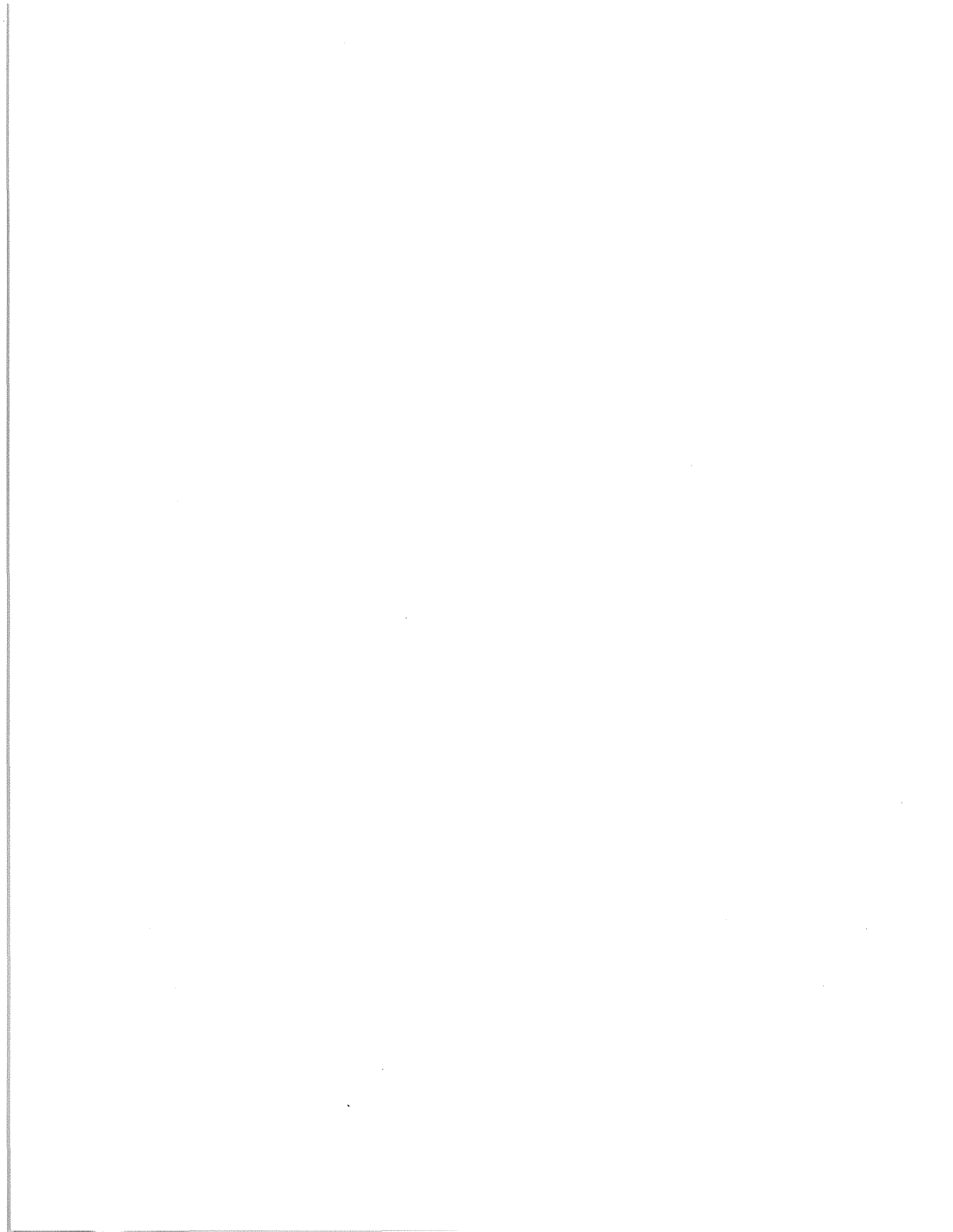




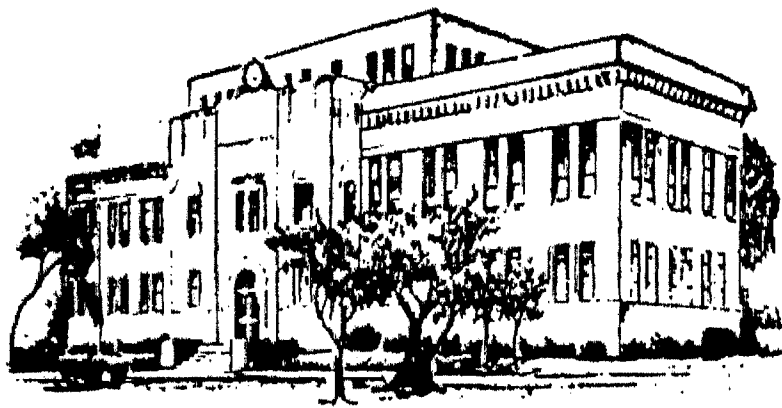
**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR
SAN PATRICIO COUNTY, TEXAS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011**

**DAVID W. WENDEL
COUNTY AUDITOR**



SAN PATRICIO COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011

ISSUED BY
COUNTY AUDITOR'S OFFICE
DAVID W. WENDEL
COUNTY AUDITOR



SAN PATRICIO COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2011

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INTRODUCTORY SECTION

SAN PATRICIO COUNTY, TEXAS
DIRECTORY OF OFFICIALS
DECEMBER 31, 2011

DISTRICT COURT

Michael E. Welborn	Judge, 36 th Judicial District
Joel B. Johnson	Judge, 156 th Judicial District
Janna K. Whatley	Judge, 343 rd Judicial District
Patrick Flanigan	District Attorney
Laura Miller	District Clerk

COMMISSIONERS COURT

Terry Simpson	County Judge
Nina G. Trevino	Commissioner, Precinct No. 1
Fred P. Nardini	Commissioner, Precinct No. 2
Alma V. Moreno	Commissioner, Precinct No. 3
Jim Price	Commissioner, Precinct No. 4

OTHER COUNTY OFFICIALS

Richard Hatch, III	County Court-at-Law Judge
Leroy Moody	Sheriff
Gracie A. Gonzales	County Clerk
Dalia Sanchez	Tax Assessor-Collector
David Aken	County Attorney
Courtenay Dugat	County Treasurer
David W. Wendel	County Auditor

JUSTICES OF THE PEACE

Yolanda Guerrero	Precinct No. 1
Daniel Garza	Precinct No. 2
Karen Diaz	Precinct No. 4
Amada V. Cardenas	Precinct No. 5
Charlene Lewis	Precinct No. 6
Henry Montemayor	Precinct No. 8

CONSTABLES

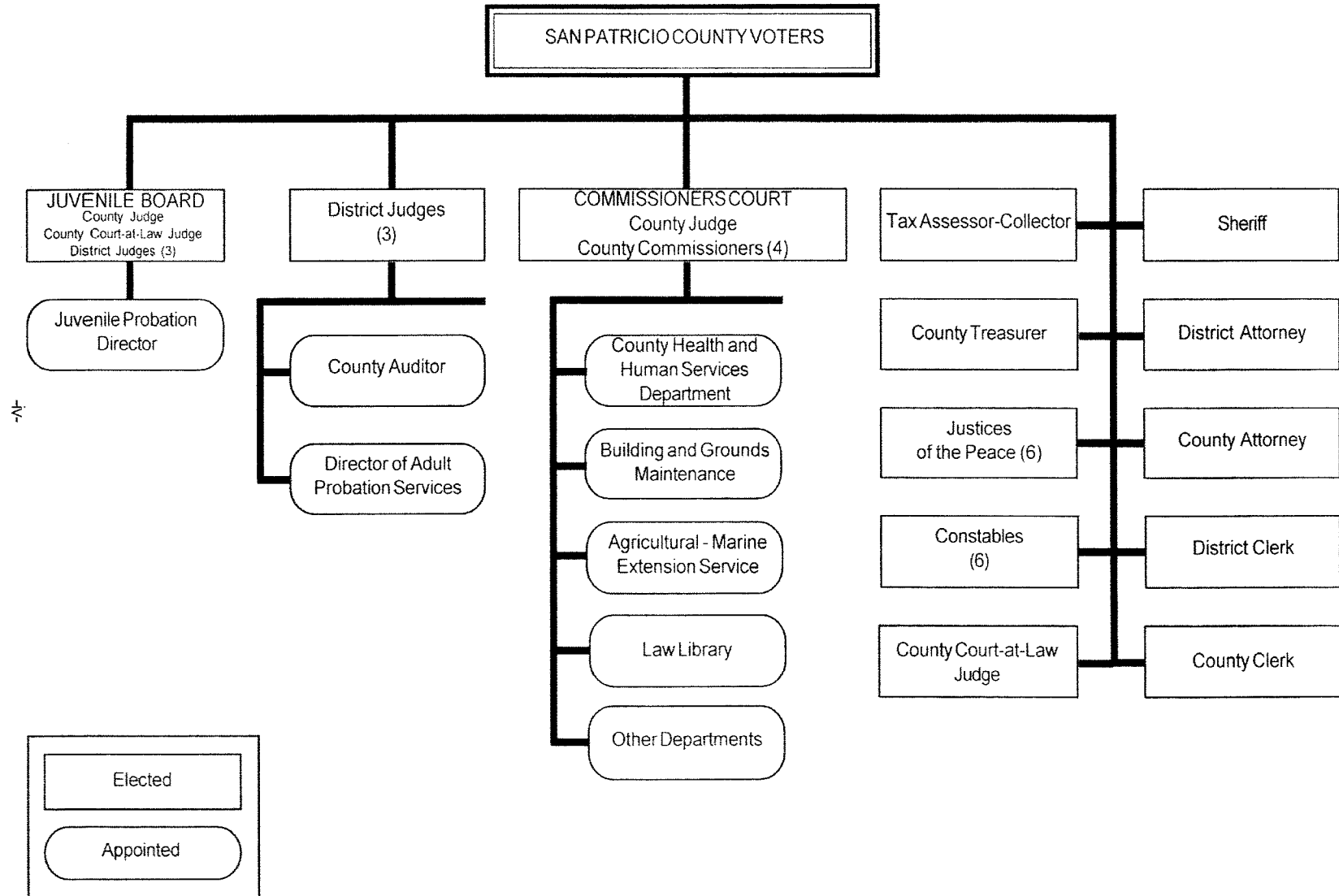
Gonzalo Gonzales	Precinct No. 1
Steve Garcia	Precinct No. 2
Parnell Haynes	Precinct No. 4
Juan C. Gonzales	Precinct No. 5
Don Perkins	Precinct No. 6
Teresa Gonzales	Precinct No. 8

SAN PATRICIO COUNTY, TEXAS
DIRECTORY OF OFFICIALS
DECEMBER 31, 2011
(continued)

OTHER

James A. Mobley, M.D.	County Health Officer
VACANT	County Health Department Administrator
Julius L. Petrus, Jr.	County Surveyor
Duane Campion	County Extension Agent (AG)
Kathy Farrow	County Extension Agent (FCS)
Adrian Arredondo	County Extension Agent (FCS)
Clifford Charles Edge, III	County Librarian
John Doria	Building Superintendent
Edward Salazar	Director of Adult Probation Services
Marla Ruvalcaba	Juvenile Probation Director
Tina M. Garrett	Major Jailer
James Lill Dolores Hinojosa	Veteran's Service Officer
Raul A. Delgado, Jr.	Manager, Computer Dept.
Hugh Wayne	Director, Printing Dept.
Norma J. Rivera	Personnel Director
William Zagorski	Emergency Management Coordinator

SAN PATRICIO COUNTY ORGANIZATION CHART





Sinton, Texas

78387

DAVID W. WENDEL

County Auditor

Courthouse, Room B-50
400 West Sinton Street
361/364-9312 - Office
361/364-9412 - Fax

May 18, 2012

Honorable District Judges
Honorable County Judge
Honorable County Commissioners
Citizens of San Patricio County
San Patricio County
Sinton, TX 78387

FORMAL TRANSMITTAL OF THE COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Ladies and Gentlemen:

The Federal Single Audit Act requires us to issue a complete set of audited financial statements yearly. This report is published to fulfill that requirement for the fiscal year ended December 31, 2011.

The comprehensive annual financial report (CAFR) of San Patricio County, Texas (the County), for the year ended December 31, 2011, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and capital assets of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The responsibility is based on a framework of internal control. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurances that the financial statements are free from any material misstatement.

Pattillo, Brown & Hill, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on San Patricio County's financial statements for the year ended December 31, 2011. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this Letter of Transmittal and should be read in conjunction with it.

-v-

PROFILE OF THE COUNTY

San Patricio County, Texas, was organized in 1837. The County operates under a County Judge-Commissioners Court type of government. The County, as a subdivision of the State of Texas, provides only those services allowed by statute. These include judicial, detention facilities, public safety, highways, flood control, health and limited social services, public improvements, and general administrative services.

The preparation of this CAFR conforms to the requirements of The Governmental Accounting Standards Board (GASB) statement No. 14 titled The Financial Reporting Entity. The accounting and reporting principles contained in statement No. 14 are based primarily on the fundamental concept that publicly elected officials are accountable to their constituents. Furthermore, statement No. 14 provides that the financial statements should emphasize the primary government (the County).

The financial reporting entity is the primary government (the County) because there are no component units applicable to the County. Also, the County is not a component unit of any other entity.

In governments, the budget is an integral part of its' accounting system and daily operations. The annual budget serves as the foundation of the County's financial planning and control. Annual Budgets are adopted for the General Fund and certain Special Revenue and Debt Service Funds. Appropriations are made for line items at the department level. All amendments and changes must be approved by the Commissioners' Court. The Level of Control (the level on which expenditures and transfers may not legally exceed appropriations) for each legally adopted annual budget is the fund.

ECONOMIC CONDITIONS

The County of San Patricio is experiencing many of the same problems and economic conditions as other Texas counties. The expenditure level has been curtailed due primarily to a purchase order system. Budgetary constraints and monitoring have played a key role in financial management. A combination of increased service requests and state and federal mandates all add up to the necessity of cutting costs where possible. It has been these efforts that have enabled San Patricio County to maintain sufficient fund balances in the County's operating funds. The County is very dependent upon the actions of the state and federal governments to finance special project operating and capital programs. All residents and taxpayers have to realize that new services or increased operation costs will have to be offset by new or increased sources of revenue.

The position of the County continued to be sound over the past year with actual operating results generally better than originally estimated. Some of the factors which enabled the County to maintain this constant level were:

1. Most departments and agencies operated within budget appropriations.
2. The budget was monitored on a regular basis.
3. Ad Valorem taxes were collected at a high percent.
4. Expenditures were carefully monitored in order to reduce and save costs.

Looking ahead, San Patricio County must continue to monitor all financial resources and carefully plan for future years. While increased growth in some areas of the County offers hope for the future, some areas of the County are not experiencing economic growth. In addition, such growth will demand more services in the future. Future budgets will present a challenge to maintain the County's record of financial stability and growth that has been routine for so long. County officials will have to work with a spirit of cooperation and expect change to meet future needs of governmental operations. Fortunately, they have done this so far and are expected to continue to work in order to keep the County in sound financial condition. The San Patricio County Economic Development Corporation was formed in 1992. This organization has been instrumental in generating interest in the local area. Also the Corpus Christi Regional Economic Development Corporation has been instrumental in generating interest in the local area.

In 2005, Naval Station Ingleside was put on the U.S. Navy's closure list which had a negative impact on the County. The closure was completed in 2010. The properties of the base have been sold to developers, which are expected to bring more industry and employment to the County.

In 2007, the Federal Government confirmed that it would build a \$20M Wind Turbine and Blade Testing Facility in San Patricio County. It was completed in 2009 and provided approximately 400 temporary construction jobs and eight to ten permanent jobs. More construction is expected in the future.

In late 2008 it was announced that the TPCO America Corporation will build a mini mill facility that will manufacture steel products from recycled scrap steel. This will be located in the eastern part of the County and construction is expected to begin in 2012 with operations beginning in 2013. Construction is expected to provide 400 to 600 jobs and when completed it is expected to provide 300 full time jobs. In 2009 the County approved a major ten year tax abatement to TCPO America Corporation. The Abatements will be as follow: first 5 years 100%, 6th year 85%, 7th year 70%, 8th year 55%, 9th year 40%, and 10th year 25%.

The U.S. Army Reserves 887th Quartermasters Company, military office has completed building a new \$9,600,000 army reserve facility in San Patricio County near Sinton, Texas. This new facility replaced an old facility and includes a training facility building, an OMS (Organizational Maintenance Shop) where they maintain military vehicles and equipment, unheated storage building, parking and land development.

In conclusion, County officials remain optimistic about the economic outlook of the County due to recent encouraging economic news, and San Patricio County continues to be an excellent place to live and work.

AWARDS AND ACKNOWLEDGMENTS

Certificate Of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to San Patricio County, Texas for its comprehensive annual financial report for the fiscal year ended December 31, 2010. This award was the twenty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an

easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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.

Safety Award. The County received the County Safety Award from the Texas Association of Counties for 2011 in recognition of the County's ongoing record of safety in the workplace.

Acknowledgments. The preparation of this report could not have been accomplished without the effort of my staff, the cooperation of various County officials and their staffs, and the Commissioners' Court. I wish to thank them all. I wish to give special acknowledgment to William Telford, San Patricio County First Assistant County Auditor, for his invaluable assistance in helping present this report for the Certificate of Achievement Award. William, a Certified Public Accountant (CPA), MBA graduate and GFOA member, is on the Special Review Committee of the Government Finance Officers Association as a reviewer for the Certificate of Achievement for Excellence in Financial Reporting Program.

Respectfully Submitted,

DWW

David W. Wendel
County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

San Patricio County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

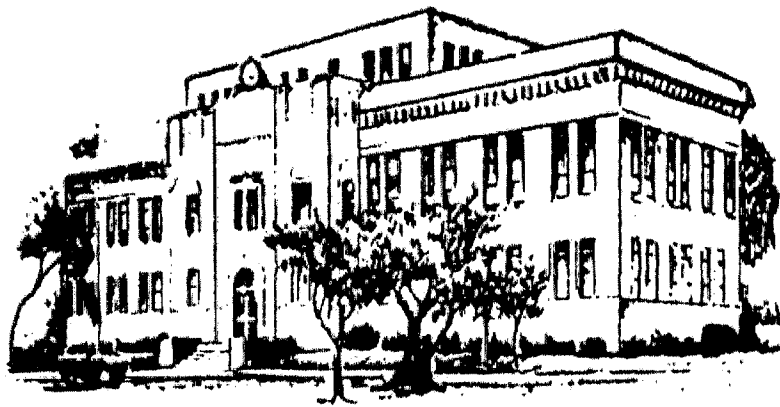


Linda C. Davison

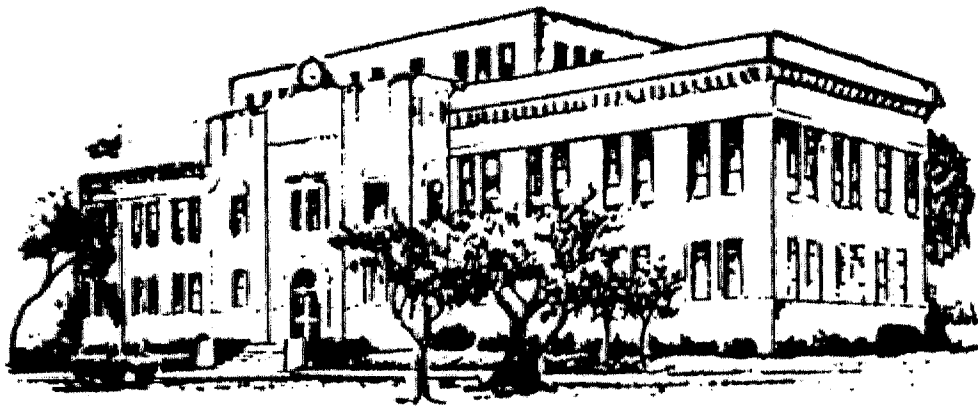
President

Jeffrey R. Emer

Executive Director



FINANCIAL SECTION





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

INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge
and County Commissioners
San Patricio County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Patricio County, Texas, (the "County") as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of San Patricio County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of San Patricio County, Texas, as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof, and for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2012, on our consideration of San Patricio 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and other schedules on pages 5 through 14, and 56 through 57, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise San Patricio County's financial statements as a whole. The combining and individual non major fund financial statements, and statistical section are presented for purposes of additional analysis and are not part of the basic financial statements. The accompanying Schedule of Expenditures of State Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, and is not a required part of the basic financial statements of San Patricio County, Texas. The combining and individual non major fund financial statements and schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken 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.

Pattilo, Brent Hill, C.P.A.

May 18, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management of San Patricio County, Texas (the County) provides this Management's Discussion and Analysis of the County's Comprehensive Annual Financial Report (CAFR), reflecting the financial performance, for the readers of the County's financial statements for the fiscal year ended December 31, 2011. Please read it in conjunction with the transmittal letter, which can be found beginning on page V of this report and with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Net Assets The assets of San Patricio County exceeded its liabilities at December 31, 2011 by \$40,775,668 (presented as "net assets"). Of this amount, \$12,637,553 was reported as "unrestricted net assets". Unrestricted net assets represent the amount available to be used to meet the County's ongoing obligations to citizens and creditors.

Changes in Net Assets The County's total net assets decreased by \$5,339,238 (a 11.6% decrease) in fiscal year 2011. The County only had governmental activities during the 2011 year. The decrease in the net assets is primarily attributable to decreased changes for service revenues.

Fund Highlights: Governmental Funds - Fund Balances As of the close of the fiscal year 2011, the County's governmental funds reported a combined ending fund balance of \$13,882,970 which was a decrease of \$1,224,630 in comparison with the prior year due mainly to public safety costs. At the end of the year, unassigned fund balance for the general fund was \$5,158,626 equal to 25% of total general fund expenditures including transfers to other funds.

Long Term Debt The County's total long-term debt obligations decreased by \$380,000 due to principal payment. The County issued certificates of obligation in 2006 for fairgrounds construction and its balance at 12-31-2011 was \$17,900,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to San Patricio County's basic financial statements. San Patricio County's basic financial statements include three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) and other supplementary information (combining and individual fund statements and schedules) in addition to the basic financial statements themselves that explain some of the information in the financial statements and provide more detail.

Government-wide Financial Statements:

The government-wide financial statements provide a broad view of the County's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the County's financial position, which assists in assessing the County's economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include two statements:

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

The *statement of activities* presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets 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 not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the County.

Both of the above financial statements have one section for the County programs or activities which consist of:

Governmental Activities - The activities in this section are mostly supported by taxes and intergovernmental revenues (state and federal grants). Most of the services normally associated with County government fall into this category, including general government, health and social services, public safety and judicial, public works, community service and education. The County did not have any business type activities during the 2011 year.

The government-wide financial statements can be found on pages 17 and 19 of this report.

Fund Financial Statements:

A fund is a fiscal and accounting entity with a self-balancing set of accounts that the County uses to maintain control over funding and spending resources that have been segregated for specific activities or objectives. San Patricio County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. All of the funds of the County can be divided into three categories. It is important to note that these fund categories use different accounting approaches and should be interpreted differently. The three categories of funds are:

Governmental Funds -Most of the basic services provided by the County are financed through Governmental funds which focus on how money flows into and out of those funds and the balances left at year-end focus on the expendable resources available for future spending. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. 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. The governmental fund financial statements provide a short-term view of the County's general government operations and the basic services it provides that assist in determining whether there will be adequate financial resources available to meet the current needs of the County (near term inflow and outflow of spendable resources as well as on balances of spendable resources). This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. 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 the governmental activities.

San Patricio County maintains 43 governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Road and Bridge Fund they are considered to be major funds. Data from the other non-major 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.

San Patricio County adopts an annual budget for most of its governmental funds. Budgetary comparison statements have been provided to demonstrate compliance with local budget law.

The basic governmental fund financial statements are presented on pages 21 and 22 of this report.

The County had no business type activities during the 2011 year.

Proprietary Funds -The only proprietary fund that the County had was the Insurance Internal Service Fund. This fund is used to account for funds used to provide health care for the County's employees. Because this service predominantly benefits governmental rather than business-type functions, this financial activity is included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements can be found right after the governmental fund financial statements.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside the County government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs.

The County's fiduciary funds are the Agency Funds, which account for the assets held for distribution by the County as an agent for other governmental units, other organizations or individuals. The County had 21 Agency Funds at December 31, 2011.

The basic fiduciary fund financial statements can be found immediately following the proprietary fund financial statements.

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 beginning on page 29 of this report.

Required Supplementary Information:

The basic financial statements are followed by a section of required supplementary information that consists of budgetary comparison statements for the General Fund and the major special revenue funds as presented in the governmental fund financial statements. Also certain required pension information is presented as well as certain required post employment benefits information.

Other Supplementary Information:

Other supplementary information, including combining financial statements for nonmajor governmental and fiduciary funds and budgetary comparison schedules are presented following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets - As noted earlier, net assets may serve over time as a useful indicator of a County government's financial position. San Patricio County's combined net assets (government activities) totaled \$40,775,688 at the end of fiscal year 2011 compared to \$46,114,926 at the end of the previous year.

A large portion of the County's net assets (69%) reflects its amount invested in capital assets such as land, buildings, major improvements, equipment, and infrastructure (road and bridges), less any related debt used to acquire those assets that is still outstanding. San Patricio County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's 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. The tables provided on the following pages show net assets and changes in net assets for fiscal years 2011 and 2010, which consist only of Governmental activities.

**San Patricio County's Net Assets
December 31, 2011 and 2010**

	2011	2010
Current and other assets	\$ 40,278,229	\$ 40,818,887
Capital assets	46,038,135	49,030,665
Total assets	86,316,364	89,849,552
Long-term liabilities outstanding	23,106,597	23,673,932
Other liabilities	22,434,079	21,323,453
Total liabilities	45,540,676	44,997,385
Net assets:		
Invested in capital assets, net of related debt	28,138,135	30,640,322
Restricted	0	(46,166)
Unrestricted	12,637,553	14,258,011
Total net assets	\$ 40,775,688	\$ 44,852,167
The above figures are not net of related debt.		

The main reason for the net decrease of (\$ 5,339,238) in total net assets was due mainly to decreased charges for services revenues.

**San Patricio County's Changes in Net Assets
For the years ended December 31, 2011 and 2010**

	2011	2010
Revenues:		
Program Revenues:		
Charges for services	\$ 5,676,123	\$ 6,316,927
Operating grants and contributions	2,321,793	2,571,845
Capital grants and contributions	576,224	184,812
General Revenues:		
Property taxes	19,938,817	19,886,367
Investment earnings	38,778	59,837
Other	582,040	86,019
Total Revenues	\$ 29,133,775	\$ 29,105,807
Expenses:		
General Administration	\$ 2,537,854	\$ 2,800,597
Judicial	3,566,865	3,604,665
Legal	1,035,809	713,260
Elections	338,124	421,241
Financial Administration	2,044,998	2,032,576
Public Facilities	4,016,462	4,402,114
Public Safety	10,260,748	10,201,056
Environmental	109,388	81,231
Public Transportation	6,288,960	5,863,906
Health and Welfare	2,387,453	2,616,456
Culture and Recreation	838,691	959,600
Conservation	216,313	210,672
Amortization of Bond Issuance Costs	0	0
Interest on Long-Term Debt	831,348	847,410
Total Expenses	\$ 34,473,013	\$ 34,754,784
Decrease in Net Assets	(5,339,238)	(5,648,977)
Net Assets at Beginning of Year	44,852,167	50,501,144
Prior Period Adjustment	1,262,759	0
Net Assets at End of Year	\$ 40,775,688	\$ 44,852,167

Revenues increased mainly due to increased other general revenues, and expenses decreased due mainly to decreased General Administration and Health and Welfare Costs.

The County's net assets decreased by \$5,339,238 or 11.6%. Approximately 68% of the County's total revenue came from taxes, while 10% resulted from grants and contributions. User charges for various goods and services accounted for 19% of the total revenues. The largest components of expenditures were for public safety, public transportation, judicial, and public facilities. The main decrease in expenditures were for general administration costs . Also, lower interest rates resulted in lower investment revenues.

A large portion of the County's net assets (69%) is reflected in capital assets (e.g. land, buildings, equipment, and infrastructure) to acquire or construct the assets. The remaining balance of unrestricted net assets (35%) may be used to meet the County's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net assets.

