actuarial value of assets is the SAF: 10-year smoothed value ESF: fund value method. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2013 was 20 years.

Schedule of Funding Progress						
	a	b	b - a	a / b	c	(b - a) / c
Fiscal Year <u>Ending</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued <u>Liability</u>	Unfunded AAL <u>(UAAL)</u>	Funded Ratio	Covered Payroll	UAAL as a Percentage of <u>Covered Payroll</u>
9/30/2011	\$ 19,209,969	\$ 24,261,302	\$ 5,051,333	79.18%	\$ 12,975,145	38.93%
9/30/2012	20,424,038	25,382,667	4,958,629	80.46%	13,238,679	37.46%
9/30/2013	22,275,599	26,720,230	4,444,631	83.37%	13,118,362	33.88%

Schedule of Employer Contributions				
Fiscal Year	Annual Pension	Percentage of APC	Net Pension	
9/30/2011	\$ 974,791	100.00%	-	
9/30/2012	1,081,706	100.00%	-	
9/30/2013	1,137,786	100.00%	-	

17. CONTINGENCIES

The County is a party to various litigations under which it may be required to pay certain monies upon decision of the courts. The County's attorney reports various possible contingent liabilities based on the amount of damages alleged in various cases. However, it is the opinion of the County's attorney that these cases are covered by liability insurances. In the opinion of the County's management, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and, accordingly, no provisions or losses have been recorded.

BUDGETARY COMPARISON REPORTING

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STARR COUNTY, TEXAS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Current ad valorem	\$ 7,743,212	\$ 7,743,212	\$ 7,919,083	\$ 175,871
Delinquent ad valorem	1,200,000	1,200,000	1,123,776	(76,224)
Late rendition penalty	-	-	23,685	23,685
Alcoholic beverage licenses	20,000	20,000	16,811	(3,189)
Subdivision fees	25,000	25,000	25,572	572
Federal payment in lieu of taxes	-	-	52,327	52,327
State sales tax refund	-	-	166,932	166,932
State grant elderly	20,000	20,000	-	(20,000)
HDM Grant-U.S. Dept. of Agriculture	-	-	25,795	25,795
Election Expense Reimbursements	-	-	83,024	83,024
Nutrition program grant	260,000	260,000	256,822	(3,178)
Dept. of Family & Protective Serv-Co Atty	-	-	36,936	36,936
Texas task force on indigent defense grant	-	-	68,443	68,443
Contribution - DA's Forfeiture Acct	-	-	20,000	20,000
Texas Forest Service Grant	-	8,226	-	(8,226)
911 addressing grant	43,698	43,698	55,250	11,552
Fees of office	2,550,000	2,550,000	2,242,431	(307,569)
Detention center	2,300,000	2,300,000	1,591,564	(708,436)
Detention center - cities	15,000	15,000	15,240	240
Juvenile detention center	10,000	10,000	4,160	(5,840)
El Cenizo adult day care rents	7,200	7,200	6,600	(600)
Wind farm in lieu of taxes	295,000	295,000	295,000	-
Library fines	-	-	5,142	5,142
Rentals	9,110	9,110	12,557	3,447
State salary supplement	80,000	80,000	177,219	97,219
Hotel taxes	45,000	45,000	-	(45,000)
Interest	-	-	11,827	11,827
Donations	-	1,895	4,583	2,688
Sale of cemetery plots	7,000	7,000	51,725	44,725
Miscellaneous (sheriff)	1,000	1,000	-	(1,000)
Miscellaneous (auction)	5,000	5,000	-	(5,000)
Miscellaneous	100,000	100,000	69,037	(30,963)
Settlement agreement	-	-	43,000	43,000
Reimbursements	-	-	18,187	18,187
Tow truck registration fees	-	-	3,788	3,788
Elderly transportation	-	-	3,540	3,540
Total revenues	\$ 14,736,220	\$ 14,746,341	\$ 14,430,056	\$ (316,285)

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General administration:				
County judge:				
Salary of official	\$ 72,037	\$ 72,037	\$ 72,037	\$ -
Supplemental salary of official	15,000	15,000	15,000	-
Salary of administrative assistant	82,676	82,676	82,678	(2)
Salary of public information director	41,338	41,338	41,339	(1)
Salary of secretary	32,267	32,267	32,267	-
Salary of clerk	27,358	27,358	27,358	-
Salary of courthouse security	91,972	91,972	99,475	(7,503)
Veteran's service clerk	28,663	28,663	32,537	(3,874)
Dog kennel supervisor	3,306	3,306	-	3,306
Automation coordinator	75,092	75,092	52,092	23,000
Annex receptionist	44,100	44,100	57,586	(13,486)
Payroll taxes	39,307	39,307	37,842	1,465
Employee retirement	39,974	39,974	41,114	(1,140)
Office supplies	7,500	7,500	6,218	1,282
Auto expense	36,000	36,000	18,194	17,806
Telephone	10,000	10,000	10,513	(513)
Travel and seminar	10,000	10,000	4,182	5,818
Bonds and insurance	300	300	-	300
Dues and subscriptions	2,000	2,000	-	2,000
Capital outlay-equipment	9,413	9,413	-	9,413
Miscellaneous	9,000	9,000	2,166	6,834
Contingencies	10,000	10,000	9,169	831
Dog kennel	-	-	-	-
Total county judge	<u>687,303</u>	<u>687,303</u>	<u>641,767</u>	<u>45,536</u>
County clerk:				
Salary of official	52,271	52,271	52,271	-
Salary of chief clerk	28,060	28,060	28,060	-
Salary of clerk	27,436	27,436	28,655	(1,219)
Salaries of deputies	94,112	94,112	92,449	1,663
Payroll taxes	15,444	15,444	14,390	1,054
Employee retirement	15,706	15,706	16,261	(555)
Office supplies	14,520	14,520	6,318	8,202
Telephone	50	50	171	(121)
Travel and seminars	2,500	2,500	38	2,462
Binding expense	4,000	4,000	3,850	150
Bonds and insurance	700	700	400	300
Operational system fee	-	-	8,400	(8,400)
Total county clerk	<u>254,799</u>	<u>254,799</u>	<u>251,263</u>	<u>3,536</u>

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General administration: (continued)				
Personnel department:				
Salary of supervisor	32,644	32,644	27,484	5,160
Salary of secretary/manager	23,502	23,502	28,000	(4,498)
Salary of benefits clerk	23,796	23,796	23,597	199
Salary of loss benefits clerk	24,026	24,026	21,100	2,926
Payroll taxes	7,953	7,953	7,418	535
Employee retirement	8,089	8,089	8,300	(211)
Office supplies	5,000	4,000	1,647	2,353
Travel and seminars	3,500	3,500	3,279	221
Rental - copier	1,000	2,500	878	1,622
Capital outlay	500	-	-	-
Total personnel department	130,010	130,010	121,703	8,307
Planning department:				
Salary of Subdivision regulation inspector	33,780	33,780	27,512	6,268
Salary of food inspector	98,560	98,560	89,075	9,485
Payroll taxes	10,124	10,124	8,611	1,513
Employee retirement	10,296	10,296	8,276	2,020
Office supplies	2,000	600	502	98
Travel and seminars	800	2,300	1,799	501
Auto expense	3,000	3,000	3,107	(107)
Dues & subscriptions	100	-	-	-
Total planning department	158,660	158,660	138,882	19,778
Elections administrator:				
Salary of clerk	68,872	68,872	64,017	4,855
Payroll taxes	5,269	5,269	5,077	192
Employee retirement	5,358	5,358	4,589	769
Office supplies	10,000	8,000	8,090	(90)
Telephone	1,500	1,500	1,800	(300)
Travel and seminars	3,000	3,000	4,787	(1,787)
Public notices	1,000	1,000	-	1,000
Bonds and insurance	500	500	-	500
Election expense	-	-	2,014	(2,014)
Miscellaneous	1,000	3,500	1,981	1,519
Capital outlay	500	-	-	-
Total elections administrator	96,999	96,999	92,355	4,644
General fund county wide:				
Salary - visiting judges	5,000	5,000	3,389	1,611
Salary - election workers	-	-	100,471	(100,471)
Payroll taxes	-	-	7,945	(7,945)
Group insurance	1,800,000	1,800,000	1,671,283	128,717
Texas workforce commission	40,000	40,000	94,246	(54,246)
Workers compensation	90,000	90,000	130,037	(40,037)

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
General administration: (continued)				
General fund county wide: (continued)				
Postage	130,000	130,000	104,996	25,004
Legal fees and settlements	60,000	60,000	57,655	2,345
Audit services	70,000	70,000	29,500	40,500
Payroll report processing	10,000	10,000	6,925	3,075
Appraisal district fees	400,000	400,000	404,233	(4,233)
Contractual services	120,000	120,000	149,889	(29,889)
Drug testing fees	8,000	8,000	5,105	2,895
Autopsies	50,000	50,000	38,150	11,850
Bidding & notices	18,000	18,000	10,982	7,018
Telephone-DPS license department	150	150	-	150
Building rent-DPS license department	100	100	-	100
Equipment rental-copiers	55,000	55,000	34,098	20,902
Computer payments	24,000	24,000	16,991	7,009
Insurance	150,000	150,000	146,501	3,499
Texas department of human services	10,000	10,000	4,372	5,628
Historical commission	5,000	5,000	-	5,000
Industrial development	110,000	110,000	109,923	77
Errors and omissions-insurance	50,000	50,000	118,624	(68,624)
Rural fire calls	100	100	-	100
Computer update	31,800	31,800	24,838	6,962
Capital outlay	130,000	150,000	107,507	42,493
Self help center expense	76,627	76,627	71,055	5,572
Miscellaneous	21,500	21,500	31,244	(9,744)
Infrastructure development	40,000	20,000	13,318	6,682
Elections expense	50,000	50,000	71,848	(21,848)
Telephone	100,000	100,000	90,224	9,776
Total general fund county wide	<u>3,655,277</u>	<u>3,655,277</u>	<u>3,655,349</u>	<u>(72)</u>
Total general administration	<u>4,983,048</u>	<u>4,983,048</u>	<u>4,901,319</u>	<u>81,729</u>
Judicial:				
County court-at-law:				
Salary of official	154,000	154,000	154,000	-
Salary of court coordinator	31,690	31,690	46,391	(14,701)
Salary of court reporter	40,274	40,274	41,436	(1,162)
Salary of administrative assistant	31,534	31,534	27,688	3,846
Payroll taxes	19,699	19,699	17,918	1,781
Employee retirement	20,033	20,033	22,328	(2,295)
Office supplies	1,500	1,500	734	766
Court appointed counselors	35,000	35,000	83,050	(48,050)
Visiting reporter	200	200	-	200
Telephone	100	100	-	100
Travel and seminars	1,500	1,500	1,177	323

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STARR COUNTY, TEXAS
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Judicial: (continued)				
County court-at-law: (continued)				
Bonds and insurance	50	50	-	50
Petit jurors	5,000	5,000	960	4,040
Other juror expense	1,000	1,000	396	604
Court ordered psychological evaluations	500	500	-	500
Court appointed attorney - ad litem	10,000	10,000	5,025	4,975
Miscellaneous	1,000	1,000	-	1,000
Total county court-at-law	353,080	353,080	401,103	(48,023)
229th district court:				
Salary Official	8,000	-	-	-
Salary of court reporter	47,073	47,073	47,072	1
Salary of court coordinator	27,917	27,917	27,912	5
Salary of court clerk	49,819	49,819	50,064	(245)
Salary of bailiff	37,450	37,450	34,431	3,019
Court ordered psychological evaluations	1,500	1,500	200	1,300
Salary of interpreter	8,707	8,707	8,747	(40)
Salary of part time clerk	8,707	8,707	8,751	(44)
Payroll taxes	14,357	14,357	13,837	520
Employee retirement	14,601	14,601	15,946	(1,345)
Car allowance	5,000	13,000	13,000	-
Office supplies	4,000	4,000	2,387	1,613
Court-appointed counselors	55,000	55,000	143,699	(88,699)
Court appointed attorney - ad litem	40,000	40,000	50,735	(10,735)
Visiting reporter	4,000	4,000	8,030	(4,030)
Telephone	3,500	3,500	1,507	1,993
Travel and seminars	5,000	5,000	16,467	(11,467)
Dues and subscriptions	200	200	75	125
Petit jurors	20,000	20,000	17,730	2,270
Other juror expense	2,500	2,500	315	2,185
Capital outlay	500	500	-	500
Total 229th district court	357,831	357,831	460,905	(103,074)
381st district court:				
Salary of official	8,000	8,000	8,000	-
Salary of court reporter	73,309	73,309	73,309	-
Salary of court coordinator	75,536	75,536	75,536	-
Salary of court bailiff	37,450	37,450	40,660	(3,210)
Salary of interpreter	8,706	8,706	-	8,706
Payroll taxes	15,530	15,530	14,403	1,127
Employee retirement	15,793	15,793	16,363	(570)
Office supplies	9,000	9,000	5,712	3,288
Court-appointed attorney -CPS	50,000	50,000	47,991	2,009

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Judicial: (continued)				
381st district court: (continued)				
Court-appointed counselors	50,000	50,000	69,950	(19,950)
Visiting reporter	3,000	3,000	2,482	518
Telephone	500	500	-	500
Travel and seminars	4,000	4,000	5,575	(1,575)
Jury commission	300	300	-	300
Petit jurors	35,000	35,000	18,963	16,037
Other juror expense	4,000	4,000	1,304	2,696
Court ordered psychological evaluations	1,000	1,000	-	1,000
Miscellaneous	3,000	3,000	2,870	130
Total 381st district court	<u>394,124</u>	<u>394,124</u>	<u>383,118</u>	<u>11,006</u>
District clerk:				
Salary of official	52,271	52,271	52,271	-
Salary of chief clerk	28,060	28,060	28,060	-
Salary of clerks	75,279	75,279	-	75,279
Salary of deputy clerk	118,495	118,495	204,435	(85,940)
Payroll taxes	20,969	20,969	21,128	(159)
Employee retirement	21,325	21,325	21,592	(267)
Office supplies	10,000	10,000	7,983	2,017
Microfilming	1,000	1,000	-	1,000
Telephone	750	750	-	750
Travel and seminars	2,000	2,000	1,313	687
Binding expense	1,000	1,000	-	1,000
Repair & maintenance-equipment	1,000	1,000	-	1,000
Printer Lease	750	750	-	750
Bonds and insurance	1,000	1,000	300	700
Miscellaneous	500	500	-	500
Dues and subscriptions	200	200	145	55
Total district clerk	<u>334,599</u>	<u>334,599</u>	<u>337,227</u>	<u>(2,628)</u>
Justice of the peace pct. 1:				
Salary of official	33,543	33,543	35,471	(1,928)
Salary of secretary	26,752	26,752	26,745	7
Payroll taxes	4,613	4,613	4,292	321
Employee retirement	4,691	4,691	2,939	1,752
Office supplies	1,000	1,000	666	334
Telephone	1,600	-	-	-
Travel and seminars	1,500	1,500	1,078	422
Bonds and insurance	175	175	-	175
Juror expense	100	100	-	100
Internet service	1,750	3,350	4,033	(683)
Total justice of the peace pct. 1	<u>75,724</u>	<u>75,724</u>	<u>75,224</u>	<u>500</u>

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STARR COUNTY, TEXAS
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Judicial: (continued)				
Justice of the peace pct. 2:				
Salary of official	30,522	30,522	30,522	-
Salary of secretary	25,567	25,567	23,903	1,664
Payroll taxes	4,291	4,291	3,359	932
Employee retirement	4,364	4,364	4,509	(145)
Office supplies	1,200	640	-	640
Telephone	1,000	1,560	1,748	(188)
Travel and seminars	1,000	1,000	1,000	-
Juror expense	100	100	-	100
Bonds and insurance	175	175	150	25
Internet service	1,750	1,750	1,378	372
Total justice of the peace pct. 2	69,969	69,969	66,569	3,400
Justice of the peace pct. 3:				
Salary of official	33,543	33,543	33,543	-
Salary of secretary	26,080	26,080	25,567	513
Payroll taxes	4,561	4,561	4,112	449
Employee retirement	4,639	4,639	4,897	(258)
Office supplies	1,400	519	154	365
Telephone	1,000	1,000	612	388
Internet service	1,750	1,750	1,741	9
Travel and seminars	1,000	1,881	1,732	149
Bonds and insurance	175	175	200	(25)
Juror expense	100	100	-	100
Total justice of the peace pct. 3	74,248	74,248	72,558	1,690
Justice of the peace pct. 4:				
Salary of official	33,543	33,543	59,623	(26,080)
Salary of secretary	26,080	26,080	-	26,080
Payroll taxes	4,561	4,561	4,150	411
Employee retirement	4,639	4,639	4,940	(301)
Office supplies	2,000	2,000	1,915	85
Travel and seminars	1,200	1,200	2,019	(819)
Juror expense	300	300	-	300
Bonds and insurance	175	175	-	175
Total justice of the peace pct. 4	72,498	72,498	72,647	(149)

