

Zapata County, Texas

**Financial Statements
And Supplementary Information**

For the Year Ended September 30, 2010

ZAPATA COUNTY, TEXAS

TABLE OF CONTENTS

FINANCIAL STATEMENTS

Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	3
Statement of Net Assets.....	4
Statement of Activities.....	5
Balance Sheet – Governmental Funds.....	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	7
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	8
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities.....	9
Statement of Net Assets – Proprietary Funds.....	10
Statement of Revenues, Expenses and Changes in Fund Net Assets Proprietary Funds.....	11
Statement of Cash Flows – Proprietary Funds.....	12
Statement of Fiduciary Net Assets.....	13
Notes to Financial Statements.....	14

COMBINING AND INDIVIDUAL FUND STATEMENTS

General Fund:

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	29
--	----

Non Major Funds:

Combining Balance Sheet.....	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	42

Special Revenue Funds:

Combining Balance Sheet.....	43
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	46

Individual Statements of Revenues, Expenditures and Changes

In Fund Balances – Budget and Actual	
Special Road and Bridge.....	49
Combining Schedule of Revenues and Expenditures - Texas Juvenile Probation	51
State Aid TJPC A.....	52
Commitment Reduction Program TJPC C.....	53
Title IV-E TJPC E.....	54
Progressive Sanctions JPO's TJPC F.....	55
Diversions TJPC H.....	56
ICBP Regional TJPC X.....	57
Community Corrections Assistance TJPC Y.....	58

TABLE OF CONTENTS

(Continued)

Individual Statements of Revenues, Expenditures and Changes
In Fund Balances – Budget and Actual (Continued)

 Combining Schedule of Revenues and Expenditures - Texas Juvenile Probation
 Salary Adjustment TJPC Z..... 59
 Interest Earnings TJPC 2009..... 60
 Laredo Financial Narcotics Enforcement Task Force..... 61
 Operation Border Star..... 62
 Border Colonia Program..... 63

Debt Service Fund:
 Balance Sheet..... 64
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance - Budget and Actual..... 65

Capital Projects Fund:
 Combining Balance Sheet..... 66
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual..... 67

Individual Statements of Revenues, Expenditures and Changes
In Fund Balances – Budget and Actual

 Unlimited Tax Road Bonds..... 68
 Texas Department of Rural Affairs RTC803..... 69
 Texas Water Development Board-Water Plant..... 70

Fiduciary Funds:
 Combining Balance Sheet..... 71

SINGLE AUDIT SECTION

Independent Auditor’s 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*..... 72

Independent Auditor’s Report on Compliance with Requirements That Could
Have a Direct and Material Effect on Each Major Program and on Internal
Control over Compliance in Accordance OMB Circular A-133..... 74

Schedules of Expenditures of Federal and State Awards..... 76

Schedule of State Financial Assistance – Texas Juvenile Probation Commission..... 77

Notes to Schedule of Expenditures of Federal and State Awards..... 78

Schedule of Findings and Questioned Costs..... 79

Schedule of Prior Year Findings and Questioned Costs..... 80

FINANCIAL STATEMENTS

FLORES AUDITING, PLLC

3112 SPRING CREEK

LAREDO, TX 78045

Tel: (956) 717-4193; Fax (956) 717-1484

Gloria E. 'Gigi' Flores, CPA

Jorge C. Flores, Manager

INDEPENDENT AUDITOR'S REPORT

To the Zapata County Judge and Commissioners
Zapata County, Texas

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 Zapata County, Texas, as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Zapata County, Texas's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Zapata County, Texas, as of September 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 22, 2011, on our consideration of the Zapata County, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 and 29 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Zapata County, Texas's financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Flores Auditing, PLLC

Flores Auditing, PLLC

Laredo, TX
July 22, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Zapata County, Texas, we offer readers of the County's financial statements, this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2010. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the County's financial statements (beginning on page 4).

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

- The assets of Zapata County exceeded its liabilities at the close of the fiscal year 2010 by \$56,344,293 (total net assets). Of this amount, \$9,360,516 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets decreased by \$3,486,590 (5.8%) during 2010.
- The governmental net assets decreased by \$2,719,124 (5.0%) and the business-type net assets decreased by \$767,466 (13.7%) during 2010.

Highlights for Fund Financial Statements

- As of the close of the current fiscal year, Zapata County's governmental funds reported a combined ending fund balance of \$20,237,059 a decrease of \$5,088,300 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$7,548,546, a decrease of \$1,179,696 in comparison with the prior year. Reserved fund balance for the general fund was \$9,311,570, a decrease of \$504,210 in comparison with the prior year. Total fund balance was \$16,860,116, a decrease of \$1,683,906, in the general fund.

Zapata County, Texas
Statement of Net Assets
September 30, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 19,927,322	\$ 358,355	\$ 20,285,677
Receivables	2,057,262	203,754	2,261,016
Internal balances	213,273	-	213,273
Due from other governmental agencies	483,950	-	483,950
Capital assets			
Land	1,554,640	645,520	2,200,160
Infrastructure	-	16,467,395	16,467,395
Buildings and improvements	59,440,313	2,864,180	62,304,493
Equipment and furniture	6,709,600	5,929,211	12,638,811
Less: accumulated depreciation	(17,939,334)	(6,264,111)	(24,203,445)
Total capital assets	<u>49,765,219</u>	<u>19,642,195</u>	<u>69,407,414</u>
Total assets	<u><u>72,447,026</u></u>	<u><u>20,204,304</u></u>	<u><u>92,651,330</u></u>
LIABILITIES			
Bank Overdraft	-	-	-
Accounts payable and accrued expenses	400,878	278,993	679,871
Deferred revenues	-	-	-
Internal balances	-	213,273	213,273
Due to other governmental agencies	-	-	-
Long-term liabilities			
Due within one year			
Bonds, capital leases and contracts	1,190,000	495,000	1,685,000
Due in more than one year			
Bonds, capital leases and contracts	19,096,150	14,331,000	33,427,150
Compensated absences	264,055	37,688	301,743
Total liabilities	<u>20,951,083</u>	<u>15,355,954</u>	<u>36,307,037</u>
NET ASSETS			
Invested in capital assets, net of related debt	29,479,069	4,816,195	34,295,264
Restricted for:			
Capital projects	-	-	-
Debt service	361,462	-	361,462
Other purposes	12,327,051	-	12,327,051
Unrestricted	9,328,361	32,155	9,360,516
Total net assets	<u>\$ 51,495,943</u>	<u>\$ 4,848,350</u>	<u>\$ 56,344,293</u>

The accompanying notes are an integral part of these financial statements

Zapata County, Texas
Statement of Activities
For the Year Ended September 30, 2010

Functions/Programs					Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Program Revenue			Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities							
General government	\$ 6,532,554	\$ 146,947	\$ 222,140	\$ -	\$ (6,163,467)	\$ -	\$ (6,163,467)
Public safety	7,150,887	24,892	1,928,302	-	(5,197,693)	-	(5,197,693)
Justice system	1,552,404	66,176	298,399	-	(1,187,829)	-	(1,187,829)
Health and human services	3,232,165	37,001	157,491	-	(3,037,673)	-	(3,037,673)
Infrastructure and environmental services	4,135,243	456,535	-	1,422,000	(2,256,708)	-	(2,256,708)
Correction and rehabilitation	2,930,701	-	275,986	-	(2,654,715)	-	(2,654,715)
Community and economic development	14,217,429	-	291,884	-	(13,925,545)	-	(13,925,545)
Interest on long-term debt	884,543	-	-	-	(884,543)	-	(884,543)
Total governmental activities	<u>40,635,926</u>	<u>731,551</u>	<u>3,174,202</u>	<u>1,422,000</u>	<u>(35,308,173)</u>	<u>-</u>	<u>(35,308,173)</u>
Business-type activities							
Water plant	1,999,989	1,727,407	-	-	-	(272,582)	(272,582)
Sewer plant	964,103	586,198	-	-	-	(377,905)	(377,905)
Airport	156,299	52,338	-	-	-	(103,961)	(103,961)
Sheriff commissary	88,258	75,000	-	-	-	(13,258)	(13,258)
Total business-type activities	<u>3,208,649</u>	<u>2,440,943</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(767,706)</u>	<u>(767,706)</u>
Total primary government	<u>\$ 43,844,575</u>	<u>\$ 3,172,494</u>	<u>\$ 3,174,202</u>	<u>\$ 1,422,000</u>	<u>(35,308,173)</u>	<u>(767,706)</u>	<u>(36,075,879)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					20,229,657	-	20,229,657
Property taxes, levied for debt service					2,183,513	-	2,183,513
Investment earnings					213,829	240	214,069
Miscellaneous					2,258,841	-	2,258,841
Other Financing Sources/(Uses)					7,703,209	-	7,703,209
Total general revenues, special items, and transfers					<u>32,589,049</u>	<u>240</u>	<u>32,589,289</u>
Change in net assets					<u>(2,719,124)</u>	<u>(767,466)</u>	<u>(3,486,590)</u>
Net Assets-beginning					<u>54,215,067</u>	<u>5,615,816</u>	<u>59,830,883</u>
Net Assets-ending					<u>\$ 51,495,943</u>	<u>\$ 4,848,350</u>	<u>\$ 56,344,293</u>

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

**Zapata County, Texas
Balance Sheet
Governmental Funds
September 30, 2010**

	General Fund	Nonmajor Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 14,883,020	\$ 5,044,302	\$ 19,927,322
Taxes receivable, net	1,764,598	258,704	2,023,302
Accounts receivable	-	33,960	33,960
Due from other funds	2,161,884	716,992	2,878,876
Receivable from other governments	171,990	311,960	483,950
Total assets	<u>18,981,492</u>	<u>6,365,918</u>	<u>25,347,410</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	356,778	44,100	400,878
Due to other funds	-	2,665,603	2,665,603
Due to other governments	-	-	-
Deferred revenue-taxes	1,764,598	258,704	2,023,302
Deferred revenue-grants	-	20,568	20,568
Total liabilities	<u>2,121,376</u>	<u>2,988,975</u>	<u>5,110,351</u>
Fund balances:			
Unreserved, reported in:			
General fund	7,548,546	-	7,548,546
Reserved, reported in:			
General fund	9,311,570	-	9,311,570
Debt service	-	361,462	361,462
Capital projects	-	-	-
Special revenues	-	3,015,481	3,015,481
Total fund balances	<u>16,860,116</u>	<u>3,376,943</u>	<u>20,237,059</u>
Total liabilities and fund balances	<u>\$ 18,981,492</u>	<u>\$ 6,365,918</u>	<u>\$ 25,347,410</u>

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

Zapata County, Texas
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets
September 30, 2010

Total fund balance, governmental funds \$ 20,237,059

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.

Add - capital assets	67,704,553
Deduct - accumulated depreciation	(17,939,334)

Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.

Taxes receivable, deferred	-
	1,779,815

Some liabilities, (such as Notes payable, Capital lease contract payable, Long-term compensated absences and Bonds payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.

(20,286,150)

Net Assets of Governmental Activities in the Statement of Net Assets \$ 51,495,943

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

Zapata County, Texas
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2010

	General Fund	Nonmajor Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ 17,364,167	\$ 4,790,665	\$ 22,154,832
Fees and fines	-	119,361	119,361
Intergovernmental	222,140	4,363,244	4,585,384
Charges for services	206,022	406,168	612,190
Investment earnings	167,003	46,826	213,829
Miscellaneous	2,258,841	-	2,258,841
Total revenues	<u>20,218,173</u>	<u>9,726,264</u>	<u>29,944,437</u>
EXPENDITURES			
Current:			
General government	6,309,854	30,608	6,340,462
Public safety	4,619,160	1,955,448	6,574,608
Justice system	1,342,487	209,917	1,552,404
Health and human services	2,418,465	621,608	3,040,073
Infrastructure and environmental services	269,386	2,905,394	3,174,780
Corrections and rehabilitation	2,541,583	389,118	2,930,701
Community and economic development	617,679	13,599,750	14,217,429
Debt service:			
Principal	-	1,145,000	1,145,000
Interest and other charges	-	884,543	884,543
Capital outlay	2,875,946	-	2,875,946
Total expenditures	<u>20,994,560</u>	<u>21,741,386</u>	<u>42,735,946</u>
Excess (deficiency) of revenues over expenditures	<u>(776,387)</u>	<u>(12,015,122)</u>	<u>(12,791,509)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	907,519	907,519
Transfers out	(907,519)	-	(907,519)
Loan proceeds	-	7,703,209	7,703,209
Total other financing sources and uses	<u>(907,519)</u>	<u>8,810,728</u>	<u>7,703,209</u>
Net change in fund balances	(1,683,906)	(3,404,394)	(5,088,300)
Fund balances - beginning	18,544,022	6,781,337	25,325,359
Fund balances - ending	<u>\$ 16,860,116</u>	<u>\$ 3,376,943</u>	<u>\$ 20,237,059</u>

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

Zapata 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, 2010

Net change in fund balances - total governmental funds:	\$ (5,088,300)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay \$2,875,946 exceeded depreciation \$1,920,926 in the current period	955,020
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	269,156
Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which proceeds exceeded repayments.	
Repayments:	
Principal payments	<u>1,145,000</u>
Change in net assets of governmental activities	<u>\$ (2,719,124)</u>

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

Zapata County, Texas
Statement of Net Assets
Proprietary Funds
September 30, 2010

