

UVALDE COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
September 30, 2013

ISSUED BY
COUNTY AUDITOR'S OFFICE

ALICE CHAPMAN
COUNTY AUDITOR

Uvalde County, Texas
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2013

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INTRODUCTORY SECTION



COUNTY OF UVALDE

100 N. GETTY STREET
UVALDE, TEXAS 78801

March 20, 2014

The Honorable District Judge
Camile G. Dubose, 38th Judicial District

The Honorable Commissioners' Court, Uvalde County, Texas
William R. Mitchell County Judge
Randy Scheide County Commissioner, Precinct I
Mariano Pargas County Commissioner, Precinct II
Jerry Bates County Commissioner, Precinct III
Raul Flores County Commissioner, Precinct IV

The Citizens of Uvalde County

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Pursuant to that requirement, the comprehensive annual financial report of Uvalde County for the fiscal year ended September 30, 2013 is hereby issued.

This report consists of management's representations concerning the finances of Uvalde County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of Uvalde County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Uvalde County's financial statements in conformity with GAAP. The cost of internal control should not outweigh the benefit; therefore, Uvalde County's comprehensive framework of internal control has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As financial management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Uvalde County's financial statements were audited by Wayne R. Beyer, CPA, licensed certified public accountant. The goal of the independent audit was to provide reasonable assurance that the financial statements of Uvalde County for the fiscal year ended September 30, 2013 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Uvalde County's financial statements for the fiscal year ended September 30, 2013 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Uvalde County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

On February 8, 1850 the County of Uvalde was formed by the legislature from part of Bexar County and named for Spanish governor Juan de Ugalde. The County is located in the southwest part of the State of Texas with tourism and agriculture as the major industries. Uvalde County covers 1,557 square miles and has a population of 26,405 per the United States 2010 Census.

Uvalde County is a political subdivision of the State of Texas with no legislative powers and very restrictive judicial and administrative powers. The governing body of the county is the Commissioners' Court which consists of five members. The County Judge is the chairman of the Court and the Commissioner from each of the four precincts are also members. The Court has only such powers as are conferred upon it by the Constitution, Statutes, or by necessary implication there from. Uvalde County provides many varied services for its citizens including judicial, detention facilities, public safety, county roads, emergency medical service, health and limited social services, public improvements, libraries, and general administrative services.

In counties with a population less than 125,000 the County Judge serves as the budget officer assisted by the County Auditor. The County Judge may also solicit from each department whatever data may be required to prepare an accurate budget. The budget is presented on a line-item basis and adopted on the fund level. The budget must be itemized to make possible a comparison of the proposed expenditures with the prior year expenditures. The budget must show as accurately as possible the purpose of each expenditure and the amount of money appropriated.

Upon completion of the proposed budget, the County Judge files a copy with the County Clerk and places same on the official website. The Commissioners' Court holds a public hearing on the proposed budget. All taxpayers of the County are encouraged to attend and participate in the hearing.

At the conclusion of the public hearing, the Commissioners' Court takes action on the proposed budget. The Commissioners' Court may make any changes in the proposed budget that it considers warranted by law and required in the best interest of the taxpayers. The Commissioners' Court may levy taxes only in accordance with the budget. After final approval of the budget, the County Judge shall file a copy with the County Clerk and place same on the official County website, spending county funds only in strict compliance with the budget, except in an emergency.

The Commissioners' Court may authorize an emergency expenditure as an amendment to the original budget only in a 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. If the Court amends the original budget to meet an emergency, the Court files a copy of its order amending the budget with the County Clerk. The clerk attaches the copy to the original budget.

The Commissioners' Court, by order, may amend the budget to transfer an amount budgeted for one item to another budgeted item within the same fund without authorizing an emergency expenditure.

State law requires counties to adopt a budget before adopting a tax rate. The Commissioners' Court may levy taxes only in accordance with the budget. Chapter 26 of the Property Tax Code requires taxing units to comply with truth-in-taxation laws in setting tax rates. This law has two purposes:

- to make the taxpayers more knowledgeable about tax rate proposals;
- to allow taxpayers to roll back or limit a tax increase in certain cases.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Uvalde County operates.

Local economy. Tourism is a major part of the economic base with most of this expansion having been in the Con Can area. The additional venues completed at the Uvalde County Fairplex (the Uvalde County Arena, the Uvalde County Event Center, the Uvalde County Pavilion, and the Uvalde County Veterans Memorial Wall) are increasing tourism in the downtown Uvalde area. The increase activity in restaurants and hotels is notable when large events are held at the aforementioned county venues.

Agriculture is still a mainstay in the area, but water restrictions have affected this industry. Many land owners have gone from irrigated farming to dry land farming or wildlife management in order to sell water rights for profit. This results in the devaluation of land for tax purposes.

Eagle Ford Shale development in counties to the south continues to boost the local economy as well as increase activity in various courthouse offices.

The 212-bed Uvalde County Justice Center continues to house local, area, and U.S. Federal inmates. Housing Federal inmates generated \$1,359,711 during the current fiscal year.

Long-term financial planning. The Certificates of Obligations issued in 2009 for \$25M have seen four years' debt reduction payments. The debt service rate has been reduced as a result.

Cash management policies and practices. In accordance with Section 116.112, Local Government Code, the County Treasurer with the approval of the Commissioners' Court is authorized to invest any County funds deposited in a County depository not immediately required to pay obligations of the County. The Treasurer may invest those funds as allowed by statute. Interest rates on the deposits are governed by the County depository contract which currently has been awarded to First State Bank of Uvalde.

Risk management. The County provides for the management of risks through a combination of self-insurance and traditional insurance. Property and casualty coverage has continued to be obtainable at reasonable premium rates on building and improvements. Comprehensive general liability and public officials' liability coverage has also continued to be obtainable at reasonable premium rates. Workers Compensation coverage with Texas Association of Counties is partially self-funded.

The County of Uvalde provides group medical benefits to its employees on a partially self-funded basis as allowed by statute. Stop-Loss coverage is provided by IHC Risk - CIGNA using the CIGNA PPO network. The group insurance is managed by a third party administrator, Group & Pension Administrators. The Commissioners' Court appointed an agent-of-record to guide the Court in the complex purchasing decisions required in this area. The insurance committee consists of the County Judge, Treasurer, and Auditor.

