

**Lynn County, Texas  
Audited Financial Statements  
September 30, 2011**

**Lynn County, Texas  
Table of Contents  
September 30, 2011**

	<u>Page</u>
<b>County Officials</b> .....	1
<b>Independent Auditor’s Report</b> .....	2-3
<b>General Purpose Financial Statements</b>	
Statement of Net Assets – Modified Cash Basis.....	4
Statement of Activities – Modified Cash Basis.....	5
Balance Sheet – Modified Cash Basis – Governmental Funds.....	6
Reconciliation of Balance Sheet – Modified Cash Basis – Governmental Funds to the Statement of Net Assets – Modified Cash Basis.....	7
Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis – Governmental Funds.....	8
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis – Governmental Funds to the Statement of Activities – Modified Cash Basis.....	9
Statement of Fiduciary Assets and Liabilities.....	10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis - Budget and Actual – General Fund.....	11
<b>Notes to Financial Statements</b> .....	12-23
<b>Required Supplementary Information</b>	
Combining Balance Sheet – Modified Cash Basis - Nonmajor Governmental Funds.....	24-25
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Modified Cash Basis - Nonmajor Governmental Funds.....	26-27
Combining Statement of Changes in Assets and Liabilities - All Agency Funds.....	28-30
Budgetary Comparison Schedules.....	31-50
<b>Compliance and Internal Controls Section</b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing         Standards</i> .....	51-52

**Lynn County, Texas  
County Officials  
September 30, 2011**

H.G Franklin	County Judge
Keith Wied	Commissioner Precinct 1
Mike Braddock	Commissioner Precinct 2
Don Blair	Commissioner Precinct 3
Danny Martin	Commissioner Precinct 4
Donnis Scott	County Attorney
Susan Tipton	County Clerk
Pam Miller	County Treasurer
Sandra Laws	District Clerk
Sherry Pearce	Tax Collector
Ed Follis	Justice of Peace # 4
Nancy Guilliams	Justice of Peace #1
Jerry D. Franklin	Sheriff

Steve Gary, C.P.A., PC  
James Bowers, C.P.A., PC  
Eric Miller, C.P.A., PC  
Melvin Eaker, C.P.A., PC



A Partnership of  
Professional Corporations

**Independent Auditor's Report**

Honorable H. G. Franklin, Judge  
And County Commissioners  
Lynn County  
Tahoka, Texas 79373

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lynn County, Texas, as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lynn 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As discussed in Note 1, Lynn County, Texas, prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Lynn County, Texas, as of September 30, 2011, and the respective changes in financial position – modified cash basis, thereof, for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lynn County, Texas' financial statements as a whole. The combining and individual nonmajor fund financial statements, and detailed budget comparison statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Gary Bowers & Miller*

Gary, Bowers & Miller  
Lubbock, Texas  
January 5, 2012

# **General Purpose Financial Statements**

**Lynn County, Texas**  
**Statement of Net Assets - Modified Cash Basis**  
**September 30, 2011**

	<u>Primary Government Governmental Activities</u>
<b>Assets</b>	
Cash	\$ 538,030
Savings and Time Deposits	3,592,063
Receivables	
Due from Agency Funds	58,714
Due from Juvenile Probation	4,836
Property Taxes	185,676
Less: Allowance for Uncollectibles	(33,422)
Capital Assets	
Land	228,750
Buildings and Improvements	3,543,223
Machinery and Equipment	3,378,781
Furniture and Fixtures	125,785
Construction in Progress	407,964
<b>Total Assets</b>	<b><u>\$ 12,030,400</u></b>
<b>Liabilities and Fund Equity</b>	
Liabilities	
Accounts Payable	\$ 4,959
Due to Other Governments	30,626
Due to Others	621
State Fees Payable	345
Sales Tax Payable	12,761
Deferred Revenues	
Grants	20,833
Uncollected Taxes	152,254
Long-Term Liabilities	
Due Within One Year	189,728
Due in More Than One Year	1,765,795
<b>Total Liabilities</b>	<b><u>\$ 2,177,922</u></b>
Net Assets	
Invested in Capital Assets, Net of Related Debt	\$ 5,728,980
Restricted For:	
Technology Improvements	36,026
Courthouse Security	100,902
Community Development	798
Highway & Road Improvements	234,368
Law Enforcement	68,789
Unrestricted	3,682,615
<b>Total Net Assets</b>	<b><u>\$ 9,852,478</u></b>

The accompanying notes are an integral part of this statement.

**Lynn County, Texas**  
**Statement of Activities - Modified Cash Basis**  
**For the Year Ended September 30, 2011**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue and Changes in Net Assets</u>
				<u>Governmental Activities</u>
<b>Primary Government</b>				
Governmental Activities				
Financial and Administration	\$ 159,651	\$ 13,443	\$ 32	\$ (146,176)
Judicial and Legal	499,174	319,094	22,195	(157,885)
General County Buildings	165,136	-	17,115	(148,021)
Central Administration	440,328	218,157	60,972	(161,199)
Libraries	19,248	-	-	(19,248)
Social Services - Public Welfare	41,217	-	-	(41,217)
Social Services - Health	3,750	-	-	(3,750)
Transportation - Highways	702,005	349,733	313,215	(39,057)
Public Safety - Police	572,293	9,070	-	(563,223)
Public Safety - Correction	600,877	91,360	-	(509,517)
Public Safety - Fire	19,125	-	-	(19,125)
Environment - Animal Control	72,167	-	-	(72,167)
Environment - Natural Resources	81,423	48,601	-	(32,822)
Miscellaneous	32,286	-	-	(32,286)
	<u>\$ 3,408,680</u>	<u>\$ 1,049,458</u>	<u>\$ 413,529</u>	<u>\$ (1,945,693)</u>
<b>General Revenue:</b>				
Taxes:				
Property Taxes				\$ 2,903,119
Sales Taxes				322,609
Intergovernmental Revenue				27,374
Other Fees				10,030
Miscellaneous Revenue				27,493
Investment Earnings				75,975
Removal of Original Cost of Disposed Assets				(21,724)
<b>Total General Revenues and Special Items</b>				<u>\$ 3,344,876</u>
Change in Net Assets				\$ 1,399,183
<b>Net Assets - Beginning</b>				<u>\$ 8,453,295</u>
<b>Net Assets - Ending</b>				<u>\$ 9,852,478</u>

The accompanying notes are an integral part of this statement.



**Lynn County, Texas**  
**Balance Sheet - Modified Cash Basis**  
**Governmental Funds**  
**September 30, 2011**

	<u>General Fund</u>	<u>Precinct 1</u>	<u>Precinct 2</u>	<u>Precinct 3</u>
<b>Assets and Other Debits</b>				
Cash	\$ (18,119)	\$ 13,062	\$ 24,137	\$ 10,798
Savings and Time Deposits	1,387,513	104,595	104,155	129,385
Receivables				
Due from Agency Funds	58,714	-	-	-
Due from Juvenile Probation	-	-	-	-
Property Taxes	185,676	-	-	-
Less: Allowance for Uncollectibles	(33,422)	-	-	-
<b>Total Assets and Other Debits</b>	<u>\$ 1,580,362</u>	<u>\$ 117,657</u>	<u>\$ 128,292</u>	<u>\$ 140,183</u>
<b>Liabilities, Fund Equity, and Other Credits</b>				
Liabilities				
Accounts Payable	\$ 4,959	\$ -	\$ -	\$ -
Due to Other Governments	30,626	-	-	-
Due to Others	-	-	-	-
State Fees Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
Due to/from County	(4,010)	-	-	-
Deferred Revenues				
Grants	20,833	-	-	-
Uncollected Taxes	152,254	-	-	-
<b>Total Liabilities</b>	<u>\$ 204,662</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances				
Restricted	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	-
Assigned	-	117,657	128,292	140,183
Unassigned	1,375,700	-	-	-
<b>Total Fund Balances</b>	<u>\$ 1,375,700</u>	<u>\$ 117,657</u>	<u>\$ 128,292</u>	<u>\$ 140,183</u>
<b>Total Liabilities, Fund Equity, and Other Credits</b>	<u>\$ 1,580,362</u>	<u>\$ 117,657</u>	<u>\$ 128,292</u>	<u>\$ 140,183</u>

The accompanying notes are an integral part of this statement.

<u>Precinct 4</u>	<u>Laterals</u>	<u>Road and Bridge</u>	<u>Jail I&amp;S Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ (7,429)	\$ 13	\$ 33,408	\$ 46,366	\$ 435,794	\$ 538,030
183,843	-	-	813,398	869,174	3,592,063
-	-	-	-	-	58,714
-	-	-	-	4,836	4,836
-	-	-	-	-	185,676
-	-	-	-	-	(33,422)
<u>\$ 176,414</u>	<u>\$ 13</u>	<u>\$ 33,408</u>	<u>\$ 859,764</u>	<u>\$ 1,309,804</u>	<u>\$ 4,345,897</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,959
-	-	-	-	-	30,626
-	-	-	-	621	621
-	-	-	-	345	345
-	-	-	-	12,761	12,761
-	-	-	-	4,010	-
-	-	-	-	-	20,833
-	-	-	-	-	152,254
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,737</u>	<u>\$ 222,399</u>
\$ -	\$ -	\$ -	\$ -	\$ 440,883	\$ 440,883
-	-	-	859,764	726,714	1,586,478
176,414	13	33,408	-	105,403	701,370
-	-	-	-	19,067	1,394,767
<u>\$ 176,414</u>	<u>\$ 13</u>	<u>\$ 33,408</u>	<u>\$ 859,764</u>	<u>\$ 1,292,067</u>	<u>\$ 4,123,498</u>
<u>\$ 176,414</u>	<u>\$ 13</u>	<u>\$ 33,408</u>	<u>\$ 859,764</u>	<u>\$ 1,309,804</u>	<u>\$ 4,345,897</u>

**Lynn County, Texas**  
**Reconciliation of Balance Sheet - Modified Cash Basis - Governmental Funds**  
**to the Statement of Net Assets - Modified Cash Basis**  
**September 30, 2011**

**Governmental Funds - Fund Balance** \$ 4,123,498

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. 7,684,503

Notes Payable are not due and payable in the current period and therefore are not reported in the funds. (1,955,523)

**Net Assets of Governmental Activities** \$ 9,852,478

The accompanying notes are an integral part of this statement.