At the end of the current fiscal year, the County reported positive balances in all categories of net assets, for the government as a whole except for the Insurance Internal Service Fund which had a negative balance of \$304,224. This deficit is expected to be liquidated by future resources of the County.

Governmental Activities - Governmental activities decreased the County's net assets by \$5,339,238 or 11.6% of the total net assets decrease.

Because of the state of the current economy, the County's governmental activities are likely to remain at the current service level in the coming years as revenue for the County is projected to pace inflation.

FINANCIAL ANALYSIS OF COUNTY FUNDS

As mentioned earlier, San Patricio County uses fund accounting to record transactions to ensure and demonstrate compliance with state and federal statutes, GASB pronouncements and GFOA guidelines. The focus of the governmental fund is to provide the available near term resources and expenditures and balance of spendable resources. Such information is useful in assessing San Patricio County's financing requirements. In particular, unreserved fund balance generally provides a useful measure of the County's net resources available for expenditure purposes at the end of the fiscal year.

The governmental funds reported fund balances of \$13,882,970 at the end of the current fiscal year, which is a decrease of \$1,224,630 and 8.1% from last fiscal year's fund balances of \$15,107,600. This decrease was due mainly to decreased investment revenues and charges for services revenues.

BUDGETARY HIGHLIGHTS

The County is heavily dependent on property taxes to fund General Fund discretionary spending. This funding source typically is not susceptible to rapid change and can differ substantially from the overall economy.

The main budget variance between the final budget and the actual expenditures occurred in the Indigent Health Care Fund in General Administration due mainly to Indigent Health Care costs being \$397,449 less than anticipated.

Modest revenue growth is expected for the General Fund in fiscal year 2012, since the revenues are currently exceeding expenditures. Texas law prohibits deficit financial position and the County is prepared to make the necessary adjustments to expenditure levels in future years to maintain a positive fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

The County's net assets invested in capital assets for its governmental activities as of December 31, 2011, amounted to \$100,010,444 less accumulated depreciation of \$53,972,309 with a net book value of \$46,038,135. This amount includes land, buildings, major improvements, equipment, infrastructure and construction in progress.

Major capital asset transactions for the 2011 year included purchases of vehicles and major equipment for the Sheriff's department and Road and Bridge department, as well as construction done on the new County Clerk Storage building. Depreciation charges for the current year totaled \$3,528,013. Detailed information regarding the capital assets of the County can be found in the Notes to the Financial Statements at Note 5 starting on page 39 of this report.

**Capital Assets (net of accumulated depreciation)
December 31, 2011 and 2010**

		<u>Governmental Activities</u>	
		2011	2010
Land	\$	3,180,673	\$ 3,180,673
Buildings, Major Improvements, and Equipment		28,349,614	30,065,686
Infrastructure		14,439,848	15,716,306
		45,970,135	48,962,665
Construction in Progress		68,000	68,000
Total	\$	46,038,135	\$ 49,030,665

More detailed information regarding the County's Capital Assets is presented in the Notes to the Financial Statements at Note 5 starting on Page 39 of this report.

Debt Administration:

The County is empowered by law to authorize, issue, and sell debt obligations. General obligation bonds are backed by the full faith and credit of the County, including the County's power to levy taxes to ensure repayment of the debt. The San Patricio County Commissioner's Court approves the issuance of debt and the related costs associated with the issuance.

The County's bonded debt as of December 31, 2011 stands at \$17,900,000. The total bonded debt of the County was decreased by \$380,000, a 2% decrease compared to last year. The County's general obligations are rated Ba3 by Moody's Investor Service. This debt is the only long-term bonded debt of the County at 12-31-2011 and will be liquidated in 2036.

The County is also empowered by law to enter into long-term capital leases upon approval of the San Patricio County Commissioners' Court. This debt at 12-31-2011 stands at \$0 because the County currently does not have such debt.

The following table is a summary of the County's Outstanding Bonded Debt,

Outstanding Bonded and Capital Lease Debt
December 31, 2011 and 2010

Governmental Activities

	<u>2011</u>	<u>2010</u>
General Obligation Bonds	\$ 17,900,000	\$ 18,280,000
Capital Leases	0	0
Total	\$ 17,900,000	\$ 18,280,000

The decrease was due to principal payments. The General Obligation Bonds are certificates of obligation and are insured by Ambac Assurance Corporation of New York, NY. More detailed information regarding the County's long-term obligations is presented in the Notes to the Financial Statements at Note 4 starting on page 36 of this report.

ECONOMIC CONDITION AND OUTLOOK

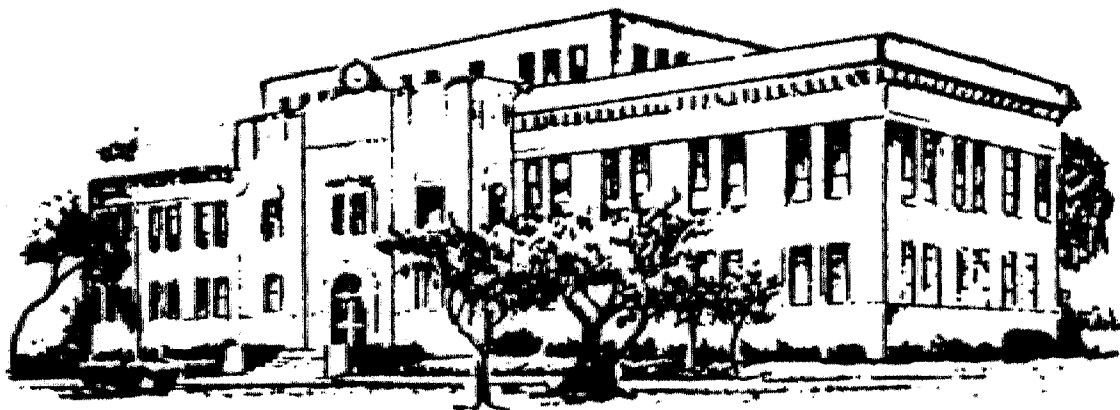
The downturns in the U.S. economy have had similar impacts on the County, and this trend is of much cause of concern to the County's management. However, some new industry is locating in the County which should have a positive economic impact. Hopefully the U.S. economy will have an upturn soon.

In late 2009 it was announced that TPCO America Corporation will build a mini mill facility that will manufacture steel products from recycled scrap steel. In 2009 the County approved a major ten year tax abatement to TCPO America Corporation. The abatements will be as follows: first 5 years 100%, 6th year 85%, 7th year 70%, 8th year, 55%, 9th year 40%, and 10th year 25%. Construction is expected to be started in 2012.

CONTACTING THE COUNTY'S OFFICE OF FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have any questions about this report, or need additional financial information, contact the San Patricio County Auditor's Office at (361) 364-9312, or write to: 400 West Sinton Street, Room B-50, Sinton, TX 78387.

BASIC FINANCIAL STATEMENTS



**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF NET ASSETS
DECEMBER 31, 2011**

ASSETS

Cash and Cash Equivalents	\$	19,800,075
Taxes Receivable, net		16,922,177
Intergovernmental Receivables		188,798
Other Receivables		234,351
Less Allowance for Uncollectables		0
Due from Other Governments		27,131
Fines Receivable		7,070,518
Less Allowance for Uncollectables		(4,217,109)
Capitalized Bond and Other Debt Issuance Costs		252,288
Capital Assets		
Land		3,180,673
Buildings		37,589,090
Improvements		1,419,029
Equipment		9,754,039
Infrastructure		47,999,613
Less Accumulated Depreciation		(53,972,309)
Construction in Progress		68,000
		<u>86,316,364</u>
TOTAL ASSETS	\$	<u>86,316,364</u>

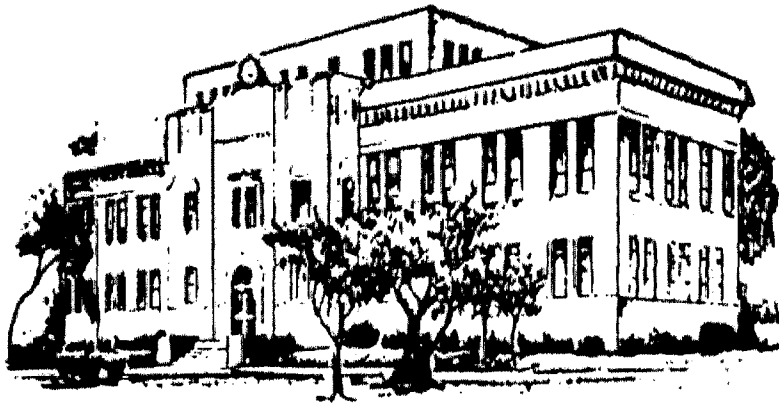
LIABILITIES

Liabilities		
Accounts Payable	\$	763,403
Other Liabilities		253,542
Due To Other Governments		11,038
Interest Payable		206,659
Unearned Revenues		15,557,324
Advance Tax Collections		5,642,113
Noncurrent Liabilities		
Due within One Year		701,923
Due in More than One Year		22,404,674
TOTAL LIABILITIES	\$	<u>45,540,676</u>

NET ASSETS

Invested in Capital Assets, net of related debt	\$	28,138,135
Unrestricted		12,637,553
TOTAL NET ASSETS	\$	<u>40,775,688</u>

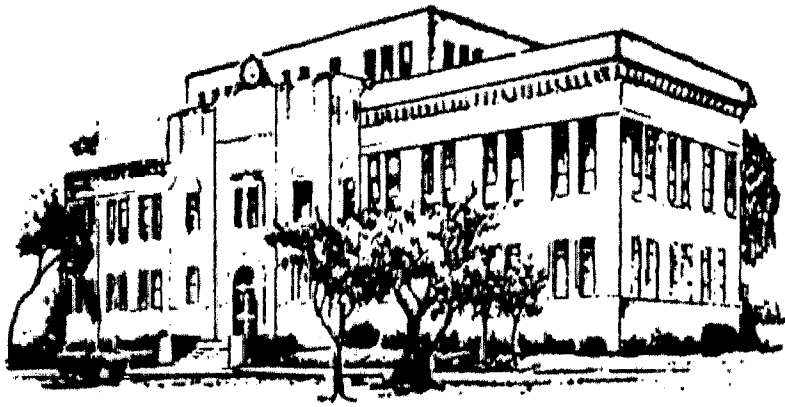
See Accompanying Notes to Financial Statements.



**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Administration	\$ 2,537,854	\$ 494,541	\$ 15,363	\$ (2,027,950)
Judicial	3,566,865	1,816,575	513,640	(1,236,650)
Legal	1,035,809	103,308	41,390	(891,111)
Elections	338,124	30,575	1,033	(306,516)
Financial Administration	2,044,998	526,545		(1,518,453)
Public Facilities	4,016,462	95,023		576,224 (3,345,215)
Public Safety	10,260,748	780,808	696,829	(8,783,111)
Environmental	109,388	70,881		(38,507)
Public Transportation	6,288,960	1,317,381	92,378	(4,879,201)
Health & Welfare	2,387,453	307,365	961,160	(1,118,928)
Culture & Recreation	838,691	133,121		(705,570)
Conservation	216,313			(216,313)
Interest on Long-Term Debt	831,348			(831,348)
Total Governmental Activities	\$ 34,473,013	\$ 5,676,123	\$ 2,321,793	\$ 576,224 (25,898,873)
General Revenues:				
Property Taxes				19,938,817
Investment Earnings				38,778
Other General Revenues				582,040
Total General Revenues				20,559,635
Change in Net Assets				(5,339,238)
Net Assets-Beginning				44,852,167
Prior Period Adjustment				1,262,759
Net Assets-Ending				\$ 40,775,688

See Accompanying Notes to Financial Statements.



**SAN PATRICIO COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	GENERAL FUND	ROAD AND BRIDGE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 11,100,842	\$ 1,877,464	\$ 6,821,769	\$ 19,800,075
Taxes Receivable, net	13,822,405	2,104,742	995,030	16,922,177
Intergovernmental Receivables	11,028	0	177,770	188,798
Other Receivables	166,177	22,982	43,679	232,838
Due from Other Governments	27,133	0	0	27,133
Due from Other Funds	240,890	0	0	240,890
	<u>\$ 25,368,475</u>	<u>\$ 4,005,188</u>	<u>\$ 8,038,248</u>	<u>\$ 37,411,911</u>
TOTAL ASSETS	\$ 25,368,475	\$ 4,005,188	\$ 8,038,248	\$ 37,411,911
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 385,291	\$ 58,424	\$ 111,347	\$ 555,062
Intergovernmental Payables	0	0	9,851	9,851
Other Liabilities	200,367	0	53,175	253,542
Due To Other Funds	0	2,906	142,101	145,007
Due to Other Governments	1,189	0	0	1,189
Deferred Revenue	13,822,405	2,104,742	995,030	16,922,177
Advance Tax Collections	4,608,096	702,574	331,443	5,642,113
	<u>19,017,348</u>	<u>2,868,646</u>	<u>1,642,947</u>	<u>23,528,941</u>
Total Liabilities	19,017,348	2,868,646	1,642,947	23,528,941
Fund Balances -				
Unspendable	0	0	0	0
Restricted	0	1,136,542	3,389,092	4,525,634
Committed	0	0	0	0
Assigned	1,192,501	0	3,102,163	4,294,664
Unassigned	5,158,626	0	(95,954)	5,062,672
	<u>6,351,127</u>	<u>1,136,542</u>	<u>6,395,301</u>	<u>13,882,970</u>
Total Fund Balances	6,351,127	1,136,542	6,395,301	13,882,970
TOTAL LIABILITIES AND FUND BALANCES	\$ 25,368,475	\$ 4,005,188	\$ 8,038,248	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	46,038,135
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	4,219,775
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(23,313,256)
Bond issuance cost to be amortized over the life of the debt.	252,288
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Insurance Internal Service Fund are included in governmental activities in the statement of net assets.	(304,224)
Net Assets of Governmental Activities	\$ 40,775,688

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	GENERAL FUND	ROAD AND BRIDGE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$ 16,344,316	\$ 2,489,124	\$ 1,163,173	\$ 19,996,613
Licenses and Permits	229,201	0	0	229,201
Intergovernmental	906,176	92,378	2,247,508	3,246,062
Charges for Services	1,980,633	1,042,283	674,996	3,697,912
Fines & Forfeitures	778,625	367,192	176,269	1,322,086
Investment Income	22,590	4,022	11,983	38,595
Miscellaneous Revenue	420,751	29,783	366,505	817,039
Total Revenues	20,682,292	4,024,782	4,640,434	29,347,508
EXPENDITURES				
Current				
General Administration	2,195,407	0	220,811	2,416,218
Judicial	2,018,730	0	1,350,315	3,369,045
Legal	989,022	0	10,449	999,471
Elections	257,255	0	43,216	300,471
Financial Administration	1,930,099	0	0	1,930,099
Public Facilities	1,508,714	0	1,241,997	2,750,711
Public Safety	9,392,738	0	259,852	9,652,590
Environmental	109,388	0	0	109,388
Public Transportation	0	4,053,818	517,369	4,571,187
Health & Welfare	850,204	0	1,403,888	2,254,092
Culture and Recreation	802,339	0	0	802,339
Conservation	201,142	0	0	201,142
Debt Service	0	0	1,215,385	1,215,385
Total Expenditures	20,255,038	4,053,818	6,263,282	30,572,138
Excess (Deficiency) of Revenues Over Expenditures	427,254	(29,036)	(1,622,848)	(1,224,630)
OTHER FINANCING SOURCES (USES)				
Transfers In	0	0	1,338,048	1,338,048
Transfers Out	(723,048)	(65,000)	(550,000)	(1,338,048)
Total Other Financing Sources (Uses)	(723,048)	(65,000)	788,048	0
Net Changes in Fund Balances	(295,794)	(94,036)	(834,800)	(1,224,630)
Fund Balances at Beginning of Year	6,646,921	1,230,578	7,230,101	15,107,600
Fund Balances at End of Year	\$ 6,351,127	\$ 1,136,542	\$ 6,395,301	\$ 13,882,970

See Accompanying Notes to Financial Statements.

**SAN PATRICIO 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 DECEMBER 31, 2011**

Amounts reported for governmental activities in the Statement of Activities (p. 19) are different because:

Net changes in fund balances - total governmental funds (p. 22)	\$ (1,224,630)
Governmental funds report capital outlay 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. See Note 5.	(2,992,530)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(218,164)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(1,081,791)
Proceeds from debt issues provide current financial resources, while repayment of principal consumes current financial resources and is treated as an expenditure in the governmental funds. This amount is the net effect of the treatment of long-term debt and related items.	490,343
Internal service funds are used by management to charge the costs of self insurance. The net expense of certain activities of the Insurance Internal Service Fund are reported with governmental activities.	(312,466)
Governmental funds report the effect of issuance costs and similar items when debt is first issued, however, these amounts are deferred and amortized in the Statement of Activities.	
Change in net assets of governmental activities (p. 19)	\$ <u><u>(5,339,238)</u></u>

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 0
Other Receivables	<u>0</u>
Total Assets	<u>0</u>
 LIABILITIES	
Current Liabilities	
Accounts Payable	208,341
Due to Other Funds	<u>95,883</u>
Total Liabilities	<u>304,224</u>
 NET ASSETS	
Unrestricted	<u>(304,224)</u>
Total Net Assets	<u>\$ (304,224)</u>

Note: The Insurance Internal Service Fund is the only proprietary fund of the County. The accounts payable above consists of \$208,341 in medical claims and \$-0- in other payables. The entire amount of the \$208,341 is considered current because it is expected to be paid during the 2012 fiscal year. The deficit net assets of \$304,224 at 12-31-11 are expected to be liquidated by future resources of the County.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
Operating Revenues:	
Contributions for Employee Insurance and Medical Expenses	\$ 2,880,264
Insurance Reimbursements and Refunds	<u>42,754</u>
Total Operating Revenues	<u>2,923,018</u>
Operating Expenses:	
Insurance and Administrative Expenses	549,294
Medical Claims Expense	<u>2,686,373</u>
Total Operating Expenses	<u>3,235,667</u>
Operating Income (Loss)	<u>(312,649)</u>
Non-Operating Revenues (Expenses):	
Investment Income	<u>183</u>
Total Non-Operating Revenues (Expenses)	<u>183</u>
Change in Net Assets	(312,466)
Total Net Assets at Beginning of Year	<u>8,242</u>
Total Net Assets at End of Year	<u><u>\$ (304,224)</u></u>

Note: The Insurance Internal Service Fund is the only proprietary fund of the County. The deficit net assets of \$304,224 at 12-31-11 are expected to be liquidated by future resources of the County.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
Cash flows from Operating Activities:	
Cash received from premium contributions and other	\$ 3,096,757
Cash paid to insurance and medical expenses	<u>(3,208,867)</u>
Net cash flows from operating activities	<u>(112,110)</u>
Cash flows from investing activities:	
Investment Income received	<u>183</u>
Net cash flows from investing activities	<u>183</u>
Net change in cash and cash equivalents	(111,927)
Cash and Cash Equivalents, Beginning of Year	<u>111,927</u>
Cash and Cash Equivalents, End of Year	\$ <u><u>0</u></u>
Reconciliation of Operating Income to Net Cash Flows from Operating Activities:	
Operating Income (Loss)	\$ (312,649)
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:	
Changes in Assets and Liabilities not related to investing or financing activities:	
Other Receivables	173,739
Amounts Due to Other Funds	95,883
Claims Payable	<u>(69,083)</u>
Total Adjustments	<u>200,539</u>
Net Cash Flows From Operating Activities	\$ <u><u>(112,110)</u></u>

Non-cash investing, capital, and financing activities: none

Note: The Insurance Internal Service Fund is the only proprietary fund of the County.

See Accompanying Notes to Financial Statements.

**SAN PATRICIO COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
DECEMBER 31, 2011**

ASSETS

Cash and Cash Equivalents	\$ 9,649,523
Due From Others	7,218
Due From Other Governments	<u>74,128</u>
TOTAL ASSETS	\$ <u>9,730,869</u>

LIABILITIES

Due To Others	\$ 9,694,984
Due To Other Governments	<u>35,885</u>
Total Liabilities	\$ <u>9,730,869</u>

Note: The only fiduciary funds the County had were agency funds.

See Accompanying Notes to Financial Statements.

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SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

San Patricio County, Texas (the County), was organized in 1837. The County operates under a County Judge - Commissioners Court type of government and provides the following services throughout the County: public safety (fire, ambulance and law enforcement), public transportation (highways and roads), health and welfare, culture and recreation, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governments. The County also applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant policies.

A. *The Reporting Entity*

The financial statements include all the funds of the County. There are no component units applicable to the County. Therefore, the primary government (San Patricio County) is the same as the reporting entity. The County is not a component unit of any other entity.

B. *Government-wide and Fund Financial Statements:*

Government-wide Financial Statements - The Statement of Net Assets and Statement of Activities report information on all of the non-fiduciary activities of the *Governmental activities*, which are primarily supported by intergovernmental revenues and taxes are reported separately from *business-type activities*, which rely primarily upon fees charged to external parties. Eliminations have been made to minimize the double-counting of internal activities. Direct expenses are not eliminated from the various functional categories. The County had no business type activities during the 2011 year.

The Statement of Activities demonstrates the extent to which direct expenses of a function (i.e., general government, health and social services, public safety and judicial, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and intergovernmental revenues that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among specific program revenues are reported instead as *general revenues*.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

The County reports the following major governmental funds:

General Fund - This is the County's primary operating fund. It accounts for all financial resources of the general government, except for those requiring separate accounting in another fund.

Road and Bridge Fund - This fund accounts for restricted and other funds used for the purpose of constructing and maintaining roads and bridges. This major special revenue fund receives property taxes, intergovernmental and other funds.

The Non-Major governmental funds consist of the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The County does have one proprietary fund type and that is the Internal Service Fund. Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost reimbursement basis. The County's only Internal Service Fund is the Insurance Internal Service Fund, which is an established account for funds used for health insurance coverage for County personnel. Because this fund is a proprietary fund, it distinguishes operating revenues and expenses from non-operating items.

Additionally, the County reports Agency Fund types which are fiduciary funds and are used to account for monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities. Agency Funds are custodial in nature (assets = liabilities) and do not involve measurement of results of operation. The County's Agency Funds consist mainly of funds holding tax revenues, officials' fees and other funds, forfeited monies, and other pertinent funds for other entities or individuals.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

C. Measurement Focus and Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements -The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds report only assets and liabilities and do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include taxes, grants, and entitlements. On an accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Government Fund Financial Statements – All governmental fund types are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collection within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if they are collected within 60 days after year-end. Also considered susceptible to accrual are intergovernmental and fines receivables. Expenditures are recorded when the related fund liability is incurred. All transactions occurring in the governmental fund financial statements are recorded using the modified accrual basis of accounting, except for:

- Interfund transactions for goods and services which are recorded on the Accrual Basis
- Revenues from grants which are recorded as earned
- Principal and interest on general long-term debt which are recorded when due.

Proprietary Fund Financial Statements - The only proprietary fund that the County had was the Insurance Internal Service Fund. This fund is used to account for funds used to provide health care for the County's employees. Because this service predominantly benefits governmental rather than business-type functions, this financial activity is included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing health care for the County's employees. The main operating revenues are contributions for employee insurance and medical expenses, and the main operating expenses are medical claims. The only Non-operating Item for the 2011 year was Investment Income.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

D. Receivables

The County levies, collects and distributes property taxes for all taxing jurisdictions within its boundaries. Uncollected property taxes receivable in the General Fund, Special Revenue and Debt Service Funds which are not considered available to finance current operations are shown in the governmental fund financial statements as assets and are offset by deferred revenue (advance tax collections). Accordingly, such receivables are not reflected as revenue until they become available to finance current operations.

Receivables for federal and state financial assistance are recorded as revenue, in all fund types, as earned.

E. Inventories

Inventories of supplies on hand have not been recorded; such supplies are of an expendable nature and are expensed when purchased. As these amounts do not seem to fluctuate a great deal from year to year, the exclusion of inventories does not materially affect either the financial position or results of operations of these funds.

F. Capital Assets

Capital Assets, which include land, buildings, improvements other than buildings, equipment, infrastructure (roads and bridges) and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and major improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Land and construction in progress are not depreciated.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years	Yearly Depreciation Rates
Buildings	9-30	3.3% to 11.1%
Improvements Other than Buildings	16-25	4.0% to 6.2%
Equipment	3-20	5.0% to 33 1/3 %
Infrastructure		
Bridges	20-35	2.8% to 5.0%
Roads	20	5.0%

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

G. Cash and Cash Equivalents

Cash and Cash Equivalents at December 31, 2011, totals \$29,449,596, (\$19,800,073 in governmental funds \$0 in proprietary funds, and \$9,649,523 in agency funds) and consists of \$8,550 in petty cash and \$29,441,046 in bank and pool demand accounts. Nearly all of the demand accounts are interest earning accounts.

The County's total bank deposits of \$ 11,367,337 at December 31, 2011, were covered by federal depository insurance or by pledged collateral securities held by the Trust Department of the County's bank in the County's name. Such total collateralization and insurance coverage is required by state law. The County's deposits were properly insured and secured throughout the year. The amount of pledged collateral at December 31, 2011 was \$14,732,517.

State statute authorizes the County to invest in obligations of, or guaranteed by, governmental entities, certificates of deposits, bankers acceptances, commercial paper, no load money market mutual funds, repurchase agreements, and investment pools. Investments for the County are reported at fair value.

The Pooled Cash Accounts at December 31, 2011 consist of \$17,979,401 in Various External Pool Accounts. The Various Pool Accounts are not subject to credit risk classification. The pooled accounts at 12/31/11 consist of the Tex-Pool Account (\$854,819), LOGIC Pool Account (\$9,091,326), and MBIA Class Pool Account (\$8,033,256), for a total of \$17,979,401. The pool accounts are not SEC regulated but are governed by an independent board of directors and operate in accordance with state laws and regulations. The reported values of the pools are the same as the fair value of the pool shares which are acquired at a cost of \$1 each.

In conclusion, at December 31, 2011:

Deposits - All of the County deposits were insured and collateralized.

Investments - The County does have a formal investment policy, but it had no investments at December 31, 2011. The County participates in pooled accounts as discussed above. The County prefers these accounts due to the decrease in risk and also the high liquidity benefit.

Interest rate risk - The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The County feels that with pooled accounts, this risk is very low due to their high liquidity.

Credit risks - Standard and Poor's has issued credit ratings of AAAm to Tex Pool and AAA to MBIA Class, and to LOGIC.

It is the County's policy to limit its' investment to top ratings issued by nationally recognized statistical ratings organizations.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

Custodial credit risk - For an investment, custodial credit risk is the risk that in the event of the failure of the counter party, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has no policy on custodial credit risk but feels that its pooled accounts are low risk.

Concentration of credit risk - The County places no limit on the amount that the County may invest in any one issuer. The County is currently using the less risky pooled accounts and plans to continue to do so in the future.

H. Long Term Debt

All County long-term debt is included in the Government-wide Financial Statements. This consisted of Certificates of Obligation Series 2006, compensated absences, pollution remediation and OPEBs.

I. Compensated Absences

Accumulated vested compensated absences, which consist of vacation leave and compensatory time, are accrued in the government-wide financial statements. Sick pay, which does not vest, is recorded when leave is taken. The entire amount of \$202,413 has been accrued as payable within one year since the amount due after one year is not material. Nearly all of the compensated absences payable is liquidated by the General and Road and Bridge Funds in Personal Services accounts as budgeted. The following summary is presented for informational purposes and is an overall summary of the changes in compensated absences for the 2011 year:

Balance at Beginning of Year	\$ 222,817
Additions	202,413
Deductions	<u>(222,817)</u>
Balance at End of Year	\$ <u>202,413</u>

J. Fund Equity

In the fund financial statements, governmental funds do not report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. However, at December 31, 2011 there was \$0 restricted for debt service payments. In addition, there was \$56,794 reserved for future bonded debt.

K. Comparative Data

Comparative data for prior year are not included in the financial statements.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

L. Cash and Cash Equivalents of Proprietary Fund Type Cash Flows Statement

For purposes of the statement of cash flows, the Internal Service Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. For the 2011 year, cash and cash equivalents consist of cash on deposit and cash in pooled accounts, as well as cash on hand.