Pension and other post-employment benefits. The County of Uvalde continues to provide retirement, disability, and death benefits for all full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The plan provisions are adopted by the Commissioners' Court within the options available in the Texas State Statutes governing TCDRS. Members are vested after eight years of service but must leave accumulated contributions in the plan to receive employer contributions. The employee members' contribution rate as adopted by the Court is 7% of gross compensation. The County's 2013 employer rate is 9.48%. The County provides an option to employees to participate in COBRA benefits as required by law.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Uvalde for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2012. This was the seventeenth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report is a direct result of the efficient and dedicated services of Beyer & Co., Certified Public Accountants, along with the cooperative efforts of each Uvalde County Elected and Appointed Official and their respective support staff. Special recognition goes to First Assistant Auditor Marjorie L. Collins and Assistant Auditor Sue K. Haynes for auditing and training in the individual county offices as well as managing the county website.

Additionally, our sincere appreciation is extended to the Uvalde County Commissioners, the Uvalde County Judge, and the 38th Judicial District Judge for their continued support and progressive attitude in maintaining the highest standards while overseeing the operation of this County government.

Respectfully submitted by:

Alice L. Chapman
County Auditor

Joni Deorsam
County Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

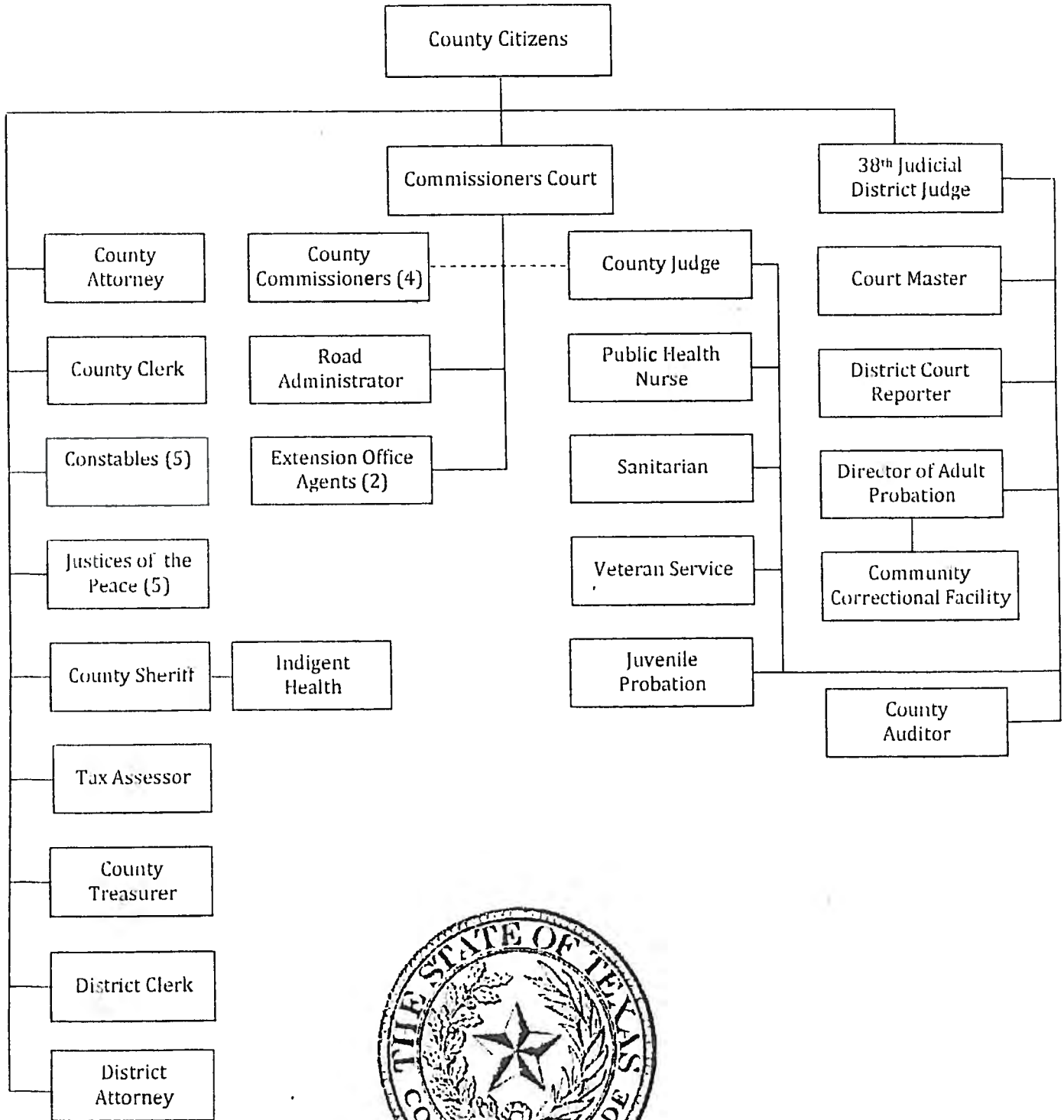
**County of Uvalde
Texas**

**For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended**

September 30, 2012

Executive Director/CEO

County of Uvalde Organization Chart



**UVALDE COUNTY, TEXAS
DIRECTORY OF OFFICIALS
SEPTEMBER 30, 2013**

COMMISSIONERS COURT

William R. Mitchell
Randy Scheide
Mariano Pargas
Jerry Bates, Sr.
Raul Flores

County Judge
Commissioner Precinct No. 1
Commissioner Precinct No. 2
Commissioner Precinct No. 3
Commissioner Precinct No. 4

DISTRICT COURT

Camile G. DuBose
Daniel Kindred
Kelley Bartell
Christina Ovalle
Sherry Gentry
Dale Gear, Jr.