**Lynn County, Texas**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis**  
**Governmental Funds**  
**For the Year Ended September 30, 2011**

	<u>General Fund</u>	<u>Precinct 1</u>	<u>Precinct 2</u>	<u>Precinct 3</u>
<b>Revenues</b>				
Property Tax	\$ 2,223,731	\$ -	\$ -	\$ -
Local Sales Tax	7,250	-	-	-
Licenses, Permits and Other Taxes	17,165	65,456	65,456	65,456
Intergovernmental Revenues	82,124	7,156	7,156	7,156
Fee Collections	430,411	-	-	-
Other Fees	58,631	-	-	-
Interest Earned	35,349	1,845	2,221	2,338
Other Revenues	47,691	6,976	8,585	-
<b>Total Revenues</b>	<u>\$ 2,902,352</u>	<u>\$ 81,433</u>	<u>\$ 83,418</u>	<u>\$ 74,950</u>
<b>Expenditures</b>				
Financial and Administration	\$ 159,651	\$ -	\$ -	\$ -
Judicial and Legal	436,160	-	-	-
General County Buildings	240,137	-	-	-
Central Administration	350,780	-	-	-
Libraries	19,248	-	-	-
Social Services - Public Welfare	41,217	-	-	-
Social Services - Health	3,750	-	-	-
Transportation - Highways	-	167,348	261,698	197,134
Public Safety - Police	610,281	-	-	-
Public Safety - Correction	520,916	-	-	-
Public Safety - Fire	19,125	-	-	-
Environment - Animal Control	72,167	-	-	-
Environment - Natural Resources	135,132	-	-	-
Miscellaneous	32,286	-	-	-
<b>Total Expenditures</b>	<u>\$ 2,640,850</u>	<u>\$ 167,348</u>	<u>\$ 261,698</u>	<u>\$ 197,134</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 261,502</u>	<u>\$ (85,915)</u>	<u>\$ (178,280)</u>	<u>\$ (122,184)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer to Other Funds	\$ -	\$ -	\$ -	\$ -
Transfer from Other Funds	-	110,927	110,927	110,927
Debt Service Proceeds	19,995	-	81,990	-
Debt Service Principal Paid	-	(11,518)	(21,585)	(18,117)
<b>Total Other Financing Sources (Uses)</b>	<u>\$ 19,995</u>	<u>\$ 99,409</u>	<u>\$ 171,332</u>	<u>\$ 92,810</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ 281,497</u>	<u>\$ 13,494</u>	<u>\$ (6,948)</u>	<u>\$ (29,374)</u>
<b>Fund Balance, Beginning of Year</b>	<u>\$ 1,094,203</u>	<u>\$ 104,163</u>	<u>\$ 135,240</u>	<u>\$ 169,557</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,375,700</u>	<u>\$ 117,657</u>	<u>\$ 128,292</u>	<u>\$ 140,183</u>

The accompanying notes are an integral part of this statement.

<u>Precinct 4</u>	<u>Laterals</u>	<u>Road and Bridge</u>	<u>Jail I&amp;S Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 520,402	\$ 82,919	\$ 76,067	\$ 2,903,119
-	-	-	-	315,359	322,609
65,456	-	51,138	21,210	-	351,337
7,156	25,876	-	-	304,279	440,903
-	-	-	-	-	430,411
-	-	-	-	122,790	181,421
1,973	-	-	16,093	16,156	75,975
-	-	-	55,850	4,710	123,812
<u>\$ 74,585</u>	<u>\$ 25,876</u>	<u>\$ 571,540</u>	<u>\$ 176,072</u>	<u>\$ 839,361</u>	<u>\$ 4,829,587</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,651
-	-	-	-	63,014	499,174
-	-	-	-	-	240,137
-	-	-	-	403,431	754,211
-	-	-	-	-	19,248
-	-	-	-	-	41,217
-	-	-	-	-	3,750
125,774	25,853	111,541	-	24,347	913,695
-	-	-	-	480	610,761
-	-	-	68,649	11,312	600,877
-	-	-	-	-	19,125
-	-	-	-	-	72,167
-	-	-	-	-	135,132
-	-	-	-	-	32,286
<u>\$ 125,774</u>	<u>\$ 25,853</u>	<u>\$ 111,541</u>	<u>\$ 68,649</u>	<u>\$ 502,584</u>	<u>\$ 4,101,431</u>
<u>\$ (51,189)</u>	<u>\$ 23</u>	<u>\$ 459,999</u>	<u>\$ 107,423</u>	<u>\$ 336,777</u>	<u>\$ 728,156</u>
\$ -	\$ -	\$(443,708)	\$ -	\$ -	\$ (443,708)
110,927	-	-	-	-	443,708
-	-	-	-	-	101,985
(8,369)	-	-	(120,000)	-	(179,589)
<u>\$ 102,558</u>	<u>\$ -</u>	<u>\$(443,708)</u>	<u>\$(120,000)</u>	<u>\$ -</u>	<u>\$ (77,604)</u>
\$ 51,369	\$ 23	\$ 16,291	\$ (12,577)	\$ 336,777	\$ 650,552
<u>\$ 125,045</u>	<u>\$ (10)</u>	<u>\$ 17,117</u>	<u>\$ 872,341</u>	<u>\$ 955,290</u>	<u>\$ 3,472,946</u>
<u>\$ 176,414</u>	<u>\$ 13</u>	<u>\$ 33,408</u>	<u>\$ 859,764</u>	<u>\$ 1,292,067</u>	<u>\$ 4,123,498</u>

**Lynn County, Texas**  
**Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund**  
**Balance - Modified Cash Basis - Governmental Funds to the Statement of Activities - Modified Cash Basis**  
**September 30, 2011**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 650,552**

Amounts reported for governmental activities in the statement of activities are different because:

Note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of the note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayments exceeded proceeds. 77,604

Governmental funds report capital outlays as capital expenditures. However, in the statement of activities, the capital outlays are capitalized and not included in expense. 692,751

Governmental funds do not recognize the removal of the original costs of assets disposed. However, on the statement of activities, the original costs of the asset must be removed to reconcile to the net assets on hand. (21,724)

**Change in Net Assets of Governmental Activities** **\$ 1,399,183**

The accompanying notes are an integral part of this statement.

**Lynn County, Texas**  
**Statement of Fiduciary Assets and Liabilities**  
**September 30, 2011**

	<b>Agency Funds</b>
<b>Assets</b>	
Cash	\$ 153,486
Due from District Clerk	335
<b>Total Assets</b>	<b>\$ 153,821</b>
<b>Liabilities</b>	
Due to County	\$ 58,714
Due to Sheriff	137
DC Rec Management	16
Due to Other Governments	23,442
Due to Others	55,143
Cases Pending	16,369
<b>Total Liabilities</b>	<b>\$ 153,821</b>

The accompanying notes are an integral part of this statement.

**Lynn County, Texas**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Modified Cash Basis**  
**Budget and Actual - General Fund**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenues</b>				
Property Tax	\$ 2,111,183	\$ 2,111,183	\$ 2,223,731	\$ 112,548
Local Sales Tax	6,000	6,000	7,250	1,250
Licenses, Permits and Other Taxes	15,000	15,000	17,165	2,165
Intergovernmental Revenues	70,500	70,500	82,124	11,624
Fee Collections	397,600	402,100	430,411	28,311
Other Fees	15,350	15,350	58,631	43,281
Interest Earned	20,000	20,000	35,349	15,349
Other Revenues	38,300	38,300	47,691	9,391
Loan Proceeds	-	-	19,995	19,995
<b>Total Revenues</b>	<u>\$ 2,673,933</u>	<u>\$ 2,678,433</u>	<u>\$ 2,922,347</u>	<u>\$ 243,914</u>
<b>Expenditures</b>				
Financial and Administration	\$ 170,567	\$ 170,567	\$ 159,651	\$ 10,916
Judicial and Legal	465,079	465,079	436,160	28,919
General County Buildings	207,272	207,272	240,137	(32,865)
Central Administration	371,778	376,861	350,780	26,081
Libraries	19,250	19,250	19,248	2
Social Services - Public Welfare	36,920	36,920	41,217	(4,297)
Social Services - Health	3,750	3,750	3,750	-
Public Safety - Police	668,388	668,388	610,281	58,107
Public Safety - Correction	553,711	553,711	520,916	32,795
Public Safety - Fire	19,125	19,125	19,125	-
Environment - Animal Control	18,600	18,600	72,167	(53,567)
Environment - Natural Resources	100,540	100,540	135,132	(34,592)
Miscellaneous	29,552	29,552	32,286	(2,734)
	<u>\$ 2,664,532</u>	<u>\$ 2,669,615</u>	<u>\$ 2,640,850</u>	<u>\$ 28,765</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 9,401</u>	<u>\$ 8,818</u>	<u>\$ 281,497</u>	<u>\$ 272,679</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 1,094,203</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 1,375,700</u>	

The accompanying notes are an integral part of this statement.



## **Notes to Financial Statements**

**Lynn County, Texas**  
**Notes to Financial Statements**  
**September 30, 2011**

**Note 1 Summary of Significant Accounting Policies**

*General*

Lynn County operates under a County Judge-Commissioners' Court form of government and provides the following services: judicial and legal, county roads, public safety and protection, social services, public welfare, and general administrative services.

*Fund Accounting*

Governmental Fund Types include:

The General Fund that accounts for all financial resources except those required to be accounted for in another fund.

The Special Revenue Funds that account for revenues derived from specific taxes or other earmarked revenue sources.

The Debt Service Fund that accounts for servicing long-term debt not being financed by proprietary and nonexpendable trust funds in a debt service fund.

Fiduciary Fund Types include:

The Agency Funds that account for activities of collecting offices and other types of activities requiring clearing accounts. These funds have no equity, assets are equal to liabilities, and do not include revenues and expenditures for general operations of the County. Since these funds are only used as trust accounts and do not represent funding sources available to the County, the Agency Funds are not included in the government-wide statements.

*Government-Wide and Fund Financial Statements*

Government-Wide Financial Statements:

The government-wide financial statements include the statement of net assets – modified cash basis and the statement of activities – modified cash basis. These statements report financial information for the County as a whole. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities – modified cash basis reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines, and forfeitures, and other charges to users of the County's services; (2) operating grants and contributions

## Note 1 (continued)

which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

### Fund Financial Statements:

Fund financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns with composite columns for non-major funds, if any.

### *Basis of Accounting*

All governmental funds are accounted for using the modified cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Under the modified cash basis of accounting, revenues are recognized when received. Expenditures are recorded when the related fund liability is paid. Principal and interest on general long-term debt is recognized when due.

### *Budgets*

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

- (1) Prior to the beginning of each fiscal year, the commissioners, in cooperation with department heads and the county judge, prepare the operating budget which includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding year. The budget is prepared in a detailed line item form.
- (2) Prior to September 30, the budget is legally enacted through passage in Commissioner's Court.
- (3) The County Treasurer submits monthly reports to the Commissioner's Court for review of variances from the approved budget.
- (4) Budgets are adopted on a basis of accounting consistent with the basis of accounting used in financial statement preparation.
- (5) Appropriations lapse at the end of each fiscal year.
- (6) The Commissioner's Court may authorize supplemental appropriations during the year.

The budget information presented in these financial statements was amended during the fiscal year. The original budget was adopted September 13, 2010.

**Note 1 (continued)**

Basis of Budgeting

The Budgetary Comparison Schedules include comparisons of the legally adopted budget (more fully described in Note 1) with actual data on a budgetary basis for the general fund and business-type funds that have a budgetary basis that differs from the Modified Cash Basis of Accounting. Accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with the Modified Cash Basis of Accounting. The difference in expenditures between the Modified Cash Basis of Accounting and budgetary basis is reconciled in the table following.