M. OPEBs (Other Post Employment Benefits) and Pollution Remedial Expenses

OPEB's and Pollution Remedial Expenses are recorded in the government-wide financial statements. OPEB expenses are serviced in the appropriate General and Road and Bridge Fund personal services accounts as budgeted and the Pollution Remedial expenses are serviced in the Sinton Airport department of the Airport Fund in the appropriate other services and charges account. See Note 16 for more information on OPEBs and Note 13 for more information on Pollution Remedial expenses. The following summary is presented for informational purposes and is an overall summary of these costs for the 2011 year.

		OPEBs		Pollution Remedial Expenses
Balances at Beginning of Year	\$	2,549,395	\$	1,358,961
Additions		1,136,255		0
Deductions		(24,998)		(15,429)
Balance at End of Year	\$	3,660,652	\$	1,343,532

N. Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) they are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash, or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which the constraints that have been placed on the use of the resources are either (a) externally imposed by creditors, grantors, contributors, or by laws or regulations of other governments, or (b) imposed by law through constitutional provisions or by enabling legislation.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by order of the Commissioners Court, the County's highest level of decision making authority. These amounts cannot be used for any other purpose unless the Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for the use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners Court.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When expenditures are incurred for purpose for which both restricted and unrestricted fund balance is available. The County considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds.

(2) PROPERTY TAXES

Property is appraised, and a lien on such property becomes enforceable as of January 1, subject to certain procedures for rendition, appraisal, appraisal review, and judicial review. Traditionally, property taxes are levied October 1, of the year in which assessed or as soon thereafter as practicable. Taxes are due and payable when levied since that is when the County bills the taxpayers. The County begins to collect the taxes as soon as the taxpayers are billed.

Taxes become delinquent February 1, of each year and are subject to simple interest and penalty of 7% in February; 9% in March; 11% in April; 13% in May; 15% in June; 2% in July, and 1% in months thereafter. Collections of the current year's levy are reported as current collections if received by June 30, (within 9 months of the October 1, due date). Collections received thereafter are reported as delinquent collections.

The County's taxes on real property are a lien against such property until paid. The County may foreclose on real property upon which it has a lien for unpaid taxes. The exception is homestead property belonging to persons 65 years of age or older who files for a tax deferral. The County does make considerable effort to collect delinquent taxes before foreclosure proceedings. Delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title to the property.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years from the time such taxes became delinquent. Unlike real property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid. The County's 2010 tax rate (for the period October 1, 2010 to September 30, 2011) was \$0.5245 per \$100 valuation. This roll year taxes were for the County's 2011 fiscal year operations. The 2011 tax roll is to be used for 2012 operations and its tax rate is \$0.581778 per \$100 valuation. It is noted that the County operates on a calendar year.

(3) GRANTS RECEIVABLE DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2011, consist of \$177,770 from various Federal and State Grants. Included in the above amount is \$56,320 of Texas Department of Health grants and \$79,372 from WIC Funds due from other governmental entities, and \$42,078 of Coastal Impact Assistance Program Funds.

(4) LONG-TERM OBLIGATIONS

The following is a summary of general long-term debt bond transactions for the year ended December 31, 2011:

	GENERAL OBLIGATION	TOTAL
Bonds Payable, 01-01-11	\$ 18,280,000	\$ 18,280,000
Bonds Issued	-0-	-0-
Bonds Retired	(380,000)	(380,000)
Bonds Payable, 12-31-11	<u>\$ 17,900,000</u>	<u>\$ 17,900,000</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

The annual requirements for the above general long-term debt outstanding at December 31, 2011 are as follows:

Year Ending December 31	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS
2012	\$ 395,000	\$ 818,241	\$ 1,213,241
2013	410,000	801,135	1,211,135
2014	430,000	783,285	1,213,285
2015	450,000	764,023	1,214,023
2016	470,000	743,323	1,213,323
2017-2021	2,700,000	3,372,087	6,072,087
2022-2026	3,380,000	2,691,243	6,071,243
2027-2031	4,260,000	1,803,536	6,063,536
2032-2036	5,405,000	665,050	6,070,050
TOTAL	\$ <u>17,900,000</u>	\$ <u>12,441,923</u>	\$ <u>30,341,923</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

The above debt consists of the following:

Certificates of Obligation, Series 2006, dated August 1, 2006 Interest Range 4.25% to 4.75% issued for new showbarn facilities. Amount issued \$19,330,000.	<u>\$ 17,900,000</u>
Total Outstanding at December 31, 2011	<u>\$17,900,000</u>

The above debt is serviced by the Permanent Improvement Debt Service Fund.

During 2006, the County issued Certificates of Obligation in the amount of \$19,300,000 that are to be used for major fairgrounds construction which consisted of new animal exhibit buildings and other facilities. These certificates are insured by Ambac Assurance Corporation of New York, NY. that had an insurance rating of Ba3 at 12-31-11 by Moody's.

See Note 1, I for the discussion on compensated absences payable. Also See Note 1, M for discussion of other Post Employment Benefits (OPEBs) and Pollution Remediation Expenses.

The following is an overall summary of long-term liability activity for the year ended December 31, 2011:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Bonds	\$ 18,280,000	\$ -0-	\$ 380,000	\$ 17,900,000	\$ 395,000
Compensated Absences Payable	222,817	202,413	222,817	202,413	202,413
OPEBs	2,549,395	1,136,255	24,998	3,660,652	
Pollution Remediation	<u>2,621,720</u>		<u>1,278,188</u>	<u>1,343,532</u>	<u>104,510</u>
Total	<u>\$ 23,673,932</u>	<u>\$ 1,338,668</u>	<u>\$ 1,906,003</u>	<u>\$ 23,106,597</u>	<u>\$ 701,923</u>

Part of the decrease for Pollution Remediation was for a prior period of \$1,262,759.
See page 54.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

(5) CAPITAL ASSETS

Capital Assets governmental activity for year ended December 31, 2011 was as follows:

	<u>Balance</u> 12/31/2010	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> 12/31/2011
Capital Assets Not Being Depreciated:				
Land	\$ 3,180,673	\$ -	\$ -	\$ 3,180,673
Construction in Progress	<u>68,000</u>	<u>-</u>	<u>0</u>	<u>68,000</u>
Total Capital Assets Not Being Depreciated	<u>3,248,673</u>	<u>0</u>	<u>0</u>	<u>3,248,673</u>
Capital Assets Being Depreciated:				
Buildings	\$ 37,504,990	\$ 84,100	\$ -	\$ 37,589,090
Improvements Other Than Buildings	1,419,029	-	-	1,419,029
Equipment	9,733,419	662,925	(642,305)	9,754,039
Infrastructure				
Roads	45,985,455	0	-	45,985,455
Bridges	<u>2,014,158</u>	<u>-</u>	<u>-</u>	<u>2,014,158</u>
Total Capital Assets Being Depreciated	<u>\$ 96,657,051</u>	<u>\$ 747,025</u>	<u>\$ (642,305)</u>	<u>\$ 96,761,771</u>
Less Accumulated Depreciation For:				
Buildings	\$ (11,479,308)	\$ (1,182,772)	\$ -	\$ (12,662,080)
Improvements Other Than Buildings	(780,271)	(38,095)	-	(818,366)
Equipment	(6,332,173)	(1,030,688)	430,763	(6,932,098)
Infrastructure				
Roads	(30,878,030)	(1,221,156)	-	(32,099,186)
Bridges	<u>(1,405,277)</u>	<u>(55,302)</u>	<u>-</u>	<u>(1,460,579)</u>
Total Capital Assets Being Depreciated, Net	<u>\$ (50,875,059)</u>	<u>\$ (3,528,013)</u>	<u>\$ 430,763</u>	<u>\$ (53,972,309)</u>
Total Governmental Activity Capital Assets, Net	<u>\$ 49,030,665</u>	<u>\$ (2,780,988)</u>	<u>\$ (211,542)</u>	<u>\$ 46,038,135</u>

The amounts above are not shown net of related debt.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

The amount of capital assets net of related debt at 12-31-11 is as follows:

Capital Assets, Net of Depreciation at 12-31-11		\$ 46,038,135	
Less Related Debt			
Certificates of Obligation	17,900,000		
Capital Leases	-	17,900,000	
Capital Assets, Net of Related Debt at 12-31-11		\$ 28,138,135	

The Amount by which capital outlay exceeded depreciation in 2011 is as follows:

Increase in Capital Assets during 2011 year		\$ 747,025	
Less Trade Ins (\$120,531) + Changes in Construction In Progress			
\$0 + Loss on Disposal of Capital Assets (\$91,011)		(211,542)	
Depreciation Expense for the year		(3,528,013)	
Net Amount by which capital outlay was under depreciation in 2011		\$ (2,992,530)	

Depreciation expense was charged to functions/programs of the County for the 2011 year as follows:

Governmental Activities:

General Administration		\$ 79,866	
Judicial		3,162	
Financial Administration		11,389	
Legal		-	
Elections		27,393	
Public Facilities		1,284,150	
Public Safety		363,945	
Public Transportation		1,719,484	
Health and Welfare		17,033	
Culture and Recreation		14,819	
Conservation		6,772	
Total Depreciation Expense		\$ 3,528,013	

It is noted that the 12-31-11 Construction in Progress (\$68,000) consisted of \$68,000 for a new radio tower for the Sheriff's Department to be located in Aransas Pass, Texas. No work was done on this tower in 2011. The tower is expected to be completed in 2012.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
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 (continued)

(6) RECEIVABLES

Receivables for the County's individual major funds and non-major funds are as follows:

	Property Taxes	Intergovernmental	Other	Total
Governmental activities:				
General Fund	\$ 13,822,405	\$ 11,028	\$ 193,310	\$ 14,026,743
Road and Bridge	2,104,742		22,982	2,127,724
Fairgrounds Construction				
Non-major governmental funds	995,030	177,770	43,679	1,216,479
Totals	\$ 16,922,177	\$ 188,798	\$ 259,971	\$ 17,370,946

(7) OTHER DISCLOSURES

A. Excess of expenditures over appropriations did not occur in any of the budgeted funds. Overall the County had a positive variance.

B. At December 31, 2011 the following funds had deficit fund balances: the VINES (Victim Information and Notification Everyday Service) Fund at \$5,385 and the HAVA (Help Americans Vote Act) Grant Fund at \$35,202, the Permanent Improvement Debt Service Fund at \$28,214 and the CIAP (Coastal Bend Assistance Program) Fund at \$27,153. These deficits are expected to be liquidated by future resources of the County.

It is also noted that at December 31, 2011 the County had a deficit Net Assets balance of \$304,224 in the Insurance Internal Service Fund. This deficit is expected to be liquidated by future resources of the County.

C. The reconciliation of interfund transfers is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$	\$ 723,048
Road & Bridge Fund		65,000
Non-Major Governmental Funds	<u>1,338,048</u>	<u>550,000</u>
Totals	<u>\$ 1,338,048</u>	<u>\$ 1,338,048</u>

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
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 (continued)

The main transfers consisted of \$550,000 from the Right of Way Fund to the Capital Improvements Fund for capital projects cost, \$345,003 from the General Fund to the District Attorney Operating Fund for District Attorney costs and \$268,248 from the General Fund to the District Courts Fund for District Courts costs.

D. The interfund receivable and payable balances at December 31, 2011, consisted of the following:

<u>FUNDS</u>	<u>Interfund Receivable</u>	<u>Interfund Payables</u>
General Fund	\$ 240,890	\$ 0
Road and Bridge Fund	0	2,906
Non-Major Governmental Funds		142,101
Proprietary Funds	0	95,883
	<hr/>	<hr/>
Totals	\$ 240,890	\$ 240,890
	<hr/>	<hr/>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. It is expected that these balances will be liquidated within one year.

(8) PENSION PLAN

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

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
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(continued)

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more. Members are vested after 10 years of service but must leave their accumulated contributions in the plan to receive an employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

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

It is noted that some of the following information is for the 2009 calendar year since some of the calendar year 2011 information will not be available until the summer of 2012.

Funding Policy. The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 9.21% for calendar year 2011. The contribution rate payable by the employee members is the rate of 7.0% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Annual Pension Cost. For the employer's accounting year ending December 31, 2011, the annual pension cost for the TCDRS plan for its employees was \$2,647,295, and the actual contributions were \$2,647,295.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2001, the basis for determining the contribution rate for calendar year 2011. The December 31, 2010 actuarial valuation is the most recent valuation.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

Actuarial Valuation Information

Actuarial valuation date	12/31/2008	12/31/2009	12/31/2010
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period	20.0	20.0	20.0
Asset valuation method	SAF: 10 yr Smoothed value	SAF: 10 yr Smoothed value	SAF: 10 yr Smoothed value
	ESF: Fund value	ESF: Fund value	ESF: Fund value
Actuarial Assumptions:			
Investment return*	8.00%	8.00%	8.00%
Projected salary increases*	5.30%	5.30%	5.40%
Inflation	3.50%	3.50%	3.50%
Cost-of-living adjustments	0.00%	0.00%	0.00%
*Includes inflation at the stated rate			

**Trend Information
 for the Retirement Plan for the Employees of San Patricio County**

	Accounting Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Obligation
	12/31/2009	\$ 2,605,681	100.00%	\$ -0-
	12/31/2010	2,736,803	100.00%	-0-
	12/31/2011	2,647,295	100.00%	-0-

**Schedule of Funding for the Retirement Plan
 for the Employees of San Patricio County**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UALL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)*	UAAL as a Percentage of Payroll ((b-a) / c)
12/31/2008	\$37,575,319	\$ 43,297,332	\$ 5,722,013	86.78%	\$ 14,728,757	38.85%
12/31/2009	42,164,106	47,498,420	5,334,314	88.77%	16,227,813	32.87%
12/31/2010	45,006,654	51,245,185	6,238,531	87.83%	16,570,488	37.65%

*The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

(9) DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County currently offers its employees a choice between two plans.

The funds in the plans are held by Nationwide Retirement Solutions, Inc. of Columbus, Ohio and VALIC Financial Advisors Inc., Houston, Texas as the plan administrators for the County. These plans qualify under the requirements of Internal Revenue Service Code Section 457, Subsection g. The funds are held in trust by the two plan administrators for the exclusive benefits of the employees and their beneficiaries who will receive these funds directly from these plan administrators. Since these funds are directly remitted to these plan administrators by the County, the County no longer owns the amounts deferred by employees or related income on these amounts. Therefore, since these plans do not qualify to be included with the County's fiduciary funds there are not any plan assets included in the County's financial statements.

(10) CONTINGENT LIABILITIES

The County is contingently liable with respect to law suits and other claims in the ordinary course of its operations. Should such contingencies become a real liability, funds would have to be appropriated in future budgets for settlement. The County does not feel that there are any law suits pending at December 31, 2011, that would have a material effect on the financial condition of the County.

In addition, the County also participates in several federal and state assisted grant programs, all of which are subject to federal regulations and guidelines. Should any of the grant program expenditures be disallowed by any of the respective grantor agencies or should any other contingency become a reality, funds would have to be appropriated in future County budgets for settlement. However, the County feels that such future amounts, if any, would be immaterial.

(11) RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of and damages due to destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. In addition, the County has implemented a Safety Committee to assist in mitigation of risk and promote safety.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

The County is partially self-insured against medical and hospital costs for its employees. The County pays the first \$1,000,000 per year for each employee and the insurance company pays the remaining costs up to \$5,000,000 lifetime maximum. The County's costs are accounted for in the Insurance Internal Service Fund. The San Patricio County Drainage District, San Patricio County Appraisal District, San Patricio County Navigation District and Juvenile Probation Department also participate in the plan, bearing their share of the cost.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic and social factors. There were no significant reductions in insurance coverage from coverage in the prior year. Also, the amount of settlements did not exceed insurance coverage for each of the past three years. Changes in the balances of claims liabilities during the past two years are as follows:

	2011	2010
Unpaid Claims at Beginning of Year	\$ 277,424	\$ 275,682
Incurred Claims (including IBNRS)	3,096,757	2,683,314
Claim Payments	(3,165,840)	(2,681,572)
Unpaid Claims at End of Year	\$ 208,341	\$ 277,424

The entire amount of the \$208,341 at 12/31/2011 is considered current because it is expected to be paid during the 2012 fiscal year.

(12) RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes a reconciliation between fund balance-total governmental funds and net assets-governmental activities as reported on the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$23,313,256 differences are as follows:

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

Bonds Payable	\$ 17,900,000
Compensated Absences Payable	202,413
Interest Payable	206,659
OPEB Liability	3,660,652
Pollution Remediation Liability	1,343,532
Other	0
Net Adjustment to reduce fund balance total	
Governmental funds to arrive at net asset governmental	
Activities	\$ 23,313,256

Another element of that explanation explains that "long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds," The details of this \$4,219,775 differences are as follows:

Taxes Receivable Net of	
Allowance for Uncollectables	\$ 16,922,177
Fines Receivable Net of	
Allowance for Uncollectables	2,853,409
Other Receivables Net	1,513
Unearned Revenues	(15,557,324)
Unearned Revenues-Internal Service Fund	0
Net Adjustments for Other Long-Term	
Assets Not Available to pay for current-	
Period Expenditures and therefore	
are Deferred in the Funds	\$ 4,219,775

(13) POLLUTION CONTROL

At December 31, 2011, the County was implementing pollution control remediation's required by the State of Texas for underground storage tanks at the Sinton Airport. This was because of the risk of pollution from these tanks. The County expects to pay approximately \$104,510 in 2012, \$154,176 in 2013, \$435,853 in 2014, and \$294,936 in 2015, \$306,962 in 2016, \$31,397 in 2017 and \$15,698 in 2018 for a total estimated future cost of \$1,343,552. These estimates were furnished to the County by Arcadis, U.S. Inc. of Denver, Colorado who are doing sample studies for the County. It is not anticipated that the estimated liability will change by a material amount due to factors such as price increases, changes in technology, or changes in applicable laws or regulations. It is not anticipated that there will be any estimated recoveries in revenues reducing the pollution remediation's liabilities.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

(14) COMMITMENTS

At December 31, 2011 the County had \$68,000 committed to finishing a radio tower for the Sheriff's Department.

(15) MISCELLANEOUS

In late 2008 it was announced that TPCO America Corporation will build a mini mill facility that will manufacture steel products from recycled scrap steel. In 2009 the County approved a major ten year tax abatement to TCPO America Corporation. The abatements will be as follows: first 5 years 100%, 6th year 85%, 7th year 70%, 8th year 55%, 9th year 40%, and 10th year 25%.

The 2006 Certificates of Obligation were insured by Ambac Assurance Corporation of New York, N.Y. that had an insurance rating of Baa1 by Moody's at 12-31-08. However, Moody's decreased this rating in April, 2009, to Ba3.

(16) OTHER POST EMPLOYEE BENEFITS (OPEBs)

The County provides post retirement medical, prescription drug, dental and life insurance benefits on behalf of its eligible retirees and their dependents. The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 45 as its final accrual accounting standards for retiree healthcare and other postemployment benefits ("OPEBs"). GASB 45 requires public employers to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to advance fund these benefits.

The County selected Lewis & Ellis, Inc. of Richardson, Texas to perform an actuarial valuation of its postemployment healthcare plans with a valuation date of January 1, 2010, and this was done in 2011. The tables below set forth the key results of our valuation. This valuation is to be done every two years even though some updates will be done yearly the next one is to be done in 2013.

Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The actuarial valuations for OPEB plans involve the estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The actuarial calculations of the OPEB plan reflect a long-term prospective.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

Currently the County pays for and reports retiree benefits on a “pay-as-you-go” basis, which is the practice of paying for these benefits as they become due each year. Our estimates below are based on the assumption that the County will continue pay-as-you-go (“Paygo”) funding.

<i>As of January 1, 2010 (in thousands)</i>	<i>Paygo</i>
Net Present Value of County-funded Plan Costs	\$ 17,932
Actuarial Accrued Liability	10,846
Net OPEB Obligation	1,488
Discount Rate	4.0%

<i>As of December 31, 2010 (in thousands)</i>	
Annual Required Contribution	\$ 1,076
OPEB Cost	1,086
County Contribution	(24)
Net OPEB Obligation	2,549

The net present value of County-funded plan costs represents the single sum value of the County’s funding obligation with regard to post-employment benefits provided for the current employees and retirees. It equals the present value of benefits and expenses, minus the present value of retiree contributions. It is not a liability in the accounting sense, and need not be disclosed in the County’s financial report. These amounts are discounted for the time value of money.

The actuarial accrued liability (“AAL”) is the portion of the net present value of County-funded plan costs attributable to employee service prior to January 1, 2010. GASB 45 requires the disclosure of this number in the financial report. The attribution method is based on the Entry Age Normal Actuarial Cost Method, described in more detail later in this report.

The Net Present Value and Actuarial Accrued Liability decreased as compared to the prior valuation (e.g., \$18.6 million to \$17.9 and \$16.2 million to \$10.8 respectively). The decrease is due, in a large part, to lower than previously expected claims.

The net OPEB obligation is the liability for OPEB that GASB Statement 45 requires the County to include in its CAFR (Comprehensive Annual Financial Report) balance sheet.

The Net OPEB Obligation is the accumulated excess of the ARC (Annual Required Contribution) over the actual County OPEB funding. Therefore, to the extent that the County’s funding for OPEB during any fiscal year falls short of the ARC, an OPEB Obligation will exist as of the end of that year.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

The Annual Required Contribution is the County's funding target for the current fiscal year in accordance with the GASB 45 provisions.

The County's OPEB funding is based on actual claims and administrative expenses paid for retirees less the retirees' contributions. For the 2010 fiscal year, the County's contribution is significantly lower than the previous two years. Because the County has a small number of retirees covered under the medical plan, there are and will be random fluctuations in the claims. The retirees' claims during the year were lower than they have been in recent years and lower than we would expect in the future. The development of the County's contribution is shown below.

Total Claims/Premiums		
Medical Claims	\$	45,571
RX Claims		73,252
Dental Claims		10,563
Life Insurance		4,136
Expenses		
Stop-Loss Premiums (age-adjusted)		15,900
Administrative Expenses		8,747
Stop-Loss Reimbursements		0
Retiree Contribution		(134,379)
Interest on County Contribution		<u>471</u>
Total County Contribution to OPEB Plan	\$	<u>24,261</u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The required schedule of funding progress presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Actuarial calculations reflect a long-term perspective.

The assumption is that the inflation rate, investment return and the projected salary increases is a $\$%$ average over time. The Medical Trend for healthcare cost rates are as follows: Projection years 1 to 7+ years for medical are 9.0%, 8.5%, 7.5%, 7.0%, 6.5% and 6.0% respectively. For dental for projection years 1 to 7+ years the rates are 5.0%, 4.5%, 4.0%, 3.5%, 3.0%, 3.0% and 3.0% respectively.

The actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph 25c.

- a) The actuarial cost method used is the entry-age normal method.
- b) As of this valuation date, there are no assets, hence no need to an actuarial value of assets.
- c) The amortization method is level percent of payroll. The amortization period is 30 years. The period is open.
- d) Disclosure of the significant actuarial assumption follows.

SAN PATRICIO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011
(continued)

OPEB Cost	<u>FYE 2009</u>	<u>FYE 2010</u>	<u>FYE 2011</u>
Normal Cost	\$ 431,733	\$ 673,276	\$ 700,208
Minimum Amortization of UAL	540,126	361,540	376,002
Interest Adjustment to Year-end	38,874	41,393	43,049
Annual Required Contribution	<u>1,010,733</u>	<u>1,076,209</u>	<u>1,119,259</u>
ARC adjustment	(23,326)	(49,584)	(84,980)
Interest Adjustment to Net OPEB Obligation	<u>27,992</u>	<u>59,501</u>	<u>101,976</u>
OPEB Cost	1,015,399	1,086,126	1,136,255
Contributions Made	<u>(227,659)</u>	<u>(24,261)</u>	<u>(24,998)</u>
Increase in Net OPEB Obligation	787,740	1,061,865	1,111,257
Net OPEB Obligation - beginning of year	699,790	1,487,530	2,549,395
Net OPEB Obligation - end of year	<u>\$ 1,487,530</u>	<u>\$ 2,549,395</u>	<u>\$ 3,660,652</u>

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/2008	1,010,733	30.8%	\$ 699,790
12/31/2009	1,015,399	22.4%	\$ 1,487,530
12/31/2010	1,086,127	2.2%	\$ 2,549,395
12/31/2011	1,136,255	2.2%	\$ 3,660,652

Funded Status

Actuarial Valuation Date	01/01/2010
Actuarial Valuation of Assets	\$ 0
Actuarial Accrued Liability	\$ 10,846,223
Unfunded Actuarial Liability	\$ 10,846,223
Funded Ratio	0.0%
Annualized Covered Payroll	\$ 14,400,638
Ratio of Unfunded Actuarial Liability to Annual Covered Payroll	75.3%
Actuarial Cost Method	Entry Age Normal

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/2008	\$ 0	\$ 16,203,782	\$ 16,203,782	0.00%	\$ 12,281,652	131.9%
01/01/2010	\$ 0	\$ 10,846,223	\$ 10,846,223	0.00%	\$ 14,400,638	75.3%

It is noted that the actuarial valuation will be done every other year even though some information can be obtained yearly. The next actuarial valuation will be done in 2013.

SAN PATRICIO COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2011
 (continued)

(17) PRIOR YEAR RESTATEMENTS

During the year Arcadis, U.S. Inc. of Denver, Colorado determined that the 12/31/2010 Pollution Remediation Liability for the County needed to be decreased by \$1,262,759 and that certain Net Assets be increased by a like amount. The Pollution Remediation Liability was included with the Non-Current Liabilities.

First the Unrestricted Net Assets, net of related debt at 12/31/2010:

Total Unrestricted Net Assets, net of related debt at 12/31/2010 as previously reported	\$	14,258,011
Restatement for related debt correction		<u>162,759</u>
 Total Unrestricted Net Assets, net of related debt at 12/31/2010 as Restated	 \$	 <u><u>14,420,770</u></u>

Second the Non-Current Liabilities, net of related debt at 12/31/2010:

Non-Current Liabilities net of related debt at 12/31/2010 as previously reported	\$	23,673,932
Restatement for related debt correction		<u>(1,262,759)</u>
 Total Non-Current Liabilities, net of related debt at 12/31/2010 as Restated.	 \$	 <u><u>22,411,173</u></u>

The corrections also resulted in total net assets being increased by \$1,262,759 and total liabilities being decreased by a like amount at 12/31/2010. No other financial for the 2010 year were affected by the restatements.

REQUIRED SUPPLEMENTARY INFORMATION

(Major General and Special Revenue Funds Budgetary Comparisons)

The following are the Major governmental funds of the County that had adopted 2009 budgets..

The General Fund is a constitutional fund and is utilized to account for all County revenues and expenditures except those which are required by law to be classified in other constitutional funds and such other funds that are presented separately to facilitate proper accountability.

The Road and Bridge Special Revenue Fund is used to account for costs associated with the construction and maintenance of roads and bridges in the County. Revenues are derived primarily from ad valorem taxes, vehicle registration charges, State Lateral Road Distribution funds, and interest.

(Pension Trend Data)

The Schedule of Funding Progress for the Retirement Plan for the Employees of San Patricio County discloses pension trend data for the 2007-2009 years. The 2010 data will not be available until the Summer of 2011.

(Other Post Employment Benefits)

The Schedule of Funding Progress for Other Post Employee Benefits discloses trend data.