	Enterprise Funds				Total Proprietary Funds
	Water Plant	Sewer Plant	Airport	Sheriff Commissary	
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 186,443	\$ 18,718	\$ 86,909	\$ 66,285	\$ 358,355
Due from other funds	39,012	-	-	-	39,012
Receivables, net	122,252	81,502	-	-	203,754
Total current assets	<u>347,707</u>	<u>100,220</u>	<u>86,909</u>	<u>66,285</u>	<u>601,121</u>
Non-current assets:					
Capital assets:					
Land	387,312	258,208	-	-	645,520
Equipment and furniture	1,684,422	1,122,948	-	-	2,807,370
Buildings and improvements	984,837	658,558	58,810	-	1,698,205
Infrastructure	18,383,527	2,371,684	-	-	20,755,211
Less accumulated depreciation	(3,743,519)	(2,495,680)	(24,912)	-	(6,264,111)
Total non-current assets	<u>17,696,579</u>	<u>1,913,718</u>	<u>31,898</u>	<u>-</u>	<u>19,642,195</u>
Total assets	<u>18,044,286</u>	<u>2,013,938</u>	<u>118,807</u>	<u>66,285</u>	<u>20,243,316</u>
LIABILITIES					
Current liabilities:					
Bank Overdraft	-	-	-	-	-
Accounts Payable	56,581	64,045	-	-	120,626
Due to Other Funds	-	144,012	108,273	-	252,285
Compensated absences	22,813	15,075	-	-	37,688
Customer Deposits & Water Rights	158,367	-	-	-	158,367
Bonds, notes and loans payable	495,000	-	-	-	495,000
Total current liabilities	<u>732,581</u>	<u>223,132</u>	<u>108,273</u>	<u>-</u>	<u>1,063,966</u>
Non-current liabilities					
Bonds, notes and loans payable	14,331,000	-	-	-	14,331,000
Total non-current liabilities	<u>14,331,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,331,000</u>
Total liabilities	<u>15,063,581</u>	<u>223,132</u>	<u>108,273</u>	<u>-</u>	<u>15,394,966</u>
NET ASSETS					
Invested in capital assets, net of related debt	2,870,579	1,913,718	31,898	-	4,816,195
Unrestricted	110,146	(122,912)	(21,364)	66,285	32,155
Total net assets	<u>\$ 2,980,725</u>	<u>\$ 1,790,806</u>	<u>\$ 10,534</u>	<u>\$ 66,285</u>	<u>\$ 4,848,350</u>

The accompanying notes are an integral part of these financial statements

Zapata County, Texas
Statement of Revenues, Expenses and Changes In Fund Net Assets
Proprietary Funds
September 30, 2010

	Enterprise Funds				Total Proprietary Funds
	Water Plant	Sewer Plant	Airport	Sheriff Commlsary	
REVENUES					
Charges for services:					
Water	\$ 1,727,407	\$ -	\$ -	\$ -	\$ 1,727,407
Sewer	-	588,198	-	-	588,198
Sales of products	-	-	52,338	75,000	127,338
Total operating revenues	<u>1,727,407</u>	<u>588,198</u>	<u>52,338</u>	<u>75,000</u>	<u>2,440,943</u>
OPERATING EXPENSES					
Personal services	1,007,929	338,714	-	-	1,344,643
Contractual services	20,000	-	-	-	20,000
Utilities	170,327	107,984	-	-	278,311
Repairs and maintenance	319,808	200,946	153,903	-	674,755
Other supplies and expenses	199,826	130,458	2,396	88,258	420,938
Depreciation	282,001	188,001	-	-	470,002
Total Operating expenses	<u>1,999,889</u>	<u>864,103</u>	<u>158,299</u>	<u>88,258</u>	<u>3,208,649</u>
Operating Income (loss)	<u>(272,582)</u>	<u>(377,905)</u>	<u>(103,961)</u>	<u>(13,258)</u>	<u>(767,708)</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest and investment revenue	240	-	-	-	240
Interest expense	-	-	-	-	-
Total non-operating revenue (expenses)	<u>240</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240</u>
Income (loss) before contributions and transfers	<u>(272,342)</u>	<u>(377,905)</u>	<u>(103,961)</u>	<u>(13,258)</u>	<u>(767,466)</u>
TRANSFERS IN					
	-	-	-	-	-
TRANSFERS OUT					
Change in net assets	<u>(272,342)</u>	<u>(377,905)</u>	<u>(103,961)</u>	<u>(13,258)</u>	<u>(767,466)</u>
Total net assets - beginning	<u>3,253,087</u>	<u>2,168,711</u>	<u>114,495</u>	<u>79,543</u>	<u>5,615,816</u>
Total net assets - ending	<u>\$ 2,980,725</u>	<u>\$ 1,790,806</u>	<u>\$ 10,534</u>	<u>\$ 66,285</u>	<u>\$ 4,848,350</u>

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

Zapata County, Texas
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2010

	Enterprise Funds				Total Proprietary Funds
	Water Plant	Sewer Plant	Airport	Sheriff Commissary	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 1,727,407	\$ 586,198	\$ 52,338	\$ 75,000	\$ 2,440,943
Payments to employees	(1,007,929)	(336,714)	-	-	(1,344,643)
Payments to vendors, suppliers, and insurance administrators	(710,059)	(439,388)	(158,299)	(88,258)	(1,394,004)
Internal transactions	-	-	-	-	-
Net cash provided by operating activities	<u>9,419</u>	<u>(189,904)</u>	<u>(103,961)</u>	<u>(13,258)</u>	<u>(297,704)</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES					
Transfers in	-	-	-	-	-
Net cash provided by non capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Short term loan payable	-	-	-	-	-
Interest paid on debt	-	-	-	-	-
Customer Deposits & Water Rights	-	-	-	-	-
Long term notes payable	-	-	-	-	-
Net cash provided by capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings	240	-	-	-	240
Capital Contributions	-	-	-	-	-
Net cash provided by investing activities	<u>240</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>240</u>
Net increase (decrease) in cash and cash equivalents	9,659	(189,904)	(103,961)	(13,258)	(297,464)
Cash and pooled Investments, beginning of year	-	-	181,848	79,543	241,391
Cash and pooled Investments, end of year	<u>\$ 9,659</u>	<u>\$ (189,904)</u>	<u>\$ 57,887</u>	<u>\$ 66,285</u>	<u>\$ (56,073)</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (loss)	(272,682)	(377,905)	(103,961)	(13,258)	(767,706)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation expense	282,001	188,001	-	-	470,002
Change in assets and liabilities:					
Receivables, net	-	-	-	-	-
Accounts and other payables	-	-	-	-	-
Net cash provided by operating activities	<u>\$ 9,419</u>	<u>\$ (189,904)</u>	<u>\$ (103,961)</u>	<u>\$ (13,258)</u>	<u>\$ (297,704)</u>

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

Zapata County, Texas
Statement of Fiduciary Net Assets
Fiduciary Funds
September 30, 2010

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ 4,821,385</u>
Total current assets	<u>4,821,385</u>
LIABILITIES	
Held in trust	3,552,424
Due to other governments	361,600
Refunds payable and others	<u>907,361</u>
Total liabilities	<u>\$ 4,821,385</u>

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

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

NOTE 1 GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous model emphasized fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the County as a whole or as major individual funds (within the fund financial statements).

Both the government-wide and fund financial statements within the basic financial statements categorize primary activities as either governmental activities or business-type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional categories (public safety, public works, etc.) that are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. Program revenues include revenues from fines and forfeitures, licenses and permit fees, taxes and charges for services. The operating grants include operating-specific and discretionary (either operating or capital grants while the capital grants columns reflects capital-specific grants.

The net cost (by function or business-type activity) is normally covered by general revenue (property, sales or use taxes, intergovernmental revenues, interest income, etc.). Historically, the previous model did not summarize or present net cost by function or activity. The County does not currently employ an indirect cost allocation system.

This government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous model. Emphasis here is on the governmental or business-type categories. Management has elected to treat all governmental funds as major funds.

Business-type activity fund statements should directly reconcile to the business-type activity column presented in the government-wide statements.

The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted.

This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the sources and use of liquid resources, and (c) demonstrate how the County's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

The County's fiduciary funds (which have been redefined and narrowed in scope) are presented in the fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated in the government-wide statements.

The focus of the revised model is on the County as a whole and the fund statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary funds, (by category). Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

NOTE 2 MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

1. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made, regardless of the measurement focus applied.

The Government-wide Financial Statements and the Proprietary and Fiduciary Fund Financial Statements are presented on an accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis.

Accrual:

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Property taxes 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 the County receives cash.

Modified Accrual:

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule is that debt service expenditures, compensated absences and claims and judgments, are recognized when due.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement #33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should under most circumstances, be reported as advances by the provider and deferred revenues by the recipient.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

2. FINANCIAL STATEMENT PRESENTATION

The financial transactions of the County are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures, or expenses as appropriate. The various funds are reported by generic classification within the financial statements. Governmental resources allocated to, and accounted for, in the individual funds are based on the specific activities in accordance with laws, regulations, or other restrictions.

GOVERNMENTAL FUNDS:

The focus of Governmental Funds measurement (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the County:

General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on governmental bonds, loans, and capital leases.

Capital Projects Funds are used to account for the financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by Business-type/Proprietary Funds).

PROPRIETARY FUND TYPES:

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by pledge of the net revenues, (b) has third party requirements that the costs, be of providing services including capital costs, be recovered with fees and charges or (c) has pricing policy designed for the fees and charges to recover similar costs. The County may additionally elect to treat other County business similarly.

FIDUCIARY FUNDS:

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds.

Trust and Agency Funds are used to account for the trust (either pension, investments [held for third parties] or private purpose) or agencies, which are custodial in nature.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

Non-Current Governmental Assets/Liabilities:

GASB Statement #34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Assets.

NOTE 3 ASSETS, LIABILITIES AND FUND EQUITY

1. CASH AND CASH EQUIVALENTS AND BANK OVERDRAFT

The County has defined Cash and Cash Equivalents to include change funds, demand deposits, certificates of deposit, and money market certificates.

2. INVENTORIES

The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories are reported as assets of their respective funds.

3. CAPITAL ASSETS AND DEPRECIATION

Capital Assets which include property, plant, equipment and infrastructure assets (e.g. roads and similar immovable items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the County are depreciated using the straight-line method over the estimated useful life of the assets as follows:

Buildings and improvements	15 to 40 years
Equipment (computer, office and vehicles)	5 years
Infrastructure-roads (paved, caliche, or dirt)	15 to 40 years
Infrastructure-water and wastewater lines and pump stations	40 years

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

4. INTERFUND TRANSACTIONS

During the course of normal operations, the County has many transactions between funds. The accompanying Fund Level financial statements reflect as transfers the expenditures and transfers of resources to provide services, construct assets and meet debt service requirements. The effect of interfund activity has been eliminated in the Government-wide financial statements, except for transactions between the governmental and business-type activities.

5. DUE FROM OTHER GOVERNMENTAL UNITS

To recognize resources available for Special Revenue Funds and Capital Projects Funds, the County records amounts due from grantors upon receipt of the award and records the award as deferred revenue. For grants that require expenditures for eligible grant purposes in order to earn the award, revenues are recognized when expenditures are made. For other grants and financial assistance, the amounts due from other governmental units and deferred revenue are reduced upon receipt of payment and revenues are then recognized.

6. FUND EQUITY

Certain fund balances or portions thereof have been reserved to indicate amounts that are not appropriated for expenditures or are legally segregated for a specific future purpose. Designation of a portion of the fund balance is established to indicate tentative plans for financial resource utilization in a future period.

7. CAPITAL GRANT

Capital grants restricted for capital acquisitions or construction, other than those associated with proprietary funds, are accounted for in the applicable Capital Projects Funds. Grant monies restricted for acquisition of Enterprise Fund capital assets are recorded as contributed equity in the applicable enterprise fund. Therefore, depreciation expense relating to fixed assets contributed or acquired with grant monies is deducted from the applicable contributed capital.

8. BUDGETARY INFORMATION

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

1. The County Judge is the budget officer and has the responsibility of preparing the County's budgeted expenditures.
2. All County departments and organizations submit their budget requests to the County Judge for the fiscal year commencing the following October 1, by July 1.
3. During July, Commissioners Court conducts informal budget workshops with each department head to discuss their budget requests.
4. On or about July 31, the County Judge prepares a proposed budget to cover all proposed expenditures of the County for the current year. Copies of the proposed budget are filed with the County Clerk. The proposed budget is available for inspection by taxpayers.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

5. After the filing of the proposed budget, on a date after August 15th, but prior to September 30 of the current year, Commissioners Court conducts a public hearing on the County's proposed budget. Any taxpayer of the County of Zapata had the right to present and participate in the hearing. At the conclusion of the hearing, the proposed budget, as prepared by the County Judge, is acted upon by the Commissioners Court. The Court had the authority to make such changes in the budget, as in its judgment the facts and the law warrant and the interest of the taxpayers demand, provided the amounts budgeted for current expenditures from the various funds for the County do not exceed the balances in these funds as of October 1 plus the anticipated revenue for the current year for which the budget is made, as estimated by the County Judge.

6. Under no circumstances can Commissioners Court authorize expenditures that will exceed appropriations. Commissioners Court must authorize budget amendments transferring funds among different departments within the same fund.

Anytime any revisions are necessary that alter the total appropriations of any fund, Commissioners Court must enter an order setting forth how the budget is to be amended, declaring an emergency, finding that grave public necessity exists to meet unusual and unforeseen conditions which could not, by reasonably diligent thought and attention, have been included in the original budget.

Budgets adopted on an annual basis are consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, non-grant special revenue, and debt service funds. All annual appropriations lapse at fiscal year end. Budgetary integration is not employed for capital projects funds, because they include projects which extend over a period of several years.

NOTE 4 DEPOSITS AND INVESTMENTS

Cash deposits held at financial institutions can be categorized into the following three categories of credit risk:

Category 1 - Deposits which are insured or collateralized with securities held by the entity or by its agents in the entity's name.