	Governmental Funds
Revenues	
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$3,990,226
Adjustments:	
Revenue from Unbudgeted Funds	<u>839,361</u>
Total revenues as reported on the Statement of Activities – Modified Cash Basis	<u>\$4,829,587</u>
Expenditures	
Actual amounts (budgetary basis) "expenditures" from the budgetary comparison schedules	\$3,598,848
Adjustments:	
Expenditures from Unbudgeted Funds	502,584
Capital Outlay	<u>(692,752)</u>
Total expenditures as reported on the Statement of Activities – Modified Cash Basis	<u>\$3,408,680</u>

## Note 1 (continued)

### *Investments*

Investments are stated at cost. It is the County's policy to invest only in certificates of deposit.

### *Reserves*

The County records reserves to indicate that a fund balance is legally segregated for a specific use.

### *Property Taxes – Revenue Recognition*

Property taxes are levied on October 1 and are due and payable upon receipt of the tax bill. Taxes not paid by February 1 of the following year become delinquent. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

### *Pension Plan*

The County is a member of the Texas County and District Retirement System Plan, which covers all eligible full-time employees. The County's policy is to fund pension cost as it is accrued.

### *Total Columns on Combined Statements*

Total columns on the Combined Statements are for information purposes only as data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

### *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) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Note 1 (continued)**

- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioners. These amounts cannot be used for any other purpose unless the County Commissioners remove or change the specified use by taking the same type of action (ordinance or resolution) 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 use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County Commissioners' intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Commissioners or through the County Commissioners delegating this responsibility to the County Treasurer through the budgetary process.
- **Unassigned:** This classification includes the residual funds of any other governmental funds.

As of September 30, 2011, fund balances are composed of the following:

	<b>Major Governmental Funds</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Nonspendable	-	-	-
Restricted			
Technology Improvements	-	36,026	36,026
Courthouse Security	-	100,902	100,902
Community Development	-	798	798
Highway & Road Improvements	-	234,368	234,368
Law Enforcement	-	68,789	68,789
Committed			
Debt Service	859,765	-	859,765
Courthouse Restoration	-	726,713	726,713
Assigned			
Highway & Road Improvements	595,968	-	595,968
Records Preservation	-	67,241	67,241
Community Development	-	3,550	3,550
Law Enforcement	-	34,611	34,611
Unassigned	1,375,698	19,069	1,394,767
<b>Total Fund Balances</b>	<b>2,831,431</b>	<b>1,292,067</b>	<b>4,123,498</b>

The County would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

## **Note 2 Delinquent Taxes Receivable**

Delinquent taxes are collected by the General Fund. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes.

## **Note 3 Employees Pension Plans**

### *Plan Description*

Lynn County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 509 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 PO Box 2034; Austin, Texas 78768-2034.

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

### *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. However, the governing body of the employer elected to pay a rate of 6.00% that exceeded the calculated rate as allowed by the provisions of the TCDRS Act. The contribution rate payable by the employee members is the rate of 5.00% 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.

**Note 3 (continued)**

*Annual Pension Cost*

For the County's accounting year ending September 30, 2011, the annual pension cost for the TCDRS plan for its employees was \$44,859 and the actual contributions were \$44,859.

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 actual valuations as of December 31, 2008.

*GASB 27 Calculation Information*

	<u>2010</u>	<u>2011</u>
GASB 27 compliant contribution rate	1.95%	1.82%
Assumed return on employer funds	9.00%	9.00%
Actuarial amortization factor	13.6578	13.6578
Contribution rate	3.00%	3.00%

*Actuarial Information*

	12/31/08	12/31/09	12/31/10
Actuarial valuation date	12/31/08	12/31/09	12/31/10
Actuarial cost method	entry age	entry age	entry age
Amortization method	level	level	level
	percentage of	percentage of	percentage of
	payroll, open	payroll, open	payroll, open
Amortization period in years	30.0	30.0	30.0
Asset valuation method			
Subdivision Accumulation Fund	10-yr	10-yr	10-yr
	smoothed	smoothed	smoothed
	value	value	value
Employees Saving Fund	Fund Value	Fund Value	Fund Value
Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.3%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%



**Note 3 (continued)**

*Schedule of Funding Information*

Actuarial valuation date	12/31/08	12/31/09	12/31/10
Actuarial value of assets	1,881,751	1,974,687	2,136,871
Actuarial accrued liability (AAL)	1,648,970	1,705,660	1,866,090
Unfunded or (overfunded) actuarial accrued liability [UAAL or (OAAL)]	(232,781)	(269,027)	(270,781)
Funded Ratio	114.12%	115.77%	114.51%
Annual covered payroll (actuarial)	1,335,698	1,390,622	1,429,526
UAAL or (OAAL) as percentage of covered payroll	(17.43%)	(19.35%)	(18.94%)

1. The annual covered payroll based on the employee contributions received by TCDRS for the year ending with the valuation date.
2. Revised economic and demographic assumptions due to an experience review were reflected in this valuation.

*Note Disclosure Variables*

1. Plan Description	2010*	2011*
Number of participating subdivisions	601	618
Years required for vesting and retirement at age 60	8	8
Rule of Lynn County for retirement eligibility	75	75
Service years for retirement at any age	30	30
Partial Lump-sum payment option	Yes	Yes
2. Funding Policy		
Contribution rate for employer	3.00%	3.00%
Deposit rate for employees	5.00%	5.00%
3. Other		
Elected rate in effect	Yes	Yes

(\*) - relates to the plan year

*Trend Information for the Retirement Plan for the Employees of Lynn County, Texas*

Accounting Year End	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/09	41,206	100%	-
9/30/10	42,636	100%	-
9/30/11	44,859	100%	-

#### **Note 4 Changes in General Fixed Assets**

A summary of changes in General Fixed Assets is as follows:

	<u>Balance 10/1/09</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 9/30/10</u>
Land	\$ 228,750	\$ -	\$ -	\$ 228,750
Buildings and Improvements	3,438,894	104,329	-	3,543,223
Machinery and Equipment	3,125,966	274,539	21,724	3,378,781
Furniture and Fixtures	125,785	-	-	125,785
Construction In Progress	94,081	313,883	-	407,964
	<u>\$ 7,013,476</u>	<u>\$ 692,751</u>	<u>\$ 21,724</u>	<u>\$ 7,684,503</u>

The County capitalizes equipment purchased with a cost in excess of \$5,000 and a useful life of more than one year. All items not meeting these requirements are expensed and not added to the General Fixed Assets. Depreciation is not computed when using the modified cash basis of accounting.

#### **Note 5 Long - Term Debt**

Long-term debt at September 30, 2011, consists of the following:

	<u>Current</u>	<u>Total</u>
4.02% note payable to First Bank & Trust; annual installments of \$13,507 including interest, secured by Caterpillar Maintainer – Precinct #1	\$ 12,005	\$ 37,420
3.5% to 4.0% General Obligation Refunding Bonds, Series 2006; secured by ad valorem taxes and other revenues from county operations; due in annual installments of \$15,000 to \$195,000 to February 15, 2022. Interest is paid semi-annually on the unpaid balance.	125,000	1,735,000
4.2% note payable to First Bank & Trust; annual installments of \$21,196 including interest to, secured by a Caterpillar Maintainer – Precinct #3	18,910	54,487
3.010% note payable to First Bank & Trust; annual installments of \$9,428 including interest to June of 2014, secured by a Caterpillar Grader - Precinct #4	8,627	26,631
3.25% note payable to First Bank & Trust; annual installments of \$18,055.86 including interest to August of 2016, secured by a Caterpillar Grader - Precinct #2	15,391	81,990

4.5% note payable to First Bank & Trust; annual installments of \$10,687.42 including interest to October of 2012, secured by a 2011 GMC.

9,795 19,995

Total Long-Term Debt

\$ 189,728 \$ 1,955,523

Interest expense included in the financial statements was \$75,516 for the year ended September 30, 2011.

Notes & Bonds Payable mature as follows:

Year Ended September 30,	Principal	Interest	Total
2012	189,728	72,197	261,925
2013	197,170	65,183	262,353
2014	194,326	57,763	252,089
2015	156,941	50,565	207,506
2016	167,358	44,577	211,935
2017-2021	855,000	126,500	981,500
2022	195,000	3,900	198,900
Total	<u>\$ 1,955,523</u>	<u>\$ 420,685</u>	<u>\$ 2,376,208</u>

The following is a summary of long-term debt activity for the year ended September 30, 2011:

Description and Purpose	Balance September 30, 2010	Issued	Retired	Balance September 30, 2011
<b>Governmental Activity</b>				
Certificates of Obligation	\$1,855,000	\$ -	\$ 120,000	\$1,735,000
Note Payable – Caterpillar Maintainer	48,938	-	11,518	37,420
Note Payable – 2 2006 Pick-Ups	10,712	-	10,712	-
Note Payable – Caterpillar Maintainer	72,604	-	18,117	54,487
Note Payable – Caterpillar Grader	10,873	-	10,873	-
Note Payable – Caterpillar Grader	35,000	-	8,369	26,631
Note Payable – Caterpillar Grader	-	81,990	-	81,990
Note Payable – 2011 Pick-up	-	19,995	-	19,995
<b>Total Governmental Activity</b>	<u>\$2,033,127</u>	<u>\$ 101,985</u>	<u>\$ 179,589</u>	<u>\$1,955,523</u>

**Note 6 Deposits, Deposit Collateral, and Investments**

The County's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Public Funds Investment Act of 1987. The depository bank is required to deposit for safekeeping and trust with the County's agent bank, approved pledged securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's amount of Federal Deposit Insurance Corporation (FDIC) insurance. It is the County's policy not to invest in foreign currency.

**Note 6 (continued)**

The County's cash deposits at September 30, 2011, were entirely covered by FDIC insurance or by a security bond and pledged securities held by the County's agent bank.

All deposits of the County are held at First Bank & Trust, Tahoka, Texas. At September 30, 2011, the total amount on deposit was \$4,387,927. Collateral for deposits consists of a security bond, held in the name of First Bank & Trust and marked as pledged to Lynn County, with a value of \$5,329,163 as of September 30, 2011.

Cash deposits held at financial institutions can be categorized according to three levels of risk. These levels of risk are:

- Category 1 Deposits that are insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 Deposits that are not collateralized.

Based on the three levels of risk, all of the County's cash deposits are classified as category 2. The County maintains an investment policy that is updated as necessary.

**Note 7 Interfund Receivables and Payables**

Fees are collected by each agency fund and then distributed to the appropriate agency on a monthly basis. The interfund receivables and payables are the amounts collected as of September 30, 2011, but not distributed before month end. Interfund balances at September 30, 2011, consisted of the following individual fund balances:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund:		
Agency Fund	\$ 58,714	\$ -
Trust and Agency Funds:		
General Fund	-	58,714
Total	<u>\$ 58,714</u>	<u>\$ 58,714</u>

**Note 8 Subsequent Events**

There were no subsequent events required to be reported.

**Note 9 Commitments and Contingencies**

There were no commitments or contingencies to be reported at September 30, 2011.