The Notes to Required Supplementary Information provide information on the County's 2010 Budget.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 16,934,570	\$ 16,934,570	\$ 16,344,316	\$ (590,254)
Licenses and Permits	126,000	126,000	229,201	103,201
Intergovernmental	475,410	475,410	906,176	430,766
Charges for Services	2,074,462	2,074,462	1,980,633	(93,829)
Fines & Forfeitures	799,600	799,600	778,625	(20,975)
Investment Income	37,000	37,000	22,590	(14,410)
Miscellaneous Revenue	290,300	290,300	420,751	130,451
Total Revenues	20,737,342	20,737,342	20,682,292	(55,050)
EXPENDITURES				
General Administration	2,451,014	2,561,014	2,195,407	365,607
Judicial	2,261,459	2,261,459	2,018,730	242,729
Legal	679,257	1,014,125	989,022	25,103
Elections	351,760	351,760	257,255	94,505
Financial Administration	2,125,558	2,125,558	1,930,099	195,459
Public Facilities	1,800,500	1,800,500	1,508,714	291,786
Public Safety	9,778,557	9,778,557	9,392,738	385,819
Environmental	92,110	117,110	109,388	7,722
Health & Welfare	1,022,468	1,022,468	850,204	172,264
Culture and Recreation	825,059	831,059	802,339	28,720
Conservation	207,502	207,502	201,142	6,360
Total Expenditures	21,595,244	22,071,112	20,255,038	1,816,074
Excess (Deficiency) of Revenues Over Expenditures	(857,902)	(1,333,770)	427,254	1,761,024
OTHER FINANCING SOURCES (USES)				
Transfers In	0	0	0	0
Transfers Out	(1,323,048)	(847,180)	(723,048)	124,132
Total Other Financing Sources (Uses)	(1,323,048)	(847,180)	(723,048)	124,132
Net Changes in Fund Balances	(2,180,950)	(2,180,950)	(295,794)	1,885,156
Fund Balance at Beginning of Year	6,646,921	6,646,921	6,646,921	
Fund Balance at End of Year	\$ 4,465,971	\$ 4,465,971	\$ 6,351,127	\$ 1,885,156

See accompanying notes to required supplementary information.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
ROAD AND BRIDGE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 2,579,489	\$ 2,579,489	\$ 2,489,124	\$ (90,365)
Intergovernmental	80,017	80,017	92,378	12,361
Charges for Services	984,001	984,001	1,042,283	58,282
Fines and Forfeitures	458,700	458,700	367,192	(91,508)
Investment Income	5,800	5,800	4,022	(1,778)
Miscellaneous	3,000	3,000	29,783	26,783
Total Revenues	4,111,007	4,111,007	4,024,782	(86,225)
EXPENDITURES				
Public Transportation	4,454,055	4,543,355	4,053,818	489,537
Debt Service	0	0	0	0
Total Expenditures	4,454,055	4,543,355	4,053,818	489,537
Excess (Deficiency) of Revenues Over Expenditures	(343,048)	(432,348)	(29,036)	403,312
OTHER FINANCING SOURCES (USES)				
Capital Leases	0	0	0	0
Transfers Out	(192,000)	(102,700)	(65,000)	37,700
Total Other Financing Sources (Uses)	(192,000)	(102,700)	(65,000)	37,700
Net Changes in Fund Balances	(535,048)	(535,048)	(94,036)	441,012
Fund Balance at Beginning of Year	1,230,578	1,230,578	1,230,578	
Fund Balance at End of Year	\$ 695,530	\$ 695,530	\$ 1,136,542	\$ 441,012

See accompanying notes to required supplementary information.

**Schedule of Funding Progress for the Retirement Plan
for the Employees of San Patricio County**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UALL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Payroll ((b-a) / c)
12/31/2008	\$ 37,575,319	\$ 43,297,332	\$ 5,722,013	86.78%	\$ 14,728,757	38.85%
12/31/2009	42,164,106	47,498,420	5,334,314	88.77%	16,227,813	32.87%
12/31/2010	45,006,654	51,245,185	6,238,531	87.83%	16,570,488	37.65%

* The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

Note: The San Patricio County Employees' Retirement Plan is administered by the Texas County and District Retirement System, Austin, TX. The 2011 data will not be available until the Summer of 2012.

**Schedule of Funding Progress of Other Post Employment Benefits for
San Patricio County**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/2008	\$ 0	\$ 16,203,782	\$ 16,203,782	0.00%	\$ 12,281,652	131.9%
01/01/2010	\$ 0	\$ 10,846,233	\$ 10,846,233	0.00%	\$ 14,400,638	75.3%

The above consists of post employment health care plans. An actuarial valuation will be done every two years. The next one will be in 2013.

See accompanying Notes to Required Supplemental Information.

SAN PATRICIO COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2011

1. BUDGETS AND BUDGETARY ACCOUNTING

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

A public hearing is held on the budget by the Commissioner's Court. Department heads may attend. Before determining the final budget, the Commissioner's Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenues and available resources. Appropriations lapse at year end.

When the budget has been adopted by the Commissioner's Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioner's Court advised of the conditions of the various funds and accounts. The Level of Control (the level on which expenditures and transfers out may not legally exceed appropriations) for each legally adopted annual operating budget is the fund. All budget amendment requests by management must be approved by Commissioner's Court.

There were several supplementary appropriations made during the year after the 2011 budget was adopted. The CB COG Grant Fund was amended due to additional funds received. The General Fund was amended mainly due to increased Legal costs. There were also changes between line items that offset.

Budgets for the General, Special Revenue, and Debt Service Funds are adopted on a modified accrual basis of accounting. It is noted that not all special revenue funds adopted budgets in 2011. The basis of budgeting is the same as GAAP (General Accepted Accounting Principles). Budgets for the 2011 year were adopted for the following funds; General Fund, the Road and Bridge Fund, Indigent Health Care Fund, Sheriff's State Forfeiture Fund, Courthouse Security Fund, Records Management Fund, WIC (Women, Infants and Children) Fund, District Courts Operating Fund, District Attorney Operating Fund, Intoxilizer Program Fund, Justice Court Technology Fund, Court Reporter Service Fund, CB COG Grant Fund, Law Library Fund, District Attorney Forfeiture Fund, Communications System Fund, Airport Fund, Permanent Improvement Bonds Fund, and the Road Bonds Fund.

The County's major governmental funds with adopted budgets for the 2011 year were the General Fund and Road and Bridge Fund.

SAN PATRICIO COUNTY, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2011
(continued)

It is noted that the District Attorney Forfeiture Fund and the Sheriff State Forfeiture Fund are under control of the District Attorney and County Sheriff, respectively. These officials adopt their own budgets and present them to the Commissioner's Court.

The Capital Projects Funds are not budgeted on an annual basis; these funds cover ongoing items (such as courthouse and jail construction and right-of-way acquisition) that last for more than one year. It is also noted that for these funds that sources of funding are typically General Fund transfers (which are budgeted) or grants which typically carry their own budgets from grant or agencies. Due to the nature of these funds, annual budgets are not considered meaningful for management control.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

These statements present information on the individual fund types and serve to assure disclosure sufficient to meet the County's reporting objectives. These statements also serve to present budgetary data.

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**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 5,318,218	\$ 360,023	\$ 1,143,528	\$ 6,821,769
Taxes Receivable		995,030		995,030
Intergovernmental Receivables	135,692		42,078	177,770
Other Receivables	43,679	0		43,679
TOTAL ASSETS	\$ 5,497,589	\$ 1,355,053	\$ 1,185,606	\$ 8,038,248
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 97,733		\$ 13,614	\$ 111,347
Intergovernmental Payables	9,851			9,851
Other Liabilities	53,175		0	53,175
Due To Other Funds	86,435		55,666	142,101
Deferred Revenue		995,030		995,030
Advance Tax Collections		331,443		331,443
Total Liabilities	247,194	1,326,473	69,280	1,642,947
 Fund Balances -				
Restricted	3,330,378	56,794	1,920	3,389,092
Committed	0		0	0
Assigned	1,960,604		1,141,559	3,102,163
Unassigned	(40,587)	(28,214)	(27,153)	(95,954)
Total Fund Balances	5,250,395	28,580	1,116,326	6,395,301
TOTAL LIABILITIES & FUND BALANCES	\$ 5,497,589	\$ 1,355,053	\$ 1,185,606	\$ 8,038,248

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$	\$ 1,163,173	\$	\$ 1,163,173
Intergovernmental	1,686,736		560,772	2,247,508
Charges for Services	674,996			674,996
Fines & Forfeitures	176,269			176,269
Investment Income	9,107	658	2,218	11,983
Miscellaneous Revenue	351,967		14,538	366,505
Total Revenues	2,899,075	1,163,831	577,528	4,640,434
EXPENDITURES				
Current				
General Administration	220,811			220,811
Judicial	1,350,315			1,350,315
Legal	10,449			10,449
Elections	43,216			43,216
Public Facilities			1,241,997	1,241,997
Public Safety	259,852			259,852
Public Transportation	424,117		93,252	517,369
Health & Welfare	1,403,888			1,403,888
Debt Service		1,215,385		1,215,385
Total Expenditures	3,712,648	1,215,385	1,335,249	6,263,282
Excess (Deficiency) of Revenues Over Expenditures	(813,573)	(51,554)	(757,721)	(1,622,848)
OTHER FINANCING SOURCES (USES)				
Transfers In	723,048		615,000	1,338,048
Transfers Out	0		(550,000)	(550,000)
Total Other Financing Sources (Uses)	723,048	0	65,000	788,048
Net Changes in Fund Balances	(90,525)	(51,554)	(692,721)	(834,800)
Fund Balances at Beginning of Year	5,340,920	80,134	1,809,047	7,230,101
Fund Balances at End of Year	\$ 5,250,395	\$ 28,580	\$ 1,116,326	\$ 6,395,301

NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS

NonMajor Special Revenue Governmental funds consist of the following:

1. The Indigent Health Care Fund accounts for certain revenues that are used in providing health care to indigent citizens.
2. The Sheriff's State Forfeiture Fund accounts for money received through seizures pursuant to state forfeiture laws.
3. The Courthouse Security Fund accounts for fees collected on criminal cases which can be used for the purpose of providing security services for buildings housing courts.
4. The Records Management Fund accounts for fees collected on civil cases which shall be used for the purpose of preserving and maintaining records of the County.
5. The Women, Infants, and Children (WIC) Fund accounts for WIC Program Funds received from the State and other revenues that are used for costs incurred in providing medical and other services to indigent families
6. The District Courts Operating Fund accounts for certain local intergovernmental and other revenues used for District Court expenditures.
7. The District Attorney Operating Fund accounts for State Grants, other local intergovernmental and other revenues used to fund District Attorney expenditures.
8. The Intoxilizer Program Fund accounts for monies provided by a local agreement between San Patricio, Aransas, and Nueces Counties which provide for the employment of intoxilizer staff.
9. The Justice Court Technology Fund accounts for fees and other funds used to enhance Justices of the Peace office technology.
10. The Court Reporter Service Fund accounts for fees and other revenues used for Court Reporter expenditures.
11. The CB COG Grant Fund accounts for grants and other monies used for emergency 911 costs.
12. The Law Library Fund provides for the establishment and maintenance of a library for the use by the members of the Texas Bar Association. It is stocked with several thousand books. Monies are derived from charges which are assessed against each civil case filed in County and District Courts.

NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
(continued)

13. The Child Abuse Prevention Fund accounts for fees and other funds used to prevent child abuse.
14. The County Atty (Attorney) Pretrial Intervention accounts for fees and other monies used for County Attorney pretrial intervention purposes.
15. The District Attorney Forfeiture Fund accounts for forfeitures and other revenues that are used for District Attorney expenditures.
16. The Airport Fund accounts for funds used for airport maintenance.
17. The Sheriff's Forfeiture Fund accounts for money received through seizures pursuant to federal forfeiture laws.
18. The District Attorney Federal Forfeiture Fund accounts for federal forfeitures and other revenues that are used for District Attorney expenditures.
19. The Texas Department of Health Grant Fund accounts for Federal grant funds used for Tuberculosis Control, Maternal & Child Health Services, and Community & Rural Health Services.
20. The Help Americans Vote Act (HAVA) Grant Fund accounts for grants and other monies used to help Americans vote, which includes the purchase of voting equipment and voter education assistance.
21. The Voter Registration Fund accounts for State Voter Registration Grants.
22. The Victim Information & Notification Everyday Service (VINES) Program Fund accounts for grants and other funds that are to provide information services to crime victims and other concerned citizens.
23. The Election Services Fund accounts for funds used for election services.
24. The County Attorney Check Fee Fund is used to account for "hot check" charges received by the County Attorney.
25. The District Attorney Check Fee Fund is used to account for "hot check" charges received by the District Attorney.
26. The LEBG Grant Fund accounts for grants and other funds used for law enforcement supplies and equipment cost purposes.
27. The Jail Commissary Fund is used to account for jail commissary profits.

NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
(continued)

28. The Coastal Bend Major Offenders Unit (CBMOU) Grant Fund accounts for Federal grants and other funds used for undercover narcotics investigations and drug interdiction efforts.
29. The Emergency Food and Shelter Program (EFSP) Fund accounts for Federal Grants used to provide emergency food and shelter to low income families.
30. The Clerk Contingency Fund accounts for certain County and District Clerk fees and other monies to be used for contingency costs.
31. The Communications System Fund accounts for radio maintenance fees received from other governmental entities.
32. The State Homeland Security Grant Fund accounts for certain intergovernmental and other funds used for building and sustaining national preparedness capabilities.

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2011**

	INDIGENT HEALTH CARE FUND	SHERIFF STATE FORFEITURE FUND	COURTHOUSE SECURITY FUND	RECORDS MANAGEMENT FUND	WIC
ASSETS					
Cash and Cash Equivalents	\$ 731,289	\$ 259,438	\$ 598,525	\$ 807,298	\$
Receivables					
Intergovernmental Receivable					79,372
Other Receivables			3,868	10,404	
TOTAL ASSETS	\$ 731,289	\$ 259,438	\$ 602,393	\$ 817,702	\$ 79,372
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$	\$	\$ 25	\$ 54,551	\$ 5,265
Intergovernmental Payable					
Other Liabilities	53,175				
Due to Other Funds			200		18,728
Total Liabilities	53,175	0	225	54,551	23,993
Fund Balances - (Deficits)					
Restricted		259,438	602,168	763,151	
Committed					
Assigned	678,114				55,379
Unassigned	0	0	0	0	0
Total Fund Balances	678,114	259,438	602,168	763,151	55,379
TOTAL LIABILITIES AND FUND BALANCES	\$ 731,289	\$ 259,438	\$ 602,393	\$ 817,702	\$ 79,372

(Continued)

<u>DISTRICT COURTS OPERATING FUND</u>	<u>DISTRICT ATTORNEY OPERATING FUND</u>	<u>INTOXILIZER PROGRAM</u>	<u>JUSTICE COURT TECHNOLOGY FUND</u>	<u>COURT REPORTER SERVICE FUND</u>	<u>CB COG GRANT FUND</u>
\$ 69,951	\$ 24,398	\$ 6,335	\$ 121,923	\$ 76,729	\$ 401,095
			3,106	722	
<u>\$ 69,951</u>	<u>\$ 24,398</u>	<u>\$ 6,335</u>	<u>\$ 125,029</u>	<u>\$ 77,451</u>	<u>\$ 401,095</u>
\$ 963 9,851	\$ 1,241	\$ 173	\$ 1,451	\$	\$ 197
264	1,320				
<u>11,078</u>	<u>2,561</u>	<u>173</u>	<u>1,451</u>	<u>0</u>	<u>197</u>
			123,578	77,451	
58,873 0	21,837 0	6,162 0	0	0	400,898 0
<u>58,873</u>	<u>21,837</u>	<u>6,162</u>	<u>123,578</u>	<u>77,451</u>	<u>400,898</u>
<u>\$ 69,951</u>	<u>\$ 24,398</u>	<u>\$ 6,335</u>	<u>\$ 125,029</u>	<u>\$ 77,451</u>	<u>\$ 401,095</u>

SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2011
 (Continued)

	LAW LIBRARY	DISTRICT ATTORNEY FORFEITURE FUND	AIRPORT FUND	SHERIFF FORFEITURE FUND	TEXAS DEPT. OF HEALTH GRANTS
ASSETS					
Cash and Cash Equivalents	\$ 52,221	\$ 428,539	\$ 492,851	\$ 365,330	\$
Receivables					
Intergovernmental Receivable					56,320
Other Receivables	4,353		4,490		9,659
TOTAL ASSETS	\$ 56,574	\$ 428,539	\$ 497,341	\$ 365,330	\$ 65,979
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 18,677	\$ 581	\$ 4,875	\$	\$ 2,282
Intergovernmental Payable					
Other Liabilities					
Due to Other Funds		264			25,072
Total Liabilities	18,677	845	4,875	0	27,354
Fund Balances - (Deficits)					
Restricted	37,897	427,694		365,330	
Committed					
Assigned			492,466		38,625
Unassigned	0	0	0	0	0
Total Fund Balances	37,897	427,694	492,466	365,330	38,625
TOTAL LIABILITIES AND FUND BALANCES	\$ 56,574	\$ 428,539	\$ 497,341	\$ 365,330	\$ 65,979

(Continued)

<u>VINES PROGRAM</u>	<u>HAVA GRANT</u>	<u>VOTER REGISTRATION FUND</u>	<u>STATE HOMELAND SECURITY GRANT</u>	<u>ELECTION SERVICES</u>	<u>COUNTY ATTORNEY CHECK FEE FUND</u>	<u>DISTRICT ATTORNEY CHECK FEE FUND</u>
\$	\$	\$ 21,749	\$	\$ 157,988	\$ 32,328	\$ 6,507
					60	
\$ <u>0</u>	\$ <u>0</u>	\$ <u>21,749</u>	\$ <u>0</u>	\$ <u>157,988</u>	\$ <u>32,388</u>	\$ <u>6,507</u>
\$	\$	\$	\$	\$	\$	\$
<u>5,385</u>	<u>35,202</u>					
<u>5,385</u>	<u>35,202</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
		21,749		157,988	32,388	6,507
<u>(5,385)</u>	<u>(35,202)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(5,385)</u>	<u>(35,202)</u>	<u>21,749</u>	<u>0</u>	<u>157,988</u>	<u>32,388</u>	<u>6,507</u>
\$ <u>0</u>	\$ <u>0</u>	\$ <u>21,749</u>	\$ <u>0</u>	\$ <u>157,988</u>	\$ <u>32,388</u>	\$ <u>6,507</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2011
(Continued)**

	CHILD ABUSE PREVENTION FUND	COUNTY ATTY PRETRIAL INTERVENTION	LEBG GRANT	JAIL COMMISSARY FUND	COMMUNI- CATIONS SYSTEM FUND
ASSETS					
Cash and Cash Equivalents	\$ 1,209	\$ 132,186	\$ 34	\$ 30,025	\$ 206,720
Receivables					
Intergovernmental Receivable					
Other Receivables	59	5,107			1,530
TOTAL ASSETS	\$ 1,268	\$ 137,293	\$ 34	\$ 30,025	\$ 208,250
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$	\$	\$ 34	\$ 6,598	\$
Intergovernmental Payable					
Other Liabilities					
Due to Other Funds					
Total Liabilities	0		34	6,598	0
Fund Balances - (Deficits)					
Restricted	1,268	137,293		23,427	
Committed					
Assigned					208,250
Unassigned	0	0	0	0	0
Total Fund Balances	1,268	137,293	0	23,427	208,250
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,268	\$ 0	\$ 34	\$ 30,025	\$ 208,250

<u>DISTRICT ATTORNEY FEDERAL FORFEITURE</u>	<u>CBMOU</u>	<u>EFSP GRANT</u>	<u>CLERKS CONTINGENCY FUND</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$ 121,758	\$	\$ 16,486	\$ 155,306	\$ 5,318,218
			321	135,692
				43,679
<u>\$ 121,758</u>	<u>\$ 0</u>	<u>\$ 16,486</u>	<u>\$ 155,627</u>	<u>\$ 5,497,589</u>
\$ 452	\$	\$ 368	\$	\$ 97,733
				9,851
				53,175
				86,435
<u>452</u>	<u>0</u>	<u>368</u>	<u>0</u>	<u>247,194</u>
121,306		16,118	155,627	3,330,378
				0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,960,604</u>
				(40,587)
<u>121,306</u>	<u>0</u>	<u>16,118</u>	<u>155,627</u>	<u>5,250,395</u>
<u>\$ 121,758</u>	<u>\$ 0</u>	<u>\$ 16,486</u>	<u>\$ 155,627</u>	<u>\$ 5,497,589</u>

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

	INDIGENT HEALTH CARE FUND	SHERIFF STATE FORFEITURE FUND	COURTHOUSE SECURITY FUND	RECORDS MANAGEMENT FUND	WIC
REVENUES					
Intergovernmental	\$	\$	\$	\$	\$ 498,919
Charges for Services			57,896	137,088	
Fines & Forfeitures		10,925			
Investment Income	1,410	424	971	1,311	
Miscellaneous		0			337
Total Revenues	1,410	11,349	58,867	138,399	499,256
EXPENDITURES					
General Administration				220,811	
Judicial					
Legal					
Elections					
Public Safety		1,330	40,765		
Public Transportation					
Health & Welfare	252,111				506,922
Total Expenditures	252,111	1,330	40,765	220,811	506,922
Excess (Deficiency) of Revenues Over Expenditures	(250,701)	10,019	18,102	(82,412)	(7,666)
OTHER FINANCING SOURCES (USES):					
Transfers In	0			0	
Transfers Out					
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Changes in Fund Balances	(250,701)	10,019	18,102	(82,412)	(7,666)
Fund Balances (Deficits) at Beginning of Year	928,815	249,419	584,066	845,563	63,045
Fund Balances (Deficits) at End of Year	\$ 678,114	\$ 259,438	\$ 602,168	\$ 763,151	\$ 55,379

(Continued)

<u>DISTRICT COURTS OPERATING FUND</u>	<u>DISTRICT ATTORNEY OPERATING FUND</u>	<u>INTOXILIZER PROGRAM</u>	<u>JUSTICE COURT TECHNOLOGY FUND</u>	<u>COURT REPORTER SERVICE FUND</u>	<u>CB COG GRANT FUND</u>
\$ 271,756	\$ 124,419	\$ 50,075	\$ 45,098	\$ 14,292	\$ 304,689
340	156	19	249	119	614
<u>279</u>	<u>2,609</u>	<u>0</u>			
<u>272,375</u>	<u>127,184</u>	<u>50,094</u>	<u>45,347</u>	<u>14,411</u>	<u>305,303</u>
539,589	472,203		74,052	5,111	
		88,936			84,304
<u>539,589</u>	<u>472,203</u>	<u>88,936</u>	<u>74,052</u>	<u>5,111</u>	<u>84,304</u>
<u>(267,214)</u>	<u>(345,019)</u>	<u>(38,842)</u>	<u>(28,705)</u>	<u>9,300</u>	<u>220,999</u>
268,248	345,003	40,970			
<u>268,248</u>	<u>345,003</u>	<u>40,970</u>	<u>0</u>	<u>0</u>	<u>0</u>
1,034	(16)	2,128	(28,705)	9,300	220,999
<u>57,839</u>	<u>21,853</u>	<u>4,034</u>	<u>152,283</u>	<u>68,151</u>	<u>179,899</u>
\$ <u>58,873</u>	\$ <u>21,837</u>	\$ <u>6,162</u>	\$ <u>123,578</u>	\$ <u>77,451</u>	\$ <u>400,898</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

(Continued)

	<u>LAW LIBRARY</u>	<u>DISTRICT ATTORNEY FORFEITURE FUND</u>	<u>AIRPORT FUND</u>	<u>SHERIFF FORFEITURE FUND</u>	<u>TEXAS DEPT. OF HEALTH GRANTS</u>
REVENUES					
Intergovernmental	\$	\$ 1,340	\$ 0	\$	\$ 433,805
Charges for Services	63,666				177,263
Fines & Forfeitures		165,344			
Investment Income	96	599	955	601	
Miscellaneous		13,806	275,098		50
	<u>63,762</u>	<u>181,089</u>	<u>276,053</u>	<u>601</u>	<u>611,118</u>
Total Revenues					
EXPENDITURES					
General Administration					
Judicial	81,203	149,034			
Legal					
Elections					
Public Safety					
Public Transportation			424,117		
Health & Welfare					644,474
	<u>81,203</u>	<u>149,034</u>	<u>424,117</u>	<u>0</u>	<u>644,474</u>
Total Expenditures					
Excess (Deficiency) of Revenues Over Expenditures	<u>(17,441)</u>	<u>32,055</u>	<u>(148,064)</u>	<u>601</u>	<u>(33,356)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In			0		68,827
Transfers Out		0			
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,827</u>
Total Other Financing Sources (Uses)					
Net Changes in Fund Balances	(17,441)	32,055	(148,064)	601	35,471
Fund Balances (Deficits) at Beginning of Year	<u>55,338</u>	<u>395,639</u>	<u>640,530</u>	<u>364,729</u>	<u>3,154</u>
Fund Balances (Deficits) at End of Year	<u>\$ 37,897</u>	<u>\$ 427,694</u>	<u>\$ 492,466</u>	<u>\$ 365,330</u>	<u>\$ 38,625</u>

(Continued)

<u>VINES PROGRAM</u>	<u>HAVA GRANT</u>	<u>VOTER REGISTRATION FUND</u>	<u>STATE HOMELAND SECURITY GRANT</u>	<u>ELECTION SERVICES</u>	<u>COUNTY ATTORNEY CHECK FEE FUND</u>	<u>DISTRICT ATTORNEY CHECK FEE FUND</u>
\$	\$ 1,033	\$	\$	\$	\$	\$
				9,595	14,668	450
		33		240		10
				19,684		
<u>0</u>	<u>1,033</u>	<u>33</u>	<u>0</u>	<u>29,519</u>	<u>14,668</u>	<u>460</u>
					10,449	
2,719	34,722			8,494		
<u>2,719</u>	<u>34,722</u>	<u>0</u>	<u>0</u>	<u>8,494</u>	<u>10,449</u>	<u>0</u>
<u>(2,719)</u>	<u>(33,689)</u>	<u>33</u>	<u>0</u>	<u>21,025</u>	<u>4,219</u>	<u>460</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(2,719)	(33,689)	33	0	21,025	4,219	460
<u>(2,666)</u>	<u>(1,513)</u>	<u>21,716</u>	<u>0</u>	<u>136,963</u>	<u>28,169</u>	<u>6,047</u>
\$ <u><u>(5,385)</u></u>	\$ <u><u>(35,202)</u></u>	\$ <u><u>21,749</u></u>	\$ <u><u>0</u></u>	\$ <u><u>157,988</u></u>	\$ <u><u>32,388</u></u>	\$ <u><u>6,507</u></u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

(Continued)

	<u>CHILD ABUSE PREVENTION FUND</u>	<u>COUNTY ATTY PRETRIAL INTERVENTION</u>	<u>LEBG GRANT</u>	<u>JAIL COMMISSARY FUND</u>	<u>COMMUNI- CATIONS SYSTEM FUND</u>
REVENUES					
Intergovernmental	\$	\$		\$	\$
Charges for Services	370	66,699			82,575
Fines & Forfeitures					
Investment Income		160		25	280
Miscellaneous				35,604	
Total Revenues	<u>370</u>	<u>66,859</u>	<u>0</u>	<u>35,629</u>	<u>82,855</u>
EXPENDITURES					
General Administration					
Judicial					
Legal					
Elections					
Public Safety			34	24,785	16,348
Public Transportation					
Health & Welfare					
Total Expenditures	<u>0</u>	<u>0</u>	<u>34</u>	<u>24,785</u>	<u>16,348</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>370</u>	<u>66,859</u>	<u>(34)</u>	<u>10,844</u>	<u>66,507</u>
OTHER FINANCING SOURCES (USES):					
Transfers In					
Transfers Out					
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	370	66,859	(34)	10,844	66,507
Fund Balances (Deficits) at Beginning of Year	<u>898</u>	<u>70,434</u>	<u>34</u>	<u>12,583</u>	<u>141,743</u>
Fund Balances (Deficits) at End of Year	\$ <u><u>1,268</u></u>	\$ <u><u>137,293</u></u>	<u><u>0</u></u>	\$ <u><u>23,427</u></u>	\$ <u><u>208,250</u></u>

