



County of El Paso
Comprehensive Annual
Financial Report

For the Fiscal Year Ended
September 30, 2006

County of El Paso, Texas

Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2006

**Prepared by: Edward A. Dion, County Auditor
El Paso County Courthouse Building
500 East San Antonio Street, Room 406
El Paso, Texas 79901-2407
(915) 546-2040
(915) 546-8172 Fax
E-mail Address: edion@epcounty.com**

Member of the Government Finance Officers Association

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
INTRODUCTORY SECTION		
Letter of Transmittal		1-10
GFOA Certificate of Achievement		11
County Auditor's Organizational Chart		12
County of El Paso Organizational Chart		13
Directory of Principal Officials		14
 FINANCIAL SECTION		
Independent auditor's report		15-16
Management's Discussion and Analysis		17-32
 Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Assets	1	33
Statement of Activities	2	34
Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	35
Reconciliation of the Balance Sheet – Governmental funds to the Statement of Net Assets	3.1	36
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	4	37
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	4.1	38
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	5	39
Statement of Net Assets – Proprietary Funds	6	40
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	7	41
Statement of Cash Flows – Proprietary Funds	8	42
Statement of Fiduciary Assets and Liabilities – Fiduciary Funds	9	43
Notes to the Financial Statements		45-79

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
SUPPLEMENTARY INFORMATION		
Combining Balance Sheet – Nonmajor Governmental funds	10	81
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances – Nonmajor Governmental Funds	11	82
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	A	83-86
 Special Revenue Funds:		
Purposes of Special Revenue Funds		87-94
Combining Balance Sheet	B-1	95-105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	B-2	106-117
Budgetary Comparison Schedule Nonmajor Special Revenue fund	B-3	118
 Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Individual Funds):		
Road and Bridge	B-4	119
County Tourist Promotion Fund	B-5	120
Alternative Dispute Resolution Center	B-6	121
District Attorney 10% Drug Forfeiture Account	B-7	122
Coliseum Tourist Promotion	B-8	123
Commissary Inmate Profit Fund	B-9	124
County Clerk Records Management and Preservation	B-10	125
County Attorney Commissions	B-11	126

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
Courthouse Security	B-12	127
Records Management and Preservation	B-13	128
County Graffiti Eradication Fund	B-14	129
County Law Library	B-15	130
Court Reporter Service	B-16	131
Sheriff's LEOSE	B-17	132
Ascarate Park Improvement	B-18	133
Fabens Airport	B-19	134
San Elizario Placita	B-20	135
Child Welfare Juror Donations	B-21	136
County Attorney Supplement	B-22	137
Probate Travel Account	B-23	138
Probate Judiciary Support	B-24	139
Teen Court	B-25	140
District Clerk Records Management and Preservation	B-26	141
Juvenile Probation	B-27	142
Tax Office Discretionary	B-28	143
Therapeutic Drug Court Program	B-29	144
Sheriff's Communications Improvement	B-30	145

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
County Attorney Bad Check Operations	B-31	146
District Attorney Apportionment Supplement	B-32	147
District Attorney Food Stamp Fraud	B-33	148
County Clerk Records Archives	B-34	149
Election Contract Services	B-35	150
El Paso Housing Finance Corporation	B-36	151
Project Care	B-37	152
County Clerk Vital Statistics	B-38	153
District Attorney Special Account	B-39	154
Sportspark	B-40	155
Family Protection	B-41	156
County Attorney Labor Disputes	B-42	157
Justice Court Technology	B-43	158
Juvenile Probation National School Lunch	B-44	159
Drug Enforcement Match	B-45	160
Justice Court Security	B-46	161
Juvenile Probation Federal Prisoner	B-47	162