**Note 10 Litigation**

There was no pending or threatened litigation involving the County at September 30, 2011.

**Note 11 Related Organizations**

There were no "related organizations" of the County as defined by *Government Accounting Standards Board Statement No. 14*.

## **Required Supplementary Information**

**Lynn County, Texas**  
**Combining Balance Sheet - Modified Cash Basis**  
**Nonmajor Governmental Funds**  
**September 30, 2011**

	<u>Technology</u>	<u>Security</u>	<u>County Clerk Records Management</u>	<u>Records Management</u>
<b>Assets</b>				
Cash	\$ 7,173	\$ 15,266	\$ 24,804	\$ 8,957
Savings and Time Deposits	28,852	85,637	30,045	-
Due from Juvenile Probation	-	-	-	-
<b>Total Assets</b>	<u>\$ 36,025</u>	<u>\$ 100,903</u>	<u>\$ 54,849</u>	<u>\$ 8,957</u>
<b>Liabilities and Fund Equity</b>				
Liabilities				
Due to County	\$ -	\$ -	\$ -	\$ -
Due to Others	-	-	-	-
State Fees Payable	-	-	-	-
Sales Tax Payable	-	-	-	-
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Equity				
Restricted	\$ 36,025	\$ 100,903	\$ -	\$ -
Committed	-	-	-	-
Assigned	-	-	54,849	8,957
Unassigned	-	-	-	-
<b>Total Fund Equity</b>	<u>\$ 36,025</u>	<u>\$ 100,903</u>	<u>\$ 54,849</u>	<u>\$ 8,957</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 36,025</u>	<u>\$ 100,903</u>	<u>\$ 54,849</u>	<u>\$ 8,957</u>

The accompanying notes are an integral part of this statement.

<u>Inmate Commissary</u>	<u>Forfeited Property</u>	<u>Transfer</u>	<u>Community Service Restitution</u>	<u>Probation Special Revenue</u>
\$ 81,550	\$ 14,100	\$ 19,067	\$ 1,104	\$ 1,636
-	-	-	-	-
-	-	-	4,836	-
<u>\$ 81,550</u>	<u>\$ 14,100</u>	<u>\$ 19,067</u>	<u>\$ 5,940</u>	<u>\$ 1,636</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	583
-	-	-	-	-
12,761	-	-	-	-
<u>\$ 12,761</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 583</u>
\$ 68,789	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	14,100	-	5,940	1,053
-	-	19,067	-	-
<u>\$ 68,789</u>	<u>\$ 14,100</u>	<u>\$ 19,067</u>	<u>\$ 5,940</u>	<u>\$ 1,053</u>
<u>\$ 81,550</u>	<u>\$ 14,100</u>	<u>\$ 19,067</u>	<u>\$ 5,940</u>	<u>\$ 1,636</u>



**Lynn County, Texas**  
**Combining Balance Sheet - Modified Cash Basis**  
**Nonmajor Governmental Funds (Cont.)**  
**September 30, 2011**

	<u>Pre-Trial</u>	<u>Restoration</u>	<u>Bond Fund</u>	<u>District Clerk Records Management</u>
<b>Assets</b>				
Cash	\$ 13,518	\$ 2,074	\$ 345	\$ 3,436
Savings and Time Deposits	-	724,640	-	-
Due from Juvenile Probation	-	-	-	-
<b>Total Assets</b>	<u>\$ 13,518</u>	<u>\$ 726,714</u>	<u>\$ 345</u>	<u>\$ 3,436</u>
<b>Liabilities and Fund Equity</b>				
Liabilities				
Due to County	\$ -	\$ -	\$ -	\$ -
Due to Others	-	-	-	-
State Fees Payable	-	-	345	-
Sales Tax Payable	-	-	-	-
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345</u>	<u>\$ -</u>
Fund Equity				
Restricted	\$ -	\$ -	\$ -	\$ -
Committed	-	726,714	-	-
Assigned	13,518	-	-	3,436
Unassigned	-	-	-	-
<b>Total Fund Equity</b>	<u>\$ 13,518</u>	<u>\$ 726,714</u>	<u>\$ -</u>	<u>\$ 3,436</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 13,518</u>	<u>\$ 726,714</u>	<u>\$ 345</u>	<u>\$ 3,436</u>

The accompanying notes are an integral part of this statement.

<u>Historical Commission</u>	<u>Grassland Grant</u>	<u>Community Development Block Grant</u>	<u>NFC</u>	<u>FEMA</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 3,550	\$ 808	\$ -	\$ 4,038	\$ 234,368	\$ 435,794
-	-	-	-	-	869,174
-	-	-	-	-	4,836
<u>\$ 3,550</u>	<u>\$ 808</u>	<u>\$ -</u>	<u>\$ 4,038</u>	<u>\$ 234,368</u>	<u>\$ 1,309,804</u>
\$ -	\$ 10	\$ -	\$ 4,000	\$ -	\$ 4,010
-	-	-	38	-	621
-	-	-	-	-	345
-	-	-	-	-	12,761
<u>\$ -</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 4,038</u>	<u>\$ -</u>	<u>\$ 17,737</u>
\$ -	\$ 798	\$ -	\$ -	\$ 234,368	\$ 440,883
-	-	-	-	-	726,714
3,550	-	-	-	-	105,403
-	-	-	-	-	19,067
<u>\$ 3,550</u>	<u>\$ 798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234,368</u>	<u>\$ 1,292,067</u>
<u>\$ 3,550</u>	<u>\$ 808</u>	<u>\$ -</u>	<u>\$ 4,038</u>	<u>\$ 234,368</u>	<u>\$ 1,309,804</u>

**Lynn County, Texas**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis**  
**Nonmajor Governmental Funds**  
**September 30, 2011**

	<u>Technology</u>	<u>Security</u>	<u>County Clerk Records Management</u>	<u>Records Management</u>
<b>Revenues</b>				
Other Fees	\$ 6,160	\$ 10,182	\$ 33,022	\$ 2,650
Interest Earned	404	1,725	907	-
Intergovernmental Revenue	-	-	-	-
Local Sales Tax	-	-	-	-
Property Tax	-	-	-	-
Miscellaneous Income	-	-	-	-
<b>Total Revenues</b>	<u>\$ 6,564</u>	<u>\$ 11,907</u>	<u>\$ 33,929</u>	<u>\$ 2,650</u>
<b>Expenditures</b>				
Judicial and Legal	\$ 5,275	\$ -	\$ -	\$ -
Central Administration	-	-	43,835	-
Public Safety - Police	-	-	-	-
Public Safety - Correction	-	-	-	-
Transportation - Highways	-	-	-	-
<b>Total Expenditures</b>	<u>\$ 5,275</u>	<u>\$ -</u>	<u>\$ 43,835</u>	<u>\$ -</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 1,289	\$ 11,907	\$ (9,906)	\$ 2,650
<b>Fund Balance, Beginning of Year</b>	<u>\$ 34,736</u>	<u>\$ 88,996</u>	<u>\$ 64,755</u>	<u>\$ 6,307</u>
<b>Fund Balance, End of Year</b>	<u>\$ 36,025</u>	<u>\$ 100,903</u>	<u>\$ 54,849</u>	<u>\$ 8,957</u>

The accompanying notes are an integral part of this statement.

<u>Inmate Commissary</u>	<u>Forfeited Property</u>	<u>Transfer</u>	<u>Community Service Restitution</u>	<u>Probation Special Revenue</u>
\$ 42,091	\$ 3,532	\$ 3,561	\$ 8,044	\$ 2,667
-	74	-	40	38
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	775
<u>\$ 42,091</u>	<u>\$ 3,606</u>	<u>\$ 3,561</u>	<u>\$ 8,084</u>	<u>\$ 3,480</u>
\$ 41,674	\$ 14,340	\$ -	\$ -	\$ -
-	-	-	-	-
-	480	-	-	-
-	-	-	4,356	5,264
-	-	-	-	-
<u>\$ 41,674</u>	<u>\$ 14,820</u>	<u>\$ -</u>	<u>\$ 4,356</u>	<u>\$ 5,264</u>
\$ 417	\$(11,214)	\$ 3,561	\$ 3,728	\$ (1,784)
<u>\$ 68,372</u>	<u>\$ 25,314</u>	<u>\$ 15,506</u>	<u>\$ 2,212</u>	<u>\$ 2,837</u>
<u>\$ 68,789</u>	<u>\$ 14,100</u>	<u>\$ 19,067</u>	<u>\$ 5,940</u>	<u>\$ 1,053</u>

**Lynn County, Texas**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis**  
**Nonmajor Governmental Funds (Cont.)**  
**September 30, 2011**

	<u>Pre-Trial</u>	<u>Restoration</u>	<u>Bond Fund</u>	<u>District Clerk Records Management</u>
<b>Revenues</b>				
Other Fees	\$ 10,295	\$ -	\$ -	\$ 586
Interest Earned	-	12,950	-	18
Intergovernmental Revenue	-	-	-	-
Local Sales Tax	-	315,359	-	-
Property Tax	-	76,067	-	-
Miscellaneous Income	2,559	-	-	-
<b>Total Revenues</b>	<u>\$ 12,854</u>	<u>\$ 404,376</u>	<u>\$ -</u>	<u>\$ 604</u>
<b>Expenditures</b>				
Judicial and Legal	\$ -	\$ -	\$ 1,725	\$ -
Central Administration	-	314,032	-	-
Public Safety - Police	-	-	-	-
Public Safety - Correction	1,692	-	-	-
Transportation - Highways	-	-	-	-
<b>Total Expenditures</b>	<u>\$ 1,692</u>	<u>\$ 314,032</u>	<u>\$ 1,725</u>	<u>\$ -</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	\$ 11,162	\$ 90,344	\$ (1,725)	\$ 604
<b>Fund Balance, Beginning of Year</b>	<u>\$ 2,356</u>	<u>\$ 636,370</u>	<u>\$ 1,725</u>	<u>\$ 2,832</u>
<b>Fund Balance, End of Year</b>	<u>\$ 13,518</u>	<u>\$ 726,714</u>	<u>\$ -</u>	<u>\$ 3,436</u>

The accompanying notes are an integral part of this statement.