District Judge, 38th Judicial District
District Attorney
Associate Judge, TITLE IV
District Clerk
District Court Reporter
Chief Probation Officer

OTHER COUNTY OFFICIALS

John Dodson
Joni Deorsam
Margarita "Maggie" Del Toro
Ramona Esquivel Hobbs
Charles Mendeke
Jessie Garcia
Terry Black, RN
Rick Coggins
Chet Smith
Malinda Flores
Alice L. Chapman
Wendy Speer

County Attorney
County Treasurer
County Tax Assessor Collector
County Clerk
County Sheriff
County Road Administrator
County Public Health Nurse
County Sanitarian
County Extension Agent
County Home Economics Agent
County Auditor
Fairplex Director

JUSTICES OF THE PEACE

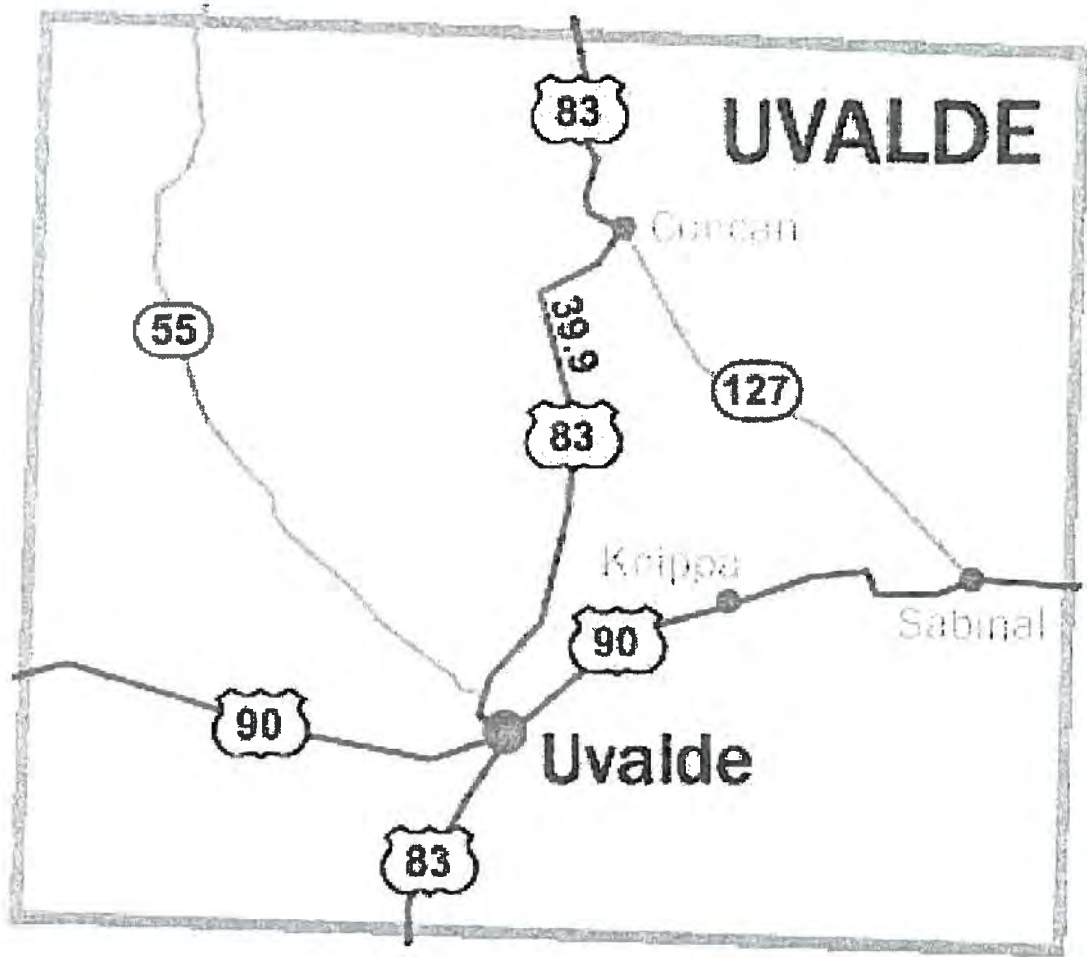
Steve Kennedy
Bobby McIntosh
William Schaefer
Rodrigo Martinez
Ernesto Luna

Precinct No. 1
Precinct No. 2
Precinct No. 3
Precinct No. 4
Precinct No. 6

CONSTABLES

Johnny Field
Weldon McCutcheon
William Dean
Beaumont Watkins
Robert Moss

Precinct No. 1
Precinct No. 2
Precinct No. 3
Precinct No. 4
Precinct No. 6



FINANCIAL SECTION

BEYER & Co.
CERTIFIED PUBLIC ACCOUNTANTS

Wayne R. Beyer, C.P.A.

P.O. Box 366 / 442 West Oaklawn
Pleasanton, Texas 78064
Phone: (830) 569-8781 ~ Fax: (830) 569-6776

111 North Odem
Sinton, Texas 78387
Phone: (830) 569-8781 ~ Fax: (830) 569-6776

INDEPENDENT AUDITOR'S REPORT

To the Commissioners' Court
Uvalde County, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparison schedules for the general fund, road and bridge fund, the Local Border Security Fund, and the Hotel/Motel Fund, and the aggregate remaining fund information of Uvalde County, Texas, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the budgetary comparison schedules for the general fund, road and bridge fund, the Local Border Security Fund, and the Hotel/Motel Fund, and the aggregate remaining fund information of Uvalde County, Texas, as of September 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of funding progress for the Public Employees Retirement System on pages 4-14 and 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Uvalde County, Texas' basic financial statements. The introductory section, combining and individual non-major fund financial statements, the budgetary comparison information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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 basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2013, on our consideration of Uvalde County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Uvalde County, Texas' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Wayne R. Beyer". The signature is written in a cursive style with a large initial "W".

BEYER & CO.
Certified Public Accountants
Pleasanton, Texas
March 20, 2014

Management's Discussion and Analysis

As management of Uvalde County, Texas, we offer readers of Uvalde County, Texas' financial statements this narrative overview and analysis of the financial activities of Uvalde County, Texas for the fiscal year ended September 30, 2013.