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STARR COUNTY, TEXAS
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Judicial: (continued)				
Justice of the peace pct. 5:				
Salary of official	33,543	33,543	33,543	-
Clerk	21,050	21,050	20,929	121
Payroll taxes	4,177	4,177	3,610	567
Employee retirement	4,247	4,247	4,512	(265)
Office supplies	1,200	1,200	-	1,200
Telephone	1,000	1,000	1,697	(697)
Travel and seminars	1,300	1,300	539	761
Juror expense	100	100	-	100
Bonds and insurance	175	175	50	125
Total justice of the peace pct. 5	66,792	66,792	64,880	1,912
Justice of the peace pct. 6:				
Salary of official	33,543	33,543	83,395	(49,852)
Salary of secretary	28,252	28,252	-	28,252
Salary of clerk	21,600	21,600	-	21,600
Payroll taxes	6,380	6,380	5,932	448
Employee retirement	6,488	6,488	6,909	(421)
Office supplies	1,500	1,450	547	903
Telephone	1,800	2,550	2,611	(61)
Travel and seminars	1,300	1,300	1,300	-
Copier lease	350	-	-	-
Juror expense	100	-	-	-
Bonds and insurance	300	50	150	(100)
Internet service	1,500	1,500	1,500	-
Total justice of the peace pct. 6	103,113	103,113	102,344	769
Justice of the peace pct. 7:				
Salary of official	30,522	30,522	30,522	-
Salary of secretary	23,470	23,470	23,470	-
Payroll taxes	4,130	4,130	4,093	37
Employee retirement	4,201	4,201	4,473	(272)
Office supplies	1,000	900	-	900
Telephone	1,300	2,800	3,846	(1,046)
Travel and seminars	1,100	1,200	569	631
Rental copier	500	500	-	500
Bonds and insurance	175	175	-	175
Juror expense	100	100	-	100
Internet service	1,000	1,000	966	34
Total justice of the peace pct. 7	67,498	68,998	67,939	1,059

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STARR COUNTY, TEXAS
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Judicial: (continued)				
Justice of the peace pct. 8:				
Salary of official	30,522	30,522	30,983	(461)
Salary of secretary	24,497	24,497	24,496	1
Payroll taxes	4,209	4,209	4,130	79
Employee retirement	4,280	4,280	4,599	(319)
Office supplies	1,200	1,200	663	537
Telephone	1,000	1,000	1,153	(153)
Travel and seminars	1,200	1,200	901	299
Juror expense	100	100	-	100
Bonds and insurance	275	275	-	275
Internet service	1,500	1,500	1,435	65
Total justice of the peace pct. 8	<u>68,783</u>	<u>68,783</u>	<u>68,360</u>	<u>423</u>
 Total judicial	 <u>2,038,259</u>	 <u>2,039,759</u>	 <u>2,172,874</u>	 <u>(133,115)</u>
Legal:				
County attorney:				
Salary of official	61,222	61,222	61,222	-
Supplemental salary of official	25,000	25,000	25,000	-
Salary of assistant county attorney	60,125	60,125	69,475	(9,350)
Salary of secretary	29,303	29,303	25,399	3,904
Salary of clerk I	70,075	70,075	64,013	6,062
Other salaries	-	-	29,663	(29,663)
CPS attorney	22,850	22,850	51,500	(28,650)
Payroll taxes	20,546	20,546	22,590	(2,044)
Employee retirement	20,895	20,895	26,746	(5,851)
Office supplies	3,000	3,550	2,967	583
Supplies other	500	500	325	175
Repairs and maintenance-autos	1,000	-	-	-
Fuel and oil	6,000	3,500	2,851	649
Travel and seminars	1,000	-	-	-
Equipment rental-copiers	6,500	11,500	10,431	1,069
Bonds and insurance	500	200	200	-
Dues and subscriptions	250	-	-	-
Capital outlay	500	-	-	-
Service of citations	3,000	3,000	980	2,020
Total county attorney	<u>332,266</u>	<u>332,266</u>	<u>393,362</u>	<u>(61,096)</u>

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STARR COUNTY, TEXAS
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Legal: (continued)				
District attorney:				
Supplemental salary of official	15,450	15,450	15,450	-
DA supplement salaries	-	-	26,468	(26,468)
Salaries of assistants	132,800	132,800	119,986	12,814
Salaries of investigators	75,000	75,000	64,808	10,192
Salaries-secretaries	84,016	84,016	74,637	9,379
Other salaries	65,468	65,468	79,255	(13,787)
Payroll taxes	28,514	28,514	25,550	2,964
Employee retirement	28,999	28,999	29,239	(240)
Office supplies	5,000	5,000	4,950	50
Repairs and maintenance-autos	10,000	10,000	9,701	299
Transcripts for trials and appeals	5,000	5,000	5,000	-
Telephone	1,000	1,000	985	15
Travel and seminars	7,000	7,000	6,928	72
Computer maintenance	1,000	1,000	1,210	(210)
Equipment rental-copier	7,000	7,000	6,230	770
Bonds and insurance	300	300	200	100
Dues and subscriptions	1,500	1,500	1,465	35
Capital outlay	1,500	1,500	-	1,500
Miscellaneous	600	600	417	183
Child advocacy center	-	-	-	-
Total district attorney	<u>470,147</u>	<u>470,147</u>	<u>472,479</u>	<u>(2,332)</u>
Total legal	<u>802,413</u>	<u>802,413</u>	<u>865,841</u>	<u>(63,428)</u>
Financial administration:				
County auditor:				
Salary of official	68,205	68,205	68,205	-
Salary of accountant	49,290	49,290	53,586	(4,296)
Salary of assistant	46,628	46,628	34,990	11,638
Salary of special programs bookkeeper	30,417	30,417	35,952	(5,535)
Salary of clerks	105,272	105,272	64,846	40,426
Payroll taxes	22,936	22,936	18,570	4,366
Employee retirement	23,325	23,325	21,254	2,071
Office supplies	3,500	3,500	1,607	1,893
Travel and seminars	1,000	1,000	781	219
Repairs and maintenance-equipment	500	500	364	136
Equipment rental	2,000	2,000	1,728	272
Bonds and insurance	200	200	50	150
Dues and subscriptions	400	400	385	15
Miscellaneous	200	200	170	30
Capital outlay	1,000	1,000	304	696
Total county auditor	<u>354,873</u>	<u>354,873</u>	<u>302,792</u>	<u>52,081</u>

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Financial administration: (continued)				
County treasurer:				
Salary of official	42,271	42,271	42,271	-
Salary of chief deputy	28,086	28,086	28,087	(1)
Salary of clerk	50,600	50,600	50,599	1
Payroll taxes	9,253	9,253	9,037	216
Employee retirement	9,411	9,411	10,021	(610)
Office supplies	3,500	3,500	2,479	1,021
Telephone	100	100	-	100
Travel and seminars	3,000	3,000	1,195	1,805
Bonds and insurance	1,000	1,000	100	900
Dues and subscriptions	100	100	-	100
Capital outlay	1,000	1,000	-	1,000.00
Total county treasurer	148,321	148,321	143,789	4,532
Tax collector:				
Salary of official	44,342	44,342	44,342	-
Salary of chief deputy	28,060	28,060	28,060	-
Salary of chief deputy-tax	28,060	28,060	28,059	1
Salaries of deputies	198,968	198,968	211,166	(12,198)
Clerk	17,769	17,769	-	17,769
Payroll taxes	24,266	24,266	21,847	2,419
Employee retirement	24,678	24,678	25,823	(1,145)
Office supplies	18,000	18,000	14,687	3,313
Telephone	1,800	3,039	3,505	(466)
Travel and seminars	2,500	1,658	1,658	-
Printing	2,500	2,500	2,250	250
Bonds and insurance	1,000	1,000	900	100
Dues and subscriptions	700	700	160	540
Miscellaneous	500	103	103	-
Capital outlay	1,000	1,000	1,000	-
Total tax collector	394,143	394,143	383,560	10,583
Compliance and Collections:				
Collections supervisor	31,452	31,452	31,452	-
Collection specialist	51,467	34,628	34,627	1
Salary of warrant officer	43,772	3,772	-	3,772
Salary of clerk	-	56,839	59,238	(2,399)
Payroll taxes	9,692	9,692	8,924	768
Retirement	9,856	9,856	9,789	67
Office supplies	4,000	4,000	2,387	1,613
Travel & seminars	2,000	2,000	-	2,000
Dues & subscriptions	500	500	100	400
Auto expense	2,000	2,000	-	2,000

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Financial administration: (continued)				
Compliance and collections:				
Miscellaneous	500	500	100	400
Total Compliance and Collections	155,239	155,239	146,617	8,622
Total financial administration	1,052,576	1,052,576	976,758	75,818
Public facilities:				
Building maintenance:				
Salary of janitor	68,458	68,458	66,952	1,506
Salary of yardman	24,109	24,109	22,951	1,158
Salary of janitor (new floor)	22,951	22,951	21,350	1,601
Salary of annex janitors	44,100	44,100	44,001	99
Salary of annex yardman	21,050	21,050	21,652	(602)
Payroll taxes	13,821	13,821	12,801	1,020
Employee retirement	14,056	14,056	14,607	(551)
Employee uniforms	2,000	2,000	-	2,000
Cleaning and sanitation supplies	15,970	15,970	15,377	593
Small tools	3,000	3,000	751	2,249
Repairs and maintenance-buildings	18,000	18,000	11,170	6,830
Repairs and maintenance-elevator	7,000	7,000	6,573	427
Repairs and maintenance-equipment	11,000	11,000	7,443	3,557
Total building maintenance	265,515	265,515	245,628	19,887
Total public facilities	265,515	265,515	245,628	19,887
Public safety:				
Fire station pct. 1:				
Salary of employee	130,846	145,846	155,207	(9,361)
Payroll taxes	10,010	10,010	11,693	(1,683)
Employee retirement	10,180	10,180	8,371	1,809
Fuel and oil	8,000	8,000	6,689	1,311
Cleaning and sanitation	1,000	1,000	470	530
Telephone	2,000	2,000	-	2,000
Travel and seminars	1,500	1,500	951	549
Repairs and maintenance-equipment	20,000	15,000	4,740	10,260
Equipment rentals	12,000	4,000	-	4,000
Insurance-liability	1,200	1,200	-	1,200
Insurance-firemen	2,500	2,500	-	2,500
Miscellaneous	5,000	8,000	5,371	2,629
Grant matching funds	-	-	9,000	(9,000)
Capital outlay-equipment	10,000	13,226	-	13,226
Total fire station pct. 1	214,236	222,462	202,492	19,970

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Public safety: (continued)				
Fire station pct. 2:				
Salary of employee	121,861	121,861	116,245	5,616
Assistant chief	23,675	23,675	-	23,675
Payroll taxes	11,133	11,133	8,577	2,556
Employee retirement	11,323	11,323	8,225	3,098
Fuel and oil	15,000	15,000	14,707	293
Telephone	3,000	4,500	5,853	(1,353)
Travel and seminars	1,000	1,000	-	1,000
Repair and maintenance-equipment	14,000	4,000	4,430	(430)
Capital outlay-equipment	30,000	28,500	6,434	22,066
Miscellaneous	-	-	175	(175)
Total fire station pct. 2	230,992	220,992	164,646	56,346
Fire station pct. 3:				
Salary of employee	112,922	113,788	113,935	(147)
Payroll taxes	8,639	8,249	8,231	18
Employee retirement	8,785	9,004	8,871	133
Fuel and oil	8,000	15,000	11,670	3,330
Telephone	3,000	-	-	-
Travel and seminars	1,000	-	-	-
Repairs and maintenance-equipment	7,000	7,000	1,375	5,625
Insurance-liability	2,000	2,000	2,000	-
Insurance-firemen	3,000	2,824	2,824	-
Miscellaneous	2,500	2,500	1,726	774
Capital outlay-equipment	10,000	6,481	310	6,171
Capital outlay-building	4,000	4,000	2,725	1,275
Total fire station pct. 3	170,846	170,846	153,667	17,179
Fire station pct. 4:				
Salary of employee	-	-	79,808	(79,808)
Salary of firemen	98,034	98,034	-	98,034
Payroll taxes	7,500	7,500	5,439	2,061
Employee retirement	7,627	7,627	6,400	1,227
Uniform rental	4,000	4,000	129	3,871
Fuel and oil	22,000	22,000	11,341	10,659
Telephone	3,000	3,000	3,880	(880)
Travel and seminars	1,000	1,000	504	496
Repair and maintenance-equipment	8,000	8,000	5,522	2,478
Equipment rental	5,000	5,000	-	5,000

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Public safety: (continued)				
Fire station pct. 4: (continued)				
Insurance-liability	4,000	4,000	3,849	151
Insurance- fireman	1,000	-	-	-
Miscellaneous	7,000	7,000	5,342	1,658
Capital outlay-equipment	24,000	25,000	-	25,000
Total fire station pct. 4	<u>192,161</u>	<u>192,161</u>	<u>122,214</u>	<u>69,947</u>
Constables:				
Salary of constable Pct. 1	28,136	28,136	28,136	-
Salary of constable Pct. 2	28,136	28,136	28,136	-
Salary of constable Pct. 3	28,136	28,136	28,136	-
Salary of constable Pct. 4	28,136	28,136	28,136	-
Salary of constable Pct. 5	28,136	28,136	28,136	-
Salary of constable Pct. 6	28,136	28,136	28,136	-
Salary of constable Pct. 7	28,136	28,136	28,136	-
Salary of constable Pct. 8	28,136	28,136	28,136	-
Payroll taxes	17,216	17,216	15,894	1,322
Employee retirement	17,512	17,512	18,648	(1,136)
Travel and seminars	4,000	4,000	2,135	1,865
Fuel and oil	32,500	30,450	16,919	13,531
Telephone	-	-	-	-
Bonds and insurance	-	-	200	(200)
Repairs & Maintenance - Autos	1,000	2,550	2,181	369
Repairs and maintenance - equipment	6,500	5,500	3,310	2,190
Total constables	<u>303,816</u>	<u>302,316</u>	<u>284,375</u>	<u>17,941</u>
Sheriff's department:				
Salary of official	76,398	76,398	76,368	30
Supplement official	15,450	15,450	16,532	(1,082)
Salary of chief deputy	50,433	50,433	58,871	(8,438)
Salary of deputies	531,119	556,119	585,069	(28,950)
Salary of clerk	23,728	23,728	23,039	689
Salary of dispatchers	179,567	179,567	177,476	2,091
Salary of investigators	218,052	218,052	232,398	(14,346)
Salary of captain	40,579	40,579	40,543	36
Salary of sergeants	109,029	109,029	109,031	(2)
Salary of corporals	36,896	36,896	69,905	(33,009)
Salary of warrants	34,979	34,979	-	34,979
Salary of part-time dispatcher	22,353	22,353	6,394	15,959
Salary of lieutenant	38,109	38,109	38,127	(18)
Task force officer	35,267	35,267	35,267	-
Payroll taxes	108,015	108,015	109,530	(1,515)
Employee retirement	109,850	109,850	120,659	(10,809)
Uniforms	7,000	7,000	6,860	140