<u>Historical Commission</u>	<u>Grassland Grant</u>	<u>Community Development Block Grant</u>	<u>NFC</u>	<u>FEMA</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,790
-	-	-	-	-	16,156
-	45,564	7,834	-	250,881	304,279
-	-	-	-	-	315,359
-	-	-	-	-	76,067
1,376	-	-	-	-	4,710
<u>\$ 1,376</u>	<u>\$ 45,564</u>	<u>\$ 7,834</u>	<u>\$ -</u>	<u>\$ 250,881</u>	<u>\$ 839,361</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,014
-	45,564	-	-	-	403,431
-	-	-	-	-	480
-	-	-	-	-	11,312
-	-	7,834	-	16,513	24,347
<u>\$ -</u>	<u>\$ 45,564</u>	<u>\$ 7,834</u>	<u>\$ -</u>	<u>\$ 16,513</u>	<u>\$ 502,584</u>
\$ 1,376	\$ -	\$ -	\$ -	\$ 234,368	\$ 336,777
<u>\$ 2,174</u>	<u>\$ 798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 955,290</u>
<u>\$ 3,550</u>	<u>\$ 798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234,368</u>	<u>\$ 1,292,067</u>

**Lynn County, Texas**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**September 30, 2011**

	<u>Balance</u> <u>October 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2011</u>
<b>Tax Collector</b>				
Assets				
Cash	\$ 30,716	\$ 661,775	\$ 653,421	\$ 39,070
Total Assets	<u>\$ 30,716</u>	<u>\$ 661,775</u>	<u>\$ 653,421</u>	<u>\$ 39,070</u>
Liabilities				
Due to County	\$ 13,526	\$ 331,485	\$ 336,052	\$ 8,959
Due to Others	2,830	7,525	-	10,355
Due to Other Governments	14,360	322,765	317,369	19,756
Total Liabilities	<u>\$ 30,716</u>	<u>\$ 661,775</u>	<u>\$ 653,421</u>	<u>\$ 39,070</u>
 <b>County Clerk</b>				
Assets				
Cash	\$ 13,260	\$ 206,366	\$ 197,966	\$ 21,660
Total Assets	<u>\$ 13,260</u>	<u>\$ 206,366</u>	<u>\$ 197,966</u>	<u>\$ 21,660</u>
Liabilities				
Due to County	\$ 7,716	\$ 200,566	\$ 189,618	\$ 18,664
Due to Others	2,500	5,056	7,356	200
Cases Pending	3,044	744	992	2,796
Total Liabilities	<u>\$ 13,260</u>	<u>\$ 206,366</u>	<u>\$ 197,966</u>	<u>\$ 21,660</u>
 <b>Sheriff</b>				
Assets				
Cash	\$ 6,747	\$ 159,800	\$ 156,471	\$ 10,076
Due from District Clerk	2,598	6,559	8,822	335
Due from Others	176	-	176	-
Total Assets	<u>\$ 9,521</u>	<u>\$ 166,359</u>	<u>\$ 165,469</u>	<u>\$ 10,411</u>
Liabilities				
Due to County	\$ 5,283	\$ 5,255	\$ 6,964	\$ 3,574
Due to Others	4,238	161,104	158,505	6,837
Total Liabilities	<u>\$ 9,521</u>	<u>\$ 166,359</u>	<u>\$ 165,469</u>	<u>\$ 10,411</u>

The accompanying notes are an integral part of this statement.

**Lynn County, Texas**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds (Cont.)**  
**September 30, 2011**

	<u>Balance</u> <u>October 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2011</u>
<b>County Attorney</b>				
Assets				
Cash	\$ -	\$ 19,728	\$ 19,728	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 19,728</u>	<u>\$ 19,728</u>	<u>\$ -</u>
Liabilities				
Due to Others	\$ -	\$ 19,728	\$ 19,728	\$ -
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ 19,728</u>	<u>\$ 19,728</u>	<u>\$ -</u>
 <b>District Clerk</b>				
Assets				
Cash	\$ 26,708	\$ 111,424	\$ 113,826	\$ 24,306
<b>Total Assets</b>	<u>\$ 26,708</u>	<u>\$ 111,424</u>	<u>\$ 113,826</u>	<u>\$ 24,306</u>
Liabilities				
Due to County	\$ 4,506	\$ 31,305	\$ 34,463	\$ 1,348
Due to Sheriff	2,049	4,296	6,208	137
DC Rec Management	83	519	586	16
Due to Other Governments	2,058	6,538	4,910	3,686
Due to Others	5,546	-	-	5,546
Cases Pending	12,466	63,624	62,517	13,573
<b>Total Liabilities</b>	<u>\$ 26,708</u>	<u>\$ 106,282</u>	<u>\$ 108,684</u>	<u>\$ 24,306</u>
 <b>Justice of The Peace</b>				
Assets				
Cash	\$ 52,364	\$ 381,483	\$ 375,473	\$ 58,374
<b>Total Assets</b>	<u>\$ 52,364</u>	<u>\$ 381,483</u>	<u>\$ 375,473</u>	<u>\$ 58,374</u>
Liabilities				
Due to County	\$ 21,415	\$ 375,471	\$ 370,717	\$ 26,169
Due to Others	30,949	6,245	4,989	32,205
<b>Total Liabilities</b>	<u>\$ 52,364</u>	<u>\$ 381,716</u>	<u>\$ 375,706</u>	<u>\$ 58,374</u>

The accompanying notes are an integral part of this statement.



Lynn County, Texas  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds (Cont.)  
September 30, 2011