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
Special Revenue Funds - Grants:		
Purpose of Grant Funds		163-178
Combining Balance Sheet	B-48	179-182
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	B-49	183-184
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	B-50	185
Schedule of Revenues-Grant Funds	B-51	186-187
Schedule of Expenditures-Grant Funds	B-52	188-189
Debt Service Fund:		
Purposes of Debt Service Funds		191-192
Combining Balance Sheets	C-1	193-194
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	C-2	195-196
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	C-3	197
Capital Projects Funds:		
Purposes of Capital Projects Fund		199-200
Combining Balance Sheet	D-1	201-203
Combining Statements of Revenues, Expenditures and Changes in Fund Balances	D-2	204-206
Total Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	D-3	207

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
Internal Service Funds:		
Purposes of Internal Service Funds		209
Statement of Net Assets	E-1	210
Statement of Revenues, Expenditures, and Changes in Fund Net Assets	E-2	211
Increase (Decrease) in Cash and Cash Equivalents	E-3	212
Fiduciary Funds:		
Purposes of Agency Funds		213-214
Combining Statement of Fiduciary Assets and Liabilities	F-1	215-217
Combining Statement of Fiduciary Assets and Liabilities - Other Elected Officials	F-2	218
Combining Statement of Changes in Assets and Liabilities - All Agency Funds		
Payroll	F-3	219
IRS Section 125 Health Fund	F-3	219
Employees' Retirement Fund	F-3	219
Social Security Fund	F-3	220
District Clerk Child Support Fund	F-3	220
West Texas Community Supervision and Corrections Fund	F-3	220
County Attorney Bad Check - Trust Fund	F-3	221
High Intensity Drug Trafficking Area Imprest Fund	F-3	221
Narcotics, Detection and Apprehension Imprest Fund	F-3	221

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Exhibit No.</u>	<u>Page No.</u>
District Attorney Real Estate Fund	F-3	222
District Attorney Seizures Fund	F-3	222
Self Help Escrow	F-3	222
Criminal Enterprise Services	F-3	222
Domestic Relations Fund	F-3	223
County Clerk Fund	F-3	223
District Clerk Fund	F-3	223
Sheriff's Department Funds	F-3	224
Tax Assessor Collector Fund	F-3	224
Total - All Funds	F-3	224
 Capital Assets Used in the Operation of Governmental Funds		
Comparative Schedules by Source	G-1	225
Schedule by Function and Activity	G-2	226-228
Schedule of Changes by Function and Activity	G-3	229-231
 STATISTICAL SECTION		
Description of Statistical Section		233
 Financial Trends		
Net Assts by Component	1	234
Changes in Net Assets, Last Four Fiscal Years	2	235-236

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Table No.</u>	<u>Page No.</u>
Fund Balances, Governmental Funds	3	237
Changes in Fund Balances, Governmental Funds Last Four Fiscal Years	4	238
Revenue Capacity		
Assessed Value and Actual Value of Taxable Property, Last Four Fiscal Years	5	239
Property Tax Rates - Direct and Overlapping Governments	6	240
Principal Taxpayers, Current and Nine Years Ago	7	241
Property Tax Levies and Collections Last Ten Fiscal Years	8	242
Debt Capacity		
Ratios of Outstanding Net Debt by Type, Last Ten Fiscal Years	9	243
Computation of Direct and Overlapping Bonded Debt General Obligation Bonds	10	244
Legal Debt Margin Information Last Ten Fiscal Years	11	245
Pledged-Revenue Coverage Last Ten Fiscal Years	12	246
Demographic and Economic Information		
Demographic and Economic Statistics, Last Ten Fiscal Years	13	247
Principal Employers, Current Year	14	248
Operating Information		

EL PASO COUNTY, TEXAS
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2006

TABLE OF CONTENTS

	<u>Table No.</u>	<u>Page No.</u>
Full-time Equivalent County Government Employees by Function/Program, Last Ten Fiscal Years	15	249
Operating Indicators by Function/Program, Last Four Fiscal Years	16	250-251
Capital Asset Statistics by Function/Program Last Four Fiscal Years	17	252