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Public Safety: (continued)				
Sheriff's department: (continued)				
Office supplies	9,500	9,500	9,591	(91)
Fuel and oil	180,000	155,000	166,590	(11,590)
Firearm supplies	3,000	3,000	2,659	341
Telephone	50,000	52,000	79,243	(27,243)
Travel and seminars	1,500	1,500	1,220	280
School instructors expense	1,000	-	-	-
Repairs and maintenance-equipment	8,000	9,000	6,618	2,382
Repairs and maintenance-communications equipment	7,000	7,000	1,640	5,360
Rental of department files-storage	4,000	4,000	3,070	930
Repairs and maintenance-autos	30,000	30,000	28,390	1,610
Rental of copier equipment	4,500	4,500	4,433	67
Bonds and insurance	200	200	-	200
Radio Tower	6,000	4,000	4,000	-
Starr Co tactical command suburban	5,000	5,000	-	5,000
Total sheriff's department	<u>1,946,524</u>	<u>1,946,524</u>	<u>2,013,523</u>	<u>(66,999)</u>
229th judicial district adult probation:				
Supplemental salaries of secretaries	9,214	9,214	7,582	1,632
Payroll taxes	705	705	535	170
Employee retirement	717	717	532	185
Miscellaneous	-	-	-	-
Total 229th judicial district adult probation	<u>10,636</u>	<u>10,636</u>	<u>8,649</u>	<u>1,987</u>
229th district juvenile probation:				
County's contribution	87,000	87,000	43,516	43,484
Residential placements	-	-	-	-
Total 229th district juvenile probation	<u>87,000</u>	<u>87,000</u>	<u>43,516</u>	<u>43,484</u>
Contribution to Texas DPS:				
Salary of clerks	24,159	24,159	23,636	523
Payroll taxes	1,848	1,848	1,808	40
Employee retirement	1,880	1,880	1,924	(44)
Telephone	4,500	4,500	3,217	1,283
Equipment rentals	1,000	1,000	-	1,000
Miscellaneous	500	500	-	500
Total contribution to Texas DPS	<u>33,887</u>	<u>33,887</u>	<u>30,585</u>	<u>3,302</u>

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STARR COUNTY, TEXAS
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Public safety: (continued)				
Detention center:				
Salary of captain	39,658	39,658	39,659	(1)
Salary of jailers	930,900	930,900	1,088,038	(157,138)
Salary of corporals	52,408	52,408	51,824	584
Salary of cooks	44,773	44,773	36,495	8,278
Salary of office manager	29,427	29,427	24,336	5,091
Salary of sergeants	109,069	109,069	90,891	18,178
Salary of head bookkeeper	29,426	29,426	32,720	(3,294)
Salary of bookkeeper	-	-	-	-
Salary of maintenance	48,333	48,333	-	48,333
Salary of mechanic	24,185	24,185	71,548	(47,363)
Salary of lieutenants	30,261	30,261	30,261	-
Payroll taxes	102,391	102,391	106,357	(3,966)
Employee retirement	104,130	104,130	116,987	(12,857)
Office supplies	15,000	15,000	11,814	3,186
Cleaning and sanitation	30,000	30,000	37,452	(7,452)
Food consumption	385,000	385,000	411,982	(26,982)
Camera supplies	1,000	1,000	-	1,000
Uniforms	12,000	12,000	-	12,000
Personal hygiene-inmates	14,000	14,000	13,068	932
Pharmacy	35,000	35,000	27,064	7,936
Medical services	25,000	25,000	11,757	13,243
Contract medical service	110,000	110,000	97,600	12,400
Telephone	2,000	2,000	576	1,424
Transport of inmates	8,000	8,000	1,851	6,149
School and training	2,000	2,000	2,000	-
Utilities	60,000	60,000	66,924	(6,924)
Repairs and maintenance-buildings	60,000	60,000	51,043	8,957
Repairs and maintenance-equipment	30,000	30,000	23,770	6,230
Rental-copier	5,000	5,000	4,074	926
Insurance-buildings	25,000	25,000	25,990	(990)
Jail inspection expense	1,000	1,000	850	150
Capital outlay-equipment	15,000	15,000	2,322	12,678
Capital outlay-communications equipment.	3,000	3,000	2,417	583
Trustee fees-jail lease	1,000	1,000	-	1,000
Total detention center	<u>2,383,961</u>	<u>2,383,961</u>	<u>2,481,670</u>	<u>(97,709)</u>

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STARR COUNTY, TEXAS
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Public safety: (continued)				
Starr county juvenile detention center:				
Salary of guards	164,273	164,273	145,221	19,052
Salary of part-time guards	93,525	93,525	89,082	4,443
Detention director	5,070	5,070	5,215	(145)
Detention supervisor	2,535	2,535	-	2,535
Secretary stipend	1,433	1,433	1,433	-
Payroll taxes	20,413	20,413	18,084	2,329
Employee retirement	20,760	20,760	12,384	8,376
Linen/uniforms	400	400	-	400
Restraints	100	100	-	100
Office supplies	4,000	4,000	1,983	2,017
Telephone	2,000	2,000	2,419	(419)
Medical services	500	500	-	500
Repairs and maintenance	1,500	1,500	1,309	191
Insurance-liability	100	100	-	100
Miscellaneous	1,000	1,000	-	1,000
Travel and seminars	7,000	7,000	3,291	3,709
Total starr county juvenile detention center	<u>324,609</u>	<u>324,609</u>	<u>280,421</u>	<u>44,188</u>
9-1-1 Services:				
Salary of clerk	30,000	30,000	30,000	-
Payroll taxes	2,295	2,295	2,203	92
Group insurance	-	-	5,173	(5,173)
Employee retirement	2,334	2,334	2,485	(151)
Workers compensation	61	61	-	61
Unemployment insurance	347	347	-	347
Training	2,894	394	-	394
Maintenance & repairs	722	722	596	126
Other	-	-	-	-
Travel - mileage	2,000	1,000	-	1,000
Supplies	2,575	6,075	5,284	791
Miscellaneous	1,100	1,100	-	1,100
Street sign replacement	1,137	1,137	142	995
Total 9-1-1 services	<u>45,465</u>	<u>45,465</u>	<u>45,883</u>	<u>(418)</u>
County wide services:				
Salary of fire department administrator	-	-	41,870	(41,870)
Payroll taxes	-	-	3,111	(3,111)
Employment retirement	-	-	3,469	(3,469)
Total county wide services	<u>-</u>	<u>-</u>	<u>48,450</u>	<u>(48,450)</u>
Total public safety	<u>5,944,133</u>	<u>5,940,859</u>	<u>5,880,091</u>	<u>60,768</u>

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Health and welfare:				
Public health and welfare aid:				
Contract medical services	6,000	6,000	6,000	-
Pauper funerals	4,000	4,000	-	4,000
Total public health and welfare aid	10,000	10,000	6,000	4,000
Federal and state programs coordinator:				
Salary of department head	60,754	60,754	61,332	(578)
Salary part-time projects clerk	27,995	27,995	52,318	(24,323)
Salary of project manager	120,756	120,756	151,093	(30,337)
Payroll taxes	16,027	16,027	19,586	(3,559)
Employee retirement	16,300	16,300	20,600	(4,300)
Office supplies	6,000	6,000	2,628	3,372
Telephone	2,500	2,500	2,137	363
Travel and seminars	4,000	4,750	3,954	796
Repairs and maintenance equipment	1,300	1,300	1,105	195
Capital outlay	500	500	-	500
Dues and subscriptions	750	-	-	-
Total federal & state programs coordinator	256,882	256,882	314,753	(57,871)
Elderly programs:				
Salary of coordinator	-	-	-	-
Salary of transportation director	24,363	24,363	24,386	(23)
Salary of assistant	36,000	36,000	34,526	1,474
Payroll taxes	4,618	4,618	4,194	424
Employee retirement	4,696	4,696	4,881	(185)
Office supplies	500	500	45	455
Fuel and oil	20,000	20,000	20,091	(91)
Repair and maintenance-autos	2,000	2,000	2,001	(1)
Bonds and insurance	500	500	-	500
Total elderly programs	92,677	92,677	90,124	2,553
Nutrition program pct. 1:				
Salary of site manager	26,055	18,705	18,706	(1)
Salary of part-time help	77,704	83,229	81,960	1,269
Payroll taxes	7,938	7,938	7,437	501
Employee retirement	8,072	8,072	6,263	1,809
Contractual	25,000	23,700	14,618	9,082
Consumables	5,000	-	-	-
Repairs and maintenance - auto	2,000	2,559	587	1,972
Fuel and oil	5,000	3,884	3,446	438
Miscellaneous	10,000	4,514	3,395	1,119
Food pantry expense	15,000	29,668	24,914	4,754
Total nutrition program pct. 1	181,769	182,269	161,326	20,943

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STARR COUNTY, TEXAS
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Health and welfare: (continued)				
Nutrition program pct. 2:				
Salary of program administrator	21,564	21,564	21,564	-
Salary of administrative assistant	21,403	26,485	25,771	714
Salary of assistant	16,500	16,500	16,167	333
Salary of nutrition aid part-time help	26,130	11,048	-	11,048
Payroll taxes	6,548	6,548	4,501	2,047
Employee retirement	6,660	6,660	5,261	1,399
Contractual	45,000	45,000	55,179	(10,179)
Consumables	5,000	5,000	5,408	(408)
Repairs and maintenance - auto	500	500	1,012	(512)
Food pantry expense	20,000	40,500	62,071	(21,571)
Total nutrition program pct. 2	<u>169,305</u>	<u>179,805</u>	<u>196,934</u>	<u>(17,129)</u>
Nutrition program pct. 3:				
Salary of site manager	20,306	32,116	32,115	1
Rental building coordinator	1,510	1,510	1,510	-
Payroll taxes	1,669	2,444	2,439	5
Employee retirement	1,697	2,817	2,786	31
Contractual	12,000	16,269	14,046	2,223
Consumables	2,000	-	-	-
Fuel and oil	3,000	3,000	2,992	8
Repairs and maintenance - auto	1,000	1,000	594	406
Miscellaneous	7,200	-	-	-
Food pantry	20,000	11,226	5,648	5,578
Total nutrition program pct. 3	<u>70,382</u>	<u>70,382</u>	<u>62,130</u>	<u>8,252</u>
Nutrition program pct. 4:				
Salary of site manager	24,133	24,133	14,344	9,789
Salary of assistant	25,592	25,592	66,622	(41,030)
Salary of part-time help	3,240	3,240	-	3,240
Payroll taxes	4,052	4,052	6,184	(2,132)
Employee retirement	4,121	4,121	1,844	2,277
Contractual	60,000	107,000	102,206	4,794
Consumables	38,000	8,000	7,391	609
Fuel and oil	17,000	-	287	(287)
Repairs and maintenance-equipment	-	-	1,000	(1,000)
Repairs and maintenance-autos	1,000	1,000	-	1,000
Food pantry expense (to self-help)	15,000	15,895	12,414	3,481
Total nutrition program pct. 4	<u>192,138</u>	<u>193,033</u>	<u>212,292</u>	<u>(19,259)</u>
Total health and welfare	<u>973,153</u>	<u>985,048</u>	<u>1,043,559</u>	<u>(58,511)</u>

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
Conservation agriculture:				
Extension service:				
Supplemental salary of county agent	14,632	14,632	14,632	-
Supplemental salary of home demo agent	14,632	14,632	14,632	-
Salary of secretary	28,289	28,289	28,289	-
Salary of clerk	26,970	26,970	26,970	-
Payroll taxes	6,466	6,466	6,346	120
Employee retirement	6,576	6,576	5,790	786
Dues	800	800	360	440
Office supplies and postage	4,500	4,500	2,852	1,648
Postage	1,050	-	-	-
Custodial supplies	850	850	824	26
Demonstration materials	850	1,235	643	592
Computer update	1,850	1,850	994	856
Tele-communications update	850	850	715	135
Telephone	3,100	3,765	3,976	(211)
Mileage	14,800	14,800	14,800	-
Travel and seminars	6,000	6,000	5,458	542
Repairs and maintenance-equipment	1,350	1,350	560	790
Equipment rental-copier	3,350	3,350	3,135	215
Total extension service	<u>136,915</u>	<u>136,915</u>	<u>130,976</u>	<u>5,939</u>
Total conservation agriculture	<u>136,915</u>	<u>136,915</u>	<u>130,976</u>	<u>5,939</u>
Total expenditures - all departments:	<u>16,196,012</u>	<u>16,206,133</u>	<u>16,217,046</u>	<u>(10,913)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(1,459,792)	(1,459,792)	(1,786,990)	(327,198)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,278,220	1,278,220	1,278,412	192
Transfers out	-	-	(305,025)	(305,025)
Bond proceeds	-	-	500,000	500,000
Total other financing sources (uses)	<u>1,278,220</u>	<u>1,278,220</u>	<u>1,473,387</u>	<u>195,167</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(181,572)	(181,572)	(313,603)	(132,031)
FUND BALANCE, BEGINNING	<u>2,058,112</u>	<u>2,058,112</u>	<u>2,058,112</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,876,540</u>	<u>\$ 1,876,540</u>	<u>\$ 1,744,509</u>	<u>\$ (132,031)</u>

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STARR COUNTY, TEXAS

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

DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Current taxes	\$ 507,000	\$ 507,000	\$ 462,622	\$ (44,378)
Delinquent taxes	48,945	48,945	80,817	31,872
Interest	10,000	10,000	4,480	(5,520)
Total revenues	565,945	565,945	547,919	(18,026)
EXPENDITURES				
Debt service:				
Principal retirement	445,000	445,000	466,000	(21,000)
Interest	117,856	117,856	119,864	(2,008)
Fiscal agent fees	3,000	3,000	1,691	1,309
Total expenditures	565,856	565,856	587,555	(21,699)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	89	89	(39,636)	(39,725)
OTHER FINANCING SOURCES				
Operating transfer in	-	-	24,149	(24,149)
FUND BALANCE, BEGINNING OF YEAR	3,221,197	3,221,197	3,221,197	-
FUND BALANCE, END OF YEAR	\$ 3,221,286	\$ 3,221,286	\$ 3,205,710	\$ (15,576)

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STARR COUNTY, TEXAS
DETAILED SCHEDULE OF REVENUES AND
EXPENDITURES - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Favorable (Unfavorable)
REVENUES				
Current ad valorem	\$ 4,153,860	\$ 4,153,860	\$ 3,218,355	\$ (935,505)
Delinquent ad valorem	500,000	500,000	480,217	(19,783)
Motor vehicle licenses	780,000	780,000	585,874	(194,126)
Grant revenues	-	158,591	158,591	-
Lateral road credit	35,000	35,000	27,164	(7,836)
Gross weight/ axle fees	-	-	78,831	78,831
Fines and forfeitures	677,000	677,000	884,301	207,301
Interest	-	-	625	625
State salary supplements	25,000	25,000	-	(25,000)
Auction	-	2,070	2,070	-
Miscellaneous	100	100	428	328
Donations	-	6,000	7,000	1,000
Total revenues	<u>6,170,960</u>	<u>6,337,621</u>	<u>5,443,456</u>	<u>(894,165)</u>
EXPENDITURES				
Commissioner Pct. 1:				
Salary of official	72,037	72,037	72,037	-
Salary of foreman	28,700	-	-	-
Salary of supervisor	25,028	54,966	54,291	675
Salary of street maintenance supervisor	21,430	15,205	14,467	738
Salary of head clerk	24,394	32,100	33,384	(1,284)
Salaries of clerical	57,289	148,265	148,856	(591)
Salaries-janitorial	23,479	5,364	5,307	57
Salaries of street maintenance	80,569	110,705	115,931	(5,226)
Salaries of timekeeper/policy manager	20,194	25,733	25,733	-
Salaries of park maintenance	30,669	-	-	-
Salaries of drivers and other duties	78,703	8,320	8,256	64
Salaries of night watchman	33,277	21,496	21,158	338
Salaries of road employees	32,605	137,628	145,414	(7,786)
Roadhands	24,733	-	-	-
Payroll taxes	42,312	42,313	47,501	(5,188)
Employee retirement	43,032	43,032	50,975	(7,943)
Office supplies	4,000	4,000	3,741	259
Fuel and oil	80,000	80,000	81,621	(1,621)
Telephone	10,000	10,000	10,133	(133)
Travel and seminars	2,000	2,000	3,301	(1,301)
Repairs and maintenance equipment	65,000	59,460	46,107	13,353
Rental - machinery	10,000	8,762	8,491	271
Repairs and maintenance-roads & bridges	75,157	75,157	59,936	15,221
Welding supplies	4,000	184	184	-
Contract work-hauling	15,000	15,000	10,080	4,920

