

Webb County, Texas
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For Year Ended September 30, 2008

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
	REVENUES			
Property Taxes	\$ 45,060,508	45,060,508	43,769,834	(1,290,674)
Sales and Miscellaneous Taxes	13,700,000	13,700,000	13,194,531	(505,469)
Fines and Forfeits	759,010	759,010	420,543	(338,467)
Intergovernmental	3,527,825	3,527,825	2,718,654	(809,171)
Charges for Services	4,203,947	4,203,947	3,770,096	(433,851)
Investments Earnings	1,628,430	1,628,430	1,172,542	(455,888)
Miscellaneous	430,715	430,715	427,998	(2,717)
Total Revenues	\$ 69,310,435	69,310,435	65,474,198	(3,836,237)
EXPENDITURES				
Current:				
General Government	\$ 17,748,870	17,226,549	16,278,116	948,433
Public Safety	9,762,660	9,773,515	9,490,265	283,250
Justice System	21,211,879	21,173,673	20,147,855	1,025,818
Health And Human Services	4,821,262	4,822,462	3,224,277	1,598,185
Infrastructure And Environmental Services	174,937	174,937	163,509	11,428
Corrections and Rehabilitation	13,435,119	13,580,940	13,185,744	395,196
Community and Economic Development	2,174,708	2,189,861	2,097,405	92,456
Capital Outlay		89,568	89,567	1
Total Expenditures	\$ 69,329,435	69,031,505	64,676,738	4,354,767
Excess (Deficiency) Of Revenues Over (Under) Expenditures	(19,000)	278,930	797,460	518,530
Other Financing Sources (Uses):				
Transfers In	\$ 590,000	590,000	585,861	(4,139)
Transfers Out	(576,703)	(874,633)	(874,633)	
Sale of Capital Assets	6,000	6,000	8,200	2,200
Total Other Financing Sources (Uses)	\$ 19,297	(278,633)	(280,572)	(1,939)
Net Change in Fund Balances	\$ 297	297	516,888	516,591
Fund Balances - Beginning, Restated			12,093,859	
Fund Balances - Ending			\$ 12,610,747	

Webb County, Texas
Notes to Required Supplementary Information
September 30, 2008

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 County 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 the County 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 officials. The County Judge also estimates 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 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 various department funds and line item accounts of special financial interest. Management has no authority to make changes to the budget without the Court's 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 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. 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	\$ 17,748,870	17,226,549	(522,321)
Public safety	9,762,660	9,773,515	10,855
Justice system	21,211,879	21,173,673	(38,206)
Health and human services	4,821,262	4,822,462	1,200
Infrastructure and environmental services	174,937	174,937	-
Corrections and rehabilitation	13,435,119	13,580,940	145,821
Community and economic development	2,174,708	2,189,861	15,153
Capital Outlay		89,568	89,568
Total Expenditures	\$ 69,329,435	69,031,505	(297,930)

The general fund's original expenditure budget \$ 69,906,138 includes transfers out (other financing uses) of \$576,703. The transfers out consisted of \$120,000 for the Water Utility Fund for debt service and operations, \$60,000 for the Webb County Records Management and Preservation Fund for personnel cost and operations and \$396,703 for the General Fund debt service requirements for capital leases, Certificates of Participations, Series 1997 and the LoanSTAR loan.

Transfers out were increased by \$ 297,930 funded from personnel cost, fringe benefits and operational line item expenditure savings from general government and justice system. The transfer out increase include a \$ 175,000 for the Justice Center Improvements for the fifth floor renovations, \$ 34,908 for the Maintenance & Construction Fund for capital outlay, and an additional \$ 88,022 for the Water Utility Fund water pump rental, repairs, and fuel cost.

The following line item transfers were approved by the Court between functions:

Individual departments within the public safety, health and human services, corrections and rehabilitation and community and economic development operating functions required line item transfers funded also from general government and justice system. Infrastructure and environmental services did not require any transfers within operating functions. The general government and justice system functions had payroll and operational savings to cover the above mentioned functions. Departments within these functions also had payroll and operational savings to cover other departmental increases not in their original budget.

The general government function required an additional \$ 25,185 line item transfers within the \$ 522,321 departmental saving. The line item expenditures consisted of administrative services for \$16,505 for buildings repairs for the June 2003 wind storm, \$4,046 for the tax assessor collector for security cost for the office renovations, \$ 450 for the maintenance department for County-wide repairs and \$ 4,184 for Commissioners Court's member departmental payroll cost.

The public safety function required an additional \$ 10,855 for line item transfers. The line items expenditures increase consisted of \$ \$ 83,007 for the Sheriff bargaining unit, Constable PCT. 1, PCT. 2, PCT. 3 and the Medical Examiner, and \$ 72,152 within the Sheriff and Constables PCT. 4 departmental savings.

The justice system function required an additional \$ 53,739 line item transfers within the existing justice system \$ 38,206 departmental savings. The major of the line items expenditures consisted of \$ 45,421 for the County Court of Law # 2 for part time payroll cost, juvenile felony, adult and juvenile misdemeanors.

The Health and Welfare function also required \$1,200 for the Animal Damage Control contracts.

The corrections and rehabilitation function required an additional \$ 145,821 line item expenditure transfers \$ 180,416 for departmental increase personnel cost and fringe benefits.

The community and economic development function required a net \$ 15,153 line items expenditures transfers for a community centers for personnel cost and utilities bills exceeding the original budget by \$ 59,978 less the other community centers \$ 44,825 departmental savings.

Capital outlay increased by a total of \$ 89,568 for the general government, justice system and the corrections and rehabilitation functions. The tax assessor collector's office and the building maintenance department required \$ 10,858 for a tape library backup system and \$ 13,990 for thermal imager equipment for the general government function. The justice system function also required \$ 35,873 for a compact vehicle and van for the juvenile probation department inmate transportation. The Corrections and Rehabilitation required also \$ 28,847 for an industrial dryer and major repair to the jail facility.

The County Commissioners' Court in addition approved \$ 419,571 transfer from the Worker's Compensation Reserve Fund to the Webb County Employees' Health Benefit internal service fund to cover the fund's deficit. This is the fourth consecutive year the Worker's Compensation Reserve Fund has fund the Webb County Employee's Health Benefit Fund deficit.

The County Commissioners' Court also approved \$ 520,065 transfer from the Worker's Compensation Reserve Fund to fund the Webb County Employees' Retiree Insurance Fund. The County implemented Governmental Accounting Standard Board Statement 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension that required an additional transfer of \$ 370,065 from the original \$150,000 budget.

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	\$ 69,906,138	69,906,138	69,906,435	69,906,435
Other Nonmajor Governmental Funds	55,354,819	111,415,738	49,282,629	87,459,565
Total	\$ 125,260,957	181,321,876	119,189,064	157,366,000

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.

GOVERNMENTAL FUNDS
Major Fund

WEBB COUNTY FUNDS

GENERAL FUND

The general fund is the chief operating fund of the County. Webb County adopts annual appropriated budget for its general fund. A detailed budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.