INTRODUCTORY SECTION



COUNTY OF EL PASO

OFFICE OF THE COUNTY AUDITOR

EDWARD A. DION, CPA, CIO
COUNTY AUDITOR
edion@co.el-paso.tx.us
www.co.el-paso.tx.us/auditor

ROOM 406, COUNTY COURTHOUSE BUILDING
500 EAST SAN ANTONIO STREET
EL PASO, TEXAS 79901-2407
(915) 546-2040
(915) 546-8172 FAX

March 26, 2007

To the Honorable District Judges, County Court at Law Judges,
County Probate Judge, Commissioners Court Members,
Citizens of El Paso County and the Financial Community:

Texas Local Government Code, §114.025, requires that the County Auditor publish in April of each year, subsequent to the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the County of El Paso, Texas (County) for the fiscal year ended September 30, 2006.

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

This report is designed to present fairly the financial position and results of financial operations of the County in all material respects and to demonstrate compliance with applicable finance-related legal and contractual provisions. This report adheres to the principal of full disclosure to the best of our ability so that the readers may better understand the County's financial affairs.

Dunbar, Broaddus, Gibson, LLP, an independent certified public accounting firm has audited the County of El Paso's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of El Paso County for the fiscal year ended September 30, 2006, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and

evaluating the overall financial statement presentation. Based on the independent audit performed by our external auditors, they have concluded that there was a reasonable basis for rendering an unqualified opinion that the County of El Paso's financial statements for the fiscal year ended September 30, 2006, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Additionally, the independent audit of the financial statements of the County of El Paso was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. Standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County of El Paso's separately issued Single Audit Report by Dunbar, Broaddus, Gibson, LLP. The County's Single Audit was prepared pursuant to provisions in the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 of the Executive Office of the President, Office of Management and Budget Circular A-133 - Revised June 24, 1997, entitled *Audits of States, Local Governments, and Non-Profit Organizations*. The County's single audit for the fiscal year ended September 30, 2006 disclosed no material weaknesses in the internal control structure.

The County has implemented GASB Statement No. 34, "*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*". GASB Statement No. 34, labeled by GASB as "the most significant change in the history of government financial reporting", mandated that by FY 2002, governments comparable to the County of El Paso amend their financial reporting to provide additional information about their fiscal health.

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

El Paso County Government Profile

El Paso County was created from Bexar District in 1849, organized in 1850, and incorporated in 1871. Parts of El Paso County were taken to form Culberson County in 1911 and Hudspeth County in 1915. The County was named for being a well-known pass through the Rocky Mountains. It is the most western county in Texas, and is about equidistant from Houston, Texas, Los Angeles, California and Denver, Colorado. Also, bordered on the east side by Hudspeth County, El Paso County is just to the north of the International Boundary between the United States of America and the Republic of Mexico, and touches Doña Ana County in New Mexico. County government in Texas is, for many people, the primary and most accessible level of government. County governments are political subdivisions of the State. The State has created 254 counties. Initially, the counties were primarily created to facilitate the judicial system. As a result of State legislative changes over the years, county governments in Texas are involved not only with the judicial system, but also the delivery of health and welfare services, public safety, cultural and recreational activities, and construction and maintenance of roads and bridges. In comparison to

some of the other states, Texas counties have only a very limited ordinance making authority, as specifically granted by the State legislature.

Counties in Texas have many comparable characteristics and are similarly organized. Each county has a governing body called Commissioners Court. The Commissioners Court is composed of five members. One member, the county judge, is elected at large to a four-year term. The other four members are county commissioners. Each county commissioner is elected from a precinct to a four-year term. County judges have judicial responsibilities in all but the largest urban counties. In large urban counties, such as El Paso County, the county judge has no judicial responsibilities. Instead, the El Paso County Judge is often referred to as the County's Chief Executive Officer (CEO). In all Texas counties, the County Judge presides over commissioners court meetings.