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF REVENUES AND
EXPENDITURES - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
EXPENDITURES (continued)				
Commissioner Pct. 1: (continued)				
Contract work-other	15,000	3,685	3,685	-
Grant matching fund	-	-	14,883	(14,883)
Bonds and insurance	1,000	100	100	-
Miscellaneous	22,500	28,070	20,687	7,383
Capital outlay	75,000	29,251	7,000	22,251
Capital outlay-parks and comm. ctrs	35,000	35,000	26,586	8,414
Capital outlay-equipment	28,000	17,795	17,795	-
Contingencies	4,000	550	550	-
Total commissioner pct. 1	<u>1,084,108</u>	<u>1,086,178</u>	<u>1,058,190</u>	<u>27,988</u>
Commissioner Pct. 2:				
Salary of official	72,037	72,037	72,037	-
Salary of administrative assistant	37,450	37,450	37,450	-
Salary of superintendent	37,450	37,450	37,450	-
Salary of project manager	37,450	37,450	37,450	-
Salary of supervisor	25,323	25,323	25,323	-
Salary of administrative aide	28,525	28,525	28,525	-
Salary of special event coordinator	19,755	19,755	19,755	-
Salary of street maintenance supervisor	20,850	20,850	20,850	-
Salary of head librarian	17,882	17,882	17,716	166
Salary of equipment mechanic	24,938	24,938	24,938	-
Salary of parks supervisor	24,164	24,164	24,164	-
Salary of waste management supervisor	24,017	24,017	24,017	-
Salary of welder	25,623	25,623	25,623	-
Salary of foreman	26,393	26,393	26,393	-
Salary equipment operator	25,482	25,482	25,482	-
Salary equipment operator I	20,850	20,850	20,850	-
Other salaries	108,374	108,374	136,353	(27,979)
Salary of library clerk	40,651	40,651	29,308	11,343
Food pantry personnel	33,614	33,614	17,495	16,119
Payroll taxes	49,789	49,789	48,220	1,569
Employee retirement	50,634	50,634	43,284	7,350
Uniform rental	300	300	-	300
Office supplies	3,000	3,000	3,096	(96)
Consultant fees	5,000	5,000	-	5,000
Fuel and oil	86,700	86,700	48,687	38,013
Telephone	6,500	6,500	7,077	(577)
Travel and seminars	5,000	5,000	3,759	1,241

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF REVENUES AND
EXPENDITURES - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
EXPENDITURES (continued)				
Commissioner Pct. 2: (continued)				
Repairs and maint-building	20,000	20,000	12,076	7,924
Repairs and maint-equipment	66,000	66,000	65,524	476
Repairs and maint-roads & bridges	18,100	18,100	17,355	745
Radio lease	3,000	3,000	3,097	(97)
Contract work	31,300	31,300	-	31,300
Bonds and insurance	9,000	9,000	-	9,000
Dues and subscriptions	1,000	1,000	-	1,000
Miscellaneous	3,000	3,000	8,189	(5,189)
Parks and community centers	26,730	26,730	20,368	6,362
Capital outlay	41,000	41,000	19,116	21,884
Contingencies	4,000	4,000	2,435	1,565
Total commissioner pct. 2	<u>1,080,881</u>	<u>1,080,881</u>	<u>953,462</u>	<u>127,419</u>
Commissioner Pct. 3:				
Salary of official	72,037	72,037	72,037	-
Salaries of secretary & foreman	56,894	71,993	71,992	1
Other salaries	297,707	289,857	289,674	183
Nightwatchmen	74,883	-	-	-
Roadhands	109,059	196,752	196,156	596
Temporary help	50,192	42,058	42,058	-
Payroll taxes	50,549	48,049	47,708	341
Employee retirement	51,408	54,308	54,223	85
Office supplies	1,000	1,000	620	380
Fuel and oil	90,000	90,000	87,416	2,584
Telephone	10,000	16,000	14,814	1,186
Travel and seminars	6,000	507	506	1
Repairs and maint-buildings	50,000	50,000	55,663	(5,663)
Repairs and maint-equipment	96,000	84,906	84,547	359
Repairs and maint-roads & bridges	173,881	173,881	94,035	79,846
Miscellaneous	41,000	41,000	40,217	783
Parks and community centers	14,000	14,000	-	14,000
Contingencies	4,000	2,262	2,262	-
Capital outlay	62,332	62,332	48,408	13,924
Capital outlay - deferred grant revenues	-	158,591	131,742	26,849
Total commissioner pct. 3	<u>1,310,942</u>	<u>1,469,533</u>	<u>1,334,078</u>	<u>108,606</u>
Commissioner Pct. 4:				
Salary of official	72,037	72,037	72,037	-
Salaries of secretary	22,780	22,780	9,218	13,562

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STARR COUNTY, TEXAS

DETAILED SCHEDULE OF REVENUES AND
EXPENDITURES - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014
(Continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
EXPENDITURES (continued)				
Commissioner Pct. 4: (continued)				
Salary of foreman	29,960	29,960	29,960	-
Salary of office manager	29,960	29,960	20,769	9,191
Salary of assistant foreman	22,780	22,780	-	22,780
Other salaries	331,162	331,162	480,181	(149,019)
Payroll taxes	38,914	38,914	45,164	(6,250)
Employee retirement	39,575	39,575	42,287	(2,712)
Uniform rental	10,000	10,000	11,218	(1,218)
Office supplies	6,000	6,000	9,000	(3,000)
Fuel and oil	85,000	84,200	57,211	26,989
Telephone	12,000	12,000	13,780	(1,780)
Travel and seminars	1,000	2,800	1,896	904
Bonds and insurance	1,000	1,000	100	900
Repairs and maint-equipment	74,500	79,500	20,061	59,439
Repairs and maint-roads & bridges	79,000	79,000	48,839	30,161
Lease payments-machinery	70,000	70,000	48,286	21,714
Miscellaneous	38,200	37,600	32,504	5,096
Fire protection	25,000	6,000	5,450	550
Parks and community centers	20,000	20,000	18,898	1,102
Contingencies	19,000	38,000	38,337	(337)
Capital outlay	67,158	67,758	-	67,758
Total commissioner pct. 4	<u>1,095,026</u>	<u>1,101,026</u>	<u>1,005,196</u>	<u>95,830</u>
Flood control:				
Precinct #1 channels	9,000	9,000	-	9,000
Precinct #2 channels	7,900	7,900	-	7,900
Precinct #3 channels	15,000	15,000	8,500	6,500
Precinct #4 channels	10,000	10,000	-	10,000
Total flood control	<u>41,900</u>	<u>41,900</u>	<u>8,500</u>	<u>33,400</u>
Road & Bridge Fund County Wide:				
Appraisal district fees	10,000	10,000	-	10,000
Breathalyzer services	10,000	10,000	10,000	-
Bidding and notices	100	100	-	100
Utilities	780,700	780,700	917,604	(136,904)
Dues and subscriptions	10,000	10,000	7,986	2,014
Suspension bridge match	10,000	10,000	-	10,000
Right-of-ways and emergency	50,000	50,000	-	50,000
Total road & bridge fund county wide	<u>870,800</u>	<u>870,800</u>	<u>935,590</u>	<u>(64,790)</u>
Total expenditures	<u>5,483,657</u>	<u>5,650,318</u>	<u>5,295,016</u>	<u>328,453</u>

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STARR COUNTY, TEXAS
DETAILED SCHEDULE OF REVENUES AND
EXPENDITURES - BUDGET AND ACTUAL

ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2014
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>687,303</u>	<u>687,303</u>	<u>148,440</u>	<u>(565,712)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	687,303	687,303	148,440	(565,712)
FUND BALANCE (DEFICIT), BEGINNING	<u>(837,635)</u>	<u>(837,635)</u>	<u>(837,635)</u>	<u>-</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ (150,332)</u>	<u>\$ (150,332)</u>	<u>\$ (689,195)</u>	<u>\$ (565,712)</u>

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SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

FIDUCIARY FUNDS

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	Self-Help Center	Operation Joint Investigation DA & I.C.E	CACST 5310
ASSETS			
Cash	\$ 41,922	\$ 24	\$ 1
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	12,467	-
Total assets	<u>\$ 41,922</u>	<u>\$ 12,491</u>	<u>\$ 1</u>
LIABILITIES			
Accounts payable	\$ 587	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	41,335	12,491	1
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>41,922</u>	<u>12,491</u>	<u>1</u>
FUND BALANCE			
Assigned	-	-	-
Restricted	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 41,922</u>	<u>\$ 12,491</u>	<u>\$ 1</u>

EXHIBIT H-1

Archives Management Fee Fund	U. S. Department of Agriculture FHA Grant Housing Preservation	HIDTA Grants District Attorney	Surcharge Fund
\$ 10,369	\$ 6,801	\$ 194,458	\$ 19,375
-	-	-	-
-	-	-	-
6,816	-	25	6,833
-	-	48,380	-
<u>\$ 17,185</u>	<u>\$ 6,801</u>	<u>\$ 242,863</u>	<u>\$ 26,208</u>
\$ 308	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
23	-	239,871	8
-	-	-	-
-	6,801	2,992	-
<u>331</u>	<u>6,801</u>	<u>242,863</u>	<u>8</u>
-	-	-	-
16,854	-	-	26,200
<u>16,854</u>	<u>-</u>	<u>-</u>	<u>26,200</u>
<u>\$ 17,185</u>	<u>\$ 6,801</u>	<u>\$ 242,863</u>	<u>\$ 26,208</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	Law Library Fund	Courthouse Security Fund	Border Prosecution Unit
ASSETS			
Cash	\$ 189,596	\$ 217,536	\$ 31,979
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	3,092	2,695	-
Due from other governments	-	-	28,219
Total assets	\$ 192,688	\$ 220,231	\$ 60,198
LIABILITIES			
Accounts payable	\$ -	\$ 185	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	5,442
Due to other funds	-	300	54,756
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	-	485	60,198
FUND BALANCE			
Assigned	-	-	-
Restricted	192,688	219,746	-
Total fund balance	192,688	219,746	-
Total liabilities and fund balance	\$ 192,688	\$ 220,231	\$ 60,198

EXHIBIT H-1

Management & Preservation Fund	LEOSE Fund	Starr Co Violent Crimes Unit Border Star	Local Border Security Program LSBP 2013
\$ 65,851	\$ 23,151	\$ 93,791	\$ -
-	-	-	-
-	-	-	-
3,302	-	-	-
-	-	16,497	-
<u>\$ 69,153</u>	<u>\$ 23,151</u>	<u>\$ 110,288</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	2,998	-
187	28	71,826	-
-	-	32,145	-
-	-	2,113	-
<u>187</u>	<u>28</u>	<u>109,082</u>	<u>-</u>
-	-	-	-
<u>68,966</u>	<u>23,123</u>	<u>1,206</u>	<u>-</u>
<u>68,966</u>	<u>23,123</u>	<u>1,206</u>	<u>-</u>
<u>\$ 69,153</u>	<u>\$ 23,151</u>	<u>\$ 110,288</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	EMW-2012-SS-0018 OPSG 2012	Los Olmos Watershed Project	GLO Contract #DRS220179 Round 2.2
ASSETS			
Cash	\$ 9,517	\$ 204,668	\$ 5,010
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	52,592	-	-
Due from other governments	8,707	-	-
Total assets	\$ 70,816	\$ 204,668	\$ 5,010
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	1
Due to other funds	62,045	-	5,009
Due to other governments	8,771	-	-
Unearned revenue	-	204,668	-
Total liabilities	70,816	204,668	5,010
FUND BALANCE			
Assigned	-	-	-
Restricted	-	-	-
Total fund balance	-	-	-
Total liabilities and fund balance	\$ 70,816	\$ 204,668	\$ 5,010

EXHIBIT H-1

Management & Preservation Fund	LEOSE Fund	Starr Co Violent Crimes Unit Border Star	Local Border Security Program LSBP 2013
\$ 65,851	\$ 23,151	\$ 93,791	\$ -
-	-	-	-
-	-	-	-
3,302	-	-	-
-	-	16,497	-
<u>\$ 69,153</u>	<u>\$ 23,151</u>	<u>\$ 110,288</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	2,998	-
187	28	71,826	-
-	-	32,145	-
-	-	2,113	-
<u>187</u>	<u>28</u>	<u>109,082</u>	<u>-</u>
-	-	-	-
<u>68,966</u>	<u>23,123</u>	<u>1,206</u>	<u>-</u>
<u>68,966</u>	<u>23,123</u>	<u>1,206</u>	<u>-</u>
<u>\$ 69,153</u>	<u>\$ 23,151</u>	<u>\$ 110,288</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	AMW-2012-S5-0018 OPSG 2012	Los Olmos Watershed Project	GLO Contract #DRS220179 Round 2.2
ASSETS			
Cash	\$ 9,517	\$ 204,668	\$ 5,010
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	52,592	-	-
Due from other governments	8,707	-	-
	<u>70,816</u>	<u>204,668</u>	<u>5,010</u>
Total assets	\$ 70,816	\$ 204,668	\$ 5,010
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	1
Due to other funds	62,045	-	5,009
Due to other governments	8,771	-	-
Unearned revenue	-	204,668	-
	<u>70,816</u>	<u>204,668</u>	<u>5,010</u>
Total liabilities	70,816	204,668	5,010
FUND BALANCE			
Assigned	-	-	-
Restricted	-	-	-
Total fund balance	-	-	-
Total liabilities and fund balance	\$ 70,816	\$ 204,668	\$ 5,010

EXHIBIT H-1

Community Facilities Loan & Grant San Isidro Project	BEC/ NADB SWEP Grant # TX0360	Justice Court Technology Fund	Border Interdiction Unit Border Star
\$ 4,841	\$ 17,945	\$ 27,414	\$ 389
-	-	-	-
-	-	-	-
-	-	1,515	-
-	-	-	12,100
<u>\$ 4,841</u>	<u>\$ 17,945</u>	<u>\$ 28,929</u>	<u>\$ 12,489</u>
\$ -	\$ -	\$ 1,918	\$ -
-	-	-	-
-	-	-	2,291
1	-	-	10,198
-	-	-	-
4,840	17,945	-	-
<u>4,841</u>	<u>17,945</u>	<u>1,918</u>	<u>12,489</u>
-	-	-	-
-	-	27,011	-
-	-	27,011	-
<u>\$ 4,841</u>	<u>\$ 17,945</u>	<u>\$ 28,929</u>	<u>\$ 12,489</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	Victims of Domestic Violence Assistance Prog	229th District Attorney's Pre-Trial Diversion Program	Homeland Security Grants
ASSETS			
Cash	\$ 137	\$ 21,522	\$ 19
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	500	-
Due from other funds	4,333	-	-
Due from other governments	40,526	-	-
Total assets	\$ 44,996	\$ 22,022	\$ 19
LIABILITIES			
Accounts payable	\$ 4,291	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	4,153	-	-
Due to other funds	36,552	15	19
Due to other governments	-	-	-
Unearned revenue	-	-	-
Total liabilities	44,996	15	19
FUND BALANCE			
Assigned	-	-	-
Restricted	-	22,007	-
Total fund balance	-	22,007	-
Total liabilities and fund balance	\$ 44,996	\$ 22,022	\$ 19

EXHIBIT H-1

TDHCA HOME HBA #1001653	GLO Contract #DRS210179	Crime Victims Crime Victims Asst. Program	TDHCA Home Program HRA #1001652
\$ -	\$ 34	\$ 14,155	\$ 22,838
-	-	-	-
-	-	-	-
-	-	-	-
24,200	-	-	-
-	-	5,787	92,510
<u>\$ 24,200</u>	<u>\$ 34</u>	<u>\$ 19,942</u>	<u>\$ 115,348</u>
\$ -	\$ 20	\$ -	\$ 80,990
-	-	-	-
-	1	4,105	-
24,200	13	15,837	34,358
-	-	-	-
-	-	-	-
<u>24,200</u>	<u>34</u>	<u>19,942</u>	<u>115,348</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 24,200</u>	<u>\$ 34</u>	<u>\$ 19,942</u>	<u>\$ 115,348</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	United Way Impact Grant	Texas A & M Forest Service Grant Case: 2540	TDRA Contract #710015
ASSETS			
Cash	\$ 894	\$ -	\$ 1
Investments	-	-	-
Taxes receivable (net of allowance)	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
 Total assets	 <u>\$ 894</u>	 <u>\$ -</u>	 <u>\$ 1</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	6	-	1
Due to other governments	-	-	-
Unearned revenue	888	-	-
 Total liabilities	 <u>894</u>	 <u>-</u>	 <u>1</u>
FUND BALANCE			
Assigned	-	-	-
Restricted	-	-	-
 Total fund balance	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Total liabilities and fund balance	 <u>\$ 894</u>	 <u>\$ -</u>	 <u>\$ 1</u>