Category 2 - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Deposits which are not collateralized.

Based on three levels of risk, all of the County's cash deposits are classified as Category 1.

Deposits – State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a market value of not less than the principal amount of the deposit. The County's deposits, including certificates of deposits, were fully insured or collateralized as required by the state statutes at September 30, 2010. At year-end, the carrying amount of the County's deposits was \$25,107,062 and the respective bank balances totaled \$27,877,868 and TexPool balances of \$6,331. Included in the bank balances are certificates of deposits totaling \$19,485,263. Of the total bank balance, \$250,000 was covered by Federal Depository Insurance, the remainder was covered by collateral with a value of \$44,322,871. The collateral is held by the

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

Federal Reserve Bank of Dallas in the County's name under a joint safekeeping agreement with Zapata National Bank of Zapata, Texas.

State statutes authorize the County to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities; and (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

The County did not have any investments during the year or at September 30, 2010.

NOTE 5 TAXES RECEIVABLE

A summary of taxes receivable at September 30, 2010 follows:

	General Funds	Special Revenue Funds	Debt Service Funds	Totals
Taxes receivable delinquent	\$ 1,960,664	\$ 143,205	\$ 144,243	\$ 2,248,112
Allowance for uncollectible accounts	<u>(196,066)</u>	<u>(14,320)</u>	<u>(14,424)</u>	<u>(224,810)</u>
Taxes receivable, net of allowance for uncollectible accounts	<u>\$ 1,764,598</u>	<u>\$ 128,885</u>	<u>\$ 129,819</u>	<u>\$ 2,023,302</u>

Property taxes attach as an enforceable lien 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 Zapata County Appraisal District, assessed at 100% of appraised value, and certified by the Appraisal Review Board. These taxes are due from October 1 of the year in which levied until January 31 of the following year without interest or penalty. On February 1 of each year, the taxes are subject to simple interest and penalties.

The current tax levy, reduced by an allowance for uncollectible taxes receivable, is recognized in the accounts when levied October 1, and is recorded as deferred revenue at that time. Such deferred revenues are recognized as revenues when they are collected.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

NOTE 6 INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at September 30, 2010 are as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 2,161,884	\$ 0
Special Revenues	500,137	1,311,795
Capital Projects	0	1,353,808
Debt Service	216,855	0
Proprietary Funds	39,012	252,285
	<u>\$ 2,917,888</u>	<u>\$ 2,917,888</u>

NOTE 7 OPERATING TRANSFERS

Operating transfers during the year were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 0	\$ 907,519
Special Revenue	411,273	0
Debt Service	0	0
Capital Projects	0	0
Proprietary Funds	496,246	0
	<u>\$ 907,519</u>	<u>\$ 907,519</u>

NOTE 8 DUE FROM OTHER GOVERNMENTS

Significant amounts due from other governments as of September 30, 2010 include:

<u>Due From</u>	<u>Amount</u>
<i>General Fund</i>	
Zapata County Independent School District	\$ 171,990
Texas Department of Rural Affairs	7,700
City of Laredo	16,521
Office of the Governor	<u>287,739</u>
	\$ 483,950

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

NOTE 9 CAPITAL ASSETS

Governmental Activities

Details of changes in capital assets for the year September 30, 2010 are as follows:

	Balance 10/1/2009	Additions	Adjustments/ Retirements	Balance 9/30/2010
Land	\$ 1,554,640	\$ 0	\$ 0	\$ 1,554,640
Buildings and Improvements	47,122,695	2,875,946	0	49,998,641
Furniture and Equipment	6,709,600	0	0	6,709,600
Construction in Progress	9,441,672	0	0	9,441,672
	<u>\$ 64,828,607</u>	<u>\$ 2,875,946</u>	<u>\$ 0</u>	<u>\$ 67,704,553</u>
Less accumulated depreciation				<u>(17,939,334)</u>
Totals				<u>\$ 49,765,219</u>

- (1) During August of 2000, the County hired a professional firm to prepare a complete inventory and valuation of their land, buildings and improvements and furniture and equipment. Replacement cost was used for all unknown values.
- (2) Depreciation expense for governmental activities for the year September 30, 2010 was \$1,920,926.

Business-type Activities

	Water Plant	Sewer Plant	Airport	Total
Land	\$ 387,312	\$258,208	\$ 0	\$ 645,520
Buildings & Improvements	984,837	656,558	56,810	1,698,205
Furniture & Equipment	1,684,422	1,122,948	0	2,807,370
Infrastructure	18,383,527	2,371,684	0	20,755,211
	\$21,440,098	\$4,409,398	\$ 56,810	\$25,906,306
Accumulated Depreciation	(3,743,519)	(2,495,680)	(24,912)	(6,264,111)
Totals	\$ 17,696,579	\$1,913,718	\$ 31,898	\$19,642,195

The County recognized \$470,002 of depreciation expense related to the Proprietary Funds in fiscal year 2010.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

NOTE 10 LONG-TERM DEBT

The following is a summary of changes in general ledger in general long-term debt of the County for the year ended September 30, 2010:

	<u>Balance 10/1/2009</u>	<u>Additions</u>	<u>Retirement</u>	<u>Balance 9/30/2010</u>
Primary Government:				
Bonds Payable-2006	\$ 13,611,150	\$ 0	\$ 555,000	\$ 13,056,150
Bonds Payable-2005	7,820,000	0	590,000	7,230,000
Totals	<u>\$ 21,431,150</u>	<u>\$ 0</u>	<u>\$ 1,145,000</u>	<u>\$ 20,286,150</u>

Bonds Payable

Bonds payable at September 30, 2010 are comprised of the following issues:

	<u>Primary Government General Long- Term Debt</u>	<u>Total</u>
Limited Tax Refunding Bonds, Series 2005 Due in annual installments ranging from \$495,000 to \$855,000 through 2020; interest at 3.0% to 4.25%	\$ 7,230,000	\$ 7,230,000
Unlimited Tax Road Bonds, Series 2006 Due in annual installments ranging from \$385,000 to \$1,110,000 through 2026; interest at 4.0% to 5.125%	<u>\$ 13,056,150</u>	<u>\$ 13,056,150</u>
Total Bonds Payable	<u>\$ 20,286,150</u>	<u>\$ 20,286,150</u>

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

The annual debt service requirements to amortize general obligations bonds outstanding at September 30, 2010 are as follows:

<u>Maturity</u>	<u>Principal</u>
2011	1,190,000
2012	1,235,000
2013	1,285,000
2014	1,330,000
2015	1,390,000
Thereafter	13,856,150
Totals	<u>\$ 20,286,150</u>

All bonds constitute direct obligations of the County, payable from the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the County.

All bonds may be prepaid or redeemed prior to their respective scheduled due dates as per provisions in the bond agreements.

There were no authorized and unissued general obligation bonds at September 30, 2010. The County is in compliance with all bond covenants on outstanding general obligation bonded debt.

Primary Government

The maturity schedule of the 2005 and 2006 bond series is as follows:

<u>Year Ended September 30</u>	<u>2005 Series Principal</u>	<u>2006 Series Principal</u>	<u>Total</u>
2011	610,000	580,000	1,190,000
2012	630,000	605,000	1,235,000
2013	655,000	630,000	1,285,000
2014	675,000	655,000	1,330,000
2015	705,000	685,000	1,390,000
Thereafter	3,955,000	9,901,150	13,856,150
	<u>\$ 7,230,000</u>	<u>\$13,056,150</u>	<u>\$20,286,150</u>

Business Type Activities

	<u>Balance 10/1/2009</u>	<u>Additions</u>	<u>Retirement</u>	<u>Balance 9/30/2010</u>
Business Type Activities:				
EDAP Loan-2006	\$ 0	\$14,826,000	\$ 0	\$ 14,826,000
Totals	<u>\$ 0</u>	<u>\$14,826,000</u>	<u>\$ 0</u>	<u>\$ 14,826,000</u>

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

Bonds Payable

Loans payable at September 30, 2010 are comprised of the following issues:

	<u>Business type</u> <u>Activities</u>	
	<u>General Long-</u>	<u>Total</u>
	<u>Term Debt</u>	<u>Total</u>
Texas Water Development Board, EDAP Loan Series, 2006 Water Plant Construction Due in annual installments ranging from \$495,000 to \$494,000 through 2040; interest at 0.0%	\$ 14,826,000	\$ 14,826,000
Total Bonds Payable	<u>\$ 14,826,000</u>	<u>\$ 14,826,000</u>

The annual debt service requirements to amortize general obligations bonds outstanding at September 30, 2010 are as follows:

<u>Maturity</u>	<u>Principal</u>
2011	495,000
2012	495,000
2013	495,000
2014	495,000
2015	495,000
Thereafter	12,351,000
Totals	<u>\$ 14,826,000</u>

All loans constitute direct obligations of the County, payable from the revenues derived from the Water and Sewer collections, within the limits prescribed by law, on all taxable property located within the County.

All loans may be prepaid or redeemed prior to their respective scheduled due dates as per provisions in the bond agreements.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

NOTE 11 LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS LIABILITY

State and federal laws and regulations require the County to place final covers on its landfill site when it stops accepting waste at these sites. The County will also be required to perform certain maintenance and monitoring functions for thirty years at the landfill site.

The Governmental Accounting Standards Board (GASB) Statement Number 18, "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs," addresses the financial statement effect of complying with EPA and state requirements. GASB Statement 18 requires that all closure and postclosure care costs be recognized during the operating life of the landfill. Accordingly, a portion of the total estimated closure and postclosure care costs, based on the ratio of landfill capacity, should be recognized as an expense and/or liability each period the landfill accepts waste.

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care costs. The County established a separate account in October 1997 for these purposes. It is anticipated that future inflation costs will be paid in part from interest earnings on this account. However, if additional postclosure care requirements are determined (due changes in technology or applicable laws or regulations, for example) or interest earnings are inadequate, these costs may need to be covered by charges to future landfill users or from future tax revenue.

NOTE 12 EMPLOYEE RETIREMENT BENEFITS

Texas County and District Retirement System

A. Plan Description:

The District provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 618 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

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

B. Funding Policy

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 8.22 % for calendar year 2010 and 7.38% for calendar year 2009. The contribution rate payable by the employee members is the rate of 7 % as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

C. Annual Pension Cost

For the employer's accounting year ending September 30, 2010, the annual pension cost for the TCDRS plan for its employees was \$840,970 and the actual contributions were \$735,900.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2010, the basis for determining the contribution rate for calendar year 2010. The December 31, 2010 actuarial valuation is the most recent valuation.

Actuarial Valuation Information

Actuarial valuation date	12/31/08	12/31/09	12/31/10
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed	Level percentage of payroll, closed
Amortization period (yrs)	20	20	20
Amortization valuation method	SAF: 10 yr Smoothed value ESF: Fund value	SAF: 10 yr Smoothed value ESF: Fund value	SAF: 10 yr Smoothed value ESF: Fund value
Actuarial assumptions:			
Investment Return	8.00%	8.00%	8.00%
Projected salary increases	5.3%	5.4%	5.4%
Inflation:	3.5%	3.5%	3.5%
Cost of living adjustments	0.0%	0.0%	0.0%

Zapata County, Texas
Notes to the Financial Statements
September 30, 2010

<u>Accounting Year Ended</u> 2010	<u>Annual Pension Cost (APC)</u> \$840,970	<u>Of APC Contributed</u> 100%	<u>Net Pension Obligation</u> \$0
--	---	---------------------------------------	--

D. Transition Disclosure:

It was determined in accordance with GASB Statement No. 27 that the pension liability was zero at the transition to that statement effective January 1, 2001, because all actuarially required contributions for the accounting years for the period January 1, 1987 through December 31, 2010 have been paid. There was no previously reported pension liability before the transition. Therefore, the difference between the pension liability at transition and the previously reported pension liability is zero.

**Schedule of Funding Progress for the Retirement Plan
For the Employees of Zapata County, Texas**

	12/31/08	12/31/09	12/31/10
Actuarial valuation date	12/31/08	12/31/09	12/31/10
Actuarial value of assets	20,381,709	23,143,235	25,514,376
Actuarial accrued liability (AAL)	20,998,562	23,637,278	26,513,153
Unfunded actuarial accrued liability (UAAL)	616,853	494,043	998,777
Funded ratio	97.06%	97.91%	96.23%
Annual covered payroll (actuarial)	10,278,200	10,562,164	10,565,794
UAAL as a percentage of covered payroll	(6.00%)	4.68%	9.45%

NOTE 13 CONTINGENCIES

A. Litigation

Various lawsuits are pending against the County involving general liability, civil rights actions and various contractual matters. In the opinion of County management, the potential claims against the County not covered by insurance resulting from such litigation will not materially affect the financial position of the County.