Financial Highlights

- . The assets of Uvalde County, Texas exceeded its liabilities at the close of the most recent fiscal year by \$18,005,230 (Net Position). Of this amount, \$6,026,365 (unrestricted Net Position) may be used to meet the government's ongoing obligations to citizens and creditors.
- . The government's total Net Position increased by \$2,164,287. This increase is attributable to revenues continuing to outpace expenses. The total expenses increased by \$1,554,123 and the non grant revenues increased by \$2,632,307. The operating grant revenues increased by \$64,161 and the capital grant revenues decreased by \$112,440. The ad valorem taxes increased by \$212,481, other taxes increased by \$127,386, and the charges for services increased by \$2,003,307. The increase in other taxes was a result of an increase in hotel/motel taxes due to the Eagle Ford Oil Shale. Miscellaneous income increased by \$277,394 and interest earnings decreased by \$14,128. The increase in miscellaneous income was a result of the County's Employee Insurance fund virtually breaking even for the year. The increase in expenses was basically consistent throughout the various expense functions, however, the interest expense function increased by \$1,054,051. The property tax increase was due to the rise in values as a result of the Eagle Ford Oil Shale.
- . As of the close of the current fiscal year, Uvalde County, Texas' governmental funds reported combined ending fund balances of \$4,788,349, an increase of \$566,676 in comparison with the prior year. Approximately 49% of this total amount, \$2,353,135, is available for spending at the government's discretion (unassigned fund balance). The fund balance increase was a result of an increase in ad valorem taxes and charges for services.
- . At the end of the current fiscal year, the unassigned fund balance for the general fund was \$2,401,429 or 21 percent of total general fund expenditures, the total fund balance for the road and bridge fund was \$899,743 and was restricted and was 42 percent of total road and bridge fund expenditures, the total fund balance for the local border security fund was \$00, the total fund balance for the hotel/motel fund was \$301,171 and was restricted and was 90 percent of hotel/motel expenditures, the total fund balance for the jail building I&S was \$317,950 and was restricted and was 19 percent of total jail building I&S fund expenditures, and the total fund balance for the fish passage fund was \$00.
- . Uvalde County, Texas' total short-term and long-term debt decreased by \$635,410 (2.65 percent) during the current fiscal year. The key factor in this decrease was the payment of debt principal on the jail facility bonds of \$610,000.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Uvalde County, Texas' basic financial statements. Uvalde County, Texas' basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of Uvalde County, Texas' finances, in a manner similar to a private-sector business.

The statement of Net Position presents information on all of Uvalde County, Texas' assets and liabilities, with the difference between the two reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of Uvalde County, Texas is improving or deteriorating.

The statement of activities presents information showing how the government's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of Uvalde County, Texas that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Uvalde County, Texas include general administration, public safety, environmental protection, public transportation, health and welfare, public facilities, legal, elections, financial administration, conservation, capital projects, culture and recreation, and employee insurance fund.

The government-wide financial statements include only Uvalde County, Texas itself (known as the primary government),

The government-wide financial statements can be found on pages 15-16 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Uvalde County, Texas, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Uvalde County, Texas maintains fifty-one (51) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the road and bridge fund, the local border security fund, the hotel/motel fund, the I&S series 2009 fund, and the fish passage fund all of which are considered to be major funds. Data from the other forty-five (45) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Uvalde County, Texas adopts an annual appropriated budget for its general fund, the road and bridge fund, the local border security fund, the hotel/motel fund, the interest, fish passage fund and sinking series 2009 fund. There were appropriated budgets for all other special revenue, debt service and capital project funds except for the constable No. 1 LEOSE fund, the county attorney hot check fund, and the district attorney fee fund.

The basic governmental fund financial statements can be found on pages 17-25 of this report.

Proprietary funds:

Uvalde County, Texas maintains one type of proprietary fund. The Internal Service Fund for Uvalde County, Texas, consists solely of the Employee Insurance Fund. This fund was created to help facilitate employee insurance coverage. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the employee insurance fund.

The basic proprietary fund financial statements can be found on pages 26-29 of this report.

Uvalde County, Texas also has four agency funds which are a fiduciary fund type.

Notes to the financial statements:

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-54 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Uvalde County, Texas' progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 55 of this report.

The combining statements referred to earlier in connection with the non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 56-61 of this report. The budget comparison schedules in connection with the non-major governmental funds can be found on pages 62-105 of this report.

Government-wide Financial Analysis

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. In the case of Uvalde County, Texas, assets exceeded liabilities by \$18,005,230 at the close of the most recent fiscal year.

A portion of Uvalde County, Texas' Net Position (56 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment), less any related debt used to acquire those assets that are still outstanding. Uvalde County, Texas uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Uvalde County, Texas' investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**UVALDE COUNTY, TEXAS
NET POSITION**

	Governmental Activities		Total	
	2013	2012	2013	2012
Current and other Assets	\$7,962,566	\$6,837,579	\$7,962,566	\$6,837,579
Restricted Assets:	655,447	1,316,290	655,447	1,316,290
Capital Assets:	33,165,617	32,640,628	33,165,617	32,640,628
Total Assets	41,783,630	40,794,497	41,783,630	40,794,497
Long-term liabilities	23,348,083	23,983,493	23,348,083	23,983,493
Other liabilities	430,317	970,061	430,317	970,061
Total Liabilities	23,778,400	24,953,554	23,778,400	24,953,554
Invested in Capital Assets, Net of Related debt	10,043,751	9,732,845	10,043,751	9,732,845
Restricted	1,935,114	1,561,215	1,935,114	1,561,215
Unrestricted	6,026,365	4,546,883	6,026,365	4,546,883
Total Net Assets	<u>\$18,005,230</u>	<u>\$15,840,943</u>	<u>\$18,005,230</u>	<u>\$15,840,943</u>

An additional portion of Uvalde County, Texas' Net Position (11 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted Net Position (\$6,026,365) may be used to meet the government on going obligations to citizens and creditors. At the end of the current fiscal year, Uvalde County, Texas reported a positive balance in the governmental activities. For the prior fiscal year, Uvalde County, Texas reported positive balances in Net Position, both for the government as a whole, as well as for its separate governmental activities.

There was an increase of \$373,899 in restricted Net Position reported in connection with Uvalde County, Texas' government-type activities. This increase reflects the addition of additional hotel/motel taxes.

The government's total Net Position increased by \$2,164,287. This increase is attributable to revenues continuing to outpace expenses. The total expenses increased by \$1,554,123 and the non grant revenues increased by \$2,632,307. The operating grant revenues increased by \$64,161 and the capital grant revenues decreased by \$112,440. The ad valorem taxes increased by \$212,481, other taxes increased by \$127,386, and the charges for services increased by \$2,003,307. The increase in other taxes was a result of an increase in hotel/motel taxes due to the Eagle Ford Oil Shale. Miscellaneous income increased by \$277,394 and interest earnings decreased by \$14,128. The increase in miscellaneous income was a result of the County's Employee Insurance fund virtually breaking even for the year. The increase in expenses was basically consistent throughout the various expense functions, however, the interest expense function increased by \$1,054,051. The property tax increase was due to the rise in values as a result of the Eagle Ford Oil Shale.