EXHIBIT H-1

OPSG 2013 Homeland Security Grant Program EMW-2013-SS-00045	BEC/NADB SWEP Grant TX0360 Fund	TXDOT Border Colonia Access 3rd Call	FY2011 Operation Stonegarden EMW-2011-SS-00019 Fund
\$ -	\$ 118,367	\$ 70,108	\$ 190,290
-	-	-	-
-	-	-	-
-	-	-	-
59,414	-	-	-
100,828	-	-	-
<u>\$ 160,242</u>	<u>\$ 118,367</u>	<u>\$ 70,108</u>	<u>\$ 190,290</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	1	-	-
129,926	-	122	10,501
30,316	-	-	179,789
-	118,366	69,986	-
<u>160,242</u>	<u>118,367</u>	<u>70,108</u>	<u>190,290</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 160,242</u>	<u>\$ 118,367</u>	<u>\$ 70,108</u>	<u>\$ 190,290</u>

STARR COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Special Revenue Funds		
	Joint Law Enforcement Operations - Sheriff & US Marshalls	Drainage District Fund	Joint Investigations - I.C.E. & Sheriff Fund
ASSETS			
Cash	\$ 37	\$ 13,635	\$ 134
Investments	-	1,401,492	-
Taxes receivable (net of allowance)	-	133,109	-
Accounts receivable	-	69	-
Due from other funds	1,247	2,536	-
Due from other governments	679	-	-
Total assets	<u>\$ 1,963</u>	<u>\$ 1,550,841</u>	<u>\$ 134</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Bank overdraft	-	-	-
Accrued liabilities	-	-	-
Due to other funds	1,963	-	134
Due to other governments	-	-	-
Unearned revenue	-	130,865	-
Total liabilities	<u>1,963</u>	<u>130,865</u>	<u>134</u>
FUND BALANCE			
Assigned	-	-	-
Restricted	-	1,419,976	-
Total fund balance	<u>-</u>	<u>1,419,976</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 1,963</u>	<u>\$ 1,550,841</u>	<u>\$ 134</u>

EXHIBIT H-1

HAVA Grants CFDA# 90.401 Fund	Chapter 19 Voter Registration Fund	LBSP - 2014 Fund	Constable Pct # 5 Abandoned Vehicle Forfeiture
\$ -	\$ -	\$ 940	\$ 432
-	-	-	-
-	-	-	-
-	-	-	60
4,400	-	-	-
-	-	23,047	-
<u>\$ 4,400</u>	<u>\$ -</u>	<u>\$ 23,987</u>	<u>\$ 492</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	23,987	-
-	-	-	-
4,400	-	-	-
<u>4,400</u>	<u>-</u>	<u>23,987</u>	<u>-</u>
-	-	-	-
-	-	-	492
-	-	-	492
<u>\$ 4,400</u>	<u>\$ -</u>	<u>\$ 23,987</u>	<u>\$ 492</u>

STARR COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2014

	Total Special Revenue Funds	Capital Projects Fund "Construction 2004"	Total Nonmajor Governmental Funds
ASSETS			
Cash	\$ 1,618,181	\$ 36,406	\$ 1,654,587
Investments	1,401,492	257,205	1,658,697
Taxes receivable (net of allowance)	133,109	-	133,109
Accounts receivable	629	58	687
Due from other funds	173,000	291,921	464,921
Due from other governments	389,747	-	389,747
	<u>3,716,158</u>	<u>585,590</u>	<u>4,301,748</u>
Total assets	<u>\$ 3,716,158</u>	<u>\$ 585,590</u>	<u>\$ 4,301,748</u>
LIABILITIES			
Accounts payable	\$ 88,299	\$ -	\$ 88,299
Bank overdraft	-	-	-
Accrued liabilities	18,994	-	18,994
Due to other funds	775,712	-	775,712
Due to other governments	251,020	-	251,020
Unearned revenue	563,864	-	563,864
	<u>1,697,889</u>	<u>-</u>	<u>1,697,889</u>
Total liabilities	<u>1,697,889</u>	<u>-</u>	<u>1,697,889</u>
FUND BALANCE			
Assigned	-	585,590	585,590
Restricted	2,018,269	-	2,018,269
	<u>2,018,269</u>	<u>585,590</u>	<u>2,603,859</u>
Total fund balance	<u>2,018,269</u>	<u>585,590</u>	<u>2,603,859</u>
Total liabilities and fund balance	<u>\$ 3,716,158</u>	<u>\$ 585,590</u>	<u>\$ 4,301,748</u>

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STARR COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	Self-Help Center	Operation Joint Investigation DA & I.C.E	CACST 5310
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	167,064	20,653	1,902
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	71,056	-	-
Total revenues	<u>238,120</u>	<u>20,653</u>	<u>1,902</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	238,120	-	1,902
Public safety	-	20,653	-
Public facilities	-	-	-
Total expenditures	<u>238,120</u>	<u>20,653</u>	<u>1,902</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Archives Management Fee Fund	U. S. Department of Agriculture FHA Grant Housing Preservation	HIDTA Grants District Attorney	Surcharge Fund
\$ -	\$ -	\$ -	\$ -
-	-	440,125	-
53,819	-	-	54,002
14	-	-	10
-	-	-	-
<u>53,833</u>	-	<u>440,125</u>	<u>54,012</u>
-	-	-	-
-	-	-	-
-	-	440,125	-
<u>45,931</u>	-	-	<u>35,261</u>
<u>45,931</u>	-	<u>440,125</u>	<u>35,261</u>
<u>7,902</u>	-	-	<u>18,751</u>
-	-	-	-
8,952	-	-	7,449
-	-	-	-
<u>\$ 16,854</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,200</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	Law Library Fund	Courthouse Security Fund	Border Prosecution Unit
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	115,158
Fines and forfeitures	23,008	20,866	-
Interest income	262	311	-
Miscellaneous	-	-	-
Total revenues	<u>23,270</u>	<u>21,177</u>	<u>115,158</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	-	-
Public safety	-	-	115,158
Public facilities	5,257	2,689	-
Total expenditures	<u>5,257</u>	<u>2,689</u>	<u>115,158</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>18,013</u>	<u>18,488</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE, BEGINNING OF YEAR	174,675	201,258	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ 192,688</u>	<u>\$ 219,746</u>	<u>\$ -</u>

Management & Preservation Fund	LEOSE Fund	Starr Co Violent Crimes Unit Border Star	Local Border Security Program LSBP 2013
\$ -	\$ -	\$ -	\$ -
-	8,977	83,681	11,277
20,109	-	-	-
102	-	-	8
-	-	-	268
<u>20,211</u>	<u>8,977</u>	<u>83,681</u>	<u>11,553</u>
-	-	-	-
-	-	-	-
-	-	83,681	11,553
<u>26,191</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>26,191</u>	<u>-</u>	<u>83,681</u>	<u>11,553</u>
<u>(5,980)</u>	<u>8,977</u>	<u>-</u>	<u>-</u>
-	-	-	-
74,946	14,146	1,206	-
-	-	-	-
<u>\$ 68,966</u>	<u>\$ 23,123</u>	<u>\$ 1,206</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	EMW-2012-SS-0018 OPSG 2012	Los Olmos Watershed Project	GLO Contract #DRS220179 Round 2.2
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	635,170	-	228,613
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>635,170</u>	<u>-</u>	<u>228,613</u>
EXPENDITURES			
Highways and streets	-	-	228,613
Health and welfare	-	-	-
Public safety	635,170	-	-
Public facilities	-	-	-
Total expenditures	<u>635,170</u>	<u>-</u>	<u>228,613</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EXHIBIT H-2

Community Facilities Loan & Grant San Isidro Project	BEC/ NADB SWEP Grant # TX0360	Justice Court Technology Fund	Border Interdiction Unit Border Star
\$ -	\$ -	\$ -	\$ -
-	-	-	67,370
-	-	8,918	-
-	-	-	-
-	-	-	-
-	-	8,918	67,370
-	-	-	-
-	-	-	-
-	-	7,368	67,370
-	-	-	-
-	-	7,368	67,370
-	-	-	-
-	-	1,550	-
-	-	-	-
-	-	-	-
(63,000)	-	25,461	-
63,000	-	-	-
\$ -	\$ -	\$ 27,011	\$ -

STARR COUNTY, TEXAS

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

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	Victims of Domestic Violence Assistance Prog	229th District Attorney's Pre-Trial Diversion Program	Homeland Security Grants
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	97,882	-	-
Fines and forfeitures	-	22,000	-
Interest income	-	7	-
Miscellaneous	-	-	-
Total revenues	<u>97,882</u>	<u>22,007</u>	<u>-</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	-	-
Public safety	97,882	-	-
Public facilities	-	-	-
Total expenditures	<u>97,882</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>22,007</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 22,007</u>	<u>\$ -</u>

TDHCA HOME HBA #1001653	GLO Contract #DRS210179	Crime Victims Asst. Program	TDHCA Home Program HRA #1001652
\$ -	\$ -	\$ -	\$ -
-	461,957	79,575	304,680
-	-	-	-
-	-	-	-
-	-	19,893	-
-	461,957	99,468	304,680
-	461,957	-	-
-	-	-	304,680
-	-	99,468	-
-	-	-	-
-	461,957	99,468	304,680
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ -

STARR COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	United Way Impact Grant	Texas A & M Forest Service Grant Case: 2540	TDRA Contract #710015
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	7,545	181,226	-
Fines and forfeitures	-	-	-
Interest income	-	-	-
Miscellaneous	-	23,883	-
Total revenues	7,545	205,109	-
EXPENDITURES			
Highways and streets	-	-	350
Health and welfare	-	-	-
Public safety	7,545	205,109	-
Public facilities	-	-	-
Total expenditures	7,545	205,109	350
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(350)
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	350
FUND BALANCE, BEGINNING OF YEAR	-	-	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -

EXHIBIT H-2

OPSG 2013 Homeland Security Grant Program EMW-2013-S-00045	BEC/NADB SWEP Grant TX0360 Fund	TXDOT Border Colonia Access 3rd Call	FY2011 Operation Stonegarden EMW-2011-55-00019 Fund
\$ -	\$ -	\$ -	\$ -
124,071	-	5,821	439,241
-	-	-	-
-	-	-	18,861
<u>124,071</u>	<u>-</u>	<u>5,821</u>	<u>458,102</u>
-	-	5,821	-
-	-	-	-
124,071	-	-	458,102
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>124,071</u>	<u>-</u>	<u>5,821</u>	<u>458,102</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Special Revenue Funds		
	Joint Law Enforcement Operations - Sheriff & US Marshalls	Drainage District Fund	Joint Investigations - I.C.E. & Sheriff Fund
REVENUES			
Taxes	\$ -	\$ 346,748	\$ -
Intergovernmental	8,000	-	9,904
Fines and forfeitures	-	-	-
Interest income	-	1,463	-
Miscellaneous	-	-	-
Total revenues	<u>8,000</u>	<u>348,211</u>	<u>9,904</u>
EXPENDITURES			
Highways and streets	-	-	-
Health and welfare	-	-	-
Public safety	8,000	-	9,904
Public facilities	-	-	-
Total expenditures	<u>8,000</u>	<u>-</u>	<u>9,904</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>348,211</u>	<u>-</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	1,071,765	-
PRIOR PERIOD ADJUSTMENT	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 1,419,976</u>	<u>\$ -</u>

HAVA Grants CFDA# 90.401 Fund	Chapter 19 Voter Registration Fund	LBSP - 2014 Fund	Constable Pct # 5 Abandoned Vehicle Forfeiture
\$ -	\$ -	\$ -	\$ -
-	4,861	98,746	-
-	-	-	800
-	-	-	-
-	-	-	-
-	4,861	98,746	800
-	-	-	-
-	-	-	-
-	4,861	98,746	308
-	-	-	-
-	4,861	98,746	308
-	-	-	492
-	-	-	-
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ 492

STARR COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Total Special Revenue Funds	Capital Projects Fund "Construction 2004"	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 346,748	\$ -	\$ 346,748
Intergovernmental	3,603,499	-	3,603,499
Fines and forfeitures	203,522	-	203,522
Interest income	2,177	315	2,492
Miscellaneous	133,961	-	133,961
Total revenues	<u>4,289,907</u>	<u>315</u>	<u>4,290,222</u>
EXPENDITURES			
Highways and streets	696,741	-	696,741
Health and welfare	544,702	-	544,702
Public safety	2,495,074	-	2,495,074
Public facilities	115,329	-	115,329
Total expenditures	<u>3,851,846</u>	<u>-</u>	<u>3,851,846</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>438,061</u>	<u>315</u>	<u>438,376</u>
OTHER FINANCING SOURCES			
Operating transfers in (out)	350	-	350
FUND BALANCE, BEGINNING OF YEAR	1,516,858	585,275	2,102,133
PRIOR PERIOD ADJUSTMENT	<u>63,000</u>	<u>-</u>	<u>63,000</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,018,269</u>	<u>\$ 585,590</u>	<u>\$ 2,603,859</u>

FIDUCIARY FUNDS

STARR COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

SEPTEMBER 30, 2014

	<u>229th Judicial District Probation Fund</u>	<u>Juvenile Probation & Restitution Fund</u>	<u>County Attorney Fund</u>
ASSETS			
Cash	\$ 43,536	\$ 20,354	\$ 101,420
Investments	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	-	1,525
Due from other governments	-	-	-
Other assets	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 43,536</u>	<u>\$ 20,354</u>	<u>\$ 102,945</u>
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ 4,333
Due to other governments	36,130	-	-
Funds held in escrow	-	-	-
Accounts payable	-	-	-
Other liabilities	7,406	20,354	98,612
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 43,536</u>	<u>\$ 20,354</u>	<u>\$ 102,945</u>

EXHIBIT H-3

District Attorney Fund	County Clerk Fund	Detention Center Fund	Motor Vehicle Tax Fund	Tax Assessor Collector Fund
\$ 1,202,372	\$ 954,385	\$ 228,208	\$ 400,542	\$ 184,435
144,290	-	-	-	-
4,191	-	-	28,424	48,104
297,527	-	-	182	53,302
-	-	-	-	-
-	-	-	199,767	102,272
<u>\$ 1,648,380</u>	<u>\$ 954,385</u>	<u>\$ 228,208</u>	<u>\$ 628,915</u>	<u>\$ 388,113</u>
\$ 6,434	\$ 122,237	\$ -	\$ 75,199	\$ 265,514
-	-	-	553,716	91,399
570,206	318,464	13,538	-	-
19,907	-	-	-	-
1,051,833	513,684	214,670	-	31,200
<u>\$ 1,648,380</u>	<u>\$ 954,385</u>	<u>\$ 228,208</u>	<u>\$ 628,915</u>	<u>\$ 388,113</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

SEPTEMBER 30, 2014

	District Clerk's Fund	District Clerk's Investment Trust Fund	Sheriff's Department Fund
ASSETS			
Cash	\$ 800,627	\$ -	\$ 678,131
Investments	-	1,974,969	199,918
Accounts receivable	-	-	-
Due from other funds	-	-	188,900
Due from other governments	-	-	-
Other assets	-	-	-
	\$ 800,627	\$ 1,974,969	\$ 1,066,949
LIABILITIES			
Due to other funds	\$ 58,253	\$ -	\$ 50
Due to other governments	-	-	-
Funds held in escrow	742,374	1,974,969	246,441
Accounts payable	-	-	-
Other liabilities	-	-	820,458
	\$ 800,627	\$ 1,974,969	\$ 1,066,949