B. Federally Assisted Programs

The County participates in a number of federally assisted grant programs. Although the County's grant programs have been audited in accordance with the provisions of the Single Audit Act Amendments of 1996 and OMB Circular A-133 through September 30, 2010, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS**

**ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010**

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
REVENUES:				
Taxes:				
Current Property Taxes	\$ 17,085,228	\$ 17,085,228	\$ 16,971,959	\$ (113,269)
Delinquent property taxes	250,000	250,000	261,847	11,847
Penalties and interest on taxes	150,000	150,000	130,361	(19,639)
Total taxes	<u>17,485,228</u>	<u>17,485,228</u>	<u>17,364,167</u>	<u>(121,061)</u>
Licenses and permits:				
Business and license and permits	8,000	8,000	9,299	1,299
Total licenses and permits	<u>8,000</u>	<u>8,000</u>	<u>9,299</u>	<u>1,299</u>
Intergovernmental				
Zapata I.S.D. shared tax office	188,131	188,131	171,990	(16,141)
Water connections	78,000	78,000	50,150	(27,850)
Total intergovernmental	<u>266,131</u>	<u>266,131</u>	<u>222,140</u>	<u>(43,991)</u>
Charges for services:				
Sheriff fees	4,000	4,000	8,420	4,420
Bond fees	-	-	637	637
County clerk fees	120,000	120,000	102,729	(17,271)
District clerk fees	70,000	70,000	66,176	(3,824)
Other fees	4,000	4,000	18,761	14,761
Total charges for services	<u>198,000</u>	<u>198,000</u>	<u>196,723</u>	<u>(1,277)</u>
Interest	250,000	250,000	167,003	(82,997)

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
Other:				
Rent-Civic Center	5,000	5,000	6,329	1,329
Pavilion	9,600	9,600	9,041	(559)
Zapata Community Center	28,000	28,000	20,597	(7,403)
Swimming pool	400	400	1,430	1,030
Jail	2,000,000	2,000,000	994,668	(1,005,332)
Jail Telephone Commission	20,000	20,000	17,510	(2,490)
Landfill	180,000	180,000	181,145	1,145
Emergency Medical Service	250,000	250,000	283,324	33,324
Oil and Gas Royalty	1,200,000	1,200,000	541,298	(658,702)
Miscellaneous	30,000	30,000	203,499	173,499
Total Other	<u>3,723,000</u>	<u>3,723,000</u>	<u>2,258,841</u>	<u>(1,464,159)</u>
TOTAL REVENUES	<u>21,930,359</u>	<u>21,930,359</u>	<u>20,218,173</u>	<u>(1,712,186)</u>
EXPENDITURES:				
General Government				
County Judge				
Personnel	162,281	162,281	159,288	2,993
Fringe Benefits	77,608	77,608	72,023	5,585
Travel and Education	18,000	18,000	16,816	1,184
Supplies	9,200	8,797	8,320	477
Other	26,000	24,462	19,772	4,690
Total County Judge	<u>293,089</u>	<u>291,148</u>	<u>276,219</u>	<u>14,929</u>
County Commissioner Precinct 1				
Personnel	84,387	84,387	85,590	(1,203)
Fringe Benefits	37,919	37,919	33,048	4,871
Travel and Education	4,000	4,000	1,646	2,354
Other	19,800	59,800	38,013	21,787
Total County Commissioner Precinct 1	<u>146,106</u>	<u>186,106</u>	<u>158,297</u>	<u>27,809</u>

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
County Commissioner Precinct 2				
Personnel	105,881	120,881	122,760	(1,879)
Fringe Benefits	56,626	56,626	41,552	15,074
Travel and Education	4,000	1,200	1,115	85
Supplies	8,000	1,000	403	597
Other	45,000	54,800	47,629	7,171
Total County Commissioner Precinct 2	219,507	234,507	213,459	21,048
County Commissioner Precinct 3				
Personnel	97,811	97,811	97,102	709
Fringe Benefits	47,779	47,779	42,393	5,386
Travel and Education	4,000	4,000	1,399	2,601
Supplies	75,000	75,000	58,235	16,765
Other	-	-	-	-
Total County Commissioner Precinct 3	224,590	224,590	199,129	25,461
County Commissioner Precinct 4				
Personnel	133,505	133,505	138,323	(4,818)
Fringe Benefits	69,171	69,171	61,525	7,646
Travel and Education	4,000	4,000	3,161	839
Supplies	5,000	5,000	2,847	2,153
Other	5,400	2,908	2,908	-
Total County Commissioner Precinct 4	217,076	214,584	208,764	5,820
County Auditor				
Personnel	139,818	139,818	139,901	(83)
Fringe Benefits	63,040	63,040	53,154	9,886
Travel and Education	10,000	13,000	11,615	1,385
Supplies	11,200	8,200	7,324	876
Other	10,000	10,000	5,047	4,953
Total Auditor	234,058	234,058	217,041	17,017
Tax Assessor/Collector				
Personnel	200,317	200,317	198,814	1,503
Fringe Benefits	96,444	96,444	86,755	9,689
Travel and Education	12,000	12,000	6,987	5,013
Supplies	35,000	35,000	34,922	78
Other	32,500	32,500	16,501	15,999
Total Tax Assessor/Collector	376,261	376,261	343,979	32,282

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
County Clerk				
Personnel	138,913	138,913	140,237	(1,324)
Fringe Benefits	70,193	70,193	64,009	6,184
Travel and Education	7,700	7,700	7,068	632
Contract Services	42,000	42,000	47,103	(5,103)
Supplies	18,000	18,000	17,424	576
Election Expense	30,000	30,000	37,190	(7,190)
Other	13,400	13,400	11,967	1,433
Total County Clerk	<u>320,206</u>	<u>320,206</u>	<u>324,998</u>	<u>(4,792)</u>
County Treasurer				
Personnel	237,845	237,845	239,514	(1,669)
Fringe Benefits	103,536	103,536	95,782	7,754
Travel and Education	10,000	10,000	10,181	(181)
Supplies	10,000	10,000	11,115	(1,115)
Other	6,850	6,850	5,576	1,274
Total County Treasurer	<u>368,231</u>	<u>368,231</u>	<u>362,168</u>	<u>6,063</u>
Personnel Department				
Personnel	27,669	27,669	28,869	(1,200)
Fringe Benefits	12,552	12,552	11,758	794
Travel and Education	900	900	926	(26)
Supplies	600	600	416	184
Total Personnel Department	<u>41,721</u>	<u>41,721</u>	<u>41,969</u>	<u>(248)</u>
Custodial and Maintenance Service				
Personnel	110,933	110,933	112,652	(1,719)
Fringe Benefits	70,405	70,405	65,111	5,294
Contract Services	27,200	27,200	25,697	1,503
Supplies	25,000	25,000	25,145	(145)
Other	18,200	18,200	17,556	644
Total Custodial and Maintenance Service	<u>251,738</u>	<u>251,738</u>	<u>246,161</u>	<u>5,577</u>

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
Non-Department				
Personnel	90,073	90,073	91,869	(1,796)
Fringe Benefits	42,536	42,536	6,204	36,332
Travel and Education	9,800	9,800	5,971	3,829
Contract Services	425,000	437,440	427,166	10,274
Contract Services-Special	-	123,000	206,227	(83,227)
Supplies	47,500	47,500	52,393	(4,893)
Supplies-Special	-	51,500	142,488	(90,988)
Telephone	350,000	350,000	276,850	73,150
Utilities-General	1,172,620	1,172,620	872,680	299,940
Insurance-General	420,000	420,000	456,044	(36,044)
Other	639,693	629,194	679,391	(50,197)
Total Non-Department	<u>3,197,222</u>	<u>3,373,663</u>	<u>3,217,283</u>	<u>156,380</u>
Grants and Other Contributions				
Grants Matching	996,110	996,110	500,387	495,723
Total Grants and Other Contributions	<u>996,110</u>	<u>996,110</u>	<u>500,387</u>	<u>495,723</u>
Total General Government	<u>6,885,915</u>	<u>7,112,923</u>	<u>6,309,854</u>	<u>803,069</u>
Public Safety				
Sheriff Department				
Personnel	1,543,190	1,543,190	1,542,940	250
Fringe Benefits	676,053	676,053	622,430	53,623
Travel and Education	20,500	20,500	10,714	9,786
Supplies	177,000	177,000	156,973	20,027
Other	111,500	111,500	104,400	7,100
Total Sheriff Department	<u>2,528,243</u>	<u>2,528,243</u>	<u>2,437,457</u>	<u>90,786</u>
CSI Specialist				
Personnel	36,713	36,713	48,380	(11,667)
Fringe Benefits	14,263	14,263	16,198	(1,935)
Travel and Education	8,600	8,600	8,626	(26)
Supplies	5,000	5,000	4,946	54
Other	15,000	15,000	14,984	16
Total CSI Specialist	<u>79,576</u>	<u>79,576</u>	<u>93,134</u>	<u>(13,558)</u>

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
Constables				
Personnel	50,844	50,844	52,305	(1,461)
Fringe Benefits	40,752	40,752	21,224	19,528
Travel and Education	8,000	8,000	6,015	1,985
Supplies	21,800	22,800	16,439	6,361
Other	20,000	19,000	12,860	6,140
Total Constables	<u>141,396</u>	<u>141,396</u>	<u>108,843</u>	<u>32,553</u>
Fire Fighting and Ambulance Services				
Personnel	1,237,095	1,237,095	1,298,277	(61,182)
Fringe Benefits	402,390	402,390	461,887	(59,497)
Travel and Education	30,000	30,000	19,122	10,878
Contract Services	36,000	36,000	4,404	31,596
Supplies	105,000	105,000	114,241	(9,241)
Other	64,800	64,800	59,085	5,715
Total Fire Fighting and Ambulance Services	<u>1,875,285</u>	<u>1,875,285</u>	<u>1,957,016</u>	<u>(81,731)</u>
Safety and Risk Management				
Personnel	7,441	7,441	7,441	-
Fringe Benefits	1,906	1,906	1,948	(42)
Travel and Education	3,000	3,000	3,387	(387)
Supplies	8,650	8,650	7,273	1,377
Other	3,000	3,000	2,661	339
Total Safety and Risk Management	<u>23,997</u>	<u>23,997</u>	<u>22,710</u>	<u>1,287</u>
Total Public Safety	<u>4,648,497</u>	<u>4,648,497</u>	<u>4,619,160</u>	<u>29,337</u>
Justice System				
Justices of the Peace				
Personnel	164,797	164,797	233,914	(69,117)
Fringe Benefits	118,823	118,823	96,248	22,575
Travel and Education	13,500	13,500	15,224	(1,724)
Contract Services	36,000	36,000	23,238	12,762
Supplies	17,800	17,800	18,450	(650)
Other	16,500	16,500	15,871	629
Total Justices of the Peace	<u>367,420</u>	<u>367,420</u>	<u>402,945</u>	<u>(35,525)</u>

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
County Attorney				
Personnel	267,595	267,595	265,856	1,739
Fringe Benefits	101,836	101,836	98,302	3,534
Travel and Education	6,000	2,760	2,516	244
Supplies	6,000	4,200	3,955	245
Other	31,000	36,040	33,984	2,056
Total County Attorney	<u>412,431</u>	<u>412,431</u>	<u>404,613</u>	<u>7,818</u>
49th District Court				
Personnel	106,999	106,999	101,998	5,001
Fringe Benefits	48,191	48,191	44,411	3,780
Travel and Education	5,500	5,500	3,176	2,324
Contract Services	168,500	168,500	151,797	16,703
Supplies	4,850	4,850	1,436	3,414
Other	29,200	29,200	15,453	13,747
Total 49th District Court	<u>363,240</u>	<u>363,240</u>	<u>318,271</u>	<u>44,969</u>
District Clerk				
Personnel	124,455	124,455	125,655	(1,200)
Fringe Benefits	60,137	60,137	58,341	1,796
Travel and Education	4,500	5,500	5,205	295
Supplies	16,000	16,500	16,653	(153)
Other	13,000	11,500	10,804	696
Total District Clerk	<u>218,092</u>	<u>218,092</u>	<u>216,658</u>	<u>1,434</u>
Total Justice System	<u>1,361,183</u>	<u>1,361,183</u>	<u>1,342,487</u>	<u>18,696</u>
Health and Human Services				
Indigent Health Care				
Personnel	31,815	31,815	33,015	(1,200)
Fringe Benefits	13,336	13,336	12,930	406
Travel and Education	4,000	4,000	3,813	187
Supplies	500	500	337	163
Indigent Health Care	<u>1,781,380</u>	<u>1,781,380</u>	<u>1,720,724</u>	<u>60,656</u>
Total Indigent Health Care	<u>1,831,031</u>	<u>1,831,031</u>	<u>1,770,819</u>	<u>60,212</u>

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
Health Care Clinic				
Personnel	38,763	38,763	38,750	13
Fringe Benefits	21,972	21,972	20,495	1,477
Supplies	2,500	2,500	5,866	(3,366)
Total Health Care Clinic	<u>63,235</u>	<u>63,235</u>	<u>65,111</u>	<u>(1,876)</u>
Environmental Health				
Personnel	261,514	261,514	246,277	15,237
Fringe Benefits	162,793	162,793	120,025	42,768
Travel and Education	4,000	4,000	1,437	2,563
Supplies	98,300	98,300	83,783	14,517
Other	131,622	131,622	131,013	609
Total Environmental Health	<u>658,229</u>	<u>658,229</u>	<u>582,535</u>	<u>75,694</u>
Total Health and Human Services	<u>2,552,495</u>	<u>2,552,495</u>	<u>2,418,465</u>	<u>134,030</u>
Environmental Services				
Recycling				
Personnel	66,886	66,886	69,544	(2,658)
Fringe Benefits	26,902	26,902	32,991	(6,089)
Travel and Education	3,500	3,500	52	3,448
Supplies	6,000	6,000	4,850	1,150
Other	4,000	4,000	7,238	(3,238)
Total Recycling	<u>107,288</u>	<u>107,288</u>	<u>114,675</u>	<u>(7,387)</u>
Code Enforcement				
Personnel	58,458	58,458	59,648	(1,190)
Fringe Benefits	26,194	26,194	23,680	2,514
Travel and Education	14,800	14,800	3,242	11,558
Contract Services	29,500	29,500	-	29,500
Supplies	6,500	6,500	6,508	(8)
Other	7,000	7,000	2,544	4,456
Total Code Enforcement	<u>142,452</u>	<u>142,452</u>	<u>95,622</u>	<u>46,830</u>