	<u>Balance</u> <u>October 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30,</u> <u>2011</u>
<b>Total - All Agency Funds</b>				
Assets				
Cash	\$ 129,795	\$ 1,540,576	\$ 1,516,885	\$ 153,486
Due from Others	176	-	176	-
Due from District Clerk	2,598	6,559	8,822	335
<b>Total Assets</b>	<u>\$ 132,569</u>	<u>\$ 1,547,135</u>	<u>\$ 1,525,883</u>	<u>\$ 153,821</u>
Liabilities				
Due to County	\$ 52,446	\$ 944,082	\$ 937,814	\$ 58,714
Due to Sheriff	2,049	4,296	6,208	137
DC Rec Management	83	519	586	16
Due to Other Governments	16,418	329,303	322,279	23,442
Due to Others	46,063	199,658	190,578	55,143
Cases Pending	15,510	64,368	63,509	16,369
<b>Total Liabilities</b>	<u>\$ 132,569</u>	<u>\$ 1,542,226</u>	<u>\$ 1,520,974</u>	<u>\$ 153,821</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information  
Lynn County, Texas  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Income</b>				
Property Taxes				
Current	\$ 2,028,183	\$ 2,028,183	\$ 2,102,506	\$ 74,323
Delinquent	83,000	83,000	121,225	38,225
Local Sales Tax				
Bingo	6,000	6,000	7,250	1,250
Licenses, Permits and Other Taxes				
Vehicle Registration	15,000	15,000	17,165	2,165
Intergovernmental Revenue				
City of Tahoka	20,500	20,500	20,500	-
State Comptroller	50,000	50,000	61,624	11,624
Fee Collections	397,600	402,100	430,411	28,311
Other Fees				
Jury Fees	2,100	2,100	-	(2,100)
Law Library Fees	3,000	3,000	3,155	155
Hunting/Fishing License	150	150	328	178
Court Reporter	600	600	705	105
Hot Check Fees	5,000	5,000	3,236	(1,764)
Video Fees	300	300	150	(150)
Vital Statistics Fee	-	-	168	168
Animal Control	-	-	48,601	48,601
Tech Fee District Clerk	-	-	53	53
Bail Bond Fees	-	-	2,235	2,235
Records Mangement	2,500	2,500	-	(2,500)
Crime Victims	1,700	1,700	-	(1,700)
Interest Earned	20,000	20,000	35,349	15,349
Other Revenues				
Miscellaneous Income	10,400	10,400	22,858	12,458
Sale of Property	-	-	3,000	3,000
Indigent Defense	14,300	14,300	9,028	(5,272)
Training for Sheriff's Office	1,600	1,600	1,635	35
Prisoner Housing	12,000	12,000	11,170	(830)
Loan Proceeds	-	-	19,995	19,995
<b>Total Income</b>	<u>\$ 2,673,933</u>	<u>\$ 2,678,433</u>	<u>\$ 2,922,347</u>	<u>\$ 243,914</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Financial Administration</b>				
<b>Treasurer</b>				
Salaries	\$ 48,428	\$ 48,428	\$ 50,167	\$ (1,739)
Temporary Help	1,000	1,000	-	1,000
Longevity	168	168	186	(18)
Unemployment Insurance	66	66	20	46
Medicare Tax	719	719	591	128
Social Security	3,075	3,075	2,527	548
Health Insurance	13,734	13,734	12,723	1,011
Retirement	1,458	1,458	1,510	(52)
Office Supplies	1,500	1,500	1,871	(371)
Postage	900	900	654	246
Bonds/Dues/Fees	300	300	200	100
Professional Fees	-	-	850	(850)
Telephone	1,800	1,800	1,769	31
Travel Expense	2,500	2,500	1,869	631
Capital Outlay	10,000	10,000	-	10,000
<b>Total Treasurer</b>	<u>\$ 85,648</u>	<u>\$ 85,648</u>	<u>\$ 74,937</u>	<u>\$ 10,711</u>
<b>Tax Assessor/Collector</b>				
Salaries	\$ 48,428	\$ 48,428	\$ 48,428	\$ -
Temporary Help	3,000	3,000	4,698	(1,698)
Longevity	1,440	1,440	1,440	-
Unemployment Insurance	76	76	22	54
Medicare Tax	767	767	772	(5)
Social Security	3,278	3,278	3,302	(24)
Health Insurance	13,734	13,734	13,917	(183)
Retirement	1,496	1,496	1,623	(127)
Office Supplies	2,500	2,500	2,496	4
Postage	2,900	2,900	1,316	1,584
Bonds/Dues/Fees	800	800	145	655
Telephone	3,500	3,500	2,648	852
Travel	3,000	3,000	3,075	(75)
<b>Total Tax Assessor Collector</b>	<u>\$ 84,919</u>	<u>\$ 84,919</u>	<u>\$ 83,882</u>	<u>\$ 1,037</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Financial Administration (cont.)</b>				
<b>Internal Auditor</b>				
Salaries	\$ -	\$ -	\$ 750	\$ (750)
Unemployment Insurance	-	-	1	(1)
Medicare Tax	-	-	11	(11)
Social Security Tax	-	-	47	(47)
Retirement	-	-	23	(23)
<b>Total Internal Auditor</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 832</u>	<u>\$ (832)</u>
<b>Total Financial Administration</b>	<u>\$ 170,567</u>	<u>\$ 170,567</u>	<u>\$ 159,651</u>	<u>\$ 10,916</u>
<b>Judicial and Legal</b>				
<b>District Court</b>				
Salaries	\$ 126,959	\$ 126,959	\$ 124,177	\$ 2,782
Jury - Grand Jurors	3,000	3,000	1,728	1,272
Jury - Petit Jurors	5,000	5,000	192	4,808
Trial Expense	5,000	5,000	750	4,250
Reporter Expense	5,500	5,500	2,478	3,022
Equipment Maintenance	-	-	40	(40)
Travel & Education	-	-	665	(665)
Postage	-	-	1	(1)
<b>Total District Court</b>	<u>\$ 145,459</u>	<u>\$ 145,459</u>	<u>\$ 130,031</u>	<u>\$ 15,428</u>
<b>District Clerk</b>				
Salaries	\$ 48,428	\$ 48,428	\$ 48,428	\$ -
Temporary Help	3,800	3,800	7,415	(3,615)
Longevity	1,884	1,884	1,905	(21)
Unemployment Insurance	80	80	16	64
Medicare Tax	785	785	557	228
Social Security	3,355	3,355	2,380	975
Health Insurance	13,734	13,734	13,917	(183)
Retirement	1,509	1,509	1,552	(43)
Equipment Maintenance	1,500	1,500	252	1,248
Office Supplies	2,600	2,600	3,828	(1,228)
Postage	1,000	1,000	447	553
Bonds/Dues/Fees	500	500	391	109
Telephone	1,200	1,200	1,081	119
Travel Expense	2,000	2,000	2,180	(180)
Computer License	-	-	7,128	(7,128)
Capital Outlay	13,200	13,200	-	13,200
<b>Total District Clerk</b>	<u>\$ 95,575</u>	<u>\$ 95,575</u>	<u>\$ 91,477</u>	<u>\$ 4,098</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Judicial and Legal (cont.)</b>				
<b>Justice of Peace - Tahoka</b>				
Salaries	\$ 48,428	\$ 48,428	\$ 49,002	\$ (574)
Temporary Help	3,600	3,600	6,021	(2,421)
Longevity Pay	144	144	42	102
Unemployment Insurance	74	74	23	51
Medicare Tax	756	756	769	(13)
Social Security	3,235	3,235	3,287	(52)
Health Insurance	13,734	13,734	8,700	5,034
Retirement	1,457	1,457	1,471	(14)
Office Supplies	2,732	2,732	2,510	222
Postage	1,125	1,125	197	928
Bonds/Dues/Fees	273	273	150	123
Telephone	1,700	1,700	1,425	275
Computer Maintenance	500	500	490	10
Travel Expense	2,880	2,880	4,134	(1,254)
Capital Outlay	1,000	1,000	844	156
<b>Total Justice of Peace - Tahoka</b>	<u>\$ 81,638</u>	<u>\$ 81,638</u>	<u>\$ 79,065</u>	<u>\$ 2,573</u>
<b>Justice of Peace - O'Donnell</b>				
Salaries	\$ 17,999	\$ 17,999	\$ 17,999	\$ -
Longevity	384	384	408	(24)
Medicare Tax	267	267	150	117
Social Security	1,140	1,140	642	498
Health Insurance	6,867	6,867	6,939	(72)
Retirement	551	551	552	(1)
Office Supplies/Postage	1,147	1,147	491	656
Telephone	900	900	1,302	(402)
Travel Expense	1,000	1,000	934	66
Capital Outlay	800	800	-	800
<b>Total Justice of Peace - O'Donnell</b>	<u>\$ 31,055</u>	<u>\$ 31,055</u>	<u>\$ 29,417</u>	<u>\$ 1,638</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Judicial and Legal (cont.)</b>				
<b>County Attorney</b>				
Salaries	\$ 73,861	\$ 73,861	\$ 73,383	\$ 478
Temporary Help	750	750	706	44
Longevity	1,584	1,584	1,584	-
Unemployment Insurance	84	84	24	60
Medicare Tax	1,105	1,105	1,012	93
Social Security	4,724	4,724	4,328	396
Health Insurance	13,734	13,734	13,917	(183)
Retirement	2,125	2,125	2,269	(144)
Office Supplies	1,535	1,535	1,417	118
Postage	750	750	177	573
Bonds/Dues/Fees	500	500	468	32
Telephone	1,500	1,500	1,346	154
Travel	2,000	2,000	578	1,422
Secretary Expense	500	500	-	500
Capital Outlay	5,000	5,000	3,161	1,839
<b>Total County Attorney</b>	<u>\$ 109,752</u>	<u>\$ 109,752</u>	<u>\$ 104,370</u>	<u>\$ 5,382</u>
<b>County Court</b>				
Temporary Help	\$ 300	\$ 300	\$ 175	\$ 125
Trial Expense	-	-	518	(518)
Jury - Petit Jury	-	-	596	(596)
Court Reporter	1,300	1,300	511	789
<b>Total County Court</b>	<u>\$ 1,600</u>	<u>\$ 1,600</u>	<u>\$ 1,800</u>	<u>\$ (200)</u>
<b>Total Judicial and Legal</b>	<u>\$ 465,079</u>	<u>\$ 465,079</u>	<u>\$ 436,160</u>	<u>\$ 28,919</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>General County Buildings</b>				
Salaries	\$ 35,196	\$ 35,196	\$ 35,196	\$ -
Longevity	252	252	294	(42)
Unemployment Insurance	106	106	31	75
Medicare Tax	514	514	499	15
Social Security	2,198	2,198	2,132	66
Health Insurance	13,734	13,734	13,917	(183)
Retirement	1,772	1,772	1,065	707
Janitor Supplies	3,500	3,500	2,605	895
Office Supplies	500	500	368	132
Property Insurance	59,000	59,000	36,213	22,787
Utilities	75,000	75,000	62,225	12,775
Repairs and Maintenance	10,000	10,000	7,230	2,770
Elevator Maintenance Contract	4,800	4,800	2,982	1,818
Pest Control	700	700	380	320
Capital Outlay	-	-	75,000	(75,000)
<b>Total General County Buildings</b>	<u>\$ 207,272</u>	<u>\$ 207,272</u>	<u>\$ 240,137</u>	<u>\$ (32,865)</u>
<b>Central Administration</b>				
<b>County Judge</b>				
Salaries	\$ 64,378	\$ 64,378	\$ 64,378	\$ -
Temporary Help	300	300	-	300
Longevity	243	243	351	(108)
Unemployment Insurance	64	64	17	47
Medicare Tax	941	941	929	12
Social Security	4,025	4,025	3,971	54
Health Insurance	13,734	13,734	12,724	1,010
Retirement	3,246	3,246	2,014	1,232
Travel Allowance	2,400	2,400	2,400	-
Office Supplies	2,500	2,500	2,726	(226)
Postage	750	750	631	119
Telephone	1,200	1,200	1,161	39
Bonds/Dues/Fees	500	500	990	(490)
Secretary Expense	500	500	854	(354)
Travel Expense	1,800	1,800	558	1,242
<b>Total County Judge</b>	<u>\$ 96,581</u>	<u>\$ 96,581</u>	<u>\$ 93,704</u>	<u>\$ 2,877</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Central Administration (cont.)</b>				
<b>County Clerk</b>				
Salaries	\$ 48,428	\$ 48,428	\$ 48,428	\$ -
Temporary Help	11,500	16,000	12,782	3,218
Longevity	1,974	1,974	1,985	(11)
Unemployment Insurance	103	117	30	87
Medicare Tax	898	963	930	33
Social Security	3,838	4,117	3,975	142
Health Insurance	9,267	9,267	9,419	(152)
Retirement	3,095	3,320	1,584	1,736
Office Supplies	4,584	4,584	5,347	(763)
Postage	900	900	1,152	(252)
Recording Expense	4,000	4,000	4,489	(489)
Bonds/Dues/Fees	300	300	200	100
Telephone	2,525	2,525	1,872	653
Travel Expense	2,500	2,500	1,570	930
Vital Statistics	600	600	-	600
Record Storage	1,800	1,800	1,546	254
<b>Total County Clerk</b>	<u>\$ 96,312</u>	<u>\$ 101,395</u>	<u>\$ 95,309</u>	<u>\$ 6,086</u>
<b>Copier</b>				
Copier Supplies	\$ 2,000	\$ 2,000	\$ 2,303	\$ (303)
Copier Service Agreement	7,000	7,000	2,225	4,775
<b>Total Copier</b>	<u>\$ 9,000</u>	<u>\$ 9,000</u>	<u>\$ 4,528</u>	<u>\$ 4,472</u>
<b>Other</b>				
Postage Meter Expense	\$ 1,500	\$ 1,500	\$ 875	\$ 625
Miscellaneous Expense	9,000	9,000	13,780	(4,780)
Election Expense	15,000	15,000	6,475	8,525
Bonds/Dues/Fees	1,000	1,000	1,422	(422)
Professional Fees	3,000	3,000	-	3,000
Audits	40,000	40,000	37,425	2,575
Satellite Dish	1,400	1,400	30	1,370
Indoor/Outdoor Décor	1,000	1,000	1,069	(69)
Computer Support	7,416	7,416	8,050	(634)
Apriss-Vine	-	-	6,874	(6,874)
Ad/Legal Notices	1,000	1,000	512	488
Appraisal District	63,110	63,110	58,623	4,487
Rent	5,000	5,000	-	5,000
Storage	1,200	1,200	-	1,200
Moving Expense	2,000	2,000	-	2,000
County Sanitation	3,600	3,600	3,600	-
Delinquent Tax Collection	14,659	14,659	18,504	(3,845)
<b>Total Other</b>	<u>\$ 169,885</u>	<u>\$ 169,885</u>	<u>\$ 157,239</u>	<u>\$ 12,646</u>
<b>Total Central Administration</b>	<u>\$ 371,778</u>	<u>\$ 376,861</u>	<u>\$ 350,780</u>	<u>\$ 26,081</u>

The accompanying notes are an integral part of this statement.



