

Webb County, Texas
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 36,328,884	36,328,884	35,711,291	(617,593)
Sales and Miscellaneous Taxes	10,925,000	10,925,000	12,462,934	1,537,934
Fines and Forfeits	317,275	317,275	406,381	89,106
Intergovernmental	5,324,080	5,324,080	3,283,652	(2,040,428)
Charges for Services	3,490,947	3,490,947	3,821,420	330,473
Investments Earnings	604,830	604,830	1,071,918	467,088
Miscellaneous	408,672	408,672	313,717	(94,955)
Total Revenues	<u>\$ 57,399,688</u>	<u>57,399,688</u>	<u>57,071,313</u>	<u>(328,375)</u>
EXPENDITURES				
Current:				
General Government	\$ 14,886,567	14,562,953	14,203,452	359,501
Public Safety	7,803,394	7,821,628	7,649,328	172,300
Justice System	17,887,886	17,735,483	17,088,105	647,378
Health And Human Services	4,657,314	4,626,407	3,635,683	990,724
Infrastructure And Environmental Services	159,833	159,833	136,242	23,591
Corrections and Rehabilitation	10,842,630	11,022,057	10,912,500	109,557
Community and Economic Development	1,294,027	1,240,356	1,210,185	30,171
Capital Outlay		53,740	53,740	
Total Expenditures	<u>\$ 57,531,651</u>	<u>57,222,457</u>	<u>54,889,235</u>	<u>2,333,222</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(131,963)	177,231	2,182,078	2,004,847
Other Financing Sources (Uses):				
Transfers In	\$ 655,000	655,000	425,000	(230,000)
Transfers Out	(533,000)	(842,194)	(842,194)	
Capital Leases			37,790	37,790
Sale of Capital Assets	25,000	25,000	4,105	(20,895)
Total Other Financing Sources (Uses)	<u>\$ 147,000</u>	<u>(162,194)</u>	<u>(375,299)</u>	<u>(213,105)</u>
Net Change in Fund Balances	<u>\$ 15,037</u>	<u>15,037</u>	1,806,779	<u>1,791,742</u>
Fund Balances - Beginning, Restated			<u>10,125,082</u>	
Fund Balances - Ending			<u>\$ 11,931,861</u>	

Webb County, Texas
Required Supplementary Information
Budgetary Comparison Schedule
Head Start Program
For Year Ended September 30, 2006

	Grant # 06CH0929/40					Variance with Final Budget Positive (Negative)
	Grant Period 9/01/05 - 8/31/06					
	Budgeted Amounts		Cumulative Thru 9/30/05	Actual Amounts, Budgetary	Total	
Original	Final	Basis				
REVENUES						
Intergovernmental	\$ 7,817,088	7,819,088	757,908	7,027,049	7,784,957	(34,131)
Miscellaneous:						
In-Kind	1,954,272	2,015,514	216,606	1,798,908	2,015,514	
Total Revenues	\$ 9,771,360	9,834,602	974,514	8,825,957	9,800,471	(34,131)
EXPENDITURES						
Current:						
Health And Human Services:						
Personnel	\$ 4,919,345	4,435,067	448,367	3,986,700	4,435,067	
Fringe Benefits	1,831,470	2,091,294	199,853	1,865,577	2,065,430	25,864
Travel	33,000	23,578	1,139	22,439	23,578	
Supplies	161,500	168,277	13,585	149,487	163,072	5,205
Contractual	240,490	226,059	16,346	209,200	225,546	513
Other	631,283	848,195	78,618	767,028	845,646	2,549
In-Kind Services	1,954,272	2,015,514	216,606	1,798,908	2,015,514	
Principal and Interest		26,618		26,618	26,618	
Capital Outlay						
Total Expenditures	\$ 9,771,360	9,834,602	974,514	8,825,957	9,800,471	34,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$					
Fund Balances-Beginning						
Fund Balances-Ending				\$		