Governmental activities: Governmental activities increased Uvalde County, Texas' Net Position by \$2,164,287, thereby accounting for 100 percent of the total increase in the Net Position of Uvalde County, Texas.

**UVALDE COUNTY, TEXAS
CHANGE IN NET POSITION**

	Governmental Activities		Total	
	2013	2012	2013	2012
Revenues:				
Program Revenues:				
Charges for Services	\$4,015,491	\$2,012,184	\$4,015,491	\$2,012,184
Operating Grants and Contributions	1,731,470	1,667,309	1,731,470	1,667,309
Capital Grants and Contributions	393,271	505,711	393,271	505,711
General Revenues:				
Maintenance and Operations Taxes	9,544,013	9,331,532	9,544,013	9,331,532
Sales Taxes	3,011,166	2,985,299	3,011,166	2,985,299
Other Taxes	468,281	340,895	468,281	340,895
Unrestricted investment earnings	43,686	57,814	43,686	57,814
Miscellaneous	553,568	276,174	553,568	276,174
Total Revenue	19,760,946	17,176,918	19,760,946	17,176,918
Expenses:				
General Administration	\$2,266,660	2,799,516	2,266,660	2,799,516
Judicial	332,512	333,096	332,512	333,096
Legal	1,775,438	1,711,659	1,775,438	1,711,659
Financial Administration	1,053,731	944,856	1,053,731	944,856
Public Facilities	609,017	569,845	609,017	569,845
Public Safety	5,211,178	4,799,253	5,211,178	4,799,253
Public Transportation	2,040,059	1,664,712	2,040,059	1,664,712
Environmental Protection	253,775	226,313	253,775	226,313
Culture and Recreation	724,517	716,237	724,517	716,237
Health and Welfare	2,135,847	2,160,950	2,135,847	2,160,950
Conservation - Agriculture	130,077	106,302	130,077	106,302
Interest and Fiscal Charges	1,063,848	9,797	1,063,848	9,797
Total Expenses	17,596,659	16,042,536	17,596,659	16,042,536
Increase in Net Position before transfers and special items	2,164,287	1,134,382	2,164,287	1,134,382
Transfers	0	0	0	0
Increase in Net Position	2,164,287	1,134,382	2,164,287	1,134,382
Net Position at 09/30/2012	15,840,943	14,706,561	15,840,943	14,706,561
Net Position at 09/30/2013	\$18,005,230	\$15,840,943	\$18,005,230	\$15,840,943

Expenses and Program Revenues - Governmental Activities

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Government activities:				
General Administration	\$2,266,660	\$96,787	\$48,843	\$0
Judicial	332,512	1,259,629	601,593	
Legal	1,775,438	6,608	20,833	
Financial Administration	1,053,731	160,259		
Public Facilities	609,017			393,271
Public Safety	5,211,178	1,771,289	604,760	
Public Transportation	2,040,059	678,520	145,227	
Environmental Protection	253,775		10,430	
Culture and Recreation	724,517			
Health and Welfare	2,135,847	42,399	299,784	
Conservation - Agriculture	130,077			
Interest and Fiscal Charges	1,063,848			
Total government activities	<u>\$17,596,659</u>	<u>\$4,015,491</u>	<u>\$1,731,470</u>	<u>\$393,271</u>

Revenues by source - Governmental Activities

	REVENUES	%
Charges for Services	\$4,015,491	20%
Operating Grants and Contributions	1,731,470	9%
Capital Grants and Contributions	393,271	2%
Maintenance and Operations Taxes	9,544,013	48%
Sales taxes	3,011,166	15%
Other Taxes	468,281	2%
Unrestricted investment earnings	43,686	1%
Miscellaneous	553,568	3%
	<u>\$19,760,946</u>	<u>100%</u>

For the most part expense increases/decreases were fairly ratable throughout the different departments, however, the interest expense function increased by \$1,054,051.

Financial Analysis of the Government's Funds

As noted earlier, Uvalde County, Texas' uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds:

The focus of Uvalde County, Texas' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Uvalde County, Texas' financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Uvalde County, Texas' governmental funds reported combined ending fund balances of \$4,788,349, an increase of \$566,676 in comparison with the prior year. Approximately 49 percent of this total amount (\$2,353,135) constitutes unassigned fund balance, which is available for spending at the government's discretion.

The general fund is the chief operating fund of Uvalde County, Texas. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,401,429, while total fund balance reached \$2,401,429. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21 percent of total general fund expenditures, while total fund balance represents 21 percent of that same amount.

The fund balance of Uvalde County, Texas' general fund increased by \$665,466 during the current fiscal year. The reason for this increase was an increase in charges for services of \$935,217 and an increase in ad valorem taxes of \$219,851. The increase in charges for services resulted from the opening of the new Jail Facility. The increase in ad valorem taxes resulted from an increase in land values.

The road and bridge fund had an unassigned fund balance of \$-0- while total fund balance reached \$899,743. As a measure of the road and bridge fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 00 percent of total road and bridge fund expenditures, while total fund balance represents 42 percent of that same amount.

The fund balance of the road and bridge fund increased by \$178,919 during the current year. The reason for this was a reduction in expenditures of \$206,245.

The local border security fund had an unassigned fund balance of \$-0-, while total fund balance was \$-0-.

The hotel/motel fund had an unassigned fund balance of \$-0- while total fund balance reached \$301,171. As a measure of the hotel/motel fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 00 percent of total hotel/motel fund expenditures, while total fund balance represents 90 percent of that same amount.

The fund balance of the hotel/motel fund increased by \$136,010 during the current year. The reason for this increase was the increase in occupancy due to the advent of the eagle Ford Shale.

The interest and sinking – series 2009 fund had an unassigned fund balance of \$-0- while total fund balance reached \$317,950. As a measure of the Jail building I&S Tax fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 00 percent of total Jail building I&S Tax fund expenditures, while total fund balance represents 19 percent of that same amount.

The fund balance of the interest and sinking – series 2009 fund increased by \$149,078 during the current year. The reason for this increase was ad valorem taxes exceeding the required debt service.