EXHIBIT H-3

Planning Department Fund	Consolidated Court Cost Fund	Retirement System Fund	Justice of the Peace Fund	Fourth Court of Appeals Fund
\$ 1,527	\$ 142,044	\$ 1,693	\$ 81,589	\$ 179
-	-	-	-	-
-	52,280	148,035	-	445
-	-	-	-	-
<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,540</u>	<u>\$ 194,324</u>	<u>\$ 149,728</u>	<u>\$ 81,589</u>	<u>\$ 624</u>
\$ 1,527	\$ 7,487	\$ 1,693	\$ 67,522	\$ 1
-	97,742	148,035	-	-
-	-	-	-	-
13	-	-	-	-
<u>-</u>	<u>89,095</u>	<u>-</u>	<u>14,067</u>	<u>623</u>
<u>\$ 1,540</u>	<u>\$ 194,324</u>	<u>\$ 149,728</u>	<u>\$ 81,589</u>	<u>\$ 624</u>

STARR COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

FIDUCIARY FUNDS

SEPTEMBER 30, 2014

	TNRCC Inspection Fees Fund	Jury Fund	Tertiary Care Fund
ASSETS	<u> </u>	<u> </u>	<u> </u>
Cash	\$ 2,313	\$ 3,681	\$ 11,722
Investments	-	-	-
Accounts receivable	-	-	-
Due from other funds	-	3,924	815
Due from other governments	-	-	-
Other assets	<u>130</u>	<u>-</u>	<u>-</u>
 Total assets	 <u>\$ 2,443</u>	 <u>\$ 7,605</u>	 <u>\$ 12,537</u>
 LIABILITIES			
Due to other funds	\$ 3	\$ -	\$ 3,129
Due to other governments	-	-	3,109
Funds held in escrow	-	-	-
Accounts payable	-	-	-
Other liabilities	<u>2,440</u>	<u>7,605</u>	<u>6,299</u>
 Total liabilities	 <u>\$ 2,443</u>	 <u>\$ 7,605</u>	 <u>\$ 12,537</u>

Border Area Narcotics
Force Forfeiture

Fund	Total
\$ 14,387	\$ 4,873,145
-	2,319,177
-	80,719
71,500	818,435
-	-
-	302,182
<u>\$ 85,887</u>	<u>\$ 8,393,658</u>

\$ -	613,382
-	930,131
-	3,865,992
-	19,920
85,887	2,964,233
<u>\$ 85,887</u>	<u>\$ 8,393,658</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

229th JUDICIAL DISTRICT PROBATION FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 43,047	\$ 439,640	\$ 439,151	\$ 43,536
Accounts receivable	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u>\$ 43,047</u>	<u>\$ 439,640</u>	<u>\$ 439,151</u>	<u>\$ 43,536</u>
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Due to other governments	32,807	439,531	436,208	36,130
Other liabilities	10,240	109	2,943	7,406
Total liabilities	<u>\$ 43,047</u>	<u>\$ 439,640</u>	<u>\$ 439,151</u>	<u>\$ 43,536</u>

JUVENILE PROBATION & RESTITUTION FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 10,528	\$ 10,505	\$ 679	\$ 20,354
Due from other governments	2,100	-	2,100	-
Total assets	<u>\$ 12,628</u>	<u>\$ 10,505</u>	<u>\$ 2,779</u>	<u>\$ 20,354</u>
LIABILITIES				
Other liabilities	\$ 12,628	\$ 10,505	\$ 2,779	\$ 20,354
Total liabilities	<u>\$ 12,628</u>	<u>\$ 10,505</u>	<u>\$ 2,779</u>	<u>\$ 20,354</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014
(Continued)

COUNTY ATTORNEY FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 187,772	\$ 263,714	\$ 350,066	\$ 101,420
Accounts receivable	-	-	-	-
Due from other funds	-	1,525	-	1,525
Total assets	<u>\$ 187,772</u>	<u>\$ 265,239</u>	<u>\$ 350,066</u>	<u>\$ 102,945</u>
LIABILITIES				
Due to other funds	\$ 4,333	\$ -	\$ -	\$ 4,333
Other liabilities	183,439	265,239	350,066	98,612
Total liabilities	<u>\$ 187,772</u>	<u>\$ 265,239</u>	<u>\$ 350,066</u>	<u>\$ 102,945</u>

DISTRICT ATTORNEY FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 2,210,818	\$ 2,004,041	\$ 3,012,487	\$ 1,202,372
Investments	143,883	407	-	144,290
Due from other funds	327,439	13,228	43,140	297,527
Accounts receivable	2,350	4,191	2,350	4,191
Total assets	<u>\$ 2,684,490</u>	<u>\$ 2,021,867</u>	<u>\$ 3,057,977</u>	<u>\$ 1,648,380</u>
LIABILITIES				
Accounts payable	\$ 46,244	\$ 19,906	\$ 46,243	\$ 19,907
Due to other funds	2,341	6,438	2,345	6,434
Funds held for others	1,741,359	267,321	1,438,474	570,206
Other liabilities	894,546	1,728,202	1,570,915	1,051,833
Total liabilities	<u>\$ 2,684,490</u>	<u>\$ 2,021,867</u>	<u>\$ 3,057,977</u>	<u>\$ 1,648,380</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

COUNTY CLERK FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 1,469,653	\$ 1,155,875	\$ 1,671,143	\$ 954,385
Due from other funds	5,703	-	5,703	-
Total assets	<u>\$ 1,475,356</u>	<u>\$ 1,155,875</u>	<u>\$ 1,676,846</u>	<u>\$ 954,385</u>
LIABILITIES				
Due to other funds	\$ 300,105	\$ 98,040	\$ 275,908	\$ 122,237
Funds held for others	319,379	1,085	2,000	318,464
Other liabilities	855,872	1,056,750	1,398,938	513,684
Total liabilities	<u>\$ 1,475,356</u>	<u>\$ 1,155,875</u>	<u>\$ 1,676,846</u>	<u>\$ 954,385</u>

DETENTION CENTER FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 182,698	\$ 1,119,643	\$ 1,074,133	\$ 228,208
Total assets	<u>\$ 182,698</u>	<u>\$ 1,119,643</u>	<u>\$ 1,074,133</u>	<u>\$ 228,208</u>
LIABILITIES				
Funds held for others	\$ 43,020	\$ 681,234	\$ 710,716	\$ 13,538
Other liabilities	139,678	438,409	363,417	214,670
Total liabilities	<u>\$ 182,698</u>	<u>\$ 1,119,643</u>	<u>\$ 1,074,133</u>	<u>\$ 228,208</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

MOTOR VEHICLE TAX FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 466,394	\$ 9,075,214	\$ 9,141,066	\$ 400,542
Accounts receivable	28,424	-	-	28,424
Due from other funds	182	-	-	182
Other assets	226,347	-	26,580	199,767
Total assets	<u>\$ 721,347</u>	<u>\$ 9,075,214</u>	<u>\$ 9,167,646</u>	<u>\$ 628,915</u>
LIABILITIES				
Due to other funds	\$ 82,439	\$ 86,002	\$ 93,242	\$ 75,199
Due to other governments	638,908	577,905	663,097	553,716
Other liabilities	-	8,411,307	8,411,307	-
Total liabilities	<u>\$ 721,347</u>	<u>\$ 9,075,214</u>	<u>\$ 9,167,646</u>	<u>\$ 628,915</u>

TAX ASSESSOR COLLECTOR FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 181,830	\$ 22,059,509	\$ 22,056,904	\$ 184,435
Accounts receivable	48,104	-	-	48,104
Due from other funds	48,479	67,495	62,672	53,302
Other assets	116,523	-	14,251	102,272
Total assets	<u>\$ 394,936</u>	<u>\$ 22,127,004</u>	<u>\$ 22,133,827</u>	<u>\$ 388,113</u>
LIABILITIES				
Due to other funds	\$ 261,429	\$ 165,222	\$ 161,137	\$ 265,514
Due to other governments	77,629	78,296	64,526	91,399
Other liabilities	55,878	21,883,486	21,908,164	31,200
Total liabilities	<u>\$ 394,936</u>	<u>\$ 22,127,004</u>	<u>\$ 22,133,827</u>	<u>\$ 388,113</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

DISTRICT CLERK'S FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 836,731	\$ 377,736	\$ 413,840	\$ 800,627
Total assets	<u>\$ 836,731</u>	<u>\$ 377,736</u>	<u>\$ 413,840</u>	<u>\$ 800,627</u>
LIABILITIES				
Due to other funds	\$ 36,101	\$ 58,253	\$ 36,101	\$ 58,253
Funds held for others	<u>800,630</u>	<u>319,483</u>	<u>377,739</u>	<u>742,374</u>
Total liabilities	<u>\$ 836,731</u>	<u>\$ 377,736</u>	<u>\$ 413,840</u>	<u>\$ 800,627</u>

DISTRICT CLERK'S INVESTMENT TRUST FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Investments	\$ 1,878,832	\$ 192,243	\$ 96,106	\$ 1,974,969
Total assets	<u>\$ 1,878,832</u>	<u>\$ 192,243</u>	<u>\$ 96,106</u>	<u>\$ 1,974,969</u>
LIABILITIES				
Funds held for others	\$ 1,878,832	\$ 192,243	\$ 96,106	\$ 1,974,969
Total liabilities	<u>\$ 1,878,832</u>	<u>\$ 192,243</u>	<u>\$ 96,106</u>	<u>\$ 1,974,969</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

SHERIFF'S DEPARTMENT FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 703,024	\$ 821,383	\$ 846,276	\$ 678,131
Investments	399,164	754	200,000	199,918
Due from other funds	62,679	188,900	62,679	188,900
Total assets	<u>\$ 1,164,867</u>	<u>\$ 1,011,037</u>	<u>\$ 1,108,955</u>	<u>\$ 1,066,949</u>
LIABILITIES				
Due to other funds	\$ 28,470	\$ 50	\$ 28,470	\$ 50
Funds held for others	249,767	19,184	22,510	246,441
Other liabilities	886,630	991,803	1,057,975	820,458
Total liabilities	<u>\$ 1,164,867</u>	<u>\$ 1,011,037</u>	<u>\$ 1,108,955</u>	<u>\$ 1,066,949</u>

PLANNING DEPARTMENT FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 179	\$ 2,164	\$ 816	\$ 1,527
Other assets	-	13	-	13
Total assets	<u>\$ 179</u>	<u>\$ 2,177</u>	<u>\$ 816</u>	<u>\$ 1,540</u>
LIABILITIES				
Accounts payable	\$ -	\$ 13	\$ -	\$ 13
Due to other funds	179	2,164	816	1,527
Total liabilities	<u>\$ 179</u>	<u>\$ 2,177</u>	<u>\$ 816</u>	<u>\$ 1,540</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

CONSOLIDATED COURT COST FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 112,479	\$ 401,537	\$ 371,972	\$ 142,044
Due from other funds	70,592	52,280	70,592	52,280
Total assets	<u>\$ 183,071</u>	<u>\$ 453,817</u>	<u>\$ 442,564</u>	<u>\$ 194,324</u>
LIABILITIES				
Due to other funds	\$ 24,996	\$ 7,487	\$ 24,996	\$ 7,487
Due to other governments	45,374	364,031	311,663	97,742
Other liabilities	112,701	82,299	105,905	89,095
Total liabilities	<u>\$ 183,071</u>	<u>\$ 453,817</u>	<u>\$ 442,564</u>	<u>\$ 194,324</u>

RETIREMENT SYSTEM FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 1,911	\$ 1,814,985	\$ 1,815,203	\$ 1,693
Due from other funds	139,724	148,035	139,724	148,035
Total assets	<u>\$ 141,635</u>	<u>\$ 1,963,020</u>	<u>\$ 1,954,927</u>	<u>\$ 149,728</u>
LIABILITIES				
Due to other funds	\$ 1,911	\$ 26	\$ 244	\$ 1,693
Due to other governments	139,724	1,962,994	1,954,683	148,035
Total liabilities	<u>\$ 141,635</u>	<u>\$ 1,963,020</u>	<u>\$ 1,954,927</u>	<u>\$ 149,728</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014
(Continued)

JUSTICE OF THE PEACE FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 64,911	\$ 399,068	\$ 382,390	\$ 81,589
Total assets	<u>\$ 64,911</u>	<u>\$ 399,068</u>	<u>\$ 382,390</u>	<u>\$ 81,589</u>
LIABILITIES				
Due to other funds	\$ 39,756	\$ 58,982	\$ 31,216	\$ 67,522
Other liabilities	<u>25,155</u>	<u>340,086</u>	<u>351,174</u>	<u>14,067</u>
Total liabilities	<u>\$ 64,911</u>	<u>\$ 399,068</u>	<u>\$ 382,390</u>	<u>\$ 81,589</u>

FOURTH COURT OF APPEALS FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 180	\$ 1,767	\$ 1,768	\$ 179
Due from other funds	<u>270</u>	<u>445</u>	<u>270</u>	<u>445</u>
Total assets	<u>\$ 450</u>	<u>\$ 2,212</u>	<u>\$ 2,038</u>	<u>\$ 624</u>
LIABILITIES				
Due to other funds	\$ 3	\$ -	\$ 2	\$ 1
Due to other governments	270	-	270	-
Other liabilities	<u>177</u>	<u>2,212</u>	<u>1,766</u>	<u>623</u>
Total liabilities	<u>\$ 450</u>	<u>\$ 2,212</u>	<u>\$ 2,038</u>	<u>\$ 624</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

TNRCC INSPECTION FEES FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 1,773	\$ 1,563	\$ 1,023	\$ 2,313
Other Assets	60	130	60	130
Total assets	<u>\$ 1,833</u>	<u>\$ 1,693</u>	<u>\$ 1,083</u>	<u>\$ 2,443</u>
LIABILITIES				
Due to other funds	\$ 3	\$ 3	\$ 3	\$ 3
Due to other governments	350	-	350	-
Other liabilities	1,480	1,690	730	2,440
Total liabilities	<u>\$ 1,833</u>	<u>\$ 1,693</u>	<u>\$ 1,083</u>	<u>\$ 2,443</u>

JURY FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 451	\$ 43,470	\$ 40,240	\$ 3,681
Due from other funds	11,936	-	8,012	3,924
Other Assets	-	-	-	-
Total assets	<u>\$ 12,387</u>	<u>\$ 43,470</u>	<u>\$ 48,252</u>	<u>\$ 7,605</u>
LIABILITIES				
Other liabilities	\$ 12,387	\$ 43,470	\$ 48,252	\$ 7,605
Total liabilities	<u>\$ 12,387</u>	<u>\$ 43,470</u>	<u>\$ 48,252</u>	<u>\$ 7,605</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

TERTIARY CARE FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 7,935	\$ 16,285	\$ 12,498	\$ 11,722
Due from other funds	2,110	815	2,110	815
Accrued interest	-	-	-	-
Total assets	<u>\$ 10,045</u>	<u>\$ 17,100</u>	<u>\$ 14,608</u>	<u>\$ 12,537</u>
LIABILITIES				
Due to other funds	\$ 2,843	\$ 3,129	\$ 2,843	\$ 3,129
Due to other governments	906	3,109	906	3,109
Other liabilities	6,296	10,862	10,859	6,299
Total liabilities	<u>\$ 10,045</u>	<u>\$ 17,100</u>	<u>\$ 14,608</u>	<u>\$ 12,537</u>

BORDER AREA NARCOTICS TASK FORCE FORFEITURE FUND

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ -	\$ 14,387	\$ -	\$ 14,387
Due from other funds	-	71,736	236	71,500
Total assets	<u>\$ -</u>	<u>\$ 86,123</u>	<u>\$ 236</u>	<u>\$ 85,887</u>
LIABILITIES				
Other liabilities	\$ -	\$ 86,123	\$ 236	\$ 85,887
Total liabilities	<u>\$ -</u>	<u>\$ 86,123</u>	<u>\$ 236</u>	<u>\$ 85,887</u>

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STARR COUNTY, TEXAS

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2014

(Continued)