<u>DISTRICT ATTORNEY FEDERAL FORFEITURE</u>	<u>CBMOU</u>	<u>EFSP GRANT</u>	<u>CLERKS CONTINGENCY FUND</u>	<u>TOTAL NONMAJOR SPECIAL REVENUE FUNDS</u>
\$	\$	\$ 700	\$	\$
			5,336	1,686,736
224		21	250	674,996
<u>4,500</u>				<u>176,269</u>
				9,107
<u>4,724</u>	<u>0</u>	<u>721</u>	<u>5,586</u>	<u>351,967</u>
				2,899,075
29,123				220,811
				1,350,315
				10,449
	631			43,216
				259,852
		381		424,117
				<u>1,403,888</u>
<u>29,123</u>	<u>631</u>	<u>381</u>	<u>0</u>	<u>3,712,648</u>
<u>(24,399)</u>	<u>(631)</u>	<u>340</u>	<u>5,586</u>	<u>(813,573)</u>
				723,048
				<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>723,048</u>
<u>(24,399)</u>	<u>(631)</u>	<u>340</u>	<u>5,586</u>	<u>(90,525)</u>
<u>145,705</u>	<u>631</u>	<u>15,778</u>	<u>150,041</u>	<u>5,340,920</u>
<u>\$ 121,306</u>	<u>\$ 0</u>	<u>\$ 16,118</u>	<u>\$ 155,627</u>	<u>\$ 5,250,395</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
INDIGENT HEALTH CARE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Investment Income	\$ 1,800	\$ 1,800	\$ 1,410	\$ (390)
Total Revenues	<u>1,800</u>	<u>1,800</u>	<u>1,410</u>	<u>(390)</u>
EXPENDITURES				
Health & Welfare	<u>650,000</u>	<u>650,000</u>	<u>252,111</u>	<u>397,889</u>
Total Expenditures	<u>650,000</u>	<u>650,000</u>	<u>252,111</u>	<u>397,889</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(648,200)</u>	<u>(648,200)</u>	<u>(250,701)</u>	<u>397,499</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	<u>(648,200)</u>	<u>(648,200)</u>	<u>(250,701)</u>	<u>397,499</u>
Fund Balance at Beginning of Year	<u>928,815</u>	<u>928,815</u>	<u>928,815</u>	<u> </u>
Fund Balance at End of Year	<u>\$ 280,615</u>	<u>\$ 280,615</u>	<u>\$ 678,114</u>	<u>\$ 397,499</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
SHERIFF'S STATE FORFEITURE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$	\$ 0
Fines & Forfeitures			10,925	10,925
Investment Income			424	424
Miscellaneous Revenue				0
Total Revenues	<u>0</u>	<u>0</u>	<u>11,349</u>	<u>11,349</u>
EXPENDITURES				
Public Safety	<u>100,000</u>	<u>100,000</u>	<u>1,330</u>	<u>98,670</u>
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>1,330</u>	<u>98,670</u>
Net Changes in Fund Balances	(100,000)	(100,000)	10,019	110,019
Fund Balance at Beginning of Year	<u>249,419</u>	<u>249,419</u>	<u>249,419</u>	
Fund Balance at End of Year	<u>\$ 149,419</u>	<u>\$ 149,419</u>	<u>\$ 259,438</u>	<u>\$ 110,019</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
COURTHOUSE SECURITY FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 59,000	\$ 59,000	\$ 57,896	\$ (1,104)
Investment Income	1,100	1,100	971	(129)
Total Revenues	<u>60,100</u>	<u>60,100</u>	<u>58,867</u>	<u>(1,233)</u>
EXPENDITURES				
Public Safety	147,100	147,100	40,765	106,335
Total Expenditures	<u>147,100</u>	<u>147,100</u>	<u>40,765</u>	<u>106,335</u>
Net Changes in Fund Balances	(87,000)	(87,000)	18,102	105,102
Fund Balance at Beginning of Year	<u>584,066</u>	<u>584,066</u>	<u>584,066</u>	
Fund Balance at End of Year	<u>\$ 497,066</u>	<u>\$ 497,066</u>	<u>\$ 602,168</u>	<u>\$ 105,102</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
RECORDS MANAGEMENT FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 135,200	\$ 135,200	\$ 137,088	\$ 1,888
Investment Income	1,100	1,100	1,311	211
Total Revenues	<u>136,300</u>	<u>136,300</u>	<u>138,399</u>	<u>2,099</u>
EXPENDITURES				
General Administration	712,081	712,081	220,811	491,270
Total Expenditures	<u>712,081</u>	<u>712,081</u>	<u>220,811</u>	<u>491,270</u>
Excess (Deficiency) of Revenues				
Net Changes in Fund Balances	<u>(575,781)</u>	<u>(575,781)</u>	<u>(82,412)</u>	<u>493,369</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over				
Net Changes in Fund Balances	(575,781)	(575,781)	(82,412)	493,369
Fund Balance at Beginning of Year	<u>845,563</u>	<u>845,563</u>	<u>845,563</u>	
Fund Balance at End of Year	<u>\$ 269,782</u>	<u>\$ 269,782</u>	<u>\$ 763,151</u>	<u>\$ 493,369</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
WIC FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 537,774	\$ 537,774	\$ 498,919	\$ (38,855)
Investment Income				0
Miscellaneous Revenue			337	337
Total Revenues	<u>537,774</u>	<u>537,774</u>	<u>499,256</u>	<u>(38,518)</u>
EXPENDITURES				
Health & Welfare	<u>537,774</u>	<u>537,774</u>	<u>506,922</u>	<u>30,852</u>
Total Expenditures	<u>537,774</u>	<u>537,774</u>	<u>506,922</u>	<u>30,852</u>
Net Changes in Fund Balances	0	0	(7,666)	(7,666)
Fund Balance at Beginning of Year	<u>63,045</u>	<u>63,045</u>	<u>63,045</u>	
Fund Balance at End of Year	<u>\$ 63,045</u>	<u>\$ 63,045</u>	<u>\$ 55,379</u>	<u>\$ (7,666)</u>

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
DISTRICT COURTS OPERATING FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 271,756	\$ 271,756	\$ 271,756	\$ 0
Investment Income	300	300	340	40
Miscellaneous Revenue			279	279
Total Revenues	<u>272,056</u>	<u>272,056</u>	<u>272,375</u>	<u>319</u>
EXPENDITURES				
Judicial	<u>567,862</u>	<u>567,862</u>	<u>539,589</u>	<u>28,273</u>
Total Expenditures	<u>567,862</u>	<u>567,862</u>	<u>539,589</u>	<u>28,273</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(295,806)</u>	<u>(295,806)</u>	<u>(267,214)</u>	<u>28,592</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>268,248</u>	<u>268,248</u>	<u>268,248</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>268,248</u>	<u>268,248</u>	<u>268,248</u>	<u>0</u>
Net Changes in Fund Balances	(27,558)	(27,558)	1,034	28,592
Fund Balance at Beginning of Year	<u>57,839</u>	<u>57,839</u>	<u>57,839</u>	
Fund Balance at End of Year	<u>\$ 30,281</u>	<u>\$ 30,281</u>	<u>\$ 58,873</u>	<u>\$ 28,592</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
DISTRICT ATTORNEY OPERATING FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 123,939	\$ 123,939	\$ 124,419	\$ 480
Investment Income	50	50	156	106
Miscellaneous Revenue			2,609	2,609
Total Revenues	<u>123,989</u>	<u>123,989</u>	<u>127,184</u>	<u>3,195</u>
EXPENDITURES				
Judicial	<u>474,087</u>	<u>474,087</u>	<u>472,203</u>	<u>1,884</u>
Total Expenditures	<u>474,087</u>	<u>474,087</u>	<u>472,203</u>	<u>1,884</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(350,098)</u>	<u>(350,098)</u>	<u>(345,019)</u>	<u>5,079</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>345,003</u>	<u>345,003</u>	<u>345,003</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>345,003</u>	<u>345,003</u>	<u>345,003</u>	<u>0</u>
Net Changes in Fund Balances	(5,095)	(5,095)	(16)	5,079
Fund Balance at Beginning of Year	<u>21,853</u>	<u>21,853</u>	<u>21,853</u>	
Fund Balance at End of Year	<u>\$ 16,758</u>	<u>\$ 16,758</u>	<u>\$ 21,837</u>	<u>\$ 5,079</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
INTOXILIZER PROGRAM FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 50,075	\$ 50,075	\$ 50,075	\$ 0
Investment Income	50	50	19	(31)
Miscellaneous Revenue				0
Total Revenues	<u>50,125</u>	<u>50,125</u>	<u>50,094</u>	<u>(31)</u>
EXPENDITURES				
Public Safety	<u>91,096</u>	<u>91,096</u>	<u>88,936</u>	<u>2,160</u>
Total Expenditures	<u>91,096</u>	<u>91,096</u>	<u>88,936</u>	<u>2,160</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(40,971)</u>	<u>(40,971)</u>	<u>(38,842)</u>	<u>2,129</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>40,970</u>	<u>40,970</u>	<u>40,970</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>40,970</u>	<u>40,970</u>	<u>40,970</u>	<u>0</u>
Net Changes in Fund Balances	(1)	(1)	2,128	2,129
Fund Balance at Beginning of Year	<u>4,034</u>	<u>4,034</u>	<u>4,034</u>	
Fund Balance at End of Year	<u>\$ 4,033</u>	<u>\$ 4,033</u>	<u>\$ 6,162</u>	<u>\$ 2,129</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
JUSTICE COURT TECHNOLOGY FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Charges for Services	\$ 44,700	\$ 44,700	\$ 45,098	\$ 398
Investment Income	0	0	249	249
Total Revenues	<u>44,700</u>	<u>44,700</u>	<u>45,347</u>	<u>647</u>
EXPENDITURES				
Judicial	<u>86,800</u>	<u>86,800</u>	<u>74,052</u>	<u>12,748</u>
Total Expenditures	<u>86,800</u>	<u>86,800</u>	<u>74,052</u>	<u>12,748</u>
Net Changes in Fund Balances	(42,100)	(42,100)	(28,705)	13,395
Fund Balance at Beginning of Year	<u>152,283</u>	<u>152,283</u>	<u>152,283</u>	
Fund Balance at End of Year	<u>\$ 110,183</u>	<u>\$ 110,183</u>	<u>\$ 123,578</u>	<u>\$ 13,395</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
COURT REPORTER SERVICE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 14,100	\$ 14,100	\$ 14,292	\$ 192
Investment Income	<u>100</u>	<u>100</u>	<u>119</u>	<u>19</u>
Total Revenues	<u>14,200</u>	<u>14,200</u>	<u>14,411</u>	<u>211</u>
EXPENDITURES				
Judicial	<u>43,100</u>	<u>43,100</u>	<u>5,111</u>	<u>37,989</u>
Total Expenditures	<u>43,100</u>	<u>43,100</u>	<u>5,111</u>	<u>37,989</u>
Net Changes in Fund Balances	(28,900)	(28,900)	9,300	38,200
Fund Balance at Beginning of Year	<u>68,151</u>	<u>68,151</u>	<u>68,151</u>	
Fund Balance at End of Year	<u>\$ 39,251</u>	<u>\$ 39,251</u>	<u>\$ 77,451</u>	<u>\$ 38,200</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
CB COG GRANT FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$	\$ 304,689	304,689	\$ 0
Investment Income			614	614
Total Revenues	<u>0</u>	<u>304,689</u>	<u>305,303</u>	<u>614</u>
EXPENDITURES				
Public Safety	<u>116,000</u>	<u>420,689</u>	<u>84,304</u>	<u>336,385</u>
Total Expenditures	<u>116,000</u>	<u>420,689</u>	<u>84,304</u>	<u>336,385</u>
Net Changes in Fund Balances	(116,000)	(116,000)	220,999	336,999
Fund Balance at Beginning of Year	<u>179,899</u>	<u>179,899</u>	<u>179,899</u>	
Fund Balance at End of Year	\$ <u><u>63,899</u></u>	\$ <u><u>63,899</u></u>	\$ <u><u>400,898</u></u>	\$ <u><u>336,999</u></u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
LAW LIBRARY FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 73,000	\$ 73,000	\$ 63,666	\$ (9,334)
Investment Income	<u>100</u>	<u>100</u>	<u>96</u>	<u>(4)</u>
Total Revenues	<u>73,100</u>	<u>73,100</u>	<u>63,762</u>	<u>(9,338)</u>
EXPENDITURES				
Judicial	<u>92,260</u>	<u>92,260</u>	<u>81,203</u>	<u>11,057</u>
Total Expenditures	<u>92,260</u>	<u>92,260</u>	<u>81,203</u>	<u>11,057</u>
Net Changes in Fund Balances	(19,160)	(19,160)	(17,441)	1,719
Fund Balance at Beginning of Year	<u>55,338</u>	<u>55,338</u>	<u>55,338</u>	
Fund Balance at End of Year	<u>\$ 36,178</u>	<u>\$ 36,178</u>	<u>\$ 37,897</u>	<u>\$ 1,719</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
DISTRICT ATTORNEY FORFEITURE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 1,100	\$ 1,100	\$ 1,340	\$ 240
Fines & Forfeitures	46,000	46,000	165,344	119,344
Investment Income	800	800	599	(201)
Miscellaneous Revenue	100	100	13,806	13,706
Total Revenues	48,000	48,000	181,089	133,089
EXPENDITURES				
Judicial	150,347	158,347	149,034	9,313
Total Expenditures	150,347	158,347	149,034	9,313
Excess (Deficiency) of Revenues Over Expenditures	(102,347)	(110,347)	32,055	142,402
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Transfers Out	(322,000)	(314,000)		314,000
Total Other Financing Sources (Uses)	(322,000)	(314,000)	0	314,000
Net Changes in Fund Balances	(424,347)	(424,347)	32,055	456,402
Fund Balance at Beginning of Year	395,639	395,639	395,639	
Fund Balance at End of Year	\$ (28,708)	\$ (28,708)	\$ 427,694	\$ 456,402

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
AIRPORT FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$	\$	\$	\$ 0
Investment Income	600	600	955	355
Miscellaneous Revenue	<u>215,000</u>	<u>215,000</u>	<u>275,098</u>	<u>60,098</u>
Total Revenues	<u>215,600</u>	<u>215,600</u>	<u>276,053</u>	<u>60,453</u>
EXPENDITURES				
Public Transportation	<u>550,213</u>	<u>550,213</u>	<u>424,117</u>	<u>126,096</u>
Total Expenditures	<u>550,213</u>	<u>550,213</u>	<u>424,117</u>	<u>126,096</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(334,613)</u>	<u>(334,613)</u>	<u>(148,064)</u>	<u>186,549</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	(334,613)	(334,613)	(148,064)	186,549
Fund Balance at Beginning of Year	<u>640,530</u>	<u>640,530</u>	<u>640,530</u>	<u> </u>
Fund Balance at End of Year	<u>\$ 305,917</u>	<u>\$ 305,917</u>	<u>\$ 492,466</u>	<u>\$ 186,549</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
COMMUNICATIONS SYSTEM FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 84,600	\$ 84,600	\$ 82,575	\$ (2,025)
Investment Income	<u>200</u>	<u>200</u>	<u>280</u>	<u>80</u>
Total Revenues	<u>84,800</u>	<u>84,800</u>	<u>82,855</u>	<u>(1,945)</u>
EXPENDITURES				
Public Safety	<u>277,640</u>	<u>277,640</u>	<u>16,348</u>	<u>261,292</u>
Total Expenditures	<u>277,640</u>	<u>277,640</u>	<u>16,348</u>	<u>261,292</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(192,840)</u>	<u>(192,840)</u>	<u>66,507</u>	<u>259,347</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	(192,840)	(192,840)	66,507	259,347
Fund Balance at Beginning of Year	<u>141,743</u>	<u>141,743</u>	<u>141,743</u>	<u> </u>
Fund Balance at End of Year	\$ <u><u>(51,097)</u></u>	\$ <u><u>(51,097)</u></u>	\$ <u><u>208,250</u></u>	\$ <u><u>259,347</u></u>

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NONMAJOR DEBT SERVICE GOVERNMENTAL FUNDS

Non-Major Debt Service Governmental Funds consist of the following:

1. The Permanent Improvement Bonds Fund is used to accumulate monies for payment of the 1998 Limited Tax General Refunding Bonds.
2. The Road Bonds Fund was used to accumulate monies for the 1977 Road Bonds Series issued for major road construction and improvements. This debt has been liquidated so these funds will be used for future bonded debts.

**SAN PATRICIO COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2011**

	<u>PERMANENT IMPROVEMENT DEBT SERVICE</u>	<u>ROAD BONDS DEBT SERVICE</u>	<u>TOTAL NONMAJOR DEBT SERVICE FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 303,229	\$ 56,794	\$ 360,023
Taxes Receivable	994,217	813	995,030
Other Receivables			0
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 1,297,446	\$ 57,607	\$ 1,355,053
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES AND FUND BALANCES			
Liabilities			
Deferred Revenue	\$ 994,217	\$ 813	\$ 995,030
Advance Tax Collections	331,443		331,443
	<hr/>	<hr/>	<hr/>
Total Liabilities	1,325,660	813	1,326,473
	<hr/>	<hr/>	<hr/>
Fund Balances (Deficits) -			
Restricted		56,794	56,794
Unassigned	(28,214)	0	(28,214)
	<hr/>	<hr/>	<hr/>
Total Fund Balances (Deficits)	(28,214)	56,794	28,580
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,297,446	\$ 57,607	\$ 1,355,053
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>PERMANENT IMPROVEMENT DEBT SERVICE</u>	<u>ROAD BONDS DEBT SERVICE</u>	<u>TOTAL NONMAJOR DEBT SERVICE FUNDS</u>
REVENUES			
Taxes	\$ 1,162,825	\$ 348	\$ 1,163,173
Investment Income	<u>564</u>	<u>94</u>	<u>658</u>
Total Revenues	<u>1,163,389</u>	<u>442</u>	<u>1,163,831</u>
EXPENDITURES			
Debt Service	<u>1,215,385</u>	<u>0</u>	<u>1,215,385</u>
Total Expenditures	<u>1,215,385</u>	<u>0</u>	<u>1,215,385</u>
Net Changes in Fund Balances	(51,996)	442	(51,554)
Fund Balances at Beginning of Year	<u>23,782</u>	<u>56,352</u>	<u>80,134</u>
Fund Balances (Deficits) at End of Year	<u>\$ (28,214) \$</u>	<u>\$ 56,794 \$</u>	<u>\$ 28,580</u>

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
PERMANENT IMPROVEMENT DEBT SERVICE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 1,204,816	\$ 1,204,816	\$ 1,162,825	\$ (41,991)
Investment Income	1,200	1,200	564	(636)
Total Revenues	1,206,016	1,206,016	1,163,389	(42,627)
EXPENDITURES				
Debt Service	1,218,710	1,218,710	1,215,385	3,325
Total Expenditures	1,218,710	1,218,710	1,215,385	3,325
Excess (Deficiency) of Revenues Over Expenditures	(12,694)	(12,694)	(51,996)	(39,302)
OTHER FINANCING SOURCES (USES)				
Transfers In				0
Total Other Financing Sources (Uses)	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	(12,694)	(12,694)	(51,996)	(39,302)
Fund Balance at Beginning of Year	23,782	23,782	23,782	
Fund Balance (Deficit) at End of Year \$	11,088	11,088	(28,214)	(39,302)

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011
ROAD BONDS DEBT SERVICE FUND**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$	\$	\$ 348	\$ 348
Investment Income	100	100	94	(6)
Total Revenues	100	100	442	342
EXPENDITURES				
Debt Service				0
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over Expenditures	100	100	442	342
OTHER FINANCING SOURCES (USES)				
Transfers Out				0
Total Other Financing Sources (Uses)	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources over Net Changes in Fund Balances	100	100	442	342
Fund Balance at Beginning of Year	56,352	56,352	56,352	
Fund Balance at End of Year	\$ 56,452	\$ 56,452	\$ 56,794	\$ 342

NONMAJOR CAPITAL PROJECTS GOVERNMENTAL FUNDS

Non-Major Capital Governmental Funds for San Patricio County, Texas, are set up to account for the acquisition of major improvements to buildings, parks, right-of-way, road construction and other capital facilities and consist of the following:

1. The Capital Improvements is used to account for certain monies used for major building construction and improvements and other costs.
2. The Bethel Estates Wastewater Project Fund accounts for grants and other monies used to assist qualified county residents in obtaining wastewater treatment.
3. The Right-of-Way Fund accounts for monies used for right-of-way purchases for road construction.
4. The Falman Acres Colonia Grant Fund accounts for ORCA funds used to build a water system for the Colonia community.
5. The Home Program Fund accounts for Federal and other monies that are used to build homes for qualified County residents.
6. The CIAP (Coastal Impact Assistance Program) Fund accounts for Federal and other funds used for conservation, protection and preservation of coastal areas including wetlands.
7. The Community Development Fund accounts for Federal and other funds that are used for major community improvements.

SAN PATRICIO COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2011

	<u>CAPITAL IMPROVEMENTS</u>	<u>HOME PROGRAM</u>	<u>BETHEL ESTATES WASTEWATER PROJECT</u>	<u>RIGHT-OF-WAY</u>	<u>CIAP</u>
ASSETS					
Cash and Cash Equivalents	\$ 497,073	\$ 1,920	\$	\$ 644,535	\$
Intergovernmental Receivables					42,078
TOTAL ASSETS	<u>\$ 497,073</u>	<u>\$ 1,920</u>	<u>\$ 0</u>	<u>\$ 644,535</u>	<u>\$ 42,078</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$	\$	\$	\$ 49	\$ 13,565
Other Liabilities					
Due to Other Funds					55,666
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>49</u>	<u>69,231</u>
Fund Balances -					
Unspendable					
Restricted		1,920			
Committed					
Assigned	497,073			644,486	
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(27,153)</u>
Total Fund Balances	<u>497,073</u>	<u>1,920</u>	<u>0</u>	<u>644,486</u>	<u>(27,153)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 497,073</u>	<u>\$ 1,920</u>	<u>\$ 0</u>	<u>\$ 644,535</u>	<u>\$ 42,078</u>

<u>COMMUNITY DEVELOPMENT</u>	<u>FALMAN ACRES COLONIA GRANT</u>	<u>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</u>
\$	\$	\$ 1,143,528
		42,078
<u>0</u>	<u>0</u>	<u>1,185,606</u>
\$	\$	\$ 13,614
		0
		55,666
<u>0</u>	<u>0</u>	<u>69,280</u>
		0
		1,920
		0
<u>0</u>	<u>0</u>	<u>1,141,559</u>
		(27,153)
<u>0</u>	<u>0</u>	<u>1,116,326</u>
<u>0</u>	<u>0</u>	<u>1,185,606</u>

**SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>CAPITAL IMPROVEMENTS</u>	<u>HOME PROGRAM</u>	<u>BETHEL ESTATES WASTEWATER PROJECT</u>	<u>RIGHT-OF-WAY</u>	<u>CIAP</u>
REVENUES					
Intergovernmental	\$	\$	\$	\$	\$
Investment Income	364	1,920	5,000	1,854	331,702
Rentals					
Miscellaneous Revenue	<u>14,538</u>				
Total Revenues	<u>14,902</u>	<u>1,920</u>	<u>5,000</u>	<u>1,854</u>	<u>331,702</u>
EXPENDITURES					
Current					
Public Facilities	655,992		5,000		358,855
Public Transportation				93,252	
Total Expenditures	<u>655,992</u>	<u>0</u>	<u>5,000</u>	<u>93,252</u>	<u>358,855</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(641,090)</u>	<u>1,920</u>	<u>0</u>	<u>(91,398)</u>	<u>(27,153)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	615,000				
Transfers Out				(550,000)	
Total Other Financing Sources (Uses)	<u>615,000</u>	<u>0</u>	<u>0</u>	<u>(550,000)</u>	<u>0</u>
Net Changes in Fund Balances	<u>(26,090)</u>	<u>1,920</u>	<u>0</u>	<u>(641,398)</u>	<u>(27,153)</u>
Fund Balances at Beginning of Year	<u>523,163</u>	<u>0</u>	<u>0</u>	<u>1,285,884</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 497,073</u>	<u>\$ 1,920</u>	<u>\$ 0</u>	<u>\$ 644,486</u>	<u>\$ (27,153)</u>

<u>COMMUNITY DEVELOPMENT</u>	<u>FALMAN ACRES COLONIA GRANT</u>	<u>TOTAL NONMAJOR CAPITAL PROJECT FUNDS</u>
\$ 222,150	\$	\$ 560,772
		2,218
		0
		14,538
<u>222,150</u>	<u>0</u>	<u>577,528</u>
222,150		1,241,997
		93,252
<u>222,150</u>	<u>0</u>	<u>1,335,249</u>
<u>0</u>	<u>0</u>	<u>(757,721)</u>
		615,000
		(550,000)
<u>0</u>	<u>0</u>	<u>65,000</u>
0	0	(692,721)
<u>0</u>	<u>0</u>	<u>1,809,047</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,116,326</u>

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AGENCY FUNDS

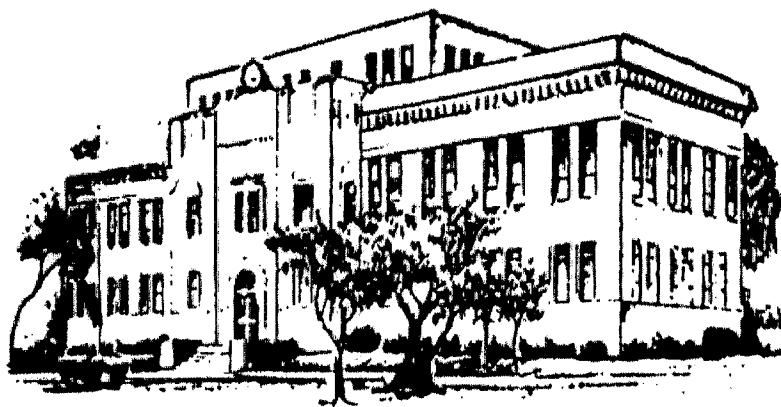
The Agency Funds are a Fiduciary Fund Type and are used to account for monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities.

The Agency Funds consist of the following:

1. The Payroll Funds were established as clearing accounts. Cash is transferred from other County funds to the Payroll Funds, from which disbursements are made for payroll, federal income tax withheld, social security, retirement, deferred compensation, group insurance premiums, and other employee benefits and deductions.
2. The District Wide Adult Probation Department Funds account for monies received from other governmental entities and other sources and remitted to other entities for probation cost purposes.
3. The Dispute Resolution Center Fund accounts for funds that are collected by the County and held until the funds are awarded to the Resolution Center.
4. The Tri-County Narcotics Task Force Agency Fund accounts for funds that have been seized during drug arrests and held by the County until the funds are awarded by the Courts.
5. The County Clerk Trust Fund accounts for monies received that are put in trust funds and held for other individuals or entities.
6. The County Clerk Other Funds account for monies received from various County officials and remitted to the other entities.
7. The District Clerk Trust Fund accounts for monies received that are put in trust funds and held for other individuals or entities.
8. The District Clerk Other Funds account for monies received from various County officials and remitted to other entities.
9. The Health Department Fund accounts for certain funds used for Health Department salaries and other costs.
10. The Forfeiture Trust-Sheriff Fund accounts for escrow monies received through seizures pursuant to the forfeiture law.
11. The Section 125 Fund accounts for monies consisting of salaries and wages that have been deducted by the County for some of employees in order to take tax advantages provided by Internal Revenue Code Section 125.

**AGENCY FUNDS
(continued)**

12. The Court Cost and Fees Fund accounts for receipt and disbursement of monies related to statutory court costs and fees.
13. The Tax Collector Fund accounts for receipt and disbursement of monies related to tax collections for other entities.
14. The Sheriff Regular Fund accounts for fees collected by the Sheriff's Office.
15. The Sheriff Cash Bond Fund accounts for bond funds collected by the Sheriff's Office.
16. The Inmate Trust Fund accounts for County prisoner inmate funds remitted to the jail office to be used to buy personal items for the inmates.
17. The Justices of the Peace Fund accounts for fines and fees collected by the Justices of the Peace.
18. The District Attorney Fund accounts for certain payroll transactions of the District Attorney's Office.
19. The District Juvenile Probation Fund accounts for certain Juvenile Probations fees.
20. The District Attorney Seizure Fund accounts for funds seized and held pending court judgement.
21. The District Wide Juvenile Probation Department Funds account for monies received from other governmental entities and other sources and remitted to other entities for juvenile probation cost purposes.