The Fish passage fund had an unassigned fund balance of \$-0- while total fund balance reached was \$-0-. As a measure of the Fish passage fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 00 percent of total Fish passage fund expenditures, while total fund balance represents 00 percent of that same amount.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget for the general fund were an increase of \$803,492. This increase was mainly from an increase in budgetary expenditures of \$632,058 in the indigent health department. The increase in the indigent health department was a result of an increase in local applications for free health care. The total general fund expenditures of \$11,629,856 were less than the budgeted expenditures of \$12,751,644 by \$1,121,788.

Capital Asset and Debt Administration

Capital assets:

Uvalde County, Texas' investment in capital assets for its governmental activities as of September 30, 2013, amounts to \$33,165,617 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, and infrastructure items such as roads, and bridges. The total increase in Uvalde County, Texas' investment in capital assets for the current fiscal year was 1.61 percent.

The county expended \$301,246 towards the Rodeo Arena/Livestock Barns, a New Justice Center/Jail, a Multi-purpose Building, and a Pavilion. The above has been included in building and improvements.

The County also expended grant monies for utility infrastructure (water, sewer, and gas) of \$383,925 which has been capitalized into construction in progress.

Additional information on Uvalde County, Texas' capital assets can be found in note IV C on page 45 to 46 of this report.

UVALDE COUNTY, TEXAS CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Total	
	2013	2012	2013	2012
Land	\$1,404,101	\$1,370,924	\$1,404,101	\$1,370,924
Construction in Progress	1,282,294	1,692,050	1,282,294	1,692,050
Building and improvements	26,576,098	26,362,882	26,576,098	26,362,882
Machinery and equipment	479,600	636,969	479,600	636,969
Infrastructure	3,423,524	2,577,803	3,423,524	2,577,803
Total	<u>\$33,165,617</u>	<u>\$32,640,628</u>	<u>\$33,165,617</u>	<u>\$32,640,628</u>

Long-term debt:

At the end of the current fiscal year, Uvalde County, Texas had total bonded debt outstanding of \$23,140,000. Of this amount, \$23,140,000 comprises debt backed by the full faith and credit of Uvalde County, Texas.

	Beginning Balance	Additions	Reductions	Ending Balance	Summary	
					Noncurrent Liabilities	
					Due Within One Year	Due in More Than One Year
Governmental Activities:						
Bonds Payable	\$23,750,000	\$0	\$610,000	\$23,140,000	\$640,000	\$22,500,000
Total Bonds Payable	23,750,000	0	610,000	23,140,000	640,000	22,500,000
Grand Total	\$23,750,000	\$0	\$610,000	\$23,140,000	\$640,000	\$22,500,000

Uvalde County, Texas' bonded short-term and long-term debt decreased by \$610,000 (3 percent) during the current fiscal year. The key factor in this decrease was the payment of debt principal on the jail facility bonds of \$610,000. Additional information on Uvalde County, Texas' Long-term debt can be found in note IV F on pages 47 to 48 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected and appointed officials considered many factors when setting the fiscal-year 2013 budget and tax rates. One of those factors is the economy. The County's population growth during 1998-2013 averaged annual gains of .6 percent. Unemployment during that time increased to about 8.9 percent.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County's business office, at Uvalde County, Texas, Courthouse Plaza #3, Uvalde, Texas 78801.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

UVALDE COUNTY, TEXAS
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2013

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and Cash Equivalents	\$3,651,972	\$3,651,972
Receivables (net of allowance for uncollectibles)	4,195,172	4,195,172
Unamortized Bond Issuance Cost	115,422	115,422
Restricted Assets:		
Cash and Cash Equivalents	510,937	510,937
Receivables (net of allowance for uncollectibles)	144,510	144,510
Capital assets not being depreciated:		
Land	1,404,101	1,404,101
Construction in Progress	1,282,294	1,282,294
Total Capital assets being depreciated, net		
Building and Improvements	26,576,098	26,576,098
Machinery and Equipment	479,800	479,800
Infrastructure	3,423,524	3,423,524
Total Assets	\$41,783,630	\$41,783,630
LIABILITIES:		
Accounts Payable	\$255,484	\$255,484
Accrued Interest Payable	174,853	174,853
Noncurrent Liabilities:		
Due within one year	848,083	848,083
Due in more than one year	22,500,000	22,500,000
Total Liabilities	23,778,400	23,778,400
NET POSITION		
Invested in Capital Assets, Net of Related Debt	10,043,751	10,043,751
Restricted		
Archives	212,297	212,297
Debt Service	317,950	317,950
Economic Development	188,572	188,572
Elections	8,487	8,487
Health	33,900	33,900
Judicial	123,400	123,400
Legal	8,551	8,551
Public Safety	182,214	182,214
Public Transportation	899,743	899,743
Unrestricted	8,026,385	8,026,385
Total Net Position	\$18,005,230	\$18,005,230

The accompanying notes are an integral part of this statement.

Note: There were no Deferred Inflows or Outflows at September 30, 2013

UVALDE COUNTY, TEXAS
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

Functions/Programs	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Changes In	
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Net (Expense) Revenue and Changes In Total
Primary Government						
Government Activities:						
General Administration	\$2,266,660	\$96,787	\$48,843	\$0	(\$2,121,030)	(\$2,121,030)
Judicial	332,512	1,259,829	601,593		1,528,710	1,528,710
Legal	1,775,438	6,608	20,833		(1,747,997)	(1,747,997)
Financial Administration	1,053,731	180,259			(893,472)	(893,472)
Public Facilities	809,017			393,271	(215,746)	(215,746)
Public Safety	5,211,178	1,771,269	604,780		(2,835,129)	(2,835,129)
Public Transportation	2,040,059	676,520	145,227		(1,216,312)	(1,216,312)
Environmental Protection	253,775		10,430		(243,345)	(243,345)
Culture and Recreation	724,517				(724,517)	(724,517)
Health and Welfare	2,135,847	42,399	299,784		(1,793,664)	(1,793,664)
Conservation - Agriculture	130,077				(130,077)	(130,077)
Interest and Fiscal Charges	1,063,848				(1,063,848)	(1,063,848)
Total Government Activities	17,596,659	4,015,491	1,731,470	393,271	(11,456,427)	(11,456,427)
Total Primary Government	\$17,596,659	\$4,015,491	\$1,731,470	\$393,271	(11,456,427)	(11,456,427)
General Revenues						
Property Taxes, Levies for General Purposes					9,544,013	9,544,013
Sales Taxes					3,011,166	3,011,166
Other Taxes					468,281	468,281
Unrestricted Investment Earnings					43,686	43,686
Miscellaneous					553,588	553,588
Total General Revenues and Transfers					13,620,714	13,620,714
Change In Net Position					2,164,287	2,164,287
Net Position - Beginning					15,840,943	15,840,943
Net Position - Ending					\$18,005,230	\$18,005,230