**Required Supplementary Information  
Lynn County, Texas  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Libraries</b>				
Supplies/Books	\$ 2,500	\$ 2,500	\$ 2,498	\$ 2
City/County Library	16,750	16,750	16,750	-
<b>Total Libraries</b>	<u>\$ 19,250</u>	<u>\$ 19,250</u>	<u>\$ 19,248</u>	<u>\$ 2</u>
<b>Social Services - Public Welfare</b>				
Groceries/Medicine/Travel	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Court Appointed Attorney	5,000	5,000	2,026	2,974
Indigent Burial	1,500	1,500	375	1,125
Indigent Defense - Criminal	17,720	17,720	23,137	(5,417)
Senior Citizen Center	5,000	5,000	5,000	-
Autopsy/Inquest	3,700	3,700	7,750	(4,050)
SWCD	1,500	1,500	1,500	-
County Historical Commission	500	500	429	71
Showbarn	1,000	1,000	1,000	-
<b>Total Social Services - Public Welfare</b>	<u>\$ 36,920</u>	<u>\$ 36,920</u>	<u>\$ 41,217</u>	<u>\$ (4,297)</u>
<b>Social Services - Health</b>				
Tahoka Ambulance	\$ 3,750	\$ 3,750	\$ 3,750	\$ -
<b>Total Social Services - Health</b>	<u>\$ 3,750</u>	<u>\$ 3,750</u>	<u>\$ 3,750</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Public Safety - Police</b>				
<b>Sheriff's Office</b>				
Salaries	\$ 231,810	\$ 231,810	\$ 178,221	\$ 53,589
Overtime	30,000	30,000	29,852	148
Temporary Help	16,500	16,500	15,253	1,247
Longevity	1,464	1,464	1,338	126
Unemployment Insurance	747	747	180	567
Medicare Tax	4,057	4,057	3,288	769
Social Security	17,346	17,346	14,058	3,288
Health Insurance	54,936	54,936	46,341	8,595
Retirement	8,045	8,045	6,868	1,177
Clothing Allowance	8,400	8,400	6,500	1,900
Community Policing	600	600	376	224
Office Supplies	15,000	15,000	24,195	(9,195)
Miscellaneous Expense	2,500	2,500	1,509	991
Patrol Deputy Supplies	2,500	2,500	2,711	(211)
Bonds/Dues/Fees	1,200	1,200	1,250	(50)
Professional Fees	-	-	13,764	(13,764)
Telephone	15,000	15,000	12,424	2,576
Mobile Radio	3,000	3,000	1,123	1,877
Equipment Maintenance	2,500	2,500	2,588	(88)
Repairs & Maintenance	-	-	4,401	(4,401)
Transportation	48,000	48,000	48,662	(662)
Training Schools	4,000	4,000	3,853	147
Satellite TV	1,200	1,200	971	229
Capital Outlay	46,000	46,000	39,204	6,796
<b>Total Sheriff's Office</b>	<u>\$ 514,805</u>	<u>\$ 514,805</u>	<u>\$ 458,930</u>	<u>\$ 55,875</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Public Safety - Police (cont.)</b>				
<b>Communications</b>				
Salaries	\$ 85,898	\$ 85,898	\$ 85,898	\$ -
Overtime	15,000	15,000	14,385	615
Temporary Help	4,200	4,200	9,647	(5,447)
Longevity	1,180	1,180	1,056	124
Unemployment Insurance	319	319	99	220
Medicare Tax	1,541	1,541	1,597	(56)
Social Security	6,589	6,589	6,831	(242)
Health Insurance	27,468	27,468	27,257	211
Retirement	3,188	3,188	3,342	(154)
Uniforms	1,000	1,000	-	1,000
Bonds/Dues/Fees	200	200	-	200
Base Radio	1,500	1,500	-	1,500
Tower Expense	2,000	2,000	404	1,596
Telephone	-	-	420	(420)
Office Supplies	-	-	44	(44)
Miscellaneous Expense	-	-	9	(9)
Equipment Replacement	2,000	2,000	-	2,000
Training Schools	1,500	1,500	362	1,138
<b>Total Communications</b>	<u>\$ 153,583</u>	<u>\$ 153,583</u>	<u>\$ 151,351</u>	<u>\$ 2,232</u>
<b>Total Public Safety - Police</b>	<u>\$ 668,388</u>	<u>\$ 668,388</u>	<u>\$ 610,281</u>	<u>\$ 58,107</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information  
Lynn County, Texas  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Public Safety - Corrections</b>				
<b>Jail</b>				
Salaries	\$ 226,306	\$ 226,306	\$ 203,858	\$ 22,448
Overtime	35,000	35,000	37,667	(2,667)
Temporary Help	16,500	16,500	15,370	1,130
Longevity	1,428	1,428	1,410	18
Unemployment Insurance	838	838	232	606
Medicare Tax	4,049	4,049	3,743	306
Social Security	17,313	17,313	16,006	1,307
Health Insurance	68,670	68,670	63,159	5,511
Retirement	8,377	8,377	7,757	620
Uniforms	2,000	2,000	1,859	141
Office Supplies	-	-	90	(90)
Kitchen Expense	50,000	50,000	61,799	(11,799)
Miscellaneous Supplies	10,000	10,000	1,551	8,449
Repairs/Maintenance	15,000	15,000	25,326	(10,326)
Pest Control	500	500	624	(124)
Training Schools	2,500	2,500	705	1,795
Telephone	-	-	280	(280)
Medical Expense	45,000	45,000	35,391	9,609
Capital Outlay	3,000	3,000	-	3,000
<b>Total Jail</b>	<u>\$ 506,481</u>	<u>\$ 506,481</u>	<u>\$ 476,827</u>	<u>\$ 29,654</u>
<b>Probation</b>				
Juvenile Federal Grant	\$ 40,730	\$ 40,730	\$ 40,730	\$ -
<b>Total Probation</b>	<u>\$ 40,730</u>	<u>\$ 40,730</u>	<u>\$ 40,730</u>	<u>\$ -</u>
<b>Other Public Safety - Corrections</b>				
Telephone	\$ 2,500	\$ 2,500	\$ 2,141	\$ 359
Office Supplies	1,000	1,000	1,027	(27)
Miscellaneous Exepense	-	-	23	(23)
Drivers License Phone	800	800	168	632
911 Expense	1,200	1,200	-	1,200
Crime Line	1,000	1,000	-	1,000
<b>Total Other Public Safety - Corrections</b>	<u>\$ 6,500</u>	<u>\$ 6,500</u>	<u>\$ 3,359</u>	<u>\$ 3,141</u>
<b>Total Public Safety - Corrections</b>	<u>\$ 553,711</u>	<u>\$ 553,711</u>	<u>\$ 520,916</u>	<u>\$ 32,795</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Public Safety - Fire</b>				
Fire Protection	\$ 19,125	\$ 19,125	\$ 19,125	\$ -
<b>Total Public Safety - Fire</b>	<u>\$ 19,125</u>	<u>\$ 19,125</u>	<u>\$ 19,125</u>	<u>\$ -</u>
<b>Environment - Animal Control</b>				
Salaries	\$ 6,959	\$ 6,959	\$ 27,000	\$ (20,041)
Temporary Help	2,646	2,646	10,267	(7,621)
Unemployment Insurance	8	8	29	(21)
Medicare Tax	121	121	469	(348)
Social Security	517	517	2,006	(1,489)
Health Insurance	1,793	1,793	6,958	(5,165)
Retirement	296	296	1,148	(852)
Office Supplies	924	924	3,585	(2,661)
Animal Food & Medication	2,105	2,105	8,167	(6,062)
Telephone	388	388	1,507	(1,119)
Gas, Oil & Grease	1,345	1,345	5,217	(3,872)
Equipment & Repairs	94	94	365	(271)
Utilities	192	192	747	(555)
Repairs/Maintenance	85	85	331	(246)
Pest Control	153	153	592	(439)
Travel & Education	974	974	3,779	(2,805)
<b>Total Environment - Animal Control</b>	<u>\$ 18,600</u>	<u>\$ 18,600</u>	<u>\$ 72,167</u>	<u>\$ (53,567)</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Environment - Natural Resources</b>				
Salaries	\$ 43,235	\$ 43,235	\$ 41,893	\$ 1,342
Temporary Help	-	-	609	(609)
Longevity	1,838	1,838	1,183	655
Unemployment Insurance	135	135	43	92
Medicare Tax	654	654	695	(41)
Social Security	2,794	2,794	2,970	(176)
Health Insurance	6,867	6,867	5,517	1,350
Retirement	1,352	1,352	609	743
Travel Allowance	3,900	3,900	3,900	-
Office Supplies/Equipment	4,650	4,650	4,584	66
Postage	275	275	326	(51)
Telephone	1,580	1,580	2,566	(986)
Transportation	12,000	12,000	8,762	3,238
Travel and Education	3,500	3,500	7,566	(4,066)
Kids Club Fund	1,000	1,000	-	1,000
Bonds/Dues/Fees	160	160	200	(40)
Capital Outlay	16,600	16,600	53,709	(37,109)
<b>Total Environment - Natural Resources</b>	<u>\$ 100,540</u>	<u>\$ 100,540</u>	<u>\$ 135,132</u>	<u>\$ (34,592)</u>
<b>Miscellaneous</b>				
Unemployment Insurance	\$ -	\$ -	\$ 307	\$ (307)
Workers Compensation	25,000	25,000	29,019	(4,019)
Texas Parks & Wildlife	-	-	2,960	(2,960)
CVA Match	4,552	4,552	-	4,552
<b>Total Miscellaneous</b>	<u>\$ 29,552</u>	<u>\$ 29,552</u>	<u>\$ 32,286</u>	<u>\$ (2,734)</u>

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**Precinct 1**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Auto Registration	\$ 62,000	\$ 62,000	\$ 65,456	\$ 3,456
Axle Weight Fees	6,000	6,000	7,156	1,156
Interest Earned	500	500	1,845	1,345
Miscellaneous Revenues	-	-	6,976	6,976
<b>Total Revenue</b>	<u>\$ 68,500</u>	<u>\$ 68,500</u>	<u>\$ 81,433</u>	<u>\$ 12,933</u>
<b>Expenditures</b>				
Salaries	\$ 46,310	\$ 46,310	\$ 46,310	\$ -
Overtime	-	-	3,158	(3,158)
Temporary Help	2,000	2,000	-	2,000
Longevity	1,860	1,860	1,880	(20)
Unemployment Insurance	151	151	44	107
Medicare Tax	727	727	780	(53)
Social Security	3,111	3,111	3,335	(224)
Health Insurance	13,734	13,734	13,898	(164)
Retirement	1,445	1,445	1,684	(239)
Travel Allowance	4,800	4,800	4,800	-
Miscellaneous	1,200	1,200	211	989
Materials	4,000	4,000	8,535	(4,535)
Equipment Insurance	2,450	2,450	2,200	250
Gas/Fuel	40,000	40,000	48,191	(8,191)
Bonds/Dues/Fees	50	50	50	-
Equipment Repair	17,000	17,000	27,402	(10,402)
Utilities/Phone	2,000	2,000	2,379	(379)
Training Schools	900	900	502	398
Equipment Note Interest	1,966	1,966	1,989	(23)
Capital Outlay	13,000	13,000	-	13,000
<b>Total Expenditures</b>	<u>\$ 156,704</u>	<u>\$ 156,704</u>	<u>\$ 167,348</u>	<u>\$ (10,644)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ (88,204)</u>	<u>\$ (88,204)</u>	<u>\$ (85,915)</u>	<u>\$ 2,289</u>
<b>Other Source (Uses)</b>				
Transfers from Other Funds	\$ 110,927	\$ 110,927	\$ 110,927	\$ -
Debt Service Principal Paid	(11,541)	(11,541)	(11,518)	23
<b>Total Other Sources (Uses)</b>	<u>\$ 99,386</u>	<u>\$ 99,386</u>	<u>\$ 99,409</u>	<u>\$ 23</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ 11,182</u>	<u>\$ 11,182</u>	<u>\$ 13,494</u>	<u>\$ 2,312</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 104,163</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 117,657</u>	

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**Precinct 2**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Auto Registration	\$ 62,000	\$ 62,000	\$ 65,456	\$ 3,456
Axle Weight Fees	6,000	6,000	7,156	1,156
Interest Earned	500	500	2,221	1,721
Miscellaneous Income	-	-	8,585	8,585
<b>Total Revenue</b>	<u>\$ 68,500</u>	<u>\$ 68,500</u>	<u>\$ 83,418</u>	<u>\$ 14,918</u>
<b>Expenditures</b>				
Salaries	\$ 46,310	\$ 46,310	\$ 45,010	\$ 1,300
Overtime	9,853	9,853	117	9,736
Longevity	420	420	368	52
Unemployment Insurance	170	170	42	128
Medicare Tax	820	820	740	80
Social Security	3,508	3,508	3,164	344
Health Insurance	13,734	13,734	13,608	126
Retirement	1,402	1,402	1,548	(146)
Travel Allowance	4,800	4,800	4,800	-
Miscellaneous	1,000	1,000	188	812
Materials	1,000	1,000	-	1,000
Equipment Insurance	3,508	3,508	3,049	459
Gas/Fuel	34,764	34,764	35,816	(1,052)
Bonds/Dues/Fees	50	50	50	-
Equipment Repair	15,000	15,000	8,615	6,385
Utilities/Phone	2,000	2,000	1,368	632
Training Schools	300	300	175	125
Capital Outlay	1,480	143,470	141,990	1,480
Equipment Note Interest	4,206	4,206	1,050	3,156
<b>Total Expenditures</b>	<u>\$ 144,325</u>	<u>\$ 286,315</u>	<u>\$ 261,698</u>	<u>\$ 24,617</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ (75,825)</u>	<u>\$ (217,815)</u>	<u>\$ (178,280)</u>	<u>\$ 39,535</u>
<b>Other Source (Uses)</b>				
Transfers from Other Funds	\$ 110,927	\$ 110,927	\$ 110,927	\$ -
Debt Service Proceeds	-	81,990	81,990	-
Debt Service Principal Paid	(32,883)	(32,883)	(21,585)	11,298
<b>Total Other Sources (Uses)</b>	<u>\$ 78,044</u>	<u>\$ 160,034</u>	<u>\$ 171,332</u>	<u>\$ 11,298</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ 2,219</u>	<u>\$ (57,781)</u>	<u>\$ (6,948)</u>	<u>\$ 50,833</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 135,240</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 128,292</u>	

The accompanying notes are an integral part of this statement.