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
Agriculture and Livestock				
Personnel	36,861	36,861	35,167	1,694
Fringe Benefits	23,213	23,213	13,369	9,844
Travel and Education	4,800	5,000	5,183	(183)
Supplies	5,500	5,300	5,370	(70)
Total Agriculture and Livestock	70,374	70,374	59,089	11,285
Total Environmental Services	320,114	320,114	269,386	50,728
Corrections and Rehabilitation				
County Jail				
Personnel	395,199	395,199	399,084	(3,885)
Fringe Benefits	234,976	234,976	181,465	53,511
Travel and Education	7,500	7,500	235	7,265
Supplies	18,000	18,000	12,734	5,266
Other	168,400	168,400	101,705	66,695
Total County Jail	824,075	824,075	695,223	128,852
Regional Jail				
Personnel	1,099,511	1,099,511	1,021,269	78,242
Fringe Benefits	554,667	554,667	447,703	106,964
Travel and Education	20,500	20,500	7,219	13,281
Supplies	33,500	33,500	22,511	10,989
Other	354,000	354,000	347,658	6,342
Total Regional Jail	2,062,178	2,062,178	1,846,360	215,818
Total Corrections and Rehabilitation	2,886,253	2,886,253	2,541,583	344,670
Community and Economic Development				
Zapata Civic Center				
Personnel	82,106	82,106	83,384	(1,278)
Fringe Benefits	46,610	46,610	43,217	3,393
Travel and Education	1,200	1,200	126	1,074
Supplies	8,000	8,000	3,888	4,112
Other	31,000	31,000	19,792	11,208
Total Zapata Civic Center	168,916	168,916	150,407	18,509

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
San Ygnacio Civic Center				
Personnel	11,000	11,000	1,899	9,101
Fringe Benefits	897	897	483	414
Supplies	1,000	1,000	983	17
Other	4,000	4,000	2,878	1,122
Total San Ygnacio Civic Center	16,897	16,897	6,243	10,654
Lopeno Civic Center				
Personnel	12,081	12,081	12,074	7
Fringe Benefits	9,606	9,606	8,434	1,172
Supplies	2,000	2,000	130	1,870
Other	6,000	6,000	3,829	2,171
Total Lopeno Civic Center	29,687	29,687	24,467	5,220
Falcon Community Center				
Personnel	4,026	4,026	4,025	1
Fringe Benefits	761	761	829	(68)
Supplies	1,500	1,500	1,806	(306)
Total Falcon Community Center	6,287	6,287	6,660	(373)
Transportation				
Personnel	-	38,543	33,728	4,815
Fringe Benefits	-	10,848	11,829	(981)
Other	-	15,000	34,993	(19,993)
Total Transportation	-	64,391	80,550	(16,159)
County Library System				
Personnel	109,325	109,325	108,414	911
Fringe Benefits	64,601	64,601	57,612	6,989
Travel and Education	6,000	3,700	3,155	545
Supplies	41,500	47,700	48,172	(472)
Other	13,800	9,900	9,108	792
Total County Library System	235,226	235,226	226,461	8,765
Romeo Flores Park Swimming Complex				
Personnel	10,000	10,000	13,374	(3,374)
Fringe Benefits	815	815	1,323	(508)
Travel and Education	500	500	481	19
Supplies	2,500	2,500	2,491	9

ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, <u>Budgetary Basis</u>	
	<u>Original</u>	<u>Final</u>		
Other	8,500	8,500	8,353	147
Total Romeo Flores Park Swimming Complex	<u>22,315</u>	<u>22,315</u>	<u>26,022</u>	<u>(3,707)</u>
Department of Aviation				
Personnel	68,737	68,737	53,413	15,324
Fringe Benefits	34,960	34,960	21,434	13,526
Travel and Education	3,500	3,500	2,752	748
Supplies	2,000	2,000	1,965	35
Other	<u>219,197</u>	<u>219,197</u>	<u>17,305</u>	<u>201,892</u>
Total Department of Aviation	<u>328,394</u>	<u>328,394</u>	<u>96,869</u>	<u>231,525</u>
Total Community and Economic Development	<u>807,722</u>	<u>872,113</u>	<u>617,679</u>	<u>254,434</u>

**ZAPATA COUNTY, TEXAS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010**

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
Capital Outlay				
County Commissioner Precinct #1	275,000	275,000	187,327	87,673
County Commissioner Precinct #2	153,000	213,000	9,189	203,811
County Commissioner Precinct #3	100,000	100,000	-	100,000
County Commissioner Precinct #4	585,000	585,000	256,866	328,134
Carry-Over Reserve	-	2,113,490	299,239	1,814,251
Capital Outlay Department	1,358,600	1,361,092	2,123,325	(762,233)
Total Capital Outlay	<u>2,471,600</u>	<u>4,647,582</u>	<u>2,875,946</u>	<u>1,771,636</u>
TOTAL EXPENDITURES	<u>21,933,779</u>	<u>24,401,160</u>	<u>20,994,560</u>	<u>3,406,600</u>
Excess (deficiency) of revenues over expenditures	<u>(3,420)</u>	<u>(2,470,801)</u>	<u>(776,387)</u>	<u>1,694,414</u>
Other Financing Sources (Uses):				
Operating transfers in	-	-	-	-
Operating transfers out	(672,358)	(672,358)	(907,519)	(235,161)
Other financing uses	-	-	-	-
Net other financing sources (uses)	<u>(672,358)</u>	<u>(672,358)</u>	<u>(907,519)</u>	<u>(235,161)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(675,778)</u>	<u>(3,143,159)</u>	<u>(1,683,906)</u>	<u>1,459,253</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>18,544,022</u>	<u>18,544,022</u>	<u>18,544,022</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>17,868,244</u>	<u>15,400,863</u>	<u>16,860,116</u>	<u>1,459,253</u>

ZAPATA COUNTY, TEXAS

NONMAJOR FUNDS

BALANCE SHEET

SEPTEMBER 30, 2010

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
Cash	\$ 2,392,386	\$ 34,540	\$ 1,162,939	\$ 3,589,865
Certificates of Deposit	1,153,501	110,067	190,869	1,454,437
Taxes Receivable, Net	128,885	129,819	-	258,704
Accounts Receivable	33,960	-	-	33,960
Due from Other Funds	500,137	216,855	-	716,992
Due from Other Governments	311,960	-	-	311,960
Other Receivables	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 4,520,829	\$ 491,281	\$ 1,353,808	\$ 6,365,918
Bank Overdraft	\$ -	\$ -	\$ -	\$ -
Accounts Payable	44,100	-	-	44,100
Due to Other Governments	-	-	-	-
Due to Other Funds	1,311,795	-	1,353,808	2,665,603
Due to Others	-	-	-	-
Deferred Revenues - Taxes	128,885	129,819	-	258,704
Deferred Revenues - Grants	20,568	-	-	20,568
Deferred Revenues - Other	-	-	-	-
Total Liabilities	1,505,348	129,819	1,353,808	2,988,975
Reserved for Special Revenues	3,015,481	-	-	3,015,481
Reserved for Debt Service	-	361,462	-	361,462
Reserved for Capital Projects	-	-	-	-
Total Fund Balances	3,015,481	361,462	-	3,376,943
Total Liabilities and Fund Balances	\$ 4,520,829	\$ 491,281	\$ 1,353,808	\$ 6,365,918

ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2010

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	TOTAL
Revenues:				
Taxes	\$ 2,618,960	\$ 2,171,705	\$ -	\$ 4,790,665
License and permits	357,025	-	-	357,025
Intergovernmental	2,941,244	-	1,422,000	4,363,244
Charges for Services	49,143	-	-	49,143
Fines and Forfeitures	119,361	-	-	119,361
Interest	12,028	1,535	33,263	46,826
Other	-	-	-	-
Total Revenues	6,097,761	2,173,240	1,455,263	9,726,264
Expenditures:				
Current:				
Judicial	209,917	-	-	209,917
Law Enforcement	1,955,448	-	-	1,955,448
Corrections	389,118	-	-	389,118
Highways and Streets	2,390,815	-	-	2,390,815
Health and Welfare	621,608	-	-	621,608
Economic and Urban Development	514,579	-	-	514,579
Other	30,608	-	-	30,608
Capital Outlay	-	-	13,599,750	13,599,750
Debt Service				
Principal	-	1,145,000	-	1,145,000
Interest and Other Charges	-	884,543	-	884,543
Total Expenditures	6,112,093	2,029,543	13,599,750	21,741,386
Excess (deficiency) of Revenues over Expenditures	(14,332)	143,697	(12,144,487)	(12,015,122)
Other Financing Sources (Uses):				
Loan Proceeds	-	-	7,703,209	7,703,209
Operating transfers in	411,273	-	486,246	907,519
Net Other Financing Sources (Uses)	411,273	-	8,199,455	8,610,728
Excess (deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	386,941	143,697	(3,945,032)	(3,404,394)
Fund Balances at Beginning of Year	2,618,540	217,765	3,945,032	6,781,337
Fund Balances at End of Year	\$ 3,015,481	\$ 361,462	\$ -	\$ 3,376,943

**ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010**

	GENERAL ROAD AND BRIDGE	SPECIAL ROAD AND BRIDGE	LATERAL ROADS	TEXAS JUVENILE PROBATION	TDRA 727115	CITY OF LAREDO TASK FORCE	SHERIFF'S BORDER STAR	COUNTY ATTORNEY FUND	NUTRITION & I & A	HOTEL- MOTEL TAX
ASSETS										
Cash	\$ 4,658	\$ 647,514	\$ 175,232	\$ 165,773	\$ 317,717	\$ -	\$ -	\$ 204,680	\$ -	\$ 11,557
Certificates of Deposit	-	1,044,462	109,039	-	-	-	-	-	-	-
Taxes Receivable, Net	-	128,885	-	-	-	-	-	-	-	-
Accounts Receivable	-	33,960	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	500,137	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	7,700	16,521	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 4,658	\$ 1,854,821	\$ 784,408	\$ 165,773	\$ 325,417	\$ 16,521	\$ -	\$ 204,680	\$ -	\$ 11,557
LIABILITIES AND FUND BALANCES										
Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	38,400	4,390	-	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	464,645	-	32,959	325,417	16,521	-	-	-	37,329
Due to Others	-	-	-	-	-	-	-	-	-	-
Deferred Revenues - Taxes	-	128,885	-	-	-	-	-	-	-	-
Deferred Revenues - Grants	-	-	-	20,568	-	-	-	-	-	-
Deferred Revenues - Other	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	631,930	4,390	53,527	325,417	16,521	-	-	-	37,329
FUND BALANCES:										
Unreserved - Undesignated	4,658	1,222,891	780,018	112,246	-	-	-	204,680	-	(25,772)
Total Fund Balances	4,658	1,222,891	780,018	112,246	-	-	-	204,680	-	(25,772)
Total Liabilities and Fund Balances	\$ 4,658	\$ 1,854,821	\$ 784,408	\$ 165,773	\$ 325,417	\$ 16,521	\$ -	\$ 204,680	\$ -	\$ 11,557

(CONTINUED)

**ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010**

	COUNTY LIBRARY	COUNTY RECORDS MANAGEMENT	HOMELAND SECURITY	TOBACCO SETTLEMENT	OPERATION STONE- GARDEN	ED09J JUV PROB LIASION OFFICER	JAD9J JUVENILE JUSTICE ALTERNATIVE	BORDER COLONIA ACCESS	OPERATION LINEBACKER
ASSETS									
Cash	\$ 22,604	\$ 234,039	\$ -	\$ 401,785	\$ -	\$ -	\$ -	\$ 19,587	\$ -
Certificates of Deposit	-	-	-	-	-	-	-	-	-
Taxes Receivable, Net	-	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	42,086	15,149	22,386	-	-
Other Receivables	-	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-
Total Assets	\$ 22,604	\$ 234,039	\$ -	\$ 401,785	\$ 42,086	\$ 15,149	\$ 22,386	\$ 19,587	\$ -
LIABILITIES AND FUND BALANCES									
Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	1,150	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	3,850	-	116,874	42,086	15,149	22,386	19,587	-
Due to Others	-	-	-	-	-	-	-	-	-
Deferred Revenues - Taxes	-	-	-	-	-	-	-	-	-
Deferred Revenues - Grants	-	-	-	-	-	-	-	-	-
Deferred Revenues - Other	-	-	-	-	-	-	-	-	-
Total Liabilities	-	3,850	-	118,024	42,086	15,149	22,386	19,587	-
FUND BALANCES:									
Unreserved - Undesignated	22,604	230,189	-	283,761	-	-	-	-	-
Total Fund Balances	22,604	230,189	-	283,761	-	-	-	-	-
Total Liabilities and Fund Balances	\$ 22,604	\$ 234,039	\$ -	\$ 401,785	\$ 42,086	\$ 15,149	\$ 22,386	\$ 19,587	\$ -

**ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010**

	SHERIFF FORFEITURE	EMS FIRE MARSHAL	JUSTICE COURT TECHNOLOGY	SHERIFF TRAINING	RESERVE FUND	SU09A CRIMINAL JUSTICE PROGRESS	COURTHOUSE SECURITY	TOTALS
ASSETS								
Cash	\$ 19,005	\$ -	\$ 39,667	\$ 11,933	\$ 34,389	\$ -	\$ 82,246	\$ 2,392,386
Certificates of Deposit	-	-	-	-	-	-	-	1,153,501
Taxes Receivable, Net	-	-	-	-	-	-	-	128,885
Accounts Receivable	-	-	-	-	-	-	-	33,960
Due from Other Funds	-	-	-	-	-	-	-	500,137
Due from Other Governments	-	-	-	-	-	208,118	-	311,960
Other Receivables	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-
Total Assets	\$ 19,005	\$ -	\$ 39,667	\$ 11,933	\$ 34,389	\$ 208,118	\$ 82,246	\$ 4,520,829
LIABILITIES AND FUND BALANCES								
Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-	-	160	44,100
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds	100	-	6,399	375	-	208,118	-	1,311,795
Due to Others	-	-	-	-	-	-	-	-
Deferred Revenues - Taxes	-	-	-	-	-	-	-	128,885
Deferred Revenues - Grants	-	-	-	-	-	-	-	20,568
Deferred Revenues - Other	-	-	-	-	-	-	-	-
Total Liabilities	100	-	6,399	375	-	208,118	160	1,505,348
FUND BALANCES:								
Unreserved - Undesignated	18,905	-	33,268	11,558	34,389	-	82,086	3,015,481
Total Fund Balances	18,905	-	33,268	11,558	34,389	-	82,086	3,015,481
Total Liabilities and Fund Balances	\$ 19,005	\$ -	\$ 39,667	\$ 11,933	\$ 34,389	\$ 208,118	\$ 82,246	\$ 4,520,829

ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
SEPTEMBER 30, 2010

	GENERAL ROAD AND BRIDGE	SPECIAL ROAD AND BRIDGE	LATERAL ROADS	TEXAS JUVENILE PROBATION	TDRA 727115	CITY OF LAREDO TASK FORCE	BORDER STAR	COUNTY ATTORNEY FUND	NUTRITION & I & A	HOTEL- MOTEL TAX
Revenues:										
Taxes	\$ -	\$ 1,861,010	\$ 481,053	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 176,897
License and permits	-	357,025	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	174,449	-	176,056	99,169	-	55,309	-
Charges for Services	-	-	-	-	-	-	-	-	37,001	-
Fines and Forfeitures	-	99,510	-	-	-	-	-	-	-	-
Interest	16	8,100	2,437	541	-	-	-	163	-	111
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	16	2,425,845	483,490	174,990	-	176,056	99,169	163	92,310	177,008
Expenditures:										
Current:										
Judicial	-	-	-	189,464	-	-	-	20,453	-	-
Law Enforcement	-	-	-	-	-	176,056	99,169	-	-	-
Corrections	-	-	-	-	-	-	-	-	-	-
Highways and Streets	-	2,188,036	202,779	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	453,962	-
Economic and Urban Development	-	-	-	-	-	-	-	-	-	229,759
Other	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	2,188,036	202,779	189,464	-	176,056	99,169	20,453	453,962	229,759
Excess (deficiency) of Revenues over Expenditures	16	237,809	280,711	(14,474)	-	-	-	(20,290)	(361,652)	(52,751)
Other Financing Sources (Uses):										
Operating transfers in	-	-	-	-	-	-	-	-	361,652	-
Operating transfers out	-	-	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	361,652	-
Excess (deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	16	237,809	280,711	(14,474)	-	-	-	(20,290)	-	(52,751)
Fund Balances at Beginning of Year	4,642	985,282	499,307	126,720	-	-	-	224,970	-	26,979
Fund Balances at End of Year	\$ 4,658	\$ 1,222,891	\$ 780,018	\$ 112,246	\$ -	\$ -	\$ -	\$ 204,680	\$ -	\$ (25,772)

(CONTINUED)

**ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
SEPTEMBER 30, 2010**

	LIBRARY	COUNTY RECORDS MANAGEMENT	HOMELAND SECURITY	TOBACCO SETTLEMENT	OPERATION STONE- GARDEN	ED09J JUV PROB LIASON OFFICER	JA09J JUVENILE JUSTICE ALTERNATIVE	BORDER COLONIA ACCESS	OPERATION LINEBACKER
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	7,064	-	293,809	102,182	1,164,771	30,559	60,160	284,820	194,497
Charges for Services	-	12,142	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Revenues	7,064	12,142	293,809	102,182	1,164,771	30,559	60,160	284,820	194,497
Expenditures:									
Current:									
Judicial	-	-	-	-	-	-	-	-	-
Law Enforcement	-	-	293,809	-	1,164,771	-	-	-	-
Corrections	-	-	-	-	-	30,559	60,160	-	194,497
Highways and Streets	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	118,025	-	-	-	-	-
Economic and Urban Development	-	-	-	-	-	-	-	284,820	-
Other	2,853	13,419	-	-	-	-	-	-	-
Total Expenditures	2,853	13,419	293,809	118,025	1,164,771	30,559	60,160	284,820	194,497
Excess (deficiency) of Revenues over Expenditures	4,211	(1,277)	-	(15,843)	-	-	-	-	-
Other Financing Sources (Uses):									
Operating transfers in	-	-	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
Excess (deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	4,211	(1,277)	-	(15,843)	-	-	-	-	-
Fund Balances at Beginning of Year	18,393	231,466		299,604	-	-	-	-	-
Fund Balances at End of Year	\$ 22,604	\$ 230,189	\$ -	\$ 283,761	\$ -	\$ -	\$ -	\$ -	\$ -

**ZAPATA COUNTY, TEXAS
NONMAJOR FUNDS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
SEPTEMBER 30, 2010**

	SHERIFF FORFEITURE	EMS FIRE MARSHAL	JUSTICE COURT TECHNOLOGY	SHERIFF TRAINING	RESERVE FUND	SU09A CRIMINAL JUSTICE PROGRESS	COURTHOUSE SECURITY	TOTALS
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,618,960
License and permits	-	-	-	-	-	-	-	357,025
Intergovernmental	-	-	-	-	-	298,399	-	2,941,244
Charges for Services	-	-	-	-	-	-	-	49,143
Fines and Forfeitures	15,835	-	-	-	-	-	4,016	119,381
Interest	81	-	139	-	150	-	280	12,028
Other	-	-	-	-	-	-	-	-
Total Revenues	15,926	-	139	-	150	298,399	4,296	6,097,781
Expenditures:								
Current:								
Judicial	-	-	-	-	-	-	-	209,917
Law Enforcement	23,485	-	3,661	-	-	-	-	1,955,448
Corrections	-	-	-	-	-	298,399	-	389,118
Highways and Streets	-	-	-	-	-	-	-	2,380,815
Health and Welfare	-	49,621	-	-	-	-	-	821,608
Economic and Urban Development	-	-	-	-	-	-	-	514,579
Other	-	-	-	-	14,336	-	-	30,608
Total Expenditures	23,485	49,621	3,661	-	14,336	298,399	-	6,112,093
Excess (deficiency) of Revenues over Expenditures	(7,559)	(49,621)	(3,522)	-	(14,186)	-	4,296	(14,332)
Other Financing Sources (Uses):								
Operating transfers in	-	49,621	-	-	-	-	-	411,273
Operating transfers out	-	-	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	49,621	-	-	-	-	-	411,273
Excess (deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(7,559)	-	(3,522)	-	(14,186)	-	4,296	396,941
Fund Balances at Beginning of Year	26,464	-	36,780	11,558	48,575	-	77,790	2,618,540
Fund Balances at End of Year	\$ 18,905	\$ -	\$ 33,268	\$ 11,558	\$ 34,389	\$ -	\$ 82,088	\$ 3,015,481

**ZAPATA COUNTY, TEXAS
SPECIAL ROAD AND BRIDGE
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010**

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
REVENUES:				
Taxes:				
Current Property Taxes	\$ 2,185,299	\$ 2,185,299	\$ 1,920,862	\$ (264,437)
Delinquent property taxes	15,000	15,000	28,266	13,266
Penalties and interest on taxes	5,000	5,000	11,882	6,882
Total taxes	<u>2,205,299</u>	<u>2,205,299</u>	<u>1,961,010</u>	<u>(244,289)</u>
Licenses and permits:				
Registration and licenses	227,000	227,000	357,025	130,025
Total licenses and permits	<u>227,000</u>	<u>227,000</u>	<u>357,025</u>	<u>130,025</u>
Fines and Forfeitures				
County clerk	16,000	16,000	11,306	(4,694)
District clerk	20,000	20,000	11,278	(8,722)
Justices of the peace	30,000	30,000	76,926	46,926
Total charges for services	<u>66,000</u>	<u>66,000</u>	<u>99,510</u>	<u>33,510</u>
Interest	5,000	5,000	8,100	3,100
TOTAL REVENUES	<u>2,503,299</u>	<u>2,503,299</u>	<u>2,425,645</u>	<u>(77,654)</u>
EXPENDITURES:				
General Government				
County Commissioner Precinct 1				
Personnel	178,192	211,996	208,414	3,582
Fringe Benefits	92,262	92,262	98,058	(5,796)
Road Maintenance	120,000	120,000	107,180	12,820
Total County Commissioner Precinct 1	<u>390,454</u>	<u>424,258</u>	<u>413,652</u>	<u>10,606</u>
County Commissioner Precinct 2				
Personnel	139,387	139,387	138,780	607
Fringe Benefits	77,605	77,605	60,624	16,981
Road Maintenance	170,000	170,000	166,023	3,977
Total County Commissioner Precinct 2	<u>386,992</u>	<u>386,992</u>	<u>365,427</u>	<u>21,565</u>
County Commissioner Precinct 3				
Personnel	112,205	112,205	87,541	24,664
Fringe Benefits	57,822	57,822	41,794	16,028
Road Maintenance	120,000	120,000	76,199	43,801
Total County Commissioner Precinct 3	<u>290,027</u>	<u>290,027</u>	<u>205,534</u>	<u>84,493</u>

**ZAPATA COUNTY, TEXAS
SPECIAL ROAD AND BRIDGE
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010**

	2010			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts, Budgetary Basis	
	Original	Final		
County Commissioner Precinct 4				
Personnel	134,460	134,460	132,373	2,087
Fringe Benefits	69,351	69,351	60,009	9,342
Road Maintenance	80,000	80,000	53,689	26,311
Total County Commissioner Precinct 4	<u>283,811</u>	<u>283,811</u>	<u>246,071</u>	<u>37,740</u>
Special Road and Bridge				
Personnel	372,315	372,315	387,763	(15,448)
Fringe Benefits	205,213	209,681	199,665	10,016
Travel and Education	5,000	1,532	1,532	-
Supplies	230,000	230,000	245,402	(15,402)
Other	136,499	135,499	122,990	12,509
Total Special Road and Bridge	<u>949,027</u>	<u>949,027</u>	<u>957,352</u>	<u>(8,325)</u>
TOTAL EXPENDITURES	<u>2,300,311</u>	<u>2,334,115</u>	<u>2,188,036</u>	<u>146,079</u>
Excess (deficiency) of revenues over expenditures	202,988	169,184	237,609	68,425
Other Financing Sources (Uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Other financing uses	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	202,988	169,184	237,609	68,425
FUND BALANCE AT BEGINNING OF YEAR	985,282	985,282	985,282	-
FUND BALANCE AT END OF YEAR	<u>1,188,270</u>	<u>1,154,466</u>	<u>1,222,891</u>	<u>68,425</u>

Zapata County, Texas
Texas Juvenile Probation Commission
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended September 30, 2010

	A	C	E	F	H	X	Y	Z	INTEREST	INTEREST
REVENUES										
Intergovernmental	\$ 46,130	\$ 5,339	\$ -	\$ 41,836	\$ 16,416	\$ 8,506	\$ 41,972	\$ 14,250	\$ -	\$ 174,449
Interest	-	-	-	-	-	-	-	-	541	541
Total Revenues	\$ 46,130	\$ 5,339	-	\$ 41,836	\$ 16,416	\$ 8,506	\$ 41,972	\$ 14,250	541	174,990
EXPENDITURES										
Justice System										
Salaries and Fringe Benefits	\$ 37,454	\$ -	-	\$ 41,836	\$ -	\$ -	\$ 40,687	\$ 14,250	-	134,227
Travel	-	-	1,700	-	-	-	1,285	-	-	2,985
Operating Expenses	8,676	-	13,315	-	-	-	-	-	-	21,991
Non-Residential Services	-	-	-	-	-	8,506	-	-	-	8,506
Residential Services	-	5,339	-	-	16,416	-	-	-	-	21,755
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 46,130	\$ 5,339	15,015	\$ 41,836	\$ 16,416	\$ 8,506	\$ 41,972	\$ 14,250	-	189,464
Excess of Revenues Over/ (Under) Expenditures			(15,015)						541	(14,474)
Fund Balance Beginning of Year			123,711						3,009	126,720
Fund Balance End of Year			<u>\$ 108,696</u>						<u>\$ 3,550</u>	<u>\$ 112,246</u>

Zapata County, Texas
Texas Juvenile Probation Commission - State Aid
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-A-2010-253					Contract # TJPC-A-2011-253			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	
REVENUES									
Intergovernmental	\$ 46,130	\$ 3,636	\$ 42,494	\$ 46,130	\$ -	\$ 38,154	\$ 3,636	\$ (34,518)	\$ 46,130
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 46,130</u>	<u>\$ 3,636</u>	<u>\$ 42,494</u>	<u>\$ 46,130</u>	<u>\$ -</u>	<u>\$ 38,154</u>	<u>\$ 3,636</u>	<u>\$ (34,518)</u>	<u>\$ 46,130</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ 37,454	\$ 3,636	\$ 33,818	\$ 37,454	\$ -	\$ 37,454	\$ 3,636	\$ 33,818	\$ 37,454
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	8,676	-	8,676	8,676	-	700	-	700	8,676
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ 46,130</u>	<u>\$ 3,636</u>	<u>\$ 42,494</u>	<u>\$ 46,130</u>	<u>\$ -</u>	<u>\$ 38,154</u>	<u>\$ 3,636</u>	<u>\$ 34,518</u>	<u>\$ 46,130</u>