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

UVALDE COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2013

	General Fund	Road and Bridge	Local Border Security	Hotel/Motel Fund	Interest and Sinking Series 2009	Fish Passage Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$1,827,371	\$903,244	\$0	\$420,834	\$0	\$0	\$573,274	\$3,724,723
Receivables (net of allowance for uncollectibles)	1,297,589	128,167	189,205				254,439	1,849,380
Restricted Assets:								
Cash and Cash Equivalents					317,950		192,987	510,937
Receivables (net of allowance for uncollectibles)						144,510		144,510
Total Assets	\$3,124,940	\$1,031,411	\$189,205	\$420,834	\$317,950	\$144,510	\$1,020,700	\$6,229,550
LIABILITIES AND FUND BALANCES:								
Liabilities								
Accounts Payable	\$97,722	\$3,501		\$119,663		\$3,272	\$31,306	\$255,464
Bank Overdraft			189,205			141,238	121,338	431,781
Unearned Revenues	625,769	128,167						753,956
Total Liabilities	723,511	131,668	189,205	119,663	0	144,510	152,644	1,441,201
Fund Balances:								
Restricted								
Archives							212,297	212,297
Construction							192,987	192,987
Debt Service					317,950			317,950
Economic Development							168,572	168,572
Elections							8,487	8,487
Health							33,900	33,900
Judicial							123,400	123,400
Legal							8,551	8,551
Public Safety							182,214	182,214
Public Transportation		899,743						899,743
Committed								
Culture and Recreation				301,171			5,942	307,113
Unassigned	2,401,429						(48,294)	2,353,135
Total Fund Balance	2,401,429	899,743	0	301,171	317,950	0	868,056	4,788,349
Total Liabilities and Fund Balances	\$3,124,940	\$1,031,411	\$189,205	\$420,834	\$317,950	\$144,510	\$1,020,700	\$6,229,550

The accompanying notes are an integral part of this statement.

Note: There were no Deferred Inflows or Outflows at September 30, 2013

UVALDE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2013

Total Fund Balances - governmental funds balance sheet	\$4,788,349
<p>Amounts reported for governmental activities in the statement of Net Position ("SNA") are different because:</p>	
Capital assets used in governmental activities are not reported in the funds.	33,165,617
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	2,330,560
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds (net of allowance for uncollectibles).	753,956
Bond Issuance Costs are expenditures in the funds but are recorded as assets in the governmental activities.	115,422
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(23,522,936)
Internal Service fund is not reported in the funds.	<u>374,282</u>
Net Position of governmental activities - statement of Net Position	<u>\$18,005,230</u>

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2013

	General Fund	Road and Bridge	Local Border Security	Hotel/Motel Fund	Interest and Sinking Series 2009	Fish Passage Fund	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes								
Property	\$6,241,517	\$1,590,547	\$0	\$0	\$1,819,283	\$0	\$0	\$9,851,347
Sales	3,011,166							3,011,166
Other				488,281				488,281
Intergovernmental	494,701	21,317	194,199			123,910	1,290,814	2,124,741
Licenses and Permits		584,803						584,803
Charges for Services	2,290,190	93,917					182,189	2,566,296
Fines and Forfeitures	325,882							325,882
Interest	30,854	455		1,291	1,514		9,572	43,686
Miscellaneous	385,748	9,183					171,594	546,503
Total Revenues	12,759,856	2,300,002	194,199	489,572	1,820,797	123,910	1,853,969	19,322,305
EXPENDITURES								
Current								
General Administration	2,207,044						55,420	2,262,464
Legal	285,180						47,332	332,512
Judicial	1,143,061						836,528	1,779,589
Financial Administration	1,047,192							1,047,192
Public Facilities	224,832						301,248	525,878
Public Safety	4,289,670		194,199				331,759	4,795,628
Public Transportation	33,539	1,895,877						1,929,416
Environmental Protection	60,489	189,924						250,413
Culture and Recreation	141,922	5,924		333,582			11,000	492,408
Health and Welfare	2,087,050						42,720	2,129,770
Conservation - Agriculture	130,077							130,077
Capital Projects -								
Capital Outlay and Other						123,910	1,255,295	1,379,205
Debt Service								
Principal Retirement		28,858			610,000			638,856
Interest Retirement		702			1,081,719			1,082,421
Total Expenditures	11,629,656	2,121,083	194,199	333,582	1,871,719	123,910	2,881,300	18,755,629
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,130,000	178,919	0	136,010	149,078	0	(1,027,331)	566,676
OTHER FINANCING SOURCES (USES):								
Transfers In	57,384						548,813	603,977
Transfers Out	(521,898)						(82,079)	(603,977)
Total Other Financing Sources (Uses)	(464,534)	0	0	0	0	0	466,734	0
Net Changes in Fund Balances	665,466	178,919	0	136,010	149,078	0	(560,597)	566,676
Fund Balances - Beginning	1,735,963	720,824	0	185,161	168,872		1,430,853	4,221,673
Fund Balances - Ending	\$2,401,429	\$899,743	\$0	\$301,171	\$317,950	\$0	\$868,056	\$4,788,349

The accompanying notes are an integral part of this statement.