**Required Supplementary Information**  
**Lynn County, Texas**  
**Precinct 3**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Auto Registration	\$ 62,000	\$ 62,000	\$ 65,456	\$ 3,456
Axle Weight Fees	6,000	6,000	7,156	1,156
Interest Earned	500	500	2,338	1,838
<b>Total Revenue</b>	<u>\$ 68,500</u>	<u>\$ 68,500</u>	<u>\$ 74,950</u>	<u>\$ 6,450</u>
<b>Expenditures</b>				
Salaries	\$ 46,310	\$ 46,310	\$ 46,310	\$ -
Part Time/Overtime	5,000	5,000	719	4,281
Longevity	900	900	885	15
Unemployment Insurance	157	157	42	115
Medicare Tax	757	757	754	3
Social Security	3,237	3,237	3,222	15
Health Insurance	13,734	13,734	13,917	(183)
Retirement	1,416	1,416	1,581	(165)
Bonds, Dues & Fees	50	50	-	50
Travel Allowance	4,800	4,800	4,800	-
Miscellaneous	1,000	1,000	1,361	(361)
Materials	5,000	5,000	3,662	1,338
Equipment Insurance	4,500	4,500	2,532	1,968
Gas/Fuel	40,000	40,000	44,357	(4,357)
Equipment Repair	14,966	14,966	9,200	5,766
Utilities/Phone	4,600	4,600	2,538	2,062
Training Schools	500	500	175	325
Interest Expense	3,049	3,049	3,079	(30)
Capital Outlay	11,000	58,000	58,000	-
<b>Total Expenditures</b>	<u>\$ 160,976</u>	<u>\$ 207,976</u>	<u>\$ 197,134</u>	<u>\$ 10,842</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ (92,476)</u>	<u>\$ (139,476)</u>	<u>\$ (122,184)</u>	<u>\$ 17,292</u>
<b>Other Source (Uses)</b>				
Transfers from Other Funds	\$ 110,927	\$ 110,927	\$ 110,927	\$ -
Debt Service Principal Paid	(18,148)	(18,148)	(18,117)	31
<b>Total Other Sources (Uses)</b>	<u>\$ 92,779</u>	<u>\$ 92,779</u>	<u>\$ 92,810</u>	<u>\$ 31</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ 303</u>	<u>\$ (46,697)</u>	<u>\$ (29,374)</u>	<u>\$ 17,323</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 169,557</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 140,183</u>	

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**Precinct 4**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Auto Registration	\$ 62,000	\$ 62,000	\$ 65,456	\$ 3,456
Axle Weight Fees	6,000	6,000	7,156	1,156
Interest Earned	500	500	1,973	1,473
<b>Total Revenue</b>	<u>\$ 68,500</u>	<u>\$ 68,500</u>	<u>\$ 74,585</u>	<u>\$ 6,085</u>
<b>Expenditures</b>				
Salaries	\$ 46,310	\$ 46,310	\$ 31,356	\$ 14,954
Overtime/Holiday	2,500	2,500	9,366	(6,866)
Temporary Help	-	-	334	(334)
Longevity	-	-	16	(16)
Unemployment Insurance	146	146	37	109
Medicare Tax	708	708	666	42
Social Security	3,026	3,026	2,849	177
Health Insurance	13,734	13,734	7,308	6,426
Retirement	1,389	1,389	1,379	10
Travel Allowance	4,800	4,800	4,900	(100)
Miscellaneous	762	762	80	682
Materials	4,000	4,000	-	4,000
Bonds/Dues/Fees	50	50	50	-
Equipment Insurance	3,500	3,500	2,591	909
Gas/Fuel	35,000	35,000	33,044	1,956
Equipment Repair	25,000	25,000	17,606	7,394
Utilities/Phone	1,200	1,200	1,258	(58)
Training Schools	2,000	2,000	175	1,825
Interest Expense	1,054	1,054	1,059	(5)
Capital Outlay	25,000	25,000	11,700	13,300
<b>Total Expenditures</b>	<u>\$ 170,179</u>	<u>\$ 170,179</u>	<u>\$ 125,774</u>	<u>\$ 44,405</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$(101,679)</u>	<u>\$(101,679)</u>	<u>\$ (51,189)</u>	<u>\$ 50,490</u>
<b>Other Source (Uses)</b>				
Transfers from Other Funds	\$ 110,927	\$ 110,927	\$ 110,927	\$ -
Debt Service Principal Paid	(8,375)	(8,375)	(8,369)	6
<b>Total Other Sources (Uses)</b>	<u>\$ 102,552</u>	<u>\$ 102,552</u>	<u>\$ 102,558</u>	<u>\$ 6</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ 873</u>	<u>\$ 873</u>	<u>\$ 51,369</u>	<u>\$ 50,496</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 125,045</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 176,414</u>	

The accompanying notes are an integral part of this statement.

**Required Supplementary Information  
Lynn County, Texas  
Laterals  
Budgetary Comparison Schedule  
For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Intergovernmental Revenue				
State	\$ 26,884	\$ 26,884	\$ 25,876	\$ (1,008)
Interest Earned	920	920	-	(920)
<b>Total Revenue</b>	<u>\$ 27,804</u>	<u>\$ 27,804</u>	<u>\$ 25,876</u>	<u>\$ (1,928)</u>
<b>Expenditures</b>				
Miscellaneous	\$ 8,000	\$ 8,000	\$ -	\$ 8,000
Gas/Fuel	16,000	16,000	16,236	(236)
Equipment Repair	2,884	2,884	9,617	(6,733)
<b>Total Expenditures</b>	<u>\$ 26,884</u>	<u>\$ 26,884</u>	<u>\$ 25,853</u>	<u>\$ 1,031</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 920</u>	<u>\$ 920</u>	\$ 23	<u>\$ (897)</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ (10)</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 13</u>	

The accompanying notes are an integral part of this statement.

**Required Supplementary Information  
Lynn County, Texas  
Road and Bridge  
Budgetary Comparison Schedule  
For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Property Tax	\$ 502,025	\$ 502,025	\$ 520,402	\$ 18,377
Licenses, Permits & Other Taxes	49,000	49,000	51,138	2,138
Interest Income	3,000	3,000	-	(3,000)
<b>Total Revenue</b>	<u>\$ 554,025</u>	<u>\$ 554,025</u>	<u>\$ 571,540</u>	<u>\$ 17,515</u>
<b>Expenditures</b>				
Salaries	\$ 73,445	\$ 73,445	\$ 73,826	\$ (381)
Longevity	1,430	1,430	1,790	(360)
Medicare Tax	1,086	1,086	914	172
Social Security	4,642	4,642	3,909	733
Health Insurance	27,468	27,468	27,833	(365)
Retirement	2,246	2,246	2,269	(23)
Bonds/Dues/Fees	-	-	1,000	(1,000)
<b>Total Expenditures</b>	<u>\$ 110,317</u>	<u>\$ 110,317</u>	<u>\$ 111,541</u>	<u>\$ (1,224)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 443,708</u>	<u>\$ 443,708</u>	<u>\$ 459,999</u>	<u>\$ 16,291</u>
<b>Other Source (Uses)</b>				
Transfers to Other Funds	\$(443,708)	\$(443,708)	\$(443,708)	\$ -
<b>Total Other Sources (Uses)</b>	<u>\$(443,708)</u>	<u>\$(443,708)</u>	<u>\$(443,708)</u>	<u>\$ -</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,291</u>	<u>\$ 16,291</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 17,117</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 33,408</u>	

The accompanying notes are an integral part of this statement.

**Required Supplementary Information**  
**Lynn County, Texas**  
**Jail I&S**  
**Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2011**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>Revenue</b>				
Property Taxes	\$ 73,630	\$ 73,630	\$ 82,919	\$ 9,289
Licenses, Permits and Other Taxes	30,000	30,000	21,210	(8,790)
Interest Earned	5,000	5,000	16,093	11,093
Other Revenues	75,881	75,881	55,850	(20,031)
<b>Total Revenue</b>	<u>\$ 184,511</u>	<u>\$ 184,511</u>	<u>\$ 176,072</u>	<u>\$ (8,439)</u>
<b>Expenditures</b>				
Bond Fees	\$ 590	\$ 590	\$ 300	\$ 290
Postage	-	-	11	(11)
Interest Expense	68,338	68,338	68,338	-
<b>Total Expenditures</b>	<u>\$ 68,928</u>	<u>\$ 68,928</u>	<u>\$ 68,649</u>	<u>\$ 279</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 115,583</u>	<u>\$ 115,583</u>	<u>\$ 107,423</u>	<u>\$ (8,160)</u>
<b>Other Source (Uses)</b>				
Debt Service Principal Paid	<u>\$(120,000)</u>	<u>\$(120,000)</u>	<u>\$(120,000)</u>	<u>\$ -</u>
<b>Total Other Sources (Uses)</b>	<u>\$(120,000)</u>	<u>\$(120,000)</u>	<u>\$(120,000)</u>	<u>\$ -</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ (4,417)</u>	<u>\$ (4,417)</u>	<u>\$ (12,577)</u>	<u>\$ (8,160)</u>
<b>Fund Balance, Beginning of Year</b>			<u>\$ 872,341</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 859,764</u>	

The accompanying notes are an integral part of this statement.

## **Compliance and Internal Controls Section**

Steve Gary, C.P.A., PC  
James Bowers, C.P.A., PC  
Eric Miller, C.P.A., PC  
Melvin Eaker, C.P.A., PC



A Partnership of  
Professional Corporations

**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***

Honorable H. G. Franklin, Judge  
And County Commissioners  
Lynn County  
Tahoka, Texas 79373

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lynn County, Texas, as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 5, 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 Lynn County, Texas' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lynn County, Texas' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Lynn County, Texas' internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented 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 Lynn County, Texas' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our

audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Lynn County, Texas', in a separate letter dated January 5, 2012.

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

*Gary, Bowers & Miller*

Gary, Bowers & Miller  
January 5, 2012