**SAN PATRICIO COUNTY, TEXAS
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011**

	PAYROLL FUNDS	DISTRICT WIDE ADULT PROBATION DEPT FUNDS	DISPUTE RESOLUTION CENTER	TRI-COUNTY NARCOTICS TASK FORCE AGENCY FUND
<u>ASSETS</u>				
Cash and Cash Equivalents	\$	\$ 515,488	\$ 1,920	\$ 25,116
Due from Others				
Due from Other Governments	2,250			
TOTAL ASSETS	\$ 2,250	\$ 515,488	\$ 1,920	\$ 25,116
<u>LIABILITIES</u>				
Due to Others	\$ 2,250	\$ 506,853	\$ 1,920	\$ 25,116
Due to Other Governments		8,635		
TOTAL LIABILITIES	\$ 2,250	\$ 515,488	\$ 1,920	\$ 25,116

(Continued)

<u>COUNTY CLERK - TRUST FUND</u>	<u>COUNTY CLERK - OTHER FUNDS</u>	<u>DISTRICT CLERK - TRUST FUND</u>	<u>DISTRICT CLERK - OTHER FUNDS</u>	<u>HEALTH DEPARTMENT FUND</u>	<u>FORFEITURE TRUST- SHERIFF</u>
\$ 366,372	\$ 114,555	\$ 774,638	\$ 157,982	\$	\$ 1,469
<u>\$ 366,372</u>	<u>\$ 114,555</u>	<u>\$ 774,638</u>	<u>\$ 157,982</u>	<u>\$ 0</u>	<u>\$ 1,469</u>
\$ 366,372	\$ 114,555	\$ 774,638	\$ 157,982	\$	\$ 1,469
<u>\$ 366,372</u>	<u>\$ 114,555</u>	<u>\$ 774,638</u>	<u>\$ 157,982</u>	<u>\$ 0</u>	<u>\$ 1,469</u>

SAN PATRICIO COUNTY, TEXAS
AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011
 (Continued)

	SECTION 125 TRUST FUND	COURT COSTS AND FEES	TAX COLLECTOR	SHERIFF REGULAR FUND	SHERIFF CASH BOND FUND
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 16,399	\$ 361,373	\$ 7,015,084	\$ 1,752	\$ 3,500
Due from Others					
Due from Other Governments					
TOTAL ASSETS	\$ <u>16,399</u>	\$ <u>361,373</u>	\$ <u>7,015,084</u>	\$ <u>1,752</u>	\$ <u>3,500</u>
<u>LIABILITIES</u>					
Due to Others	\$ 16,399	\$ 361,373	\$ 7,015,084	\$ 1,752	\$ 3,500
Due to Other Governments					
TOTAL LIABILITIES	\$ <u>16,399</u>	\$ <u>361,373</u>	\$ <u>7,015,084</u>	\$ <u>1,752</u>	\$ <u>3,500</u>

<u>INMATE TRUST FUND</u>	<u>JUSTICES OF THE PEACE FUND</u>	<u>DISTRICT ATTORNEY</u>	<u>DISTRICT ATTORNEY SEIZURE FUND</u>	<u>DISTRICT JUVENILE PROBATION</u>	<u>DISTRICT WIDE JUVENILE PROBATION DEPT FUNDS</u>	<u>TOTAL AGENCY FUNDS</u>
\$ 7,732	\$ 115,699	\$ 1	\$ 33,405	\$	\$ 137,038	\$ 9,649,523
					7,218	7,218
					71,878	74,128
<u>\$ 7,732</u>	<u>\$ 115,699</u>	<u>\$ 1</u>	<u>\$ 33,405</u>	<u>\$ 0</u>	<u>\$ 216,134</u>	<u>\$ 9,730,869</u>
\$ 7,732	\$ 115,699	\$ 1	\$ 33,405	\$	\$ 188,884	\$ 9,694,984
					27,250	35,885
<u>\$ 7,732</u>	<u>\$ 115,699</u>	<u>\$ 1</u>	<u>\$ 33,405</u>	<u>\$ 0</u>	<u>\$ 216,134</u>	<u>\$ 9,730,869</u>

**SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>BALANCE</u> <u>01/01/2011</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2011</u>
<u>PAYROLL FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 338,283	\$	338,283	\$ 0
Due From Other Governments	<u>0</u>	<u>2,250</u>	<u></u>	<u>2,250</u>
	<u>\$ 338,283</u>	<u>\$ 2,250</u>	<u>338,283</u>	<u>\$ 2,250</u>
LIABILITIES				
Due to Others	\$ 338,283	\$ 2,250	338,283	\$ 2,250
Due to Other Governments	<u>0</u>	<u></u>	<u></u>	<u>0</u>
	<u>\$ 338,283</u>	<u>\$ 2,250</u>	<u>338,283</u>	<u>\$ 2,250</u>
<u>DISTRICT ADULT PROBATION DEPARTMENT FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 512,970	\$ 2,518	\$	\$ 515,488
Due from Others	431	<u></u>	431	0
Due from Other Governments	<u>0</u>	<u></u>	<u></u>	<u>0</u>
	<u>\$ 513,401</u>	<u>\$ 2,518</u>	<u>\$ 431</u>	<u>\$ 515,488</u>
LIABILITIES				
Due to Others	\$ 504,766	\$ 2,518	\$ 431	\$ 506,853
Due to Other Governments	<u>8,635</u>	<u></u>	<u></u>	<u>8,635</u>
	<u>\$ 513,401</u>	<u>\$ 2,518</u>	<u>\$ 431</u>	<u>\$ 515,488</u>
<u>DISPUTE RESOLUTION CENTER FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 3,060	\$	\$ 1,140	\$ 1,920
	<u>\$ 3,060</u>	<u>\$ 0</u>	<u>\$ 1,140</u>	<u>\$ 1,920</u>
LIABILITIES				
Due to Others	\$ 3,060	\$	\$ 1,140	\$ 1,920
	<u>\$ 3,060</u>	<u>\$ 0</u>	<u>\$ 1,140</u>	<u>\$ 1,920</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011
 (Continued)

	<u>BALANCE</u> 01/01/2011	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 12/31/2011
<u>TRI-COUNTY NARCOTICS TASK FORCE AGENCY FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>25,074</u>	\$ <u>42</u>	\$ _____	\$ <u>25,116</u>
	\$ <u>25,074</u>	\$ <u>42</u>	\$ <u>0</u>	\$ <u>25,116</u>
LIABILITIES				
Due to Others	\$ <u>25,074</u>	\$ <u>42</u>	\$ _____	\$ <u>25,116</u>
	\$ <u>25,074</u>	\$ <u>42</u>	\$ <u>0</u>	\$ <u>25,116</u>
<u>COUNTY CLERK-TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>256,636</u>	\$ <u>109,736</u>	_____	\$ <u>366,372</u>
	\$ <u>256,636</u>	\$ <u>109,736</u>	\$ <u>0</u>	\$ <u>366,372</u>
LIABILITIES				
Due to Others	\$ <u>256,636</u>	\$ <u>109,736</u>	\$ _____	\$ <u>366,372</u>
	\$ <u>256,636</u>	\$ <u>109,736</u>	\$ <u>0</u>	\$ <u>366,372</u>
<u>COUNTY CLERK - OTHER FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>58,323</u>	\$ <u>56,232</u>	\$ _____	\$ <u>114,555</u>
	\$ <u>58,323</u>	\$ <u>56,232</u>	\$ <u>0</u>	\$ <u>114,555</u>
LIABILITIES				
Due to Others	\$ <u>58,323</u>	\$ <u>56,232</u>	\$ _____	\$ <u>114,555</u>
	\$ <u>58,323</u>	\$ <u>56,232</u>	\$ <u>0</u>	\$ <u>114,555</u>
<u>DISTRICT CLERK - TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>814,330</u>	\$ _____	\$ <u>39,692</u>	\$ <u>774,638</u>
	\$ <u>814,330</u>	\$ <u>0</u>	\$ <u>39,692</u>	\$ <u>774,638</u>
LIABILITIES				
Due to Others	\$ <u>814,330</u>	\$ _____	\$ <u>39,692</u>	\$ <u>774,638</u>
	\$ <u>814,330</u>	\$ <u>0</u>	\$ <u>39,692</u>	\$ <u>774,638</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011
 (Continued)

	<u>BALANCE</u> <u>01/01/2011</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2011</u>
<u>DISTRICT CLERK - OTHER FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>183,144</u>	\$ _____	\$ <u>25,162</u>	\$ <u>157,982</u>
	\$ <u>183,144</u>	\$ <u>0</u>	\$ <u>25,162</u>	\$ <u>157,982</u>
LIABILITIES				
Due to Others	\$ <u>183,144</u>	\$ _____	\$ <u>25,162</u>	\$ <u>157,982</u>
	\$ <u>183,144</u>	\$ <u>0</u>	\$ <u>25,162</u>	\$ <u>157,982</u>
<u>HEALTH DEPARTMENT FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ _____	\$ _____	\$ _____	\$ _____
	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
LIABILITIES				
Due to Others	\$ _____	\$ _____	\$ _____	\$ _____
	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
<u>FORFEITURE TRUST - SHERIFF</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>1,466</u>	\$ <u>3</u>	\$ _____	\$ <u>1,469</u>
	\$ <u>1,466</u>	\$ <u>3</u>	\$ <u>0</u>	\$ <u>1,469</u>
LIABILITIES				
Due to Others	\$ <u>1,466</u>	\$ <u>3</u>	\$ _____	\$ <u>1,469</u>
	\$ <u>1,466</u>	\$ <u>3</u>	\$ <u>0</u>	\$ <u>1,469</u>
<u>SECTION 125 - TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>9,019</u>	\$ <u>7,380</u>	\$ _____	\$ <u>16,399</u>
	\$ <u>9,019</u>	\$ <u>7,380</u>	\$ <u>0</u>	\$ <u>16,399</u>
LIABILITIES				
Due to Others	\$ <u>9,019</u>	\$ <u>7,380</u>	\$ _____	\$ <u>16,399</u>
	\$ <u>9,019</u>	\$ <u>7,380</u>	\$ <u>0</u>	\$ <u>16,399</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011
 (Continued)

	<u>BALANCE</u> 01/01/2011	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 12/31/2011
<u>COURT COST AND FEES</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>337,148</u>	\$ <u>24,225</u>	\$ _____	\$ <u>361,373</u>
	\$ <u>337,148</u>	\$ <u>24,225</u>	\$ <u>0</u>	\$ <u>361,373</u>
LIABILITIES				
Due to Others	\$ <u>337,148</u>	\$ <u>24,225</u>	\$ _____	\$ <u>361,373</u>
	\$ <u>337,148</u>	\$ <u>24,225</u>	\$ <u>0</u>	\$ <u>361,373</u>
<u>TAX COLLECTOR</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>7,051,739</u>	\$ _____	\$ <u>36,655</u>	\$ <u>7,015,084</u>
	\$ <u>7,051,739</u>	\$ <u>0</u>	\$ <u>36,655</u>	\$ <u>7,015,084</u>
LIABILITIES				
Due to Others	\$ <u>7,051,739</u>	\$ _____	\$ <u>36,655</u>	\$ <u>7,015,084</u>
	\$ <u>7,051,739</u>	\$ <u>0</u>	\$ <u>36,655</u>	\$ <u>7,015,084</u>
<u>SHERIFF REGULAR FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>507</u>	\$ <u>1,245</u>	\$ _____	\$ <u>1,752</u>
	\$ <u>507</u>	\$ <u>1,245</u>	\$ <u>0</u>	\$ <u>1,752</u>
LIABILITIES				
Due to Others	\$ <u>507</u>	\$ <u>1,245</u>	\$ _____	\$ <u>1,752</u>
	\$ <u>507</u>	\$ <u>1,245</u>	\$ <u>0</u>	\$ <u>1,752</u>
<u>SHERIFF CASH BOND FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>9,251</u>	\$ _____	\$ <u>5,751</u>	\$ <u>3,500</u>
	\$ <u>9,251</u>	\$ <u>0</u>	\$ <u>5,751</u>	\$ <u>3,500</u>
LIABILITIES				
Due to Others	\$ <u>9,251</u>	\$ _____	\$ <u>5,751</u>	\$ <u>3,500</u>
	\$ <u>9,251</u>	\$ <u>0</u>	\$ <u>5,751</u>	\$ <u>3,500</u>

(Continued)

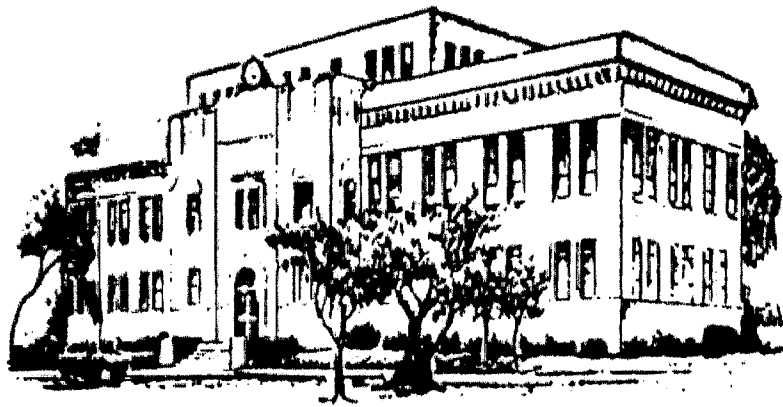
SAN PATRICIO COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011
 (Continued)

	<u>BALANCE</u> <u>01/01/2011</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12/31/2011</u>
<u>INMATE TRUST FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>6,200</u>	\$ <u>1,532</u>	\$ _____	\$ <u>7,732</u>
	\$ <u>6,200</u>	\$ <u>1,532</u>	\$ <u>0</u>	\$ <u>7,732</u>
LIABILITIES				
Due to Others	\$ <u>6,200</u>	\$ <u>1,532</u>	\$ _____	\$ <u>7,732</u>
	\$ <u>6,200</u>	\$ <u>1,532</u>	\$ <u>0</u>	\$ <u>7,732</u>
<u>JUSTICES OF THE PEACE FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>83,550</u>	\$ <u>32,149</u>	\$ _____	\$ <u>115,699</u>
	\$ <u>83,550</u>	\$ <u>32,149</u>	\$ <u>0</u>	\$ <u>115,699</u>
LIABILITIES				
Due to Others	\$ <u>83,550</u>	\$ <u>32,149</u>	\$ _____	\$ <u>115,699</u>
	\$ <u>83,550</u>	\$ <u>32,149</u>	\$ <u>0</u>	\$ <u>115,699</u>
<u>DISTRICT ATTORNEY</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>0</u>	\$ <u>1</u>	\$ _____	\$ <u>1</u>
	\$ <u>0</u>	\$ <u>1</u>	\$ <u>0</u>	\$ <u>1</u>
LIABILITIES				
Due to Others	\$ <u>0</u>	\$ <u>1</u>	\$ _____	\$ <u>1</u>
	\$ <u>0</u>	\$ <u>1</u>	\$ <u>0</u>	\$ <u>1</u>
<u>DISTRICT ATTORNEY SEIZURE FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ <u>35,369</u>	\$ _____	\$ <u>1,964</u>	\$ <u>33,405</u>
	\$ <u>35,369</u>	\$ <u>0</u>	\$ <u>1,964</u>	\$ <u>33,405</u>
LIABILITIES				
Due to Others	\$ <u>35,369</u>	\$ _____	\$ <u>1,964</u>	\$ <u>33,405</u>
	\$ <u>35,369</u>	\$ <u>0</u>	\$ <u>1,964</u>	\$ <u>33,405</u>

(Continued)

SAN PATRICIO COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)

	<u>BALANCE</u> 01/01/2011	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 12/31/2011
<u>DISTRICT JUVENILE PROBATION</u>				
ASSETS				
Cash and Cash Equivalents	\$ 0	\$	\$	\$ 0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
LIABILITIES				
Due to Others	\$ 0	\$	\$	\$ 0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <u>DISTRICT JUVENILE PROBATION</u> <u>DEPARTMENT FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 336,651	\$ 1,877	\$ 201,490	\$ 137,038
Due from Others	6,845	373		7,218
Due from Other Governments	99,972		28,094	71,878
	<u>443,468</u>	<u>2,250</u>	<u>229,584</u>	<u>216,134</u>
LIABILITIES				
Due to Others	\$ 418,468	\$	\$ 229,584	\$ 188,864
Due to Other Governments	25,000	2,250		27,250
	<u>443,468</u>	<u>2,250</u>	<u>229,584</u>	<u>216,134</u>
 <u>TOTALS - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 10,062,720	\$ 236,940	\$ 650,137	\$ 9,649,523
Due from Others	7,276	373	431	7,218
Due from Other Governments	99,972	2,250	28,094	74,128
TOTAL ASSETS	<u>\$ 10,169,968</u>	<u>\$ 239,563</u>	<u>\$ 678,662</u>	<u>\$ 9,730,869</u>
LIABILITIES				
Due to Others	\$ 10,136,333	\$ 237,313	\$ 678,662	\$ 9,694,984
Due to Other Governments	33,635	2,250	0	35,885
TOTAL LIABILITIES	<u>\$ 10,169,968</u>	<u>\$ 239,563</u>	<u>\$ 678,662</u>	<u>\$ 9,730,869</u>



OTHER SCHEDULES

The following three schedules present information on the County's Capital Assets.

**SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF CAPITAL ASSETS - BY SOURCE
DECEMBER 31, 2011**

CAPITAL ASSETS

Land	\$	3,180,673
Buildings		37,589,090
Improvements, Other than Buildings		1,419,029
Equipment		9,754,039
Infrastructure		47,999,613
Construction in Progress		<u>68,000</u>
Total Capital Assets	\$	<u><u>100,010,444</u></u>

INVESTMENTS IN CAPITAL ASSETS BY SOURCE

From Governmental Funds and Other	\$	<u>100,010,444</u>
Total Investment In Capital Assets	\$	<u><u>100,010,444</u></u>

Note: The figures above are presented at cost. Infrastructure consists of \$45,985,455 for roads and \$2,014,158 for bridges.

**SAN PATRICIO COUNTY
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2011**

<u>FUNCTION & ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVE- MENTS, OTHER THAN BUILDINGS</u>	<u>EQUIPMENT</u>
<u>GENERAL ADMINISTRATION</u>					
CIVIL DEFENSE	\$ 92,658	\$	\$	\$	\$ 92,658
COUNTY JUDGE	21,299				21,299
COUNTY CLERK	195,603		84,100		111,503
VETERANS SERVICE	25,210			25,210	
RECORDS MANAGEMENT	13,090				13,090
PRINTING DEPARTMENT	65,088				65,088
PERSONNEL SAFETY	17,985				17,985
INFORMATION SERVICES	78,592				78,592
NON-DEPARTMENTAL	162,427				162,427
TOTAL GENERAL ADMINISTRATION	671,952	0	84,100	25,210	562,642
<u>JUDICIAL</u>					
DISTRICT CLERK	110,021				110,021
DISTRICT COURT	5,680				5,680
JUSTICES OF THE PEACE	15,002				15,002
DISTRICT ATTORNEY	46,890				46,890
TOTAL JUDICIAL	177,593	0	0	0	177,593
<u>FINANCIAL ADMINISTRATION</u>					
COUNTY AUDITOR	69,123				69,123
TAX-ASSESSOR COLLECT	5,680				5,680
TOTAL FINANCIAL ADMINISTRATION	74,803	0	0	0	74,803
<u>LEGAL</u>					
COUNTY ATTORNEY	7,384				7,384
TOTAL LEGAL	7,384	0	0	0	7,384
<u>ELECTIONS</u>					
ELECTIONS	231,850				231,850
TOTAL ELECTIONS	231,850	0	0	0	231,850
<u>PUBLIC FACILITIES</u>					
LAND & BUILDINGS	18,397,316	2,240,841	15,313,708	748,509	94,258
BUILDING SUPERINTENDENT	85,848			279	85,569
AIRPORT - TP McCAMPBELL	2,069,421	682,878	564,711	353,679	468,153
AIRPORT - SINTON	466,080	153,905	139,974	172,201	
CITIZEN COLLECTION STATIONS	73,000	61,673		11,327	
COUNTY FAIRGROUNDS	20,897,536		20,682,445	35,576	179,515
TOTAL PUBLIC FACILITIES	41,989,201	3,139,297	36,700,838	1,321,571	827,495

(Continued)

**SAN PATRICIO COUNTY
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
DECEMBER 31, 2011
(Continued)**

<u>FUNCTION & ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVE- MENTS, OTHER THAN BUILDINGS</u>	<u>EQUIPMENT</u>
<u>PUBLIC SAFETY</u>					
CONSTABLES:					
PRECINCT #1	\$ 17,783	\$	\$	\$	\$ 17,783
PRECINCT #2	19,437				19,437
PRECINCT #4	11,614				11,614
PRECINCT #5	15,409				15,409
PRECINCT #6	17,751				17,751
PRECINCT #8	35,202				35,202
SHERIFF	1,892,098				1,892,098
JUVENILE PROBATION AND DETENTION CENTER	144,554			90	144,464
HIGHWAY PATROL	8,420				8,420
BREATH TESTING	84,284				84,284
TOTAL PUBLIC SAFETY	2,246,552	0	0	90	2,246,462
<u>PUBLIC TRANSPORTATION</u>					
ROAD AND BRIDGE:					
PRECINCT #1	658,892	2,400	14,000	4,511	637,981
PRECINCT #2	1,892,511	13,606	201,318	28,307	1,649,280
PRECINCT #3	2,162,450	14,370	131,899	39,340	1,976,841
PRECINCT #4	1,096,693	10,000	194,019		892,674
GENERAL	52,417				52,417
TOTAL PUBLIC TRANSPORTATION	5,862,963	40,376	541,236	72,158	5,209,193
<u>HEALTH & WELFARE</u>					
COUNTY HEALTH UNIT	217,404				217,404
WOMEN'S, INFANTS AND CHILDREN (GRANT)	182,705		171,000		11,705
TOTAL HEALTH AND WELFARE	400,109	0	171,000	0	229,109
<u>CULTURE & RECREATION</u>					
LIBRARY	15,938				15,938
COUNTY PARKS	110,731				110,731
COUNTY FAIRGROUNDS	0				0
TOTAL CULTURE & RECREATION	126,669	0	0	0	126,669
<u>CONSERVATION</u>					
COUNTY EXTENSION AGENT EXHIBIT BUILDING	153,755	1,000	91,916		60,839
	0				0
TOTAL CONSERVATION	153,755	1,000	91,916	0	60,839
TOTALS	\$ 51,942,831	\$ 3,180,673	\$ 37,589,090	\$ 1,419,029	\$ 9,754,039
<u>INFRASTRUCTURE</u>					
ROADS	45,985,455				
BRIDGES	2,014,158				
TOTAL INFRASTRUCTURE	47,999,613				
CONSTRUCTION IN PROGRESS	68,000				
TOTAL CAPITAL ASSETS	\$ 100,010,444				

Note: The above figures are presented at cost.

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>FUNCTION & ACTIVITY</u>	<u>CAPITAL ASSETS 1-1-2011</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>CAPITAL ASSETS 12-31-2011</u>
<u>GENERAL ADMINISTRATION</u>				
CIVIL DEFENSE	\$ 123,057		\$ 30,399	\$ 92,658
COUNTY JUDGE	21,299			21,299
COUNTY CLERK	87,914	107,689		195,603
VETERANS SERVICE	25,210			25,210
RECORDS MANAGEMENT	13,090			13,090
PRINTING DEPARTMENT	65,088			65,088
PERSONNEL SAFETY	0	17,985		17,985
INFORMATION SERVICES	78,592			78,592
NON-DEPARTMENTAL	162,427			162,427
TOTAL GENERAL ADMINISTRATION	576,677	125,674	30,399	671,952
<u>JUDICIAL</u>				
DISTRICT CLERK	110,021			110,021
DISTRICT COURT	5,680			5,680
JUSTICES OF THE PEACE	15,002			15,002
DISTRICT ATTORNEY	125,876	8,950	87,936	46,890
TOTAL JUDICIAL	256,579	8,950	87,936	177,593
<u>FINANCIAL ADMINISTRATION</u>				
COUNTY AUDITOR	64,334	21,493	16,704	69,123
TAX-ASSESSOR COLLECT	5,680			5,680
TOTAL FINANCIAL ADMINISTRATION	70,014	21,493	16,704	74,803
<u>LEGAL</u>				
COUNTY ATTORNEY	7,384			7,384
TOTAL LEGAL	7,384	0	0	7,384
<u>ELECTIONS</u>				
ELECTIONS	231,850			231,850
TOTAL ELECTIONS	231,850	0	0	231,850
<u>PUBLIC FACILITIES</u>				
LAND & BUILDINGS	18,397,316			18,397,316
BUILDING SUPERINTENDENT	85,848			85,848
AIRPORT - TP McCAMPBELL	2,029,921	39,500		2,069,421
AIRPORT - SINTON	466,080			466,080
CITIZEN COLLECTION STATIONS	73,000			73,000
COUNTY FAIRGROUNDS	20,902,074	19,401	23,939	20,897,536
TOTAL PUBLIC FACILITIES	41,954,239	58,901	23,939	41,989,201

(Continued)

**SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)**

<u>FUNCTION & ACTIVITY</u>	<u>CAPITAL ASSETS 1-1-2011</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>CAPITAL ASSETS 12-31-2011</u>
<u>PUBLIC SAFETY</u>				
CONSTABLES:				
PRECINCT #1	\$ 37,545		\$ 19,762	\$ 17,783
PRECINCT #2	19,437			19,437
PRECINCT #4	11,614			11,614
PRECINCT #5	15,409			15,409
PRECINCT #6	17,751			17,751
PRECINCT #8	17,251	17,951		35,202
SHERIFF	1,819,163	323,101	250,166	1,892,098
JUVENILE PROBATION AND DETENTION CENTER	144,554			144,554
HIGHWAY PATROL	8,420			8,420
BREATH TESTING	84,284			84,284
TOTAL PUBLIC SAFETY	2,175,428	341,052	269,928	2,246,552
<u>PUBLIC TRANSPORTATION</u>				
ROAD AND BRIDGE:				
PRECINCT #1	632,092	44,800	18,000	658,892
PRECINCT #2	1,863,511	29,000		1,892,511
PRECINCT #3	2,252,159	64,550	154,259	2,162,450
PRECINCT #4	1,085,228	52,605	41,140	1,096,693
GENERAL	52,417			52,417
TOTAL PUBLIC TRANSPORTATION	5,885,407	190,955	213,399	5,862,963
<u>HEALTH & WELFARE</u>				
COUNTY HEALTH UNIT	217,404			217,404
WOMEN'S, INFANTS AND CHILDREN (GRANT)	182,705			182,705
TOTAL HEALTH AND WELFARE	400,109	0	0	400,109
<u>CULTURE & RECREATION</u>				
LIBRARY	15,938			15,938
COUNTY PARKS	110,731			110,731
COUNTY FAIRGROUNDS	0			0
TOTAL CULTURE & RECREATION	126,669	0	0	126,669
<u>CONSERVATION</u>				
COUNTY EXTENSION AGENT	153,755			153,755
EXHIBIT BUILDING	0			0
SHOWBARN	0			0
TOTAL CONSERVATION	153,755	0	0	153,755
<u>INFRASTRUCTURE</u>				
ROADS	45,985,455			45,985,455
BRIDGES	2,014,158			2,014,158
TOTAL INFRASTRUCTURE	47,999,613	0	0	47,999,613
CONSTRUCTION IN PROGRESS	68,000			68,000
TOTAL CAPITAL ASSETS	\$ 99,905,724	\$ 747,025	\$ 642,305	\$ 100,010,444

Note: The above figures are presented at cost.

STATISTICAL SECTION (UNAUDITED)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the County's overall financial health. It includes six categories of information: Financial Trends (pages 128-136), Revenue Capacity (pages 138-147), Debt Capacity (pages 148-154), Demographic and Economic Information (pages 156-159), Operating Information (pages 160-163), and Other Information (pages 114 -166).

Financial Trends – These schedules contain trend information to help readers understand how the County's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relate to the services the County provides and the activities it performs.

Other Information – These schedules include any other information the County feels would be of interest to the reader.

SAN PATRICIO COUNTY, TEXAS
NET ASSETS BY COMPONENTS
LAST EIGHT YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2011	2010	2009
Governmental Activities			
Invested in Capital Assets, net of related debt	\$ 28,138,135	\$ 30,640,322	\$ 32,837,782
Restricted for Debt Service	0	0	205,020
Unrestricted	12,637,553	14,165,679	17,458,342
Total governmental activities net assets	\$ 40,775,688	\$ 44,806,001	\$ 50,501,144

The County will add yearly data until ten years are presented. It is also noted that during the above years the County did not have any Business-type activities so the information above is the same for the primary government.