UVALDE 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, 2013

Net Changes In Fund Balances - total governmental funds	\$566,676
Amounts reported for governmental activities in the statement of Net Position ("SNA") are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	524,989
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. This is the change in these amounts this year.	538,910
(Increase) decrease in compensated absences from beginning of period to end of period.	(3,248)
Increase (decrease) in bond issuance costs from beginning of period to end of period.	(5,496)
(Increase) decrease in accrued interest from beginning of period to end of period.	4,067
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(107,334)
Internal Service fund is not reported in the funds.	7,065
Repayment of loan principal is an expenditure in the funds but not an expense in the SOA.	<u>636,658</u>
Change in Net Position of governmental activities - statement of activities	<u>\$2,164,267</u>

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Property	\$6,282,412	\$6,549,009	\$6,241,517	(\$307,492)
Sales	2,100,000	3,007,582	3,011,186	3,804
intergovernmental	410,492	480,922	484,701	13,779
Charges for Services	1,956,295	2,088,708	2,290,190	201,484
Fines and Forfeitures	355,850	355,850	325,682	(29,968)
Interest	13,000	30,854	30,854	0
Miscellaneous	291,530	357,294	365,746	8,452
Total Revenues	11,409,379	12,869,997	12,759,856	(110,141)
EXPENDITURES				
Current				
General Administration				
Commissioner's Court	118,481	119,211	117,722	1,489
Compliance Department	39,604	39,962	39,925	37
County Clerk	225,896	223,416	223,182	254
County Judge	214,430	239,726	239,980	(234)
Elections	64,792	69,792	89,949	(157)
Liability Insurance	1,303,929	1,170,261	1,064,846	105,415
Non-Departmental	114,293	301,236	278,920	22,316
County Surveyor	0	1,000	178	822
Payroll Taxes	199,062	140,562	120,146	20,416
Veteran's Service	32,817	32,817	32,236	581
Legal				
County Attorney	269,967	269,967	265,525	4,442
Legal Counsel	10,000	17,900	19,655	(1,755)
Judicial				
District Court	281,220	285,220	272,771	12,449
District Clerk	218,805	229,505	218,946	10,559
Justice's of the Peace	473,805	486,725	478,760	7,945
Courtmaster	1,800	1,990	1,888	102
District Attorney	170,964	175,807	170,676	5,131
Financial Administration				
County Auditor	199,183	199,183	195,967	3,216
County Treasurer	207,115	207,115	201,895	5,220
Data Processing	109,300	170,750	163,114	7,636
Appraisal District	228,000	238,458	238,458	0
Tax Assessor-Collector	231,954	231,954	225,598	6,356
Professional Services	22,300	22,300	22,160	140
Public Facilities				
Courthouse Building	194,517	219,517	224,632	(5,115)
Public Safety				
Adult Probation	61,220	61,220	53,946	7,274
Constables	191,780	191,780	146,792	44,988
D.P.S.	32,224	32,224	22,841	9,383
Emergency Operations	195,800	195,800	195,800	0
Emergency Management	19,500	19,500	19,500	0
Fire	40,700	40,700	40,700	0
Juvenile Probation	91,984	91,984	91,984	0
Old Jail Facility	3,000	3,464	464	3,000
Jail Payroll	2,116,335	2,236,962	1,665,221	573,741
Justice Center	948,338	761,901	714,657	47,244
Sheriff	248,072	311,862	315,476	(3,594)
Sheriff Payroll	1,012,444	1,012,444	1,002,289	10,155

(continued)

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Transportation				
Street Lights	\$24,400	\$31,410	\$33,539	(\$2,129)
Environmental Protection				
Sanitation	60,899	60,899	60,489	210
Culture and Recreation				
Libraries	153,658	153,658	141,922	11,736
Health and Welfare				
Health Department	33,340	33,340	33,340	0
Human Resources	286,764	286,764	238,219	28,545
Health Nurse	71,570	71,570	67,871	3,699
Indigent Health	1,290,081	1,922,139	1,747,620	174,519
Conservation - Agriculture				
Agriculture Extension Service	95,329	95,329	89,577	5,752
Predator Control	40,500	40,500	40,500	0
Total Expenditures	<u>11,948,152</u>	<u>12,751,644</u>	<u>11,829,856</u>	<u>1,121,788</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(538,773)</u>	<u>118,353</u>	<u>1,130,000</u>	<u>1,011,647</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	0	57,364	57,364	0
Transfers Out	(30,000)	(521,898)	(521,898)	0
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(464,534)</u>	<u>(464,534)</u>	<u>0</u>
Net Changes in Fund Balances	<u>(568,773)</u>	<u>(348,181)</u>	<u>665,468</u>	<u>1,011,647</u>
Fund Balances - Beginning	1,735,963	1,735,963	1,735,963	
Fund Balances - Ending	<u>\$1,167,190</u>	<u>\$1,389,782</u>	<u>\$2,401,429</u>	<u>\$1,011,647</u>

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes				
Property	\$1,435,207	\$1,435,207	\$1,590,547	\$155,340
Intergovernmental	0	0	21,317	21,317
Licenses and Permits	615,000	615,000	584,603	(30,397)
Charges for Services	65,000	93,298	93,917	619
Interest	0	0	455	455
Miscellaneous	150	6,919	9,183	2,244
Total Revenues	2,115,357	2,150,424	2,300,002	149,578
EXPENDITURES				
Current				
General Administration				
Non-Departmental				0
Parks				
Wes Cooksey Park	7,000	7,000	5,924	1,076
Public Transportation				
Road and Bridge	2,030,942	2,029,211	1,895,677	133,334
Environmental Protection				
Sanitation	246,056	246,056	189,924	56,132
Debt Service				
Principal Retirement	28,656	28,656	28,656	0
Interest Retirement	702	702	702	0
Total Expenditures	2,313,356	2,311,625	2,121,083	190,542
Excess (Deficiency) of Revenues Over (Under) Expenditures	(197,999)	(161,201)	178,919	340,120
OTHER FINANCING SOURCES (USES):				
Transfers In	171,000	171,000	0	(171,000)
Transfers Out				0
Total Other Financing Sources (Uses)	171,000	171,000	0	(171,000)
Net Changes In Fund Balances	(26,999)	9,799	178,919	169,120
Fund Balances - Beginning	720,824	720,824	720,824	
Fund Balances - Ending	\$693,825	\$730,623	\$899,743	\$169,120

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

UVALDE COUNTY, TEXAS
LOCAL BORDER SECURITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$0	\$24,994	\$194,199	\$169,205
Total Revenues	0	24,994	194,199	169,205
EXPENDITURES				
Current				
Public Safety Sheriff	0	11,368	194,199	(182,813)
Total Expenditures	0	11,368	194,199	(182,813)
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	13,608	0	(13,608)
OTHER FINANCING SOURCES (USES):				
Transfers In				0
Transfers Out				0
Total Other Financing Sources (Uses)	0	0	0	0
Net Changes in Fund Balances	0	13,608	0	(13,608)
Fund Balances - Beginning	0	0	0	
Fund Balances - Ending	\$0	\$13,608	\$0	(\$13,608)

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