Grant # 06CH0929/41

Grant Period 9/01/06 - 8/31/07

Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)	Total Actual Amounts As Of 9/30/06	Total Prior Year As Of 9/30/05
Original	Final				
7,992,231	7,992,231	683,693	(7,308,538)	7,710,742	8,358,062
1,998,058	1,998,058	145,263	(1,852,795)	1,944,171	2,228,409
<u>9,990,289</u>	<u>9,990,289</u>	<u>828,956</u>	<u>(9,161,333)</u>	<u>9,654,913</u>	<u>10,586,471</u>
4,666,676	4,666,676	426,454	4,240,222	4,413,154	4,563,455
2,023,233	2,023,233	173,698	1,849,535	2,039,275	1,845,772
22,000	22,000	1,431	20,569	23,870	19,891
366,000	278,500	11,269	267,231	160,756	289,202
223,322	223,322	14,417	208,905	223,617	244,943
624,382	624,382	56,424	567,958	823,452	929,079
1,998,058	1,998,058	145,263	1,852,795	1,944,171	2,228,409
26,618	26,618		26,618	26,618	26,618
40,000	127,500		127,500		439,102
<u>9,990,289</u>	<u>9,990,289</u>	<u>828,956</u>	<u>9,161,333</u>	<u>9,654,913</u>	<u>10,586,471</u>
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Webb County, Texas
Notes to Required Supplementary Information
September 30, 2006

BUDGETARY INFORMATION - Operating budgets for the governmental fund types are legally adopted each year for the General Fund, Special Revenues Funds, and the Debt Service Fund on the same modified accrual basis used to reflect actual revenues and expenditures.

Operating budgets are also legally adopted each year for the proprietary funds on the same accrual basis used to reflect actual revenues and expenses.

The adopted budget normally covers all funds existing at the time the annual budget is adopted. However federal grants, state grants and assistance programs included in the Special Revenue Funds and Capital Projects Funds major and non-major funds are adopted by grant period and project-length financial plans rather than by fiscal year.

The County follows these procedures set by The Texas Local Government Code, (Code) Chapter 111 "County Budget" in establishing the budgetary data reflected in the financial statements:

The County Judge serves as the Budget Officer for the Commissioners' Court (Court), the governmental body, of the County. Each department submits a budget request to the County Judge. The County Judge, with the assistance of the County Auditor, prepares a budget to cover all the proposed expenditures for the succeeding fiscal year. The budget establishes an appropriation for the estimated expenditures to be included in the proposed budget. The County Judge estimates departmental revenues with the assistance of department heads and elected official assistance. The County Judge also estimated the property taxes to be levied and collected to cover the annual budget. In practical application, very seldom is the proposed budget balanced from the undesignated fund balance. Once the proposed budget is completed and balanced, it is filed with the County Clerk by July 31st for public inspection by any taxpayer. The Court holds public hearing regarding the all proposed budgets. The Court may increase or decrease the budgeted revenues and expenditures for the various funds and departments. After final approval of the budget, the Court may spend county funds only in strict compliance with the budget. The Court may levy taxes only in accordance with the budget. The Court is authorized to transfer budgeted amounts between departments or categories during the year; however, public notice must be given when adopting any revisions to the budget. The County Auditor is responsible for monitoring the expenditures of the various funds and departments to prevent expenditures from exceeding line item appropriations.

The County Auditor reports to the Court on a monthly basis to inform on the condition of the various departments and fund and line items accounts of special financial interest. Management has no authority to make changes to the budget without the Court approval. Budgetary controls exist at the expenditures line item and control at the department level. Operating budgeted amounts reflected in the financial statements represent the final budget as amended by the Commissioners' Court. "Personnel General Orders" are adopted by the Court by department and by fund for personnel positions.

An "Operational General Order" is also adopted by the Court for approving immediate and non-immediate payments for financial processing procedures for each fiscal year. "Amending the Budget" is a section that specifically directs how to request line item transfers only during the last six months of the fiscal year. The Commissioners' Court is very actively involved in the administration of the operating budgets for the county, and no line item amendments shall be made, except those from state and federal funding sources, without the Court's prior approval.

The Code stipulates that Court may authorize an emergency expenditure as an amendment to the budget only in case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention."