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	33,309,227	\$ 34,049,445	\$ 31,789,329	\$ 28,685,243	26,193,034
	444,758	519,716	578,212	589,148	1,219,472
	<u>19,990,260</u>	<u>21,853,732</u>	<u>18,871,398</u>	<u>16,187,780</u>	<u>12,537,141</u>
\$	<u><u>53,744,245</u></u>	<u><u>56,422,893</u></u>	<u><u>51,238,939</u></u>	<u><u>45,462,171</u></u>	<u><u>39,949,647</u></u>

SAN PATRICIO COUNTY, TEXAS
 CHANGES IN NET ASSETS
 LAST EIGHT YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses			
Governmental Activities:			
General Administration	\$ 2,537,854	\$ 2,800,597	\$ 2,455,393
Judicial	3,566,865	3,604,665	3,389,464
Legal	1,035,809	713,260	720,290
Elections	338,124	421,241	272,843
Financial Administration	2,044,998	2,032,576	1,903,478
Public Facilities	4,016,462	4,402,114	4,524,661
Public Safety	10,260,748	10,201,056	9,829,865
Environmental	109,388	81,231	84,702
Public Transportation	6,288,960	5,863,906	6,384,212
Health and Welfare	2,387,453	2,616,456	2,527,697
Culture and Recreation	838,691	959,600	910,603
Conservation	216,313	210,672	201,375
Amortization of Bond Issuance Costs	0	0	10,404
Interest Long Term Debt	831,348	847,410	864,134
Total Governmental Activities	<u>\$ 34,473,013</u>	<u>\$ 34,754,784</u>	<u>\$ 34,079,121</u>
Expenses			

(continued)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	5,023,713	\$ 2,113,842	\$ 2,114,757	\$ 1,791,101	\$ 1,591,825
	3,262,148	3,074,405	2,830,136	2,664,770	2,529,067
	543,832	488,193	449,410	454,903	426,741
	362,296	267,174	165,136	385,786	100,823
	1,734,888	1,572,418	1,425,167	1,361,227	1,317,715
	3,017,922	2,346,042	1,881,216	4,090,972	2,362,340
	8,682,571	7,410,239	7,098,237	6,993,558	7,033,028
	90,000	72,766	54,933	47,918	18,981
	5,720,000	3,162,774	1,958,204	1,701,403	772,767
	2,548,166	2,145,401	2,016,407	2,338,134	2,633,406
	806,382	222,455	188,479	100,450	91,331
	185,911	238,682	227,278	225,436	215,970
	10,404	10,404	3,468	0	0
	881,901	941,275	321,045	95,432	127,037
\$	<u>32,870,134</u>	<u>\$ 24,066,070</u>	<u>\$ 20,733,873</u>	<u>\$ 22,251,090</u>	<u>\$ 19,221,031</u>

SAN PATRICIO COUNTY, TEXAS
 CHANGES IN NET ASSETS
 LAST EIGHT YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)
 (continued)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Program Revenues			
Governmental Activities:			
Charges for Services			
General Administration	\$ 494,541	\$ 383,829	\$ 485,418
Judicial	1,816,575	2,263,227	2,592,852
Legal	103,308	83,593	62,649
Elections	30,575	50,049	36,844
Financial Administration	526,545	926,537	944,130
Public Facilities	95,023	81,853	107,934
Public Safety	780,808	818,917	847,294
Environmental	70,881	45,128	42,502
Public Transportation	1,317,381	1,211,310	1,213,403
Health and Welfare	307,365	285,674	360,372
Culture & Recreation	133,121	166,810	76,542
Total Charges for Services	<u>5,676,123</u>	<u>6,316,927</u>	<u>6,769,940</u>
Operating Grants & Contributions	2,321,793	2,571,845	2,197,429
Capital Grants & Contributions -			
Public Facilities	<u>576,224</u>	<u>184,812</u>	<u>1,100,428</u>
Total Governmental Activities			
Program Revenues	\$ 8,574,140	\$ 9,073,584	\$ 10,067,797
Net (Expense) Revenue	<u>\$ (25,898,873)</u>	<u>\$ (25,681,200)</u>	<u>\$ (24,011,324)</u>
General Revenues and Other Changes			
In Net Assets			
Governmental Activities:			
Property Taxes	\$ 19,938,817	\$ 19,886,367	\$ 20,096,396
Investment Earnings	38,778	59,837	153,540
Other General Activities	582,040	86,019	518,287
Total Governmental Activities	<u>\$ 20,559,635</u>	<u>\$ 20,032,223</u>	<u>\$ 20,768,223</u>
Changes in Net Assets	<u>\$ (5,339,238)</u>	<u>\$ (5,648,977)</u>	<u>\$ (3,243,101)</u>

Note: The County will add yearly data until ten years are presented. It is also noted that during the above years the County did not have any Business-type activities so the information above is the same for the primary government.

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	481,893	\$ 583,839	\$ 588,741	\$ 419,522	378,383
	2,109,493	2,241,891	1,580,491	2,249,136	2,382,566
	67,579	53,491	58,536	62,943	75,515
	88,115	51,283	69,231	0	0
	860,789	669,889	810,667	639,060	517,519
	137,354	114,488	142,285	126,571	214,432
	978,620	888,293	981,085	709,848	958,826
	56,587	44,742	41,201	28,074	18,037
	1,304,453	1,304,140	1,327,025	1,304,349	1,242,868
	335,225	259,648	229,088	222,199	195,558
	34,748	0	0	0	0
	<u>6,454,856</u>	<u>6,211,704</u>	<u>5,828,350</u>	<u>5,761,702</u>	<u>5,983,704</u>
	2,353,082	1,606,706	2,029,425	2,875,084	2,532,038
	<u>933,234</u>	<u>1,037,452</u>	<u>398,592</u>	<u>2,547,758</u>	<u>1,996,838</u>
\$	<u>9,741,172</u>	<u>8,855,862</u>	<u>8,256,367</u>	<u>11,184,544</u>	<u>10,512,580</u>
\$	<u>(23,128,962)</u>	<u>(15,210,208)</u>	<u>(12,477,506)</u>	<u>(11,066,546)</u>	<u>(8,708,451)</u>
\$	18,947,806	\$ 17,460,961	\$ 16,045,078	\$ 15,153,198	\$ 13,040,950
	872,867	2,273,600	1,463,743	628,517	215,110
	629,641	659,601	745,453	797,355	927,219
\$	<u>20,450,314</u>	<u>20,394,162</u>	<u>18,254,274</u>	<u>16,579,070</u>	<u>14,183,279</u>
\$	<u>(2,678,648)</u>	<u>5,183,954</u>	<u>5,776,768</u>	<u>5,512,524</u>	<u>5,474,828</u>

SAN PATRICIO COUNTY, TEXAS
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST ONE YEAR
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	2011
General Fund	
Unspendable	\$ 0
Restricted	0
Committed	0
Assigned	1,192,501
Unassigned	5,158,626
Total General Fund	\$ 6,351,127
 All Other Governmental Funds	
Unspendable	\$ 0
Restricted	4,525,634
Committed	0
Assigned	3,102,163
Unassigned	-95,954
Total All Other Governmental Funds	\$ 7,531,843
Total for All Governmental Funds	\$ 13,882,970

Note: The County will add yearly data until ten years are presented.

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SAN PATRICIO COUNTY, TEXAS
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST EIGHT YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
REVENUES					
Taxes	\$ 19,996,613	\$ 19,917,045	\$ 20,006,042	\$ 18,858,646	\$ 17,489,519
Licenses and Permits	229,201	140,023	165,986	118,750	140,361
Intergovernmental	3,246,062	3,112,718	3,615,328	3,748,422	3,064,863
Charges for Services	3,697,912	3,969,552	4,363,361	4,315,206	4,171,543
Fines & Forfeitures	1,322,086	1,613,690	1,484,589	1,430,348	1,429,821
Investment Income	38,595	57,852	146,800	833,179	2,191,425
Miscellaneous Revenue	817,039	633,024	474,107	592,968	388,674
Total Revenues	<u>29,347,508</u>	<u>29,443,904</u>	<u>30,256,213</u>	<u>29,897,519</u>	<u>28,876,206</u>
EXPENDITURES					
Current					
General Administration	2,416,218	2,362,816	2,429,490	2,160,419	1,999,055
Judicial	3,369,045	3,391,155	3,265,775	3,154,027	3,012,657
Legal	999,471	686,833	705,769	526,640	478,716
Elections	300,471	381,515	243,492	332,441	237,391
Financial Administration	1,930,099	1,915,928	1,833,328	1,658,420	1,566,045
Public Facilities	2,750,711	3,042,616	5,228,275	9,764,935	14,287,984
Public Safety	9,652,590	9,778,113	9,383,450	8,517,647	7,226,623
Environmental	109,388	81,231	84,702	90,000	72,766
Public Transportation	4,571,187	4,549,007	4,949,096	4,604,233	4,448,628
Health & Welfare	2,254,092	2,502,589	2,461,646	2,480,687	2,102,488
Culture and Recreation	802,339	916,226	886,385	875,330	233,063
Conservation	201,142	188,176	181,729	161,383	218,768
Debt Service					
Principal	380,000	365,000	429,059	411,055	1,043,165
Interest	834,710	850,541	868,858	886,418	978,665
Other Charges	675	748	295	295	295
Total Expenditures	<u>30,572,138</u>	<u>31,012,494</u>	<u>32,951,349</u>	<u>35,623,930</u>	<u>37,906,309</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,224,630)</u>	<u>(1,568,590)</u>	<u>(2,695,136)</u>	<u>(5,726,411)</u>	<u>(9,030,103)</u>
OTHER FINANCING SOURCES (USES)					
Bonds Issued					
Discount on Bonds					
Capital Leases					
Transfers In	1,338,048	3,051,843	2,301,705	4,347,048	1,644,006
Transfers Out	<u>(1,338,048)</u>	<u>(3,051,843)</u>	<u>(2,301,705)</u>	<u>(4,347,048)</u>	<u>(1,644,006)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balances	<u>\$ (1,224,630)</u>	<u>\$ (1,568,590)</u>	<u>\$ (2,695,136)</u>	<u>\$ (5,726,411)</u>	<u>\$ (9,030,103)</u>
Debt service as a percentage of Noncapital Expenditures	<u>4.1%</u>	<u>4.0%</u>	<u>4.3%</u>	<u>4.8%</u>	<u>5.3%</u>

Note: The County will continue to add yearly data until ten years are presented.

	2006	2005	2004
\$	16,115,187	\$ 15,139,453	\$ 13,709,236
	131,425	133,174	133,524
	2,890,580	5,811,017	5,027,717
	4,390,024	3,685,922	3,649,486
	1,297,149	1,229,578	1,552,472
	1,381,567	589,719	204,659
	552,280	486,814	522,130
	<u>26,758,212</u>	<u>27,075,677</u>	<u>24,799,224</u>
	2,085,984	1,813,197	1,725,644
	2,823,118	2,671,839	2,590,982
	448,874	457,556	430,138
	190,986	531,232	101,404
	1,421,852	1,377,295	1,331,520
	1,977,656	3,660,479	3,734,865
	7,049,948	7,132,101	7,262,836
	54,933	47,918	18,981
	4,471,449	3,867,381	3,475,256
	2,012,623	2,362,849	2,633,571
	251,452	99,232	90,278
	210,270	239,389	217,358
	1,000,385	960,382	860,000
	72,552	110,552	134,850
	500	1,000	1,000
	<u>24,072,582</u>	<u>25,332,402</u>	<u>24,608,683</u>
	<u>2,685,630</u>	<u>1,743,275</u>	<u>190,541</u>
	19,330,000		
	(10,889)		
		380,847	
	1,685,282	2,114,107	1,998,127
	(1,685,282)	(2,114,107)	(1,998,127)
	<u>19,319,111</u>	<u>380,847</u>	<u>0</u>
\$	<u>22,004,741</u>	\$ <u>2,124,122</u>	\$ <u>190,541</u>
	<u>5.7%</u>	<u>4.7%</u>	<u>4.6%</u>

SAN PATRICIO COUNTY, TEXAS
GOVERNMENTAL ACTIVITES TAX REVENUES BY SOURCE
LAST EIGHT YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

<u>YEAR</u>	<u>PROPERTY TAXES</u>	<u>TOTAL</u>
2004	\$ 13,709,236	\$ 13,709,236
2005	15,139,453	15,139,453
2006	16,045,078	16,045,078
2007	17,460,961	17,460,961
2008	18,947,806	18,947,806
2009	20,096,396	20,096,396
2010	19,886,367	19,886,367
2011	19,938,817	19,938,817

Note: The County will yearly add data until ten years of data are presented.

SAN PATRICIO COUNTY, TEXAS
 GOVERNMENTAL ACTIVITES TAX REVENUES BY SOURCE
 LAST EIGHT YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

<u>YEAR</u>		<u>PROPERTY TAXES</u>		<u>TOTAL</u>
2004	\$	13,040,950	\$	13,040,950
2005		15,153,198		15,153,098
2006		16,115,187		16,115,187
2007		17,489,519		17,489,519
2008		18,858,646		18,858,646
2009		20,006,042		20,006,042
2010		19,917,045		19,917,045
2011		19,996,613		19,996,613

Note: The County will yearly add data until ten years of data are presented.

SAN PATRICIO COUNTY, TEXAS
 ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
 LAST TEN YEARS
 (UNAUDITED)

YEAR	ASSESSED VALUES	
	REAL ESTATE AND PERSONAL	MINERALS AND IMPROVEMENTS
2002	\$ 1,390,884,139	\$ 1,054,330,718
2003	1,488,542,080	1,128,358,284
2004	1,488,601,364	1,128,403,223
2005	1,596,188,910	1,209,957,718
2006	1,884,479,577	1,305,579,600
2007	2,181,884,577	1,511,623,702
2008	2,265,516,297	1,564,485,877
2009	2,314,411,085	1,597,743,333
2010	2,443,258,273	1,686,688,960
2011	2,436,453,843	1,681,991,562

<u>TOTAL</u>	<u>ESTIMATED ACTUAL VALUES</u>	<u>RATIO ASSESSED TO ESTIMATED ACTUAL VALUES</u>	<u>DIRECT TAX RATE (PER \$100 ASSESSED VALUE)</u>
\$ 2,445,214,857	\$ 2,445,214,857	100	\$ 0.53500
2,616,900,364	2,616,900,364	100	0.53500
2,617,004,587	2,617,004,587	100	0.53990
2,806,146,628	2,806,146,628	100	0.53990
3,190,059,177	3,190,059,177	100	0.53990
3,693,508,279	3,693,508,279	100	0.52750
3,830,002,174	3,830,002,174	100	0.52750
3,912,154,418	3,912,154,418	100	0.52450
4,129,947,233	4,129,947,233	100	0.52450
4,118,445,405	4,118,445,405	100	0.581778

SAN PATRICIO COUNTY, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 OF ASSESSED VALUE)
LAST TEN YEARS
(UNAUDITED)

<u>GOVERNMENTAL SUBDIVISIONS</u>	<u>DATE OF FISCAL YEAR</u>	<u>PERCENTAGE APPLICABLE TO SAN PATRICIO COUNTY</u>	<u>2002</u>
San Patricio County	01-01 / 12-31	100.00	\$ 0.53500
<u>Cities</u>			
Aransas Pass	10-01 / 09-30	91.96	0.79000
Corpus Christi	10-01 / 09-30	0.04	
Gregory	10-01 / 09-30	100.00	0.83900
Ingleside	10-01 / 09-30	100.00	0.77000
Ingleside on the Bay	10-01 / 09-30	100.00	0.18349
Lakeside	10-01 / 09-30	100.00	0.71400
Mathis	01-01 / 12-31	100.00	1.05400
Odem	10-01 / 09-30	100.00	0.89910
Portland	04-01 / 03-31	100.00	0.54000
Sinton	10-01 / 09-30	100.00	0.62000
Taft	10-01 / 09-30	100.00	0.86722
<u>School Districts</u>			
Aransas Pass I.S.D.	09-01 / 08-31	72.79	1.57675
Banquete I.S.D.	09-01 / 08-31	0.15	
Gregory-Portland I.S.D.	07-01 / 06-30	100.00	1.77500
Ingleside I.S.D.	09-01 / 08-31	100.00	1.46960
Mathis I.S.D.	09-01 / 08-31	82.79	1.58000
Odem I.S.D.	09-01 / 08-31	100.00	1.61030
Sinton I.S.D.	09-01 / 08-31	100.00	1.57600
Skidmore-Tynan I.S.D.	09-01 / 08-31	1.99	1.47840
Taft I.S.D.	09-01 / 08-31	100.00	1.57075
<u>Special Districts</u>			
San Patricio Drainage District	01-01 / 12-31	100.00	0.09520
San Patricio Navigation District	01-01 / 12-31	100.00	*
Industrial	01-01 / 12-31	100.00	0.77000
Industrial District 8			0.77000
Nueces County Emergency Service District No. 4			*

* No levy

Note: The information above was obtained from each entity's financial office.

	2003	2004	2005	2006	2007	2008	2009	2010	2011
\$	0.53500	\$ 0.53990	\$ 0.5399	\$ 0.5399	\$ 0.5275	\$ 0.5275	\$ 0.5245	\$ 0.5245	0.581778
	0.75000	0.67000	0.63360	0.60124	0.60124	0.58000	0.59286	0.60749	0.73020
									1.23735
	0.84145	0.81250	0.75846	0.71129	0.71129	0.63229	0.62774	0.57946	0.60788
	0.74180	0.72070	0.69990	0.73000	0.73000	0.71500	0.70000	0.69750	0.69750
	0.17880	0.17451	0.16415	0.16484	0.16484	0.17606	0.18996	0.18996	0.20726
	0.07380	0.07680	0.07644	0.07806	0.07806	0.08208	0.08829	0.09134	0.10520
	1.08630	1.07160	1.03873	0.97457	0.97457	0.97457	0.95789	0.90010	0.90011
	0.88266	0.88266	0.86900	0.85224	0.85224	0.84500	0.83754	0.80817	0.88525
	0.52290	0.52290	0.49470	0.50230	0.50230	0.50689	0.52037	0.54287	0.61407
	0.61490	0.64000	0.64000	0.64000	0.64000	0.63548	0.63548	0.63548	0.65000
	0.87190	0.85691	0.80602	0.78284	0.78284	0.75000	0.75000	0.75000	0.82745
	1.57675	1.57675	1.57675	1.44842	1.44842	1.06138	1.07138	1.07138	1.07138
									1.51220
	1.77500	1.77500	1.74090	1.61000	1.61000	1.36000	1.36000	1.37000	1.37000
	1.55010	1.62960	1.62877	1.50000	1.50000	1.13000	1.13900	1.15600	1.14000
	1.58433	1.61290	1.58430	1.44690	1.44690	1.35000	1.35000	1.35000	1.42507
	1.61030	1.61030	1.61030	1.50030	1.50030	1.29244	1.29240	1.22646	1.29250
	1.57100	1.57000	1.57000	1.44250	1.44250	1.24000	1.35120	1.25700	1.36120
	1.59500	1.58500	1.58500	1.58500	1.58500	1.27773	1.27901	1.27839	1.60512
	1.62438	1.40000	1.57610	1.45200	1.45200	1.26072	1.30970	1.40639	1.38520
	0.09570	0.09860	0.09967	0.09105	0.09105	0.07974	0.07928	0.07640	0.07178
*	*	*	*	*	*	*	*	*	*
	0.74180	0.72070	0.69990	0.73000	0.73000	0.71500	0.70000	0.70000	0.00000
	0.74180	0.72070	0.69990	0.73000	0.73000	0.71500	0.70000	0.69750	0.69750
*	*	*	*	*	*	*	0.07000	0.69750	0.68750
									0.10000

SAN PATRICIO COUNTY, TEXAS
 PRINCIPAL TAXPAYERS - 2011 AND NINE YEARS AGO
 (UNAUDITED)

RANK	NAME	ASSESSED VALUE	PERCENT OF TOTAL
1	Papalote Creek II, LLC	\$289,992,690	7.02%
2	OxyMar Chemical Corp	226,009,710	5.47%
3	Papalote Creek I, LLC	202,300,000	4.90%
4	E.I. Dupont DeNemours & Co.	131,158,730	3.18%
5	Occidental Chemical Corp.	118,938,360	2.88%
6	Ingleside Cogeneration LP	102,464,260	2.48%
7	Gregory Powers Partners, LP	100,212,180	2.43%
8	Flint Hills Resources CC, LLC	68,610,610	1.66%
9	Kiewitt Offshore Services	61,474,320	1.49%
10	AEP Texas Central Company	<u>47,943,520</u>	<u>1.16%</u>
	Total	<u><u>\$1,349,104,380</u></u>	<u><u>32.67%</u></u>
	(32.67% of Actual Value, \$4,129,947,237)		

The information on this page is for 2011.

(continued)

SAN PATRICIO COUNTY, TEXAS
 PRINCIPAL TAXPAYERS - 2011 AND NINE YEARS AGO
 (UNAUDITED)
 (CONTINUED)

RANK	NAME	ASSESSED VALUE	PERCENT OF TOTAL
1	OxyMar Chemical Corp.	\$210,419,400	8.61%
2	E.I. Dupont DeNemours & Co.	148,415,928	6.07%
3	Occidental Chemical Corp.	113,662,560	4.65%
4	Sherwin Alumina Co.	77,492,902	3.17%
5	Ingleside Cogeneration LTD Partnership	34,150,000	1.40%
6	Central Power & Light Co.	33,017,563	1.35%
7	Gregory Power & Light Co.	25,215,265	1.03%
8	Gulf Marine Fabricators	23,002,450	0.94%
9	Air Liquids America Corp.	15,703,455	0.64%
10	Verizon Southwest	<u>13,338,870</u>	<u>0.54%</u>
Total		<u><u>\$694,418,393</u></u>	<u><u>28.40%</u></u>
(28.40% of Actual Value, \$2,445,214,087)			

The information on this page is for nine years ago (2002).

SAN PATRICIO COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(UNAUDITED)

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS*
2002	\$ 12,678,092	\$ 11,900,824	93.9%	\$ 73,787
2003	13,386,057	12,315,025	92.0%	144,296
2004	14,000,424	12,479,575	89.1%	244,244
2005	15,129,037	14,618,605	96.6%	118,345
2006	16,703,475	15,476,324	92.7%	638,863
2007	16,524,208	16,360,757	99.0%	67,888
2008	19,483,256	18,249,124	93.7%	609,522
2009	19,859,744	19,338,718	97.4%	262,849
2010	19,889,250	19,128,583	96.2%	502,107
2011	20,915,379	19,239,366	92.0%	757,247

*Includes cancellations and supplements

Collections on 2010 tax roll not complete until end of collection period on September 30, 2011.
The 2010 roll year total tax levy was \$20,915,379 which will be used for 2011 operations.

Each Roll Year begins October 1st and ends on September 30th of the next year. The Fiscal Years above are calendar years (January 1 to December 31). The County operates on a calendar year.

The Advance Tax Collections above are monies collected in the above fiscal years during October 1 through December 31. These funds are deferred revenues since they are for the next fiscal year and will be included with the next year's current tax collections as budgeted.

<u>TOTAL CURRENT AND DELINQUENT COLLECTIONS</u>	<u>PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY</u>	<u>ADVANCE TAX COLLECTIONS</u>
\$ 11,974,611	94.5%	\$ 2,562,796
12,459,321	93.1%	2,213,403
12,723,819	90.9%	5,459,602
14,736,950	97.4%	5,011,229
16,115,187	96.5%	3,962,340
16,428,645	99.4%	7,416,529
18,858,646	96.8%	7,368,142
19,601,567	98.7%	6,882,139
19,630,690	98.7%	7,168,271
19,996,613	95.6%	5,642,113

SAN PATRICIO COUNTY, TEXAS
 RATIO OF OUTSTANDING DEBT BY TYPE
 LAST EIGHT YEARS
 (UNAUDITED)

YEAR	GOVERNMENT ACTIVITIES		TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2004	\$ 2,790,000	\$	\$ 2,790,000	N/A	\$ 42
2005	\$ 1,900,000	\$ 298,664	\$ 2,198,664	N/A	\$ 33
2006	20,300,000	228,279	20,528,279	N/A	306
2007	19,330,000	155,114	19,485,114	1.14	290
2008	18,995,000	79,059	19,074,059	0.97	284
2009	18,645,000	-	18,645,000	0.95	278
2010	18,280,000	-	18,280,000	1.48	281
2011	17,900,000	-	17,900,000	0.82	276

Note: The County will add yearly data until ten years of information are presented.
 The details regarding the County's outstanding debt can be found in the notes
 to the financial statements.

N/A Information not readily available.

SAN PATRICIO COUNTY, TEXAS
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES OF
ALL GENERAL, SPECIAL REVENUE, DEBT SERVICE AND
CAPITAL PROJECTS FUNDS - LAST TEN YEARS
(UNAUDITED)

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>OTHER</u>	<u>TOTAL DEBT SERVICE</u>	<u>TOTAL GENERAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES</u>
2002	\$ 885,000	\$ 215,839	\$ 470	\$ 1,101,309	22,076,168	4.99
2003	935,000	171,537	471	1,107,008	23,971,520	4.62
2004	860,000	134,850	1,000	995,850	24,622,683	4.04
2005	890,000	98,752	1,000	989,752	25,332,402	3.91
2006	930,000	60,755	500	991,255	24,072,582	4.12
2007	970,000	1,035,312	295	2,005,607	37,906,309	5.29
2008	335,000	880,291	295	1,215,586	35,623,930	3.41
2009	350,000	865,735	295	1,216,030	32,951,349	3.69
2010	365,000	850,541	1,248	1,216,289	31,012,494	3.92
2011	380,000	834,710	675	1,215,385	30,572,138	3.98

Note: The above debt service expenditures consist only of general bonded debt expenditure.
The above figures are presented on the modified accrual basis of accounting.

SAN PATRICIO COUNTY, TEXAS
 COMPUTATION OF LEGAL DEBT MARGIN
 LAST EIGHT YEARS
 (UNAUDITED)

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assessed Value of Real Property	\$ <u>2,436,453,843</u>	\$ <u>2,443,258,273</u>	\$ <u>2,314,411,085</u>
Debt Limited to 25% of Assessed Value of Real Property (Article 3, Section 52, Constitution of the State of Texas)	\$ 609,113,461	\$ 610,814,568	\$ 578,527,713
Amount of Debt Applicable to Debt Limit	<u>(1,285,000) *</u>	<u>(1,285,000) *</u>	<u>(1,285,000) *</u>
Legal Debt Margin	\$ <u>607,828,461</u>	\$ <u>609,529,568</u>	\$ <u>577,242,713</u>

*This constitutional limit applies only to the County's unlimited bond issue.

Note: The amounts above are at December 31st of each year. The County will add data until ten years are presented.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ <u>2,265,516,297</u>	\$ <u>2,181,884,557</u>	\$ <u>1,844,479,577</u>	\$ <u>1,596,188,910</u>	\$ <u>1,488,601,364</u>
\$ 566,379,074	\$ 545,471,139	\$ 461,119,894	\$ 399,047,228	\$ 372,150,341
<u>(1,285,000)</u> *	<u>(1,285,000)</u> *	<u>(1,285,000)</u> *	<u>(1,285,000)</u> *	<u>(1,285,000)</u> *
\$ <u>565,094,074</u>	\$ <u>544,186,139</u>	\$ <u>459,834,894</u>	\$ <u>397,762,228</u>	\$ <u>370,865,341</u>

SAN PATRICIO COUNTY, TEXAS
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUES
AND NET BONDED DEBT PER CAPITA
LAST TEN YEARS
(UNAUDITED)

<u>YEAR</u>	<u>POPULATION*</u>	<u>ASSESSED VALUES</u>	<u>GROSS BONDED DEBT</u>	<u>LESS DEBT SERVICE FUNDS</u>
2002	\$ 67,138	\$ 2,445,214,857	\$ 4,475,000	\$ 854,434
2003	67,138	2,616,900,364	3,650,000	836,151
2004	67,138	2,617,004,587	2,790,000	673,420
2005	67,138	2,806,146,628	1,900,000	530,173
2006	67,138	3,190,059,177	20,300,000	765,032
2007	67,138	3,693,508,279	19,330,000	670,268
2008	67,138	3,830,002,174	18,995,000	595,644
2009	67,138	3,912,154,418	18,645,000	348,285
2010	64,804	4,129,947,237	18,280,000	80,134
2011	64,804	4,118,445,405	17,900,000	28,580

*SOURCE: U.S. Bureau of Census and Texas Almanac published by the Dallas Morning News.