Zapata County, Texas
Texas Juvenile Probation Commission - Commitment Reduction Program
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-C-2010-253					Contract # TJPC-C-2011-253			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	
REVENUES									
Intergovernmental	\$ 5,339	\$ -	\$ 5,339	\$ 5,339	\$ -	\$ 25,000	\$ -	\$ (25,000)	\$ 5,339
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 5,339</u>	<u>\$ -</u>	<u>\$ 5,339</u>	<u>\$ 5,339</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ (25,000)</u>	<u>\$ 5,339</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	5,339	-	5,339	5,339	-	25,000	-	25,000	5,339
Total Expenditures	<u>\$ 5,339</u>	<u>\$ -</u>	<u>\$ 5,339</u>	<u>\$ 5,339</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 5,339</u>

Zapata County, Texas
Texas Juvenile Probation Commission - Title IV-E Contracts
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-E-2010-253				Contract # TJPC-E-2011-253			Total Actual Amounts as of 9/30/10	
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual		Variance Positive (Negative)
REVENUES									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	-
Travel	-	-	1,700	1,700	(1,700)	-	-	-	1,700
Operating Expenses	-	-	13,315	13,315	(13,315)	-	-	-	13,315
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,015</u>	<u>15,015</u>	<u>\$ (15,015)</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>15,015</u>
Excess of Revenues Over/ (Under) Expenditures				(15,015)			-		(15,015)
Fund Balance Beginning of Year				<u>123,711</u>			<u>108,696</u>		<u>123,711</u>
Fund Balance End of Year				<u>\$ 108,696</u>			<u>\$ 108,696</u>		<u>\$ 108,696</u>

Zapata County, Texas
Texas Juvenile Probation Commission - Progressive Sanctions JPOs
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-F-2010-253				Contract # TJPC-F-2011-253			Total Actual Amounts as of 9/30/10	
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual		Variance Positive (Negative)
REVENUES									
Intergovernmental	\$ 44,358	\$ 5,045	\$ 39,313	\$ 44,358	\$ -	\$ 44,358	\$ 2,523	\$ (41,835)	\$ 41,836
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 44,358	\$ 5,045	\$ 39,313	\$ 44,358	\$ -	\$ 44,358	\$ 2,523	\$ (41,835)	\$ 41,836
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ 44,358	\$ 5,045	\$ 39,313	\$ 44,358	\$ -	\$ 44,358	\$ 2,523	\$ 41,835	\$ 41,836
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 44,358	\$ 5,045	\$ 39,313	\$ 44,358	\$ -	\$ 44,358	\$ 2,523	\$ 41,835	\$ 41,836

Zapata County, Texas
Texas Juvenile Probation Commission - Diversionary
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-H-2010-253				Variance Positive (Negative)	Contract # TJPC-H-2011-253			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total		Budget	Actual	Variance Positive (Negative)	
REVENUES									
Intergovernmental	\$ 16,416	\$ -	\$ 16,416	\$ 16,416	\$ -	\$ 16,416	\$ -	\$ (16,416)	\$ 16,416
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 16,416</u>	<u>\$ -</u>	<u>\$ 16,416</u>	<u>\$ 16,416</u>	<u>\$ -</u>	<u>\$ 16,416</u>	<u>\$ -</u>	<u>\$ (16,416)</u>	<u>\$ 16,416</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	16,416	-	16,416	16,416	-	16,416	-	16,416	16,416
Total Expenditures	<u>\$ 16,416</u>	<u>\$ -</u>	<u>\$ 16,416</u>	<u>\$ 16,416</u>	<u>\$ -</u>	<u>\$ 16,416</u>	<u>\$ -</u>	<u>\$ 16,416</u>	<u>\$ 16,416</u>

Zapata County, Texas
Texas Juvenile Probation Commission - ICBP Regional
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-X-2010-253					Contract # TJPC-X-2011-253			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	
REVENUES									
Intergovernmental	\$ 8,506	\$ -	\$ 8,506	\$ 8,506	\$ -	\$ 8,506	\$ -	\$ (8,506)	\$ 8,506
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 8,506</u>	<u>\$ -</u>	<u>\$ 8,506</u>	<u>\$ 8,506</u>	<u>\$ -</u>	<u>\$ 8,506</u>	<u>\$ -</u>	<u>\$ (8,506)</u>	<u>\$ 8,506</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	8,506	-	8,506	8,506	-	8,506	-	8,506	8,506
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ 8,506</u>	<u>\$ -</u>	<u>\$ 8,506</u>	<u>\$ 8,506</u>	<u>\$ -</u>	<u>\$ 8,506</u>	<u>\$ -</u>	<u>\$ 8,506</u>	<u>\$ 8,506</u>

Zapata County, Texas
Texas Juvenile Probation Commission - Community Corrections Assistance
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-Y-2010-253				Variance Positive (Negative)	Contract # TJPC-Y-2011-253			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total		Budget	Actual	Variance Positive (Negative)	
REVENUES									
Intergovernmental	\$ 41,947	\$ 3,591	\$ 38,356	\$ 41,947	\$ -	\$ 41,947	\$ 3,616	\$ (38,331)	\$ 41,972
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 41,947</u>	<u>\$ 3,591</u>	<u>\$ 38,356</u>	<u>\$ 41,947</u>	<u>\$ -</u>	<u>\$ 41,947</u>	<u>\$ 3,616</u>	<u>\$ (38,331)</u>	<u>\$ 41,972</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ 40,687	\$ 3,591	\$ 37,096	\$ 40,687	\$ -	\$ 40,687	\$ 3,591	\$ 37,096	\$ 40,687
Travel	1,260	-	1,260	1,260	-	1,260	25	1,235	1,285
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ 41,947</u>	<u>\$ 3,591</u>	<u>\$ 38,356</u>	<u>\$ 41,947</u>	<u>\$ -</u>	<u>\$ 41,947</u>	<u>\$ 3,616</u>	<u>\$ 38,331</u>	<u>\$ 41,972</u>

Zapata County, Texas
Texas Juvenile Probation Commission - Salary Adjustment
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract # TJPC-Z-2010-253					Contract # TJPC-Z-2011-253			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	
REVENUES									
Intergovernmental	\$ 14,250	\$ 1,096	\$ 13,154	\$ 14,250	\$ -	\$ 14,250	\$ 1,096	\$ (13,154)	\$ 14,250
Interest	-	-	-	-	-	-	-	-	-
Total Revenues	<u>\$ 14,250</u>	<u>\$ 1,096</u>	<u>\$ 13,154</u>	<u>\$ 14,250</u>	<u>\$ -</u>	<u>\$ 14,250</u>	<u>\$ 1,096</u>	<u>\$ (13,154)</u>	<u>\$ 14,250</u>
EXPENDITURES									
Justice System									
Salaries and Fringe Benefits	\$ 14,250	\$ 1,096	\$ 13,154	\$ 14,250	\$ -	\$ 14,250	\$ 1,096	\$ 13,154	\$ 14,250
Travel	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ 14,250</u>	<u>\$ 1,096</u>	<u>\$ 13,154</u>	<u>\$ 14,250</u>	<u>\$ -</u>	<u>\$ 14,250</u>	<u>\$ 1,096</u>	<u>\$ 13,154</u>	<u>\$ 14,250</u>

Zapata County, Texas
Texas Juvenile Probation Commission - Interest
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2010

	Contract - 2010 - Interest				Contract - 2011 - Interest			Total Actual Amounts as of 9/30/10
	Budget	Cumulative thru 9/30/09	Actual 10/1/2009 thru 8/31/10	Total	Variance Positive (Negative)	Budget	Actual	
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	48	493	541	541	-	-	541
Total Revenues	<u>\$ -</u>	<u>\$ 48</u>	<u>\$ 493</u>	<u>541</u>	<u>\$ 541</u>	<u>\$ -</u>	<u>-</u>	<u>\$ 541</u>
EXPENDITURES								
Justice System								
Salaries and Fringe Benefits	\$ -	\$ -	\$ -	-	-	\$ -	-	-
Travel	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-
Non-Residential Services	-	-	-	-	-	-	-	-
Residential Services	-	-	-	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over/ (Under) Expenditures				541		-		541
Fund Balance Beginning of Year				<u>3,009</u>		<u>3,550</u>		<u>3,009</u>
Fund Balance End of Year				<u>\$ 3,550</u>		<u>\$ 3,550</u>		<u>\$ 3,550</u>

ZAPATA COUNTY, TEXAS
LAREDO FINANCIAL NARCOTICS ENFORCEMENT TASK FORCE
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

Contract Period: 10/1/09 thru 09/30/10

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
REVENUES:			
Intergovernmental	176,056	176,056	-
TOTAL REVENUES	<u>176,056</u>	<u>176,056</u>	<u>-</u>
EXPENDITURES:			
Corrections and Rehabilitation			
Personnel	175,250	175,250	-
Fuel	806	806	-
TOTAL EXPENDITURES	<u>176,056</u>	<u>176,056</u>	<u>-</u>

ZAPATA COUNTY, TEXAS
SHERIFF'S OFFICE - OPERATION BORDER STAR
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
REVENUES:			
Intergovernmental	<u>99,169</u>	<u>99,169</u>	<u>-</u>
TOTAL REVENUES	<u>99,169</u>	<u>99,169</u>	<u>-</u>
EXPENDITURES:			
Corrections and Rehabilitation			
Personnel and Fringe Benefits	<u>99,169</u>	<u>99,169</u>	<u>-</u>
TOTAL EXPENDITURES	<u>99,169</u>	<u>99,169</u>	<u>-</u>

**ZAPATA COUNTY, TEXAS
 BORDER COLONIA PROGRAM
 STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 YEAR ENDED SEPTEMBER 30, 2010**

	Contract # 5BCF5004			Variance Positive/ (Negative)	
	Budget	Amount Previously Reported	Oct. 1, 2009 thru Sept. 30, 2010		Total
REVENUES:					
Intergovernmental	2,055,742	-	284,820	284,820	(1,770,922)
TOTAL REVENUES	2,055,742	-	284,820	284,820	(1,770,922)
EXPENDITURES:					
Community and Economic Development					
Road Construction	1,616,851	-	39,475	39,475	1,577,376
Drainage Construction	438,891	-	-	-	438,891
Engineering/Architecture	-	-	234,090	234,090	(234,090)
Administrative	-	-	11,255	11,255	(11,255)
TOTAL EXPENDITURES	2,055,742	-	284,820	284,820	1,770,922

ZAPATA COUNTY, TEXAS

NONMAJOR FUNDS
DEBT SERVICE FUND
BALANCE SHEET
SEPTEMBER 30, 2010

ASSETS

Cash	\$	34,540
Certificates of Deposit		110,067
Taxes receivable, net		129,819
Due from Other Funds		<u>216,855</u>
Total Assets	\$	<u>491,281</u>

LIABILITIES AND FUND BALANCES

Deferred revenue-taxes	\$	<u>129,819</u>
Total Liabilities		<u>129,819</u>

FUND BALANCES:

Unreserved - Undesignated		<u>361,462</u>
Total Fund Balances		<u>361,462</u>
Total Liabilities and Fund Balances	\$	<u>491,281</u>

ZAPATA COUNTY, TEXAS

NONMAJOR FUNDS DEBT SERVICE FUND STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL YEAR ENDED SEPTEMBER 30, 2010

	Budget	Actual	Variance-- favorable (Unfavorable)
REVENUES:			
Taxes:			
Current property taxes	\$ 1,902,304	\$ 2,134,617	\$ 232,313
Delinquent property taxes	10,000	25,228	15,228
Penalty and Interest on taxes	5,000	11,860	6,860
Total taxes	1,917,304	2,171,705	254,401
Interest	10,000	1,535	(8,465)
TOTAL REVENUES	1,927,304	2,173,240	245,936
EXPENDITURES:			
Debt Service:			
Principal Retirement	1,145,000	1,145,000	-
Interest and Fiscal Charges	887,443	884,543	2,900
Total Debt Service	2,032,443	2,029,543	2,900
TOTAL EXPENDITURES	2,032,443	2,029,543	2,900
Excess (deficiency) of revenues over Expenditures	(105,139)	143,697	248,836
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Net Other Financing Sources (Uses)	-	-	-
Excess (deficiency) of Revenues and Other Financing Sources Over Expenditures Other Financing Uses	(105,139)	143,697	248,836
Fund Balance at Beginning of Year	217,765	217,765	-
Fund Balance at End of Year	\$ 112,626	\$ 361,462	\$ 248,836

ZAPATA COUNTY, TEXAS

NONMAJOR FUNDS CAPITAL PROJECTS FUND COMBINING BALANCE SHEET SEPTEMBER 30, 2010

	Road Bonds	RTC803 TDRA Tech Facility	Water Plant	Total
ASSETS				
Cash	\$ 854,307	\$ -	\$ 308,632	\$ 1,162,939
Certificates of Deposit	190,869	-	-	190,869
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 1,045,176</u>	<u>\$ -</u>	<u>\$ 308,632</u>	<u>\$ 1,353,808</u>
 LIABILITIES AND FUND BALANCES				
Due to Other Funds	\$ 1,045,176	\$ -	\$ 308,632	\$ 1,353,808
Total Liabilities	<u>1,045,176</u>	<u>-</u>	<u>308,632</u>	<u>1,353,808</u>
 FUND BALANCES:				
Unreserved - Undesignated	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,045,176</u>	<u>\$ -</u>	<u>\$ 308,632</u>	<u>\$ 1,353,808</u>