Function/Program	Budgeted Amounts		Budget Amendments during the fiscal year
	Original	Final	
General Fund			
General government	\$ 14,886,567	14,562,953	(323,614)
Public safety	7,803,394	7,821,628	18,234
Justice system	17,887,886	17,735,483	(152,403)
Health and human services	4,657,314	4,626,407	(30,907)
Infrastructure and environmental services	159,833	159,833	
Corrections and rehabilitation	10,842,630	11,022,057	179,427
Community and economic development	1,294,027	1,240,356	(53,671)
Capital Outlay		53,740	53,740
Total Expenditures	<u>\$ 57,531,651</u>	<u>57,222,457</u>	<u>(309,194)</u>

The general fund's general government operating functions decrease \$ 295,359 to transfer out \$ 208,915 to the Webb County Drug Impact Court special revenue fund and \$ 86,414 to the Webb County Water Utility Company enterprise fund to cover the respective fund's deficits. The Court also approved a general fund's justice system operating function decrease \$ 13,865 to transfer out for the County Clerk lease purchase to record the quarterly payments in the Webb County Debt Service Fund.

The following line item transfers were court approved between functions:

The general government, justice system, health and human services and community and economic development operating functions had line items transfers to the public safety, corrections and rehabilitation, and capital outlay functions. Although the above functions had savings for line items transfers, some departments had increases to their original budget.

The Risk Management, vehicle maintenance and third party contracts for general government function had increases for the buildings repairs from the June 2003 wind storm, fuel cost and two third party contracts.

The public safety function for Constable Precinct 4 and the Sheriff Justice Center Security had increases for incentive pay and overtime respectively.

The justice system function had increase for County Court of Law # 2 for indigent defendants. Justice of Peace Precinct 4, County Clerk, and Law Library had an additional personnel, capital outlay and books and subscriptions respectively. General Operations – Administration of Justice require an increase for autopsies cost for Justice of Peaces operations.

The corrections and rehabilitation function required a line item transfers for inmates' groceries.

The community and economic development functions also require line items transfers for the community center utilities bills exceeding the original budget.

Special Revenue Head Start Program period ended August 31, 2006 had \$ 63,242 budget amendments for \$ 2,000 for federal grant funds to attend the National Head Start Hispanic Institute. Non-federal share in-kind contributions increase \$ 500 for the grant funds and 60,742 for non-federal share in-kind expenditures. Revenues increased by \$2,000 for federal grant funds and \$ 61,242 for non-federal share in-kind revenues.

The County Commissioners' Court also approved the \$ 12,640 transfer from the Worker's Compensation Reserve Fund to the Webb County Employees' Health Benefit internal service fund to cover the fund's deficit.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final budgeted amounts (that have been adjusted for legally authorized revisions of the annual budgets during the year). The County payroll clearing fund requires no budget. The election contract services fund also requires no budget according to the State's Election Code. The election contract services fund reports a budget to the extent of the contractual service revenues and the available fund balance.

Governmental Funds	Estimated Revenues		Appropriations	
	Original Adopted Budget	Final Revised Budget	Original Adopted Budget	Final Revised Budget
Major Funds				
General Fund	\$ 58,079,688	58,079,688	58,064,651	58,064,651
Special Revenue Fund				
Head Start Program as of 08/31/2006	9,771,360	9,834,602	9,771,360	9,834,602
Head Start Program as of 08/31/2007	9,990,289	9,990,289	9,990,289	9,990,289
Capital Projects Funds				
Juvenile Youth Village Fund	11,300,000	11,300,000	11,300,000	11,300,000
Other Nonmajor Governmental Funds	<u>16,977,357</u>	<u>50,366,047</u>	<u>30,533,695</u>	<u>69,126,956</u>
Total	\$ <u>106,118,694</u>	<u>139,570,626</u>	<u>119,659,995</u>	<u>158,316,498</u>

Encumbrances outstanding at year-end do not represent Generally Accepted Accounting Principles (GAAP) expenditures or liabilities but represent budgetary accounting controls. All governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and contracts (encumbrance) issued for goods and services not received at year-end.

The actual results of operations are presented in accordance with GAAP, and the County's accounting policies do not recognize encumbrances as expenditures until the period in which the goods and services are actually received and a liability is incurred. All encumbrances lapse at the end of year. At year-end all outstanding encumbrances are presented as purchase order commitments.

Grant awards representing state and/or federal funding sources included in the special revenues and capital projects funds are project-period or entity differences. Grant awards are initially approved by the Commissioners' Court for the grants' special terms and conditions for contractual performance. All subsequent budget amendments are approved by the various granting agencies governing bodies during the fiscal year and by the Court. In addition to the agencies' governing bodies and the Court, the Board of District Judges approves amendments for the Community Justice Assistance Division grants for the Adult Probation and Texas Juvenile Probation Commission grants for the Juvenile Probation special revenue funds.