<u>NET BONDED DEBT</u>	<u>RATIO OF NET BONDED DEBT TO ASSESSED VALUES</u>	<u>NET BONDED DEBT PER CAPITA</u>
\$ 3,620,566	0.15	\$ 54
2,813,849	0.11	45
2,116,580	0.08	32
1,369,827	0.05	20
19,534,968	0.61	291
18,659,732	0.51	278
18,399,356	0.48	274
18,296,715	0.47	273
18,199,866	0.44	281
17,871,420	0.43	276

SAN PATRICIO COUNTY, TEXAS
 COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
 DECEMBER 31, 2011
 (UNAUDITED)

<u>NAME OF GOVERNMENTAL UNIT</u>	<u>NET DEBT DATE</u>	<u>OUTSTANDING AMOUNT</u>	<u>APPLICABLE TO SAN PATRICIO COUNTY</u>	
			<u>PERCENT</u>	<u>AMOUNT</u>
DIRECT				
San Patricio County	12/31/2011	\$ 17,871,420	100.00%	\$ 17,871,420
OVERLAPPING				
Cities				
*Aransas Pass	09/30/2010	11,737,529	91.96	10,793,832
*Gregory	10/31/2011	2,870,000	100.00	2,870,000
*Ingleside	09/30/2010	4,280,218	100.00	4,280,218
*Mathis	10/31/2011	1,847,000	100.00	1,847,000
*Odem	10/31/2011	1,910,000	100.00	1,910,000
*Portland	09/30/2010	8,224,063	100.00	8,224,063
*Sinton	09/31/2010	0	100.00	0
*Taft	10/31/2011	6,970,007	100.00	6,970,007
School Districts				
*Aransas Pass I.S.D.	08/31/2010	2,087,325	72.79	1,519,364
*Banquete I.S.D.	10/31/2011	12,404,364	0.15	18,601
*Corpus Christi I.S.D.	10/31/2011	300,460,000	0.04	120,184
*Gregory-Portland I.S.D.	08/31/2010	16,666,635	100.00	16,666,635
*Ingleside I.S.D.	10/31/2011	8,645,000	100.00	8,645,000
*Mathis I.S.D.	10/31/2011	17,999,999	82.79	14,902,199
*Odem-Edroy I.S.D.	10/31/2011	5,709,997	100.00	5,709,997
*Sinton I.S.D.	10/31/2011	12,059,999	100.00	12,059,999
*Skidmore-Tynan I.S.D.	10/31/2011	11,915,648	1.99	237,121
*Taft I.S.D.	10/31/2011	<u>22,879,118</u>	100.00	<u>22,879,118</u>
TOTAL OVERLAPPING		\$ <u>448,666,902</u>		\$ <u>119,653,338</u>
GRAND TOTALS		\$ <u><u>466,538,322</u></u>		\$ <u><u>137,524,758</u></u>

* Taken from Texas Municipal Reports compiled and published by Municipal Advisory Council of Texas, Austin, Texas. The latest publication for San Patricio County is dated November 23, 2011.

Note: Outstanding amount above for San Patricio County includes only bonded debt.
 It is also noted that percentages above are calculated using land area percentages.

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SAN PATRICIO COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(UNAUDITED)

<u>YEAR</u>	<u>POPULATION</u>	<u>MEDIAN AGE</u>	<u>SCHOOL ENROLLMENT</u>
2001	67,138	30.9	15,647
2002	67,138	32	15,656
2003	67,138	32.1	15,702
2004	67,138	32.2	15,733
2005	67,138	32.2	15,742
2006	67,138	32.3	15,761
2007	67,138	32.3	15,769
2008	67,138	32.7	15,778
2009	67,138	32.8	15,642
2010	64,804	32.7	15,176
2011	64,804	33.8	15,211

<u>EDUCATION LEVEL IN YEAR OF FORMAL SCHOOLING</u>	<u>PERSONAL INCOME</u>	<u>PER CAPITA PERSONAL INCOME</u>	<u>UNEMPLOYMENT RATE</u>
	\$	\$	
N/A	N/A	N/A	4.1%
N/A	N/A	N/A	4.2%
N/A	N/A	N/A	4.2%
N/A	1,709,343,000	24,674	5.6%
N/A	1,965,288,680	27,452	5.9%
N/A	1,952,368,590	26,422	9.7%
N/A	1,752,536,666	27,044	10.6%
N/A	2,182,999,554	31,998	9.5%

Sources: U.S. Bureau of Census, School Districts, Wikipedia, the free Encyclopedia, Sperlings, Texas Education Agency, PODUNK, and Texas Almanac

Note: Even though ten years of data are not presented for all of the items above the County will continue to add yearly data until information for ten years is presented for all items. Estimates that are used for some of the information will be changed when actual data is available.

N/A Information not readily available.

SAN PATRICIO COUNTY, TEXAS
 MAJOR EMPLOYERS
 DECEMBER 31, 2011 AND FIVE YEARS AGO
 (UNAUDITED)

EMPLOYER	2011		
	NUMBER OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Kiewit Offshore Services, Ltd.	2,286	1	7.54%
Sherwin Alumina Co.	600	2	1.98%
HEB	468	3	1.54%
San Patricio County	458	4	1.50%
Wal-Mart	430	5	1.42%
Oxidental Chemical	370	6	1.22%
Dupont Dumoury	294	7	0.97%
North Bay Hospital	216	8	0.71%
Southwest Marine			
Naval Station Ingleside			
	5,122		16.88%

Source: Municipal Advisory Council of Texas (Austin, Texas) San Patricio Economic Development Corporation (Gregory, Texas), local Chambers of Commerce in the cities located in the County, and the Entities. Estimates had to be used in some cases.

Note: Information for nine years ago is not readily available. The County will provide comparisons to nine years ago beginning in 2016.

It is also noted that in November, 2005, closure of the Naval Station Ingleside was announced and this closure took effect in 2010. The property is expected to be sold to a developer. Also a large pipe plant is expected to be built in the County in the next several years.

2006

<u>NUMBER OF EMPLOYEES</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>
1,000	2	3.27%
850	3	2.78%
200	7	0.65%
485	5	1.59%
250	6	0.82%
500	4	1.64%
199	8	0.64%
155	9	0.51%
130	10	0.43%
<u>3605</u>	1	<u>11.79%</u>
<u><u>7,374</u></u>		<u><u>24.12%</u></u>

SAN PATRICIO COUNTY, TEXAS
 FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
 LAST EIGHT YEARS
 (UNAUDITED)

FUNCTION	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Administration	34	34	34	34	34	34	34	34
Judicial	43	43	43	43	43	43	43	43
Legal	20	20	20	20	20	20	19	19
Elections	2	2	2	2	2	2	2	2
Financial Administration	35	35	35	33	32	34	35	35
Public Facilities	18	18	18	17	17	18	18	17
Public Safety	159	155	144	93	93	98	100	99
Public Transportation	60	60	60	60	60	60	60	60
Health and Welfare	38	38	38	38	38	39	38	38
Culture and Recreation	2	2	2	2	2	2	2	2
Conservation	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Totals	<u><u>416</u></u>	<u><u>412</u></u>	<u><u>401</u></u>	<u><u>347</u></u>	<u><u>346</u></u>	<u><u>355</u></u>	<u><u>356</u></u>	<u><u>354</u></u>

Note: The County will add yearly data until ten years of information are presented.

Sources: San Patricio County Personnel and Payroll Departments

SAN PATRICIO COUNTY, TEXAS
SALARIES AND SURETY BONDS FOR PRINCIPAL OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF ANNUAL SALARY</u>	<u>SURETY BOND</u>
Terry Simpson	County Judge	\$ 87,600	\$ 10,000
	Juvenile Board	5,800	
Nina G. Trevino	Commissioner, Pct. No 1	59,594	3,000
Fred P. Nardini	Commissioner, Pct. No 2	59,594	3,000
Alma Moreno	Commissioner, Pct. No 3	59,594	3,000
Jim Price	Commissioner, Pct. No 4	59,594	3,000
Leroy Moody	Sheriff	73,163	15,000
Gracie A. Gonzales	County Clerk	59,594	35,000
Richard Hatch, III	County Court-at-Law-Judge	124,000	5,000
	Juvenile Board	5,800	
Dalia Sanchez	Tax Assessor-Collector	59,594	50,000
David Aken	County Attorney	103,497	2,500
Courtney Dugat	County Treasurer	59,594	15,000
Laura Miller	District Clerk	59,594	5,000
David W. Wendel	County Auditor	97,584	5,000
Julius L. Petrus, Jr.	County Surveyor	0	1,000
Patrick Flanigan	District Attorney	5,800	5,000
 <u>JUSTICE OF THE PEACE</u>			
Yolanda Guerrero	Precinct No. 1	47,364	1000
Daniel Garza	Precinct No. 2	46,013	1000
Karen Diaz	Precinct No. 4	46,013	1000
Amada V. Cardenas	Precinct No. 5	46,013	5000
Charlene Lewis	Precinct No. 6	46,013	5000
Henry Montemayor	Precinct No. 8	46,013	1000
 <u>CONSTABLES</u>			
Gonzalo Gonzales	Precinct No. 1	37,687	1000
Steve Garcia	Precinct No. 2	37,335	1000
Parnel Haynes	Precinct No. 4	37,335	1000
Juan C. Gonzales	Precinct No. 5	33,941	1000
Don Perkins	Precinct No. 6	37,335	1000
Teresa Gonzales	Precinct No. 8	37,335	1000

SAN PATRICIO COUNTY, TEXAS
 OPERATING INDICATORS BY FUNCTION
 LAST FIVE YEARS
 (UNAUDITED)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Public Transportation					
Streets Resurfacing (Miles)	33	33	33	33	32
Public Safety					
Physical Arrests	763	761	762	758	745
Traffic Violations	1,297	1,294	1,292	1,286	1,223

Note: The County will add yearly data until ten years of information are presented.
 More information will be presented in future years.

Sources: San Patricio County Road and Bridge and Law Enforcement Departments.

SAN PATRICIO COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST FIVE YEARS
(UNAUDITED)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Administration					
Vehicles and Other	23	23	24	24	23
Judicial					
Vehicles and Other	11	11	11	11	10
Financial Administration					
Vehicles and Other	12	11	10	10	10
Legal					
Other	1	1	1	1	1
Elections					
Other	3	3	3	3	3
Public Facilities					
Land, Bldgs and Improv.	125	125	125	124	122
Vehicles and Other	13	13	13	13	12
Public Safety					
Vehicles and Other	124	124	124	123	121
Public Transportation					
Road Mileage	613	613	613	613	613
Bridges	55	55	55	55	55
Vehicles and Other	218	218	218	217	214
Health and Welfare					
Vehicles and Other	18	18	18	18	18
Culture and Recreation					
Vehicles and Other	18	18	18	18	18
Conservation					
Vehicles and Other	5	5	5	5	5

Note: The County will add information yearly until ten years are presented. All County Land, Building, and Improvements are included under Public Facilities in this schedule.

Sources: County Fixed Asset Records.

SAN PATRICIO COUNTY, TEXAS
PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS
LAST TEN YEARS
(UNAUDITED)

<u>YEAR</u>	<u>PROPERTY VALUES*</u>	<u>CONSTRUCTION</u>	<u>BANK DEPOSITS</u>
2002	\$ 2,445,214,857	\$ 38,225,093	\$ 361,000,000
2003	2,616,900,364	45,326,561	374,000,000
2004	2,617,004,587	232,457,893	378,529,000
2005	2,806,146,628	189,661,054	356,112,000
2006	3,190,059,177	193,224,063	402,478,000
2007	3,693,508,279	191,372,124	424,000,000
2008	3,830,002,174	186,522,354	449,000,000
2009	3,912,154,418	47,723,292	472,317,000
2010	4,129,947,233	21,563,920	479,622,000
2011	4,118,445,405	29,193,607	513,380,000

* Before exemptions, obtained from San Patricio County Tax Appraisal District.
The Construction amounts were obtained from the San Patricio County Tax Office.
The bank deposits were obtained from the Federal Deposit Insurance Corporation,
Washington D.C.

SAN PATRICIO COUNTY, TEXAS
 MISCELLANEOUS STATISTICS
 DECEMBER 31, 2011
 (UNAUDITED)

Location, History, Etc.: San Patricio County (named after the Patron Saint of Ireland) was settled by Irish immigrants holding Spanish Land grants in 1828. The County is situated on an exceedingly fertile alluvial fan laid down by the Nueces (pecans) River during the Pleistocene Geological Age. The land area of the County is 685 square miles; bounded by the Nueces River and Corpus Christi Bay to the south, Redfish Bay and the Gulf of Mexico to the east, and the Aransas River to the north.

Population Growth and Statistics: Farming, ranching, oil and gas production, industry, and the fish and shrimping business have contributed to the growth of San Patricio County. Nueces County and San Patricio County together form one of the 23 Standard Metropolitan Statistical Area (SMSA) of Texas. The 2010 population was 64,804.

<u>Year</u>	<u>Population</u>	<u>Year</u>	<u>Population</u>	<u>Year</u>	<u>Population</u>
1850	200	1930	23,836	2010	64,804
1860	620	1940	28,871		
1870	602	1950	35,021		
1880	1,010	1960	45,021		
1890	1,312	1970	47,288		
1900	2,372	1980	58,013		
1910	7,307	1990	58,749		
1920	11,286	2000	67,138		

Principal Cities: Sinton (5,665), County Seat; Aransas Pass (8,204); Portland (15,099); Mathis (4,942); Taft (3,048); Ingleside (9,387); Gregory (1,907); Odem (2,389); Taft Southwest (1,460); Ingleside on the Bay (615); Edroy (331); San Patricio (395); St. Paul (584); Lake City (509) and Lakeside (312).

County Road Mileage: Total 614.2 miles (100%) divided as follows:
 Pct. No. #1 - 93.8 miles (5.3%), Pct. No. #2 - 149.9 miles (24.5%),
 Pct. No #3- 276.7 miles (45.0%), and Pct. No. #4 - 93.8 miles (15.3%).

County Employees: The total number of San Patricio County employees at December 31, 2011, was 382 full time employees and 76 part time employees. Because they are separate districts these figures do not include Juvenile Probation employees (34 full time and 1 part time) or Adult Probation employees (54 full time and 9 part time). The total County Social Security wages paid during the 2011 year were \$16,283,255.

SAN PATRICIO COUNTY, TEXAS
 MISCELLANEOUS STATISTICS
 DECEMBER 31, 2011
 (UNAUDITED)
 (continued)

Agricultural Income: Estimated cash receipts from agricultural production in San Patricio County for 2011 is estimated at \$ 173 million. This level of agricultural income would probably result in \$346 million of economic effect upon the county. The following table is an overview of 2011 Agricultural Income:

AGRICULTURAL PRODUCT	ACREAGE	VALUE
Cotton & Cottonseed	126,521	\$ 112,310,250
Fed Beef & Cow Calf		16,822,400
Grain Sorghum	84,540	34,196,660
Corn	16,686	7,359,710
Hay, Honey, Nursery, etc.		2,157,180
TOTAL		\$ 172,846,200

Sources of Data: Texas Cooperative Extension
 Texas Almanac
 Coastal Bend Area Council of Governments
 San Patricio - Aransas A.S.C.S.

SUPPLEMENTARY FINANCIAL INFORMATION

SAN PATRICIO COUNTY, TEXAS
 CERTIFICATES OF OBLIGATION SERIES 2006
 MATURITY SCHEDULE
 INTEREST AT 4.25% TO 4.75% PAYABLE 4-1 & 10-1
 DECEMBER 31, 2011

ISSUED	\$ 19,330,000
PAID	<u>(1,430,000)</u>
OUTSTANDING	<u>\$ 17,900,000</u>

<u>DUE DATE</u>	<u>UNPAID BALANCE</u>	<u>COUPON</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>ANNUAL REQUIREMENT</u>
	\$ 17,900,000	\$	\$	\$	\$
04-01-2012	17,505,000	4.25%	395,000	413,318	
10-01-2012				<u>404,923</u>	<u>1,213,241</u>
04-01-2013	17,095,000	4.25%	410,000	404,923	
10-01-2013				<u>396,212</u>	<u>1,211,135</u>
04-01-2014	16,665,000	4.25%	430,000	396,212	
10-01-2014				<u>387,073</u>	<u>1,213,285</u>
04-01-2015	16,215,000	4.50%	450,000	387,073	
10-01-2015				<u>376,950</u>	<u>1,214,023</u>

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SAN PATRICIO COUNTY, TEXAS
 CERTIFICATES OF OBLIGATION SERIES 2006
 MATURITY SCHEDULE
 INTEREST AT 4.25% TO 4.75% PAYABLE 4-1 & 10-1
 DECEMBER 31, 2011
 <CONTINUED>

<u>DUE DATE</u>	<u>UNPAID BALANCE</u>	<u>COUPON</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>ANNUAL REQUIREMENT</u>
04-01-2016 10-01-2016	\$ 15,745,000	\$ 4.50%	\$ 470,000	\$ 376,950 366,373	\$ 1,213,323
04-01-2017 10-01-2017	15,255,000	4.50%	490,000	366,373 355,350	1,211,723
04-01-2018 10-01-2018	14,740,000	4.50%	515,000	355,350 343,760	1,214,110
04-01-2019 10-01-2019	14,200,000	4.50%	540,000	343,760 331,613	1,215,373
04-01-2020 10-01-2020	13,635,000	4.40%	565,000	331,613 319,180	1,215,793
04-01-2021 10-01-2021	13,045,000	4.50%	590,000	319,180 305,908	1,215,088
04-01-2022 10-01-2022	12,430,000	4.50%	615,000	305,908 292,067	1,212,975
04-01-2023 10-01-2023	11,785,000	4.50%	645,000	292,067 277,558	1,214,625
04-01-2024 10-01-2024	11,110,000	4.50%	675,000	277,558 262,367	1,214,925
04-01-2025 10-01-2025	10,405,000	4.60%	705,000	262,367 246,156	1,213,523
04-01-2026 10-01-2026	9,665,000	4.625%	740,000	246,156 229,039	1,215,195

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SAN PATRICIO COUNTY, TEXAS
 CERTIFICATES OF OBLIGATION SERIES 2006
 MATURITY SCHEDULE
 INTEREST AT 4.25% TO 4.75% PAYABLE 4-1 & 10-1
 DECEMBER 31, 2011
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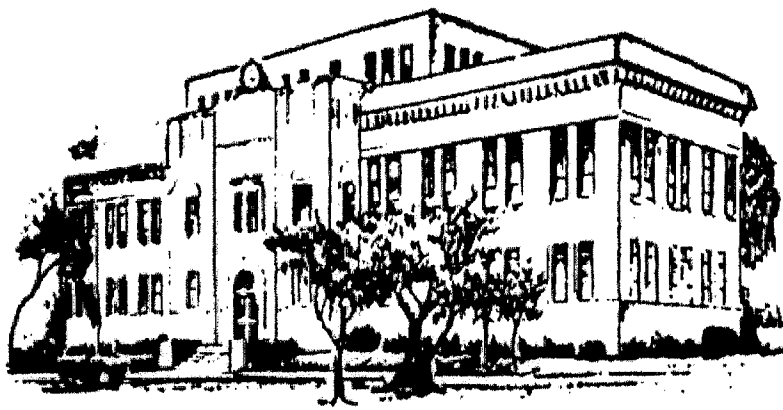
<u>DUE DATE</u>	<u>UNPAID BALANCE</u>	<u>COUPON</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>ANNUAL REQUIREMENT</u>
04-01-2027 10-01-2027	\$ 8,890,000	\$ 4.625%	\$ 775,000	\$ 229,039 210,637	\$ 1,214,676
04-01-2028 10-01-2028	8,080,000	4.625%	810,000	210,637 191,395	1,212,032
04-01-2029 10-01-2029	7,230,000	4.625%	850,000	191,395 171,212	1,212,607
04-01-2030 10-01-2030	6,340,000	4.625%	890,000	171,212 150,070	1,211,282
04-01-2031 10-01-2031	5,405,000	4.75%	935,000	150,070 127,869	1,212,939
04-01-2032 10-01-2032	4,425,000	4.75%	980,000	127,869 104,833	1,212,702
04-01-2033 10-01-2033	3,395,000	4.70%	1,030,000	104,833 80,634	1,215,467
04-01-2034 10-01-2034	2,315,000	4.70%	1,080,000	80,634 54,978	1,215,612
04-01-2035 10-01-2035	1,185,000	4.70%	1,130,000	54,978 28,147	1,213,125
04-01-2036		4.75%	1,185,000	28,144	1,213,144
TOTALS			\$ 17,900,000	\$ 12,441,923	\$ 30,341,923

The above debt was issued for new showbarn facilities and is served by the Permanent Improvement Debt Service Fund. Payments are made to the Bank of New York, Newark, N.J. The above debt will be liquidated in 2036.

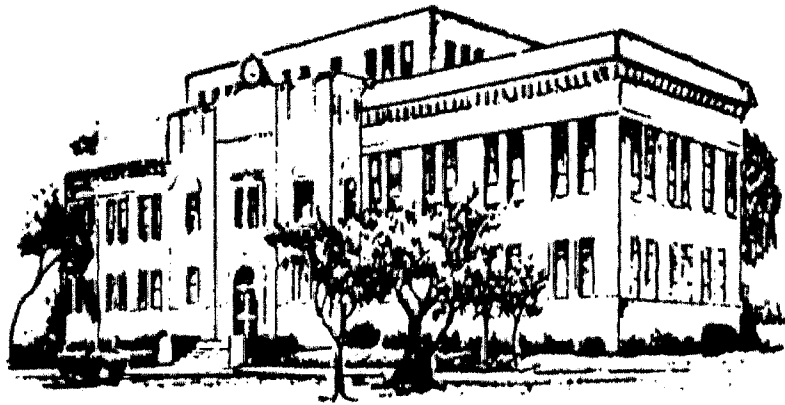
SAN PATRICIO COUNTY, TEXAS
 SCHEDULE OF ANNUAL GENERAL LONG-TERM BONDED DEBT REQUIREMENTS
 DECEMBER 31, 2011

The annual requirements of the general long-term bonded debt requirements outstanding at December 31, 2011 are as follows:

<u>YEAR ENDING DECEMBER 31</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL REQUIREMENTS</u>
2012	\$ 395,000	\$ 818,241	\$ 1,213,241
2013	410,000	801,135	1,211,135
2014	430,000	783,285	1,213,285
2015	450,000	764,023	1,214,023
2016	470,000	743,323	1,213,323
2017	490,000	721,723	1,211,723
2018	515,000	699,110	1,214,110
2019	540,000	675,373	1,215,373
2020	565,000	650,793	1,215,793
2021	590,000	625,088	1,215,088
2022	615,000	597,975	1,212,975
2023	645,000	569,625	1,214,625
2024	675,000	539,925	1,214,925
2025	705,000	508,523	1,213,523
2026	740,000	475,195	1,215,195
2027	775,000	439,676	1,214,676
2028	810,000	402,032	1,212,032
2029	850,000	362,607	1,212,607
2030	890,000	321,282	1,211,282
2031	935,000	277,939	1,212,939
2032	980,000	232,702	1,212,702
2033	1,030,000	185,467	1,215,467
2034	1,080,000	135,612	1,215,612
2035	1,130,000	83,125	1,213,125
2036	1,185,000	28,144	1,213,144
TOTALS	\$ <u>17,900,000</u>	\$ <u>12,441,923</u>	\$ <u>30,341,923</u>



SINGLE AUDIT SECTION





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

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable County Judge
and County Commissioners
San Patricio County, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Patricio County, Texas, as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 18, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the County in a separate letter dated May 18, 2012.

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

Patullo, Brent Hill, C.P.

May 18, 2012



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

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

To the Honorable County Judge
and County Commissioners
San Patricio County, Texas

Compliance

We have audited San Patricio County, Texas's (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of San Patricio County, Texas's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about San Patricio County, Texas's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on San Patricio County, Texas' compliance with those requirements.

In our opinion, San Patricio County, Texas, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

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

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

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

San Patricio County, Texas's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit San Patricio County, Texas' response and, accordingly, we express no opinion on the response.

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

Patillo, Brown & Hill, LLP

May 18, 2012

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

I. Summary of the Auditors' Results:

The type of auditors' report on financial statements:	Unqualified
Regarding internal control over financial reporting:	
a. Material weakness(es) identified:	No
b. Significant deficiencies identified that are not considered to be material weaknesses:	None reported
c. Noncompliance which is material to the financial statements:	None
d. Regarding internal control over major programs:	
Material weakness(es) identified:	None reported
Significant deficiencies identified that are not considered to be material weaknesses:	Yes
e. Type of auditors' report on compliance with major programs:	Unqualified
f. Any audit findings which are required to be reported in accordance with OMB Circular A-133, Sec. 510(a):	Yes
g. Major programs are as follows:	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) CFDA 10.557
h. Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
i. Low risk auditee:	Yes

II. Findings Relating to the Financial Statements Which Are Required To Be Reported in Accordance with *Generally Accepted Government Auditing Standards*.

None.

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

III. Findings and Questioned Costs for Federal Awards.

None.

SAN PATRICIO COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

Finding 10-01

Department of Homeland Security
DEM – Homeland Security Grant Program (Operation
Stone Garden 2010) CFDA 97.067

Payroll

Criteria:

The County's overtime policies require that law enforcement personnel work 171 hours before participating in an extra duty.

Condition:

During our testing of payroll related grant expenditures, we found that the County does not calculate payroll correctly for law enforcement employees whose salary is partially covered by federal funding.

Questioned Cost:

Questioned cost could not be quantified because the finding does not relate to a specific dollar amount.

Effect:

The County was not in compliance with overtime payment requirements.

Recommendation:

We recommend the County review timesheets for law enforcement employees every pay period and ensure that the required number of hours are worked by the employees for their regularly assigned duties. This will ensure that the law enforcement employees earn their salary prior to participating in any extra duty.

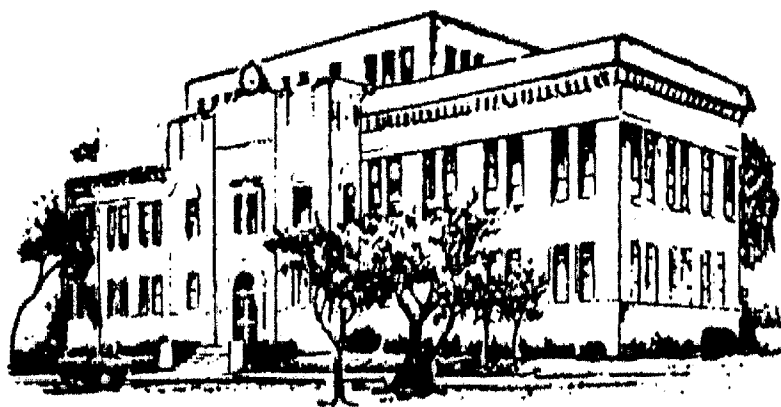
Current Year Status:

Commissioners' Court approved grant overtime defined as time an employee works on a grant objective during a twenty-eight day (28) period beyond on hundred and sixty (160) hours of regular duty during the same period on June 13, 2011.

No exceptions were noted subsequent to policy amendment noted above.

**SAN PATRICIO COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2011**

None



SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Texas Department of Health:</i>			
WIC Program Fiscal Year 2011	10.557	-	\$ 498,919
Total U.S. Department of Agriculture			498,919
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed Through Office of Texas Department of Agriculture:</i>			
ORCA Grant	14.228	726195	2,500
ORCA Grant	14.228	726205	2,500
TDRA Grant	14.228	710649	222,150
<i>Passed Through Office of Texas Department of Housing and Community Affairs:</i>			
TDHCA HOME	14.239	1001426	1,920
Total U.S. Department of Housing and Urban Development			229,070
U.S. ELECTIONS ASSISTANCE COMMISSION			
<i>Passed Through Texas Secretary of State - Elections Division</i>			
HAVA Grant	90.401	-	1,003
Total U.S. Elections Assistance Commission			1,003
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Texas Department of Health:</i>			
Social Services Block Grant CHS/TTLXX	93.667	-	27,304
Centers for Disease Control & Prevention	93.283	-	101,332
Immunization Grants - IMM/IAP	93.268	-	145,193
Preventive Health - RLSS/LPHS	93.991	-	133,347
Family Planning Grant CHS/FEE	93.994	-	26,629
Total U.S. Department of Health and Human Services			433,805
U.S. DEPARTMENT OF THE INTERIOR			
<i>Direct:</i>			
Coastal Impact Assistance Program	15.XXX	F12AF70275	296,141
Total U.S. Department of Interior			296,141

SAN PATRICIO COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Direct:</i>			
FEMA - EFSP Grant	97.024	-	<u>700</u>
Total CFDA 97.024			<u>700</u>
DEM - Operation Stone Garden	97.XXX	-	<u>262,378</u>
			<u>262,378</u>
Total U.S. Department of Homeland Security			<u>263,078</u>
U.S. DEPARTMENT GENERAL SERVICE ADMINISTRATION			
<i>Passed Through Texas Facilities Donations of Federal Surplus Personal Property</i>			
	39.003	-	<u>13,976</u>
Total U.S. General Service Administration			<u>13,976</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,735,992</u>

SAN PATRICIO COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of San Patricio County, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in, or used in the preparation of, the basic financial statements.