ZAPATA COUNTY, TEXAS

NONMAJOR FUNDS

CAPITAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Road Bonds	RTC803 TDRA Tech Facility	Water Plant	Total
REVENUES:				
Intergovernmental	\$ -	\$ 1,422,000	\$ -	\$ 1,422,000
Interest	33,263	-	-	33,263
Total Revenues	<u>33,263</u>	<u>1,422,000</u>	<u>-</u>	<u>1,455,263</u>
EXPENDITURES:				
Capital Outlay	4,474,541	1,422,000	7,703,209	13,599,750
Total Expenditures	<u>4,474,541</u>	<u>1,422,000</u>	<u>7,703,209</u>	<u>13,599,750</u>
Excess (deficiency) of revenues over expenditures	<u>(4,441,278)</u>	<u>-</u>	<u>(7,703,209)</u>	<u>(12,144,487)</u>
Other Financing Sources (Uses):				
Loan Proceeds	-	-	7,703,209	7,703,209
Transfers in	496,246	-	-	496,246
Net Other Financing Sources (Uses)	<u>496,246</u>	<u>-</u>	<u>7,703,209</u>	<u>8,199,455</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(3,945,032)</u>	<u>-</u>	<u>-</u>	<u>(3,945,032)</u>
Fund Balance at beginning of year	<u>3,945,032</u>	<u>-</u>	<u>-</u>	<u>3,945,032</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ZAPATA COUNTY, TEXAS
UNLIMITED TAX ROAD BONDS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	Budget	Amount Previously Reported	Oct. 1, 2009 thru Sept. 30, 2010	Total	Variance Positive/ (Negative)
REVENUES:					
Interest	\$ -	\$ 973,109	\$ 33,263	\$ 1,006,372	\$ 1,006,372
TOTAL REVENUES	<u>-</u>	<u>973,109</u>	<u>33,263</u>	<u>1,006,372</u>	<u>1,006,372</u>
EXPENDITURES:					
Community and Economic Development					
Issuance Costs	268,462	268,462	-	268,462	-
Construction in Progress	14,731,538	11,759,615	4,474,541	16,234,156	(1,502,618)
TOTAL EXPENDITURES	<u>15,000,000</u>	<u>12,028,077</u>	<u>4,474,541</u>	<u>16,502,618</u>	<u>(1,502,618)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,000,000)</u>	<u>(11,054,968)</u>	<u>(4,441,278)</u>	<u>(15,496,246)</u>	<u>(496,246)</u>
Other Financing Sources (Uses):					
Other Financing Sources	15,000,000	15,000,000	-	15,000,000	-
Transfers In	-	-	496,246	496,246	496,246
Net Other Financing Sources (Uses)	<u>15,000,000</u>	<u>15,000,000</u>	<u>496,246</u>	<u>15,496,246</u>	<u>496,246</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	3,945,032	(3,945,032)	-	-
Fund Balance at beginning of year	-	-	3,945,032	-	-
Fund Balance at end of year	<u>\$ -</u>	<u>\$ 3,945,032</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ZAPATA COUNTY, TEXAS
TEXAS DEPARTMENT OF RURAL AFFAIRS
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	Contract # RTC803				Variance Positive/ (Negative)
	Budget	Amount Previously Reported	Oct. 1, 2009 thru Sept. 30, 2010	Total	
REVENUES:					
Intergovernmental	\$ 1,500,000	\$ 78,000	\$ 1,422,000	\$ 1,500,000	\$ -
Interest	-	-	-	-	-
TOTAL REVENUES	1,500,000	78,000	1,422,000	1,500,000	-
EXPENDITURES:					
Community and Economic Development					
Technology Facility	1,500,000	78,000	1,422,000	1,500,000	-
TOTAL EXPENDITURES	1,500,000	78,000	1,422,000	1,500,000	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other Financing Sources (Uses):					
Other Financing Sources	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-	-
Fund Balance at beginning of year	-	-	-	-	-
Fund Balance at end of year	\$ -	\$ -	\$ -	\$ -	\$ -

ZAPATA COUNTY, TEXAS
TEXAS WATER DEVELOPMENT BOARD - WATER PLANT
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2010

	Budget	Amount Previously Reported	Oct. 1, 2009 thru Sept. 30, 2010	Total	Variance Positive/ (Negative)
REVENUES:					
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:					
Community and Economic Development					
Construction in Progress	-	4,609,272	7,703,209	12,312,481	(12,312,481)
TOTAL EXPENDITURES	<u>-</u>	<u>4,609,272</u>	<u>7,703,209</u>	<u>12,312,481</u>	<u>(12,312,481)</u>
Excess (deficiency) of revenues over (under) expenditures	-	(4,609,272)	(7,703,209)	(12,312,481)	(12,312,481)
Other Financing Sources (Uses):					
Loan Proceeds	-	4,609,272	7,703,209	12,312,481	12,312,481
Transfers Out	-	-	-	-	-
Net Other Financing Sources (Uses)	<u>-</u>	<u>4,609,272</u>	<u>7,703,209</u>	<u>12,312,481</u>	<u>12,312,481</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-	-
Fund Balance at beginning of year	-	-	-	-	-
Fund Balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ZAPATA COUNTY, TEXAS
FIDUCIARY FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010**

	County Clerk Trust	District Clerk Trust	District Attorney	Tax Assessor Collector	Jail Inmates	Appelate Judicial	Cemetery	Payroll Clearing	Employee Christmas Fund	Totals
ASSETS										
Cash and cash equivalents	\$ 68,871	\$ 3,294,269	\$ 20,392	\$ 360,659	\$ 189,284	\$ 941	\$ 37,298	\$ 433,044	\$ 416,627	\$ 4,821,385
TOTAL ASSETS	68,871	3,294,269	20,392	360,659	189,284	941	37,298	433,044	416,627	4,821,385
LIABILITIES										
Due to other governments	-	-	-	360,659	-	941	-	-	-	361,600
Due to others	-	-	20,392	-	-	-	37,298	433,044	416,627	907,361
Held in trust	68,871	3,294,269	-	-	189,284	-	-	-	-	3,552,424
TOTAL LIABILITIES	\$ 68,871	\$ 3,294,269	\$ 20,392	\$ 360,659	\$ 189,284	\$ 941	\$ 37,298	\$ 433,044	\$ 416,627	4,821,385

SINGLE AUDIT SECTION

FLORES AUDITING, PLLC

3112 SPRING CREEK

LAREDO, TX 78045

Tel: (956) 717-4193; Fax (956) 717-1484

Gloria E. 'Gigi' Flores, CPA

Jorge C. Flores, Manager

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 Zapata County Judge and Commissioners
Zapata County, Texas

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Zapata County, Texas, as of and for the year ended September 30, 2010, which collectively comprise the Zapata County, Texas's basic financial statements and have issued our report thereon dated July 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of Zapata County, Texas, in a separate letter dated July 22, 2011.

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

Flores Auditing, PLLC

Flores Auditing, PLLC

Laredo, TX
July 22, 2011

FLORES AUDITING, PLLC

3112 SPRING CREEK

LAREDO, TX 78045

Tel: (956) 717-4193; Fax (956) 717-1484

Gloria E. 'Gigi' Flores, CPA

Jorge C. Flores, Manager

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

To the Zapata County Judge and Commissioners
Zapata County, Texas

Compliance

We have audited Zapata County, Texas's 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 Zapata County, Texas's major federal programs for the year ended September 30, 2010. Zapata County, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Zapata County, Texas's management. Our responsibility is to express an opinion on Zapata County, Texas's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Zapata County, Texas's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Zapata County, Texas's compliance with those requirements.

In our opinion, Zapata County, Texas, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2010.

Internal Control over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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.

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

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

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

Flores Auditing, PLLC

Flores Auditing, PLLC

Laredo, TX

July 22, 2011

Zapata County, Texas
Schedule of Expenditures of Federal and State Awards
For the Year Ended September 30, 2010

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/STATE GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/ STATE EXPENDITURES	PASS THROUGH AMOUNT TO SUBRECIPIENTS
FEDERAL AWARDS			
<u>U.S. Department of Agriculture</u>			
Passed Through South Texas Development Council Nutrition Program for the Elderly - C1, C2, USDA	10.570	\$ 36,871	\$ -
Total U.S. Department of Agriculture		<u>36,871</u>	<u>-</u>
<u>U.S. Environmental Protection Agency</u>			
Passed Through Water Development Board Drinking Water State Revolving Fund Project 61275	66.468	7,703,209	-
Total U.S. Environmental Protection Agency		<u>7,703,209</u>	<u>-</u>
<u>U.S. Department of Justice</u>			
Passed Through Texas Dept. of Public Safety Border Star DJ08A101982103	16.738	99,169	-
Homeland Security	16.738	293,809	-
Passed Through City of Laredo, Texas Financial Task Force	16.579	176,056	-
Passed Through Office of the Governor Criminal Justice Division Juvenile Probation Liaison Officer ED09J212174901	84.186	30,559	-
Criminal Justice Progress Grant SU09A102227201 (ARRA)	16.803	298,399	-
Juvenile Justice Alternative JA09J201478811	16.540	80,160	-
Passed Through Texas Border Sheriff's Coalition Operation Linebacker	16.753	194,497	-
Total U.S. Department of Justice		<u>1,152,649</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>			
Passed Through Governor's Division of Emergency Mgmt. Operation Stonegarden	97.067	1,164,771	-
Total U.S. Department of Homeland Security		<u>1,164,771</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 10,057,500</u>	<u>\$ -</u>
STATE AWARDS			
<u>Texas Juvenile Probation Commission</u>			
TJPC- Probation (Schedule of State Financial Assistance attached)	N/A	\$ 189,464	\$ -
Total Texas Juvenile Probation Commission		<u>189,464</u>	<u>-</u>
<u>Texas Department of Rural Affairs</u>			
Technology Center RTC803	N/A	1,422,000	-
Total Texas Department of Rural Affairs		<u>1,422,000</u>	<u>-</u>
<u>Texas Department of Transportation</u>			
Border Colonia Access Program	N/A	284,820	-
Total Texas Department of Transportation		<u>284,820</u>	<u>-</u>
<u>Other Texas Grants</u>			
Lone Star Library Grant	N/A	7,064	-
Total Other Texas Grants		<u>7,064</u>	<u>-</u>
TOTAL EXPENDITURES OF STATE AWARDS		<u>1,896,284</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AND STATE AWARDS		<u>\$ 11,953,784</u>	<u>\$ -</u>

Zapata County, Texas
Schedule of State Financial Assistance
Texas Juvenile Probation Commission
For the Year Ended September 30, 2010

<u>State Granting Agency</u>	<u>Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Accrued or (Deferred) Revenue at 10/1/2009</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements Expenditures</u>	<u>Accrued or (Deferred) Revenue at 9/30/2010</u>
Texas Juvenile Probation Commission						
IV-E Contracts	E-253	\$ -	\$ (123,711)	\$ -	\$ 15,015	\$ (108,696)
State Aid	A-2010-253	46,130	(2,723)	39,771	42,494	-
Commitment Reduction Program	C-2010-253	5,339	-	5,339	5,339	-
Progressive Sanctions JPO's	F-2010-253	44,358	(2,348)	36,965	39,313	-
Diversionary H	H-2010-253	16,416	-	16,416	16,416	-
ICBP Regional	X-2010-253	8,506	-	8,506	8,506	-
Community Corrections Assistance	Y-2010-253	41,947	(3,400)	34,956	38,356	-
Salary Adjustment	Z-2010-253	14,250	(1,279)	11,875	13,154	-
State Aid	A-2011-253	38,154	-	6,359	3,636	(2,723)
Commitment Reduction Program	C-2011-253	25,000	-	4,167	-	(4,167)
Progressive Sanctions JPO's	F-2011-253	44,358	-	7,393	2,523	(4,870)
Diversionary H	H-2011-253	16,416	-	2,736	-	(2,736)
ICBP Regional	X-2011-253	8,506	-	1,418	-	(1,418)
Community Corrections Assistance	Y-2011-253	41,947	-	6,991	3,616	(3,375)
Salary Adjustment	Z-2011-253	14,250	-	2,375	1,096	(1,279)
			\$ (133,461)	\$ 185,267	\$ 189,464	\$ (129,264)

ZAPATA COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

(1) General

The accompanying Schedule of Expenditures of Federal and State Awards presents the federal and state grant activity for the Zapata County, Texas (the County). The reporting entity is defined in Note 1 to the County's financial statements.

(2) Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the County's notes to financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations and the State of Texas Uniform Grant & Contract Management Standards (UGCMS)*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

(3) Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedule may not agree with the amounts reported in the related Federal and State financial reports filed with the grantor agencies because of accruals made in the schedule, which will be included in the future reports filed with the agencies.

ZAPATA COUNTY , TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Section I – Summary of Auditor’s Results	Description
Financial Statements	
Type of auditor’s report issued:	Unqualified
Internal control over financial reporting - Material weakness(es) identified ? - Reportable condition(s) identified not considered to be material weaknesses?	No No
Noncompliance material to financial Statements noted?	No
FEDERAL AWARDS	
Internal Control over major programs: - Material weakness(es) identified ? - Reportable condition(s) identified not considered to be material weaknesses?	No No
Type of auditor’s report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section.510(a) ?	No
Dollar threshold used to distinguish Between Type A and Type B programs:	\$500,000
Auditee qualified as low risk auditee?	Yes
Identification of Major Federal Programs:	97.067 U.S. Department of Homeland Security Passed through Governors Div. of Emergency Mgmt 66.468 U. S. Environment Protection Agency Passed through Water Development Board
STATE AWARDS	
Internal Control over Compliance: - Material weakness(es) identified? - Were reportable condition(s) identified that were not considered to be material weaknesses?	No No
Type of auditor’s report on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with UGCMS?	No
Dollar threshold used to determine Type A programs:	\$300,000
Auditee as low-risk auditee?	N/A
Identification of major programs:	Texas Department of Rural Affairs Technology Center RTC803

Section II – Financial Statement Findings

None

Section III – Schedule of Federal and State Award Findings and Questioned Costs

None

**ZAPATA COUNTY, TEXAS
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

No prior year finding noted.