TOTAL ALL AGENCY FUNDS

	Balance October 1, 2013	Additions	Deletions	Balance September 30, 2014
ASSETS				
Cash	\$ 6,482,314	\$ 40,022,486	\$ 41,631,655	4,873,145
Investments	2,421,879	193,404	296,106	2,319,177
Accounts receivable	78,878	4,191	2,350	80,719
Due from other funds	735,758	544,459	461,782	818,435
Due from other governments	2,100	-	2,100	-
Other assets	342,929	143	40,890	302,182
Total assets	<u>\$ 10,063,858</u>	<u>\$ 40,764,683</u>	<u>\$ 42,434,883</u>	<u>\$ 8,393,658</u>
LIABILITIES				
Due to other funds	\$ 779,207	\$ 491,498	\$ 657,323	\$ 613,382
Due to other governments	935,968	3,425,866	3,431,703	930,131
Funds held for others	5,032,987	1,480,550	2,647,545	3,865,992
Accounts payable	46,244	19,919	46,243	19,920
Other liabilities	3,269,452	35,280,206	35,585,425	2,964,233
Total liabilities	<u>\$ 10,063,858</u>	<u>\$ 40,698,039</u>	<u>\$ 42,368,239</u>	<u>\$ 8,393,658</u>

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STATISTICAL SECTION

STARR COUNTY, TEXAS

GOVERNMENT-WIDE EXPENSES BY FUNCTION

LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General government	\$ 5,231,548	\$ 4,866,748	\$ 4,375,255	\$ 4,404,871	\$ 4,300,927
Public safety	8,351,576	8,597,869	6,884,896	8,856,855	9,638,550
Judicial	2,336,631	2,136,621	1,853,411	1,894,959	1,789,592
Highways and streets	5,052,794	4,741,061	5,608,780	5,215,276	4,303,463
Public facilities	379,469	323,617	1,313,641	187,595	504,138
Financial administration	1,050,370	1,028,686	1,003,118	1,012,007	959,983
Legal	904,533	818,802	842,171	877,144	872,656
Health and welfare	1,612,754	1,421,863	2,469,430	2,034,081	2,114,439
Conservation and agriculture	140,847	139,753	135,432	137,870	138,473
Culture and recreation	-	-	-	-	-
Debt service - interest on debt	121,555	118,407	135,227	149,418	163,794
Debt service - bond issuance costs	-	-	-	-	-
TOTAL	<u>\$ 25,182,077</u>	<u>\$ 24,193,427</u>	<u>\$ 24,621,361</u>	<u>\$ 24,770,076</u>	<u>\$ 24,786,015</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 4,129,942	\$ 2,267,203	\$ 3,045,557	\$ 2,594,283	\$ 2,181,104
7,210,242	8,416,981	8,083,472	8,714,789	6,304,189
1,687,339	1,682,336	1,580,355	1,563,448	1,060,706
5,515,096	4,018,216	6,796,427	4,165,498	4,033,700
615,719	269,806	243,087	440,728	530,451
868,642	936,030	909,359	722,280	686,530
879,804	906,133	781,420	753,930	654,828
1,585,616	1,186,481	1,435,914	1,498,880	1,281,949
126,889	132,642	127,661	116,720	107,605
-	-	31,695	67,948	67,157
179,343	194,307	206,963	220,052	183,128
-	-	-	44,157	44,157
<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 TEN FISCAL YEARS

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES			
	Charges for Services	Operating Grants and Contributions		Taxes	Interest	Transfers	Miscellaneous
2014	\$ 5,238,445	\$ 4,968,428	\$	14,748,195	\$ 19,424	\$ 997,886	\$ 440,343
2013	5,152,981	4,296,864		13,724,410	28,507	685,074	83,629
2012	5,240,410	6,252,054		13,231,697	144,822	341,960	139,482
2011	5,055,300	6,252,054		14,786,755	62,053	640,000	117,843
2010	4,099,023	7,961,436		15,444,660	93,409	585,000	336,197
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		106,676,825	366,302	1,586,411	18,770
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	2014	2013	2012	2011
General administration	\$ 4,901,319	\$ 4,605,559	\$ 4,213,406	\$ 4,149,013
Judicial & elections	2,172,874	1,997,058	1,723,080	1,777,550
Financial administration	976,758	959,204	932,579	949,369
Legal	865,841	765,232	789,206	833,176
Public facilities	360,957	330,653	1,321,541	426,286
Public safety	8,375,165	8,246,260	8,071,321	8,992,178
Health and welfare	1,588,261	1,348,624	2,401,066	2,081,892
Culture and recreation	-	-	-	-
Conservation-agriculture	130,976	129,618	125,909	129,315
Highways and streets (maintenance of county roads and bridges)	5,991,760	6,224,048	6,102,386	6,739,625
Debt service	587,555	568,407	570,227	564,418
Totals	<u>\$ 25,951,466</u>	<u>\$ 25,174,663</u>	<u>\$ 26,250,721</u>	<u>\$ 26,642,822</u>

	2010	2009	2008	2007	2006	2005
\$	4,024,041	\$ 3,879,843	\$ 2,645,769	\$ 3,026,064	\$ 2,569,712	\$ 2,118,420
	1,674,382	1,585,159	1,581,696	1,495,697	1,501,386	1,384,291
	898,181	816,038	878,133	860,657	692,235	626,288
	860,782	826,530	853,054	788,795	725,854	668,526
	488,704	639,526	607,847	2,158,352	1,323,055	524,443
	7,698,821	8,345,403	8,027,559	7,755,892	8,480,825	6,278,599
	2,057,292	1,577,451	1,193,659	1,394,654	1,492,342	1,250,906
	-	-	-	30,000	64,993	64,153
	129,558	119,205	122,481	120,809	112,287	103,099
	7,751,392	7,853,428	8,421,327	7,259,489	4,379,117	4,245,517
	568,794	579,343	584,307	206,963	585,052	608,128
	<u>\$ 26,151,947</u>	<u>\$ 26,221,926</u>	<u>\$ 24,915,832</u>	<u>\$ 25,097,372</u>	<u>\$ 21,926,858</u>	<u>\$ 17,872,370</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
2014	\$ 14,045,011	\$ 4,968,428	\$ 3,965,990	\$ 1,272,455	\$ 19,424	\$ 440,343	\$ 24,711,651
2013	13,091,700	4,296,864	4,008,219	1,144,762	28,507	83,853	22,653,905
2012	12,745,423	6,252,054	4,210,726	1,029,684	144,822	139,482	24,522,191
2011	14,415,352	6,252,054	4,366,583	688,717	62,053	117,843	25,902,602
2010	14,565,934	7,961,436	3,405,345	694,278	93,409	336,197	27,056,599
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	23,660,841
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

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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
2014	\$ 466,000	\$ 121,555	\$ 587,555	\$ 16,217,046	3.62%
2013	450,000	118,407	568,407	15,346,895	3.70%
2012	435,000	135,227	570,227	14,791,025	3.86%
2011	415,000	149,418	568,794	14,880,925	3.82%
2010	405,000	163,794	579,343	14,366,526	4.29%
2009	400,000	179,343	584,307	13,499,786	4.34%
2008	390,000	194,307	581,963	13,464,747	4.47%
2007	375,000	206,963	585,052	13,021,431	4.87%
2006	365,000	220,052	608,128	12,005,751	5.53%
2005	425,000	183,128	265,708	11,003,547	2.52%

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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>Drainage District</u>	<u>Total Tax Rate</u>
2014	\$ 0.4746	\$ 0.0300	\$ 0.5046	\$ 0.2546	\$ 0.0200	\$ 1.2838
2013	0.5011	0.0300	0.5311	0.2281	0.0200	0.7792
2012	0.4601	0.0300	0.4901	0.1891	0.0200	0.6992
2011	0.4601	0.0300	0.4901	0.1891	0.0200	0.6992
2010	0.4817	0.0387	0.5140	0.1788	-	0.6928
2009	0.4740	0.0400	0.5140	0.1852	-	0.6992
2008	0.4740	0.0400	0.4410	0.1852	-	0.6262
2007	0.4010	0.0400	0.4460	0.1682	-	0.6142
2006	0.4010	0.0450	0.4460	0.1684	-	0.6144
2005	0.4010	0.0450	0.4683	0.1684	-	0.6367

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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
2014	\$ -	\$ -	\$ -	\$ 1,812,804,290
2013	-	-	-	1,825,905,610
2012	-	-	-	1,965,793,690
2011	-	-	-	2,198,955,570
2010	-	-	-	2,239,204,500
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

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STARR COUNTY, TEXAS

DEMOGRAPHIC INFORMATION

Year Ended September 30, 2014
(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: 1,223.2 square miles

Annual rainfall: 22.65 inches

Temperature ranges: 45.9 degrees in January and 98.4 degrees in July

Population: 61,963

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 (15,006) (the county seat), La Grulla (1,723), and Roma-Los Saenz (10,089).

Principal towns include Escobares (2,066), La Casita-Garciasville (2,177), Las Lomas (3,275), 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.

Race/Ethnicity (In percent) includes the following: Anglo, 3.70; Black, 0.30; Hispanic, 95.60; Asian, 0.30; Other, 0.10.

Note: The above information was obtained from the 2013 Texas Almanac and the U.S. Census Bureau, Population Division (Annual Estimates of Resident Population: April 1, 2011 to July 1, 2013).

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FEDERAL AWARDS SECTION

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

**INDEPENDENT AUDITORS' 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 County Commissioners
Starr County, Texas

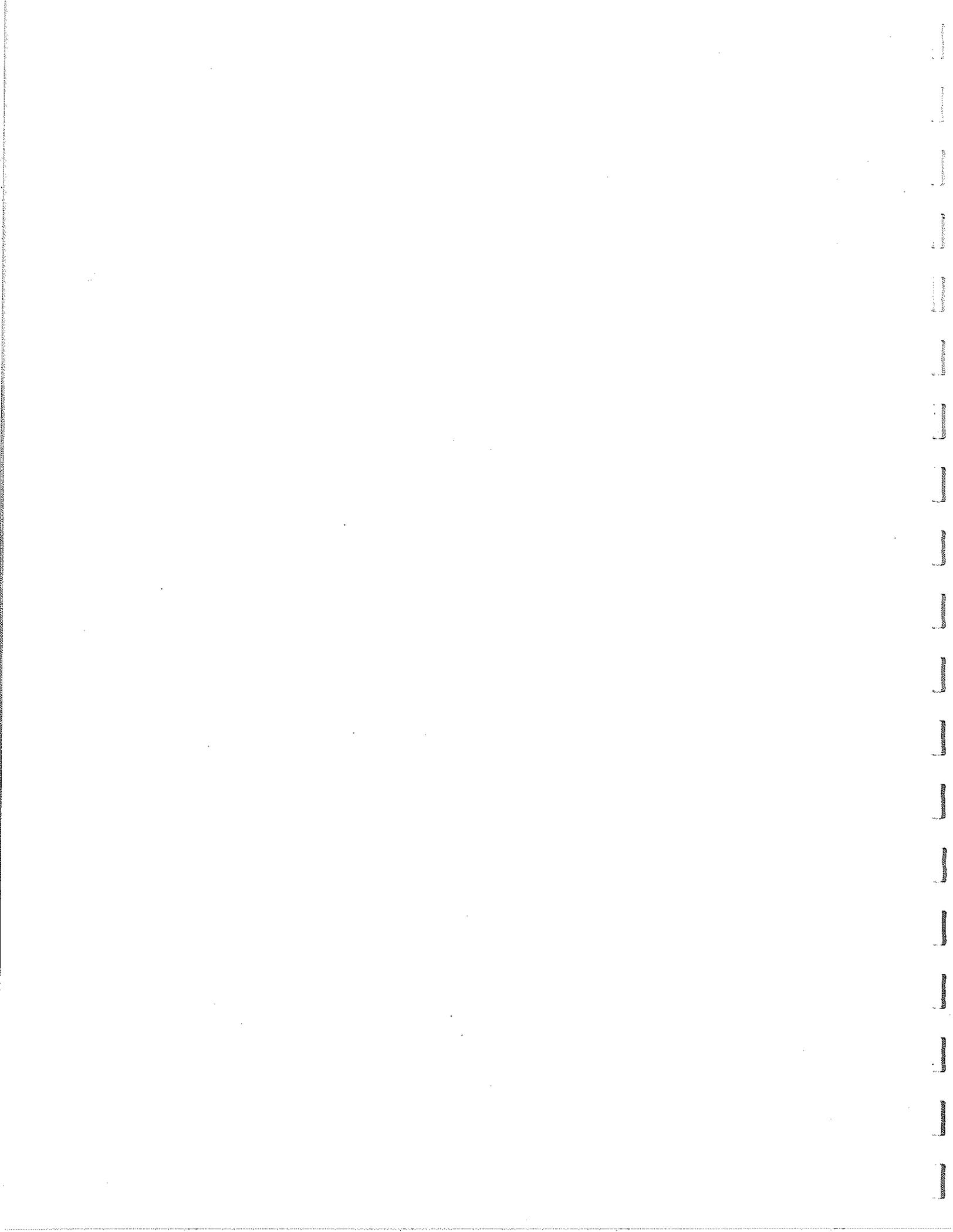
We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Audit Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2014, and the related notes to the financial statements, which collectively comprise the Starr County, Texas' basic financial statements and have issued our report thereon dated June 22, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Starr County, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of Starr County, Texas' internal control.

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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting [2014-02]. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 [2014-01].

We noted certain matters that we reported to the management of Starr County, Texas, in a separate letter dated June 22, 2015.

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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, C.P.

Brownsville, Texas
June 22, 2015



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

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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

Report on Compliance for Each Major Federal Program

We have audited Starr County, Texas' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Starr County, Texas' major federal programs for the year ended September 30, 2014. Starr County, Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

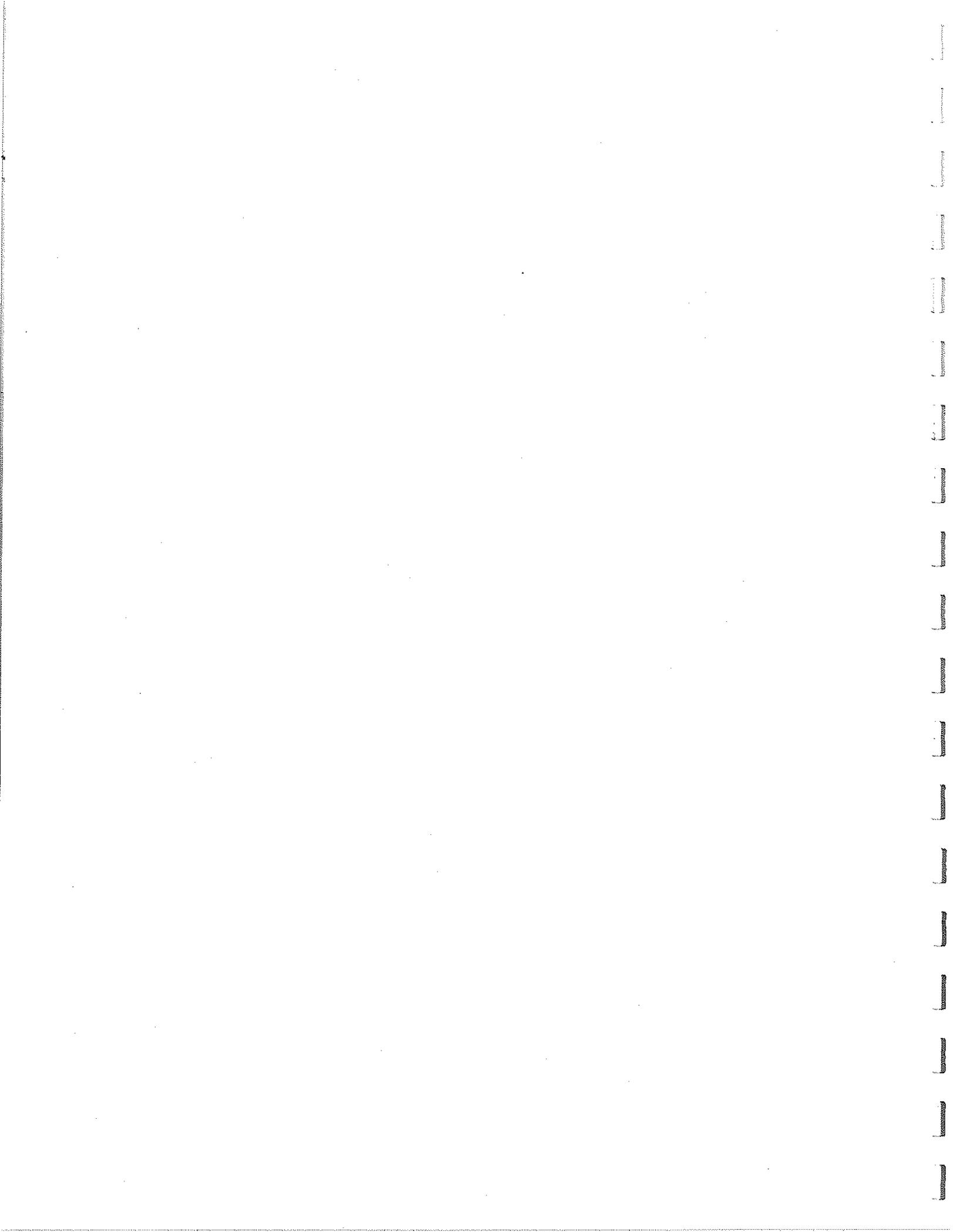
Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Starr County, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Starr County, Texas' compliance.

Opinion on Each Major Federal Program

In our opinion, Starr County, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.



Report on Internal Control Over Compliance

Management of Starr County, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Starr County, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Starr County, Texas' internal control over compliance.

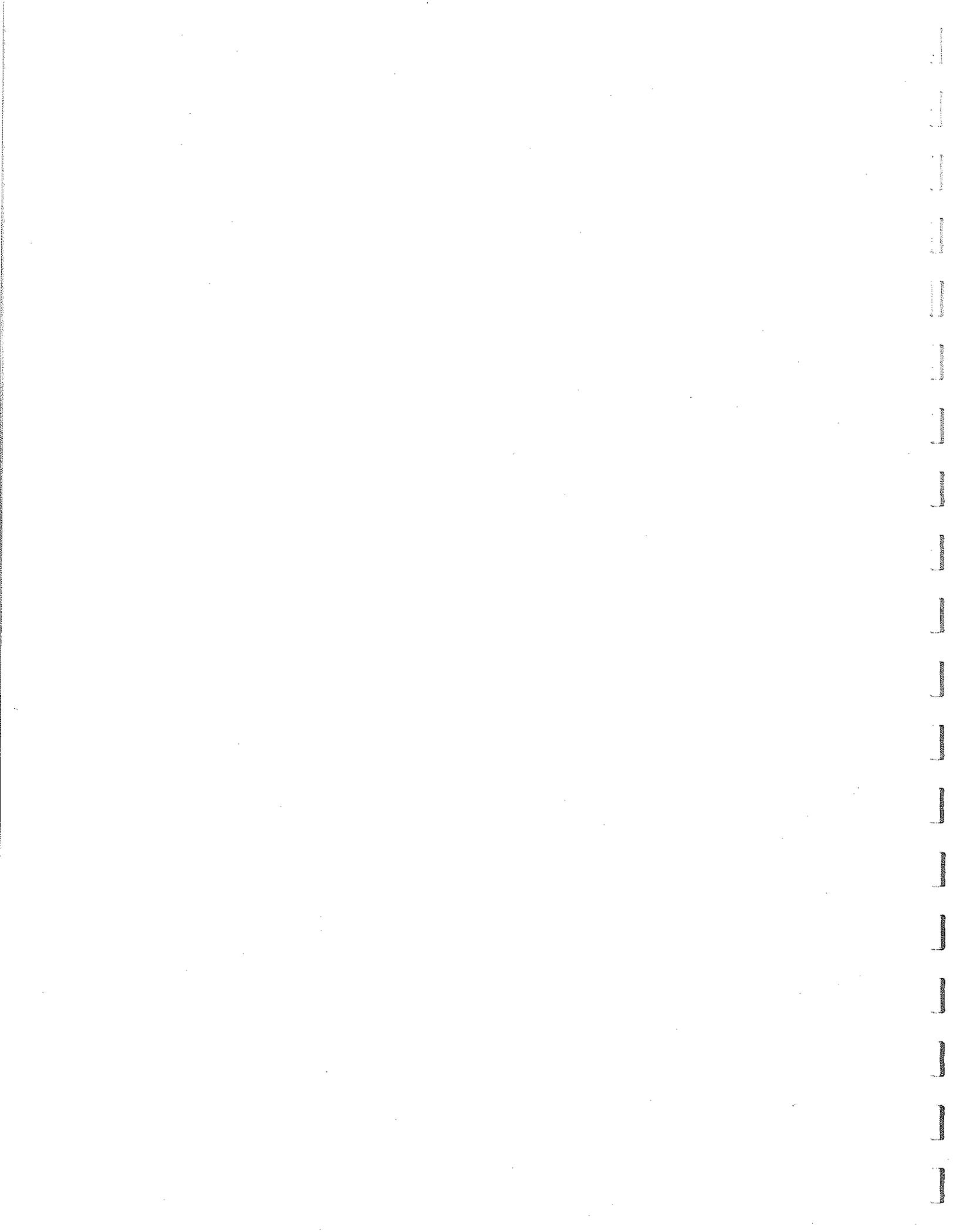
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Patricia Bran & Hill, C.P.A.

Brownsville, Texas
June 22, 2015



STARR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

I. Summary of Auditors' Results

Type of report on financial statements	Unmodified.
Internal control over financial reporting: Material weakness(es) identified?	None reported.
Significant deficiencies identified that are not considered to be material weakness(es)?	No.
Internal control over major programs: Material weakness(es) identified?	None reported.
Significant deficiencies identified that are not considered to be material weakness(es)?	No.
Noncompliance which is material to the basic financial statements	None reported.
Type of report on compliance with major programs	Unmodified.
Findings and questioned costs for federal awards as defined in Section 501(a), OMB Circular A-133	No.
Dollar threshold considered between Type A and Type B federal programs	\$300,000
Low risk auditee statement	No.
Major federal programs	-TDHCA #14.239- HOME Contracts -HIDTA -- Task Force Grants -Operation Stonegarden #97.067-Homeland Security Grants

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STARR COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

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 2014-01

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 investment officers failed to complete required continuing education and training hours for the FY 2013-2014.

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 ensure all investment officers meet their continuing education requirements on a yearly basis in accordance with the Public Funds Investment Act.

Finding 2014-02

Agency Funds

Criteria:

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

Condition:

We found that most Agency Fund trial balances prepared for each fiscal year end are not compiled from individual transactions in a general ledger or compiled from cash receipts and disbursements. The trial balances for each year are prepared via journal entries based on activity reported by individual Agency Funds via monthly reports presented to the Commissioners' Court or directly to the County Auditor.

Effect:

An account named "Other Assets" is being carried on the books and is being used to offset unreconciled differences in the Tax Assessor Collector Fund and the Motor Vehicle Tax Fund.

Recommendation:

We recommend that County use a general ledger to account for the activity in the Agency Funds. A trial balance should be maintained, reviewed and reconciled on a monthly basis. These additional procedures will help ensure that issues are timely brought to the Commissioners Court's attention and will also allow management to take corrective action in a timely basis and reduce the likelihood of abuse.

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STARR COUNTY, TEXAS

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

II. 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>Finding 2013-01</u>	<i>Public Funds Investment Act</i>
<i>Condition:</i>	The County does not prepare quarterly investment reports in accordance with the Public Funds Investment Act. Investment reports were not submitted to the governing body at least on a quarterly basis, as required by the Act.
<i>Recommendation:</i>	We recommend that Starr County compile and approve quarterly investment reports prepared in accordance with the Public Funds Investment Act.
<i>Current Year Status:</i>	Finding 2014-01
<u>Finding 2013-02</u>	<i>Office of the Tax Assessor / Collector</i>
<i>Condition:</i>	In prior years, we found that the monies reported per the Tax Office Reports, were greater than the amounts deposited per bank statements. We also found numerous instances where cash receipts were not deposited with the Agency Fund's bank account on the following business day. In most instances, four to seven days would lapse before a cash deposit was taken to the bank. We also found several instances where cash receipts could not be traced to a deposit on the bank statement.
<i>Recommendation:</i>	We recommend that the management of Starr County continue reviewing of the Daily Reconciliation Reports prepared by the Tax Assessor Collector's office and compare to the monthly Tax Office Reports and ensure that the Office of the Tax Assessor / Collector deposit ad valorem taxes receipted on a daily basis.
<i>Current Year Status:</i>	There were no instances found during our audit testing.

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STARR COUNTY, TEXAS

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

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

<u>Program</u>	<u>Findings/Noncompliance</u>
<u>Finding 2013-03</u>	<i>Closing of Financial Statements</i>
<i>Condition:</i>	A significant amount of time lapsed after year-end before the financial statements were properly closed-out. Additionally, a significant number of adjustments were necessary across various general ledger accounts in order for the financial statements to be presented in accordance with generally accepted accounting principles (GAAP).
<i>Recommendation:</i>	We recommend that Starr County review its internal controls relating to financial statement accounting and reporting to ensure that timely financial statements in accordance with GAAP are prepared and available for managements' use, as well as for audit purposes.
<i>Current Year Status:</i>	Improvement noted.
<u>Finding 2013-04</u>	<i>Assessment of Interfund Receivables and Payables</i>
<i>Condition:</i>	The County has several funds on their books of accounts with interfund activity that continues to escalate and build up from year to year.
<i>Recommendation:</i>	We recommend that Starr County ensure interfund balances are cleared out on a quarterly basis.
<i>Current Year Status:</i>	There were immaterial differences noted during our current year audit.

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STARR COUNTY, TEXAS

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Finding 2014-01:

The County Judge and Commissioner's Court will ensure that the investment officers they appoint meet their continuing education requirements in accordance with the Public Funds Investment Act.

Person responsible for implementation: Commissioners' Court

Estimated date of completion: September 30, 2015

Finding 2014-02:

The Agency Funds which have general ledgers and no trial balances are under the control of the following elected officials:

- Tax Assessor/Collector
- County Attorney
- District Attorney
- County Clerk
- District Clerk
- Sheriff

The County is in the process of developing policies and procedures to address this finding. The County Auditor, Rosalinda Guerra, and the Assistant Auditor, Samuel Trevino and Leticia Alaniz, will coordinate these efforts. This is expected to be completed by fiscal year 2016.

Person responsible for implementation: Department Heads

Estimated date of completion: September 30, 2016

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Federal Grantor/ Pass Through Entity	CFDA Numbers	Contract Number	Total Expenditures
U.S. Department of Housing and Urban Development			
<i>Pass through the Texas Dept. of Housing & Community Affairs</i>			
TDHCA HOME	14.239	1001652	\$ 304,680
<i>Pass through the Texas Department of Agriculture</i>			
TDHCA - Colonia Self Help Program	14.228	711013	167,064
<i>Pass through the Texas General Land Office</i>			
GLO Contract (round 2.1)	14.228	DRS210179	461,957
GLO Contract (round 2.2)	14.228	DRS220179	228,613
Total Texas General Land Office			690,570
Total U.S. Department of Housing and Urban Development			1,162,314
U.S. Department of Justice			
<i>Direct Program</i>			
SCAAP Program	16.606	2013-AP-BX-0104	38,358
<i>Pass through the Office of the Governor - Criminal Justice Division</i>			
CH-Border Prosecution Unit	0.421	SF-14-A10-25361-03	105,556
Crime Victims Assistance Program	15.575	VA-12-V30-19034-07	73,788
Crime Victims Assistance Program	16.575	1903408	5,787
			79,575
Victims of Domestic Violence Assistance Program	16.588	WF-13-V30-23157-04	57,754
Victims of Domestic Violence Assistance Program	16.588	2315705	5,869
			63,623
Border Interdiction Unit - Operation Border Star	16.738	DJ-11-A10-18428-07	11,170
Border Interdiction Unit - Operation Border Star	16.738	DJ-11-A10-18428-08	56,199
Starr County Violent Crime Unit - Border Star	16.738	DJ-11-A10-22819-04	33,478
Starr County Border Star Procecutor	16.738	DJ-11-410-27433-01	50,203
			151,050
Total Office of the Governor - Criminal Justice Division			399,804

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Federal Grantor/ <u>Pass Through Entity</u>	<u>CFDA Numbers</u>	<u>Contract Number</u>	<u>Total Expenditures</u>
<i>Other U.S. Department of Justice</i>			
Customs and Border Patrol - ICE (Sheriff)	-	-	9,904
Customs and Border Patrol - ICE (D.A)	-	-	20,653
United States Marshals Service (Sheriff)	-	-	<u>8,000</u>
Total Other U.S. Department of Justice			<u>38,557</u>
Total U.S. Department of Justice			<u>476,719</u>
U.S. Department of Health and Human Services			
<i>Pass through the Health and Human Services Commission (HHSC)</i>			
<i>- Office of Inspector General (OIG)</i>			
Foster Care - Title IV - E	93.658	23943664	<u>36,936</u>
Total U.S. Department of Health and Human Services			<u>36,936</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	-	-	<u>440,125</u>
Total Executive Office of the President			<u>440,125</u>
U.S. Department of Homeland Security			
<i>Pass through the Office of the Governor - Emergency Management Division</i>			
Homeland Security Grants (Oper Stonegarden) - 11	97.067	EMW-2011-SS-00019	439,241
Homeland Security Grants (Oper Stonegarden) - 12	97.067	EMW-2012-SS-00018-S01	635,170
Homeland Security Grants (Oper Stonegarden) - 13	97.067	EMW-2013-SS-00045	<u>124,071</u>
Total U.S. Department of Homeland Security			<u>1,198,482</u>
TOTAL FEDERAL AWARDS			<u>\$ 3,314,576</u>

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

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>
State of Texas			
Texas Department of Transportation			
<i>Direct Program:</i>			
TxDot Border Colonia Access - 3rd Call	-	8BCF5005	\$ 5,820
CACST 5310	-	-	<u>1,902</u>
Total Department of Transportation			<u>7,722</u>
Texas Department of Public Safety			
<i>Passed through Texas Border Sheriff's Coalition:</i>			
Local Border Security Program FY 2013 (LBSP - 13)	-	LBSP-13(Starr)	<u>11,277</u>
<i>Passed through Texas Homeland Security State Administrative Agency :</i>			
Local Border Security Program FY 2014 (LBSP - 14)	-	LBSP-14-0071	<u>98,746</u>
Total Department of Public Safety			<u>110,023</u>
Texas Task Force on Indigent Defense			
<i>Direct Program:</i>			
Formula Grant FY2014 - Texas Indigent Defense Comm.	-	212-14-214	<u>68,443</u>
Total Texas Task Force on Indigent Defense			<u>68,443</u>
Texas Department of Agriculture			
<i>Direct Program:</i>			
2014 Texans Feeding Texans: Home Delivered Meals	-	HDM-14-1262	<u>25,795</u>
Total Texas Department of Agriculture			<u>25,795</u>
Office of the Governor			
<i>Pass through Criminal Justice Division</i>			
CH-Border Prosecution Unit	-	2536104	<u>9,602</u>
Total Office of the Governor			<u>9,602</u>
Texas Secretary of State			
<i>Direct Program</i>			
Chapter 19 Voter Registration	-	-	<u>4,861</u>
Total Texas Secretary of State			<u>4,861</u>

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Federal Grantor/ <u>Pass Through Entity</u>	CFDA <u>Numbers</u>	Contract <u>Number</u>	Total <u>Expenditures</u>
Texas A & M Forest Service			
Rural Volunteer Fire Department (VFD) Asstance Program	-	2540	173,000
Rural Volunteer Fire Department (VFD) Asstance Program	-	-	<u>8,226</u>
Total Texas A & M Forest Service			<u>181,226</u>
South Texas Development Council			
<i>Pass through City of Laredo:</i>			
911 Addressing Grant	-	-	<u>55,250</u>
Total South Texas Development Council			<u>55,250</u>
TOTAL STATE AWARDS			<u>\$ 462,922</u>

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STARR COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Federal Grantor/ <u>Pass Through Entity</u>	<u>CFDA Numbers</u>	<u>Contract Number</u>	<u>Total Expenditures</u>
Other Awards			
Area Agency on Aging of South Texas			
<i>Pass through South Texas Development Council:</i>			
STDC Nutrition Program	-	-	<u>256,822</u>
United Way of South Texas			
<i>Pass through United Way of South Texas Serving Hidalgo & Starr County</i>			
United Way of South Texas	-	-	31,098
United Way of South Texas	-	-	3,160
United Way of South Texas	-	-	<u>7,545</u>
Total Other Awards			<u>298,625</u>
TOTAL FEDERAL, STATE AND OTHER AWARDS			<u>\$ 4,076,123</u>

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STARR COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SEPTEMBER 30, 2014

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.)