The Commissioners Court serves as the executive branch of county government. Among a myriad of constitutional and statutorily imposed duties and responsibilities, the five members of commissioners court have the exclusive responsibility and authority over a multitude of areas in the operation of county government. To name a few, the Commissioners Court is responsible for approving the county's operating budget and budgetary amendments, setting ad valorem property tax rates, auditing and directing settlement of all claims against the County. Additionally, this body appoints certain county officials and board members. The Commissioners Court also determines when propositions to issue bonds will be submitted to the voters.

The County is a strategic cross-roads for continental north-south and east-west traffic. The County spans a geographic area of about 1,058 square miles. The County enjoys fairly sound economic diversification. Being that El Paso is in the heart of the Southwest, many businesses are attracted to the El Paso/Juarez region. As of January 1, 2006 the City Planning, Research and Development Department estimated the County population at 755,085. The City of El Paso, the County seat, is estimated as having a population of 624,365. El



Paso is the largest City in the United States that borders Mexico. According to the Texas State Comptroller of Public Accounts in its 2006 Annual Cash Report, based on population, El Paso is the sixth largest Texas City. Larger than Boston, Seattle, and Denver, the City of El Paso is the 21st largest city in the U.S. Combined with its sister city Juarez, the El Paso metro area holds more than 2.5 million people, making it the world's largest population center on an international border. With four international ports of entry, El Paso is a primary intersection for regional trade in the Southwest. El Paso was ranked the hottest mid-size U.S. city for starting and growing a business, as published in the October 2005 issue of *Entrepreneur* magazine. According to U.S. Census Bureau 2005 data, a growing percentage of El Paso's private businesses are "mom-and-pop" operations with one or more owners and no paid employees.

Only the Rio Grande River separates El Paso County from its neighboring Ciudad Juarez, Mexico. According to estimation by local officials, the population of Ciudad Juarez is 1,502,790. The geographic location of El Paso encourages enterprising businesses the unique versatility of being internationally known while remaining in the United States.

With Interstate 10 running east to west through El Paso and its proximity to Interstate 25 and Mexico's Pan American Highway, this area represents a trade corridor with accessibility to rail lines and four international ports of entry with Mexico. Over a number of years, the County has been actively involved in the creation of a new port of entry in Fabens. Funding in the amount of \$2,500,000 was budgeted within the Capital Project Fund in fiscal year 2002 on a project basis in support of preliminary assessment and design as negotiations between the United States and Mexican government continue. As of fiscal year 2006, capital appropriations related to this project totaled \$7,000,000 while year-to-date expenditures as of September 30, 2006 totaled \$5,295,447. Funds expended to date relate to environmental assessment, bridge design and land purchase and right-of-way necessary for this project. A significant amount relates to efforts to secure a presidential permit to move forward on construction of the port of entry. Based on the fact that a presidential permit was issued in fiscal year 2005, El Paso County continues its negotiations with federal, state and international officials on the timely construction of this bridge in unison with other agency facilities and anticipates completion by January 2012. Revenue bonds are anticipated to fund the construction of this bridge beginning in fiscal year 2010, provided other agencies facilities are timely funded and constructed. Additional information on El Paso County may be obtained by visiting El Paso County's website at <http://www.epcounty.com/history/history2.htm>.

Commissioners Court is considered financially accountable for El Paso County Hospital District (District) and its activities are included in this CAFR. As a component unit, the District is included in this CAFR because the El Paso County Commissioners Court, the County's governing body, has the legal duty to exercise financial accountability over it by appointing its board members, approving its budget and setting its tax rate. Nonetheless, the District is a completely separate and dissimilar organization that is governed by the *Texas Constitution, Article 9, § 4* and the *Health and Safety Code, Chapter 281*, a different set of constitutional and statutory laws. All accounting and budgeting records of the District are maintained by the District, audited by an independent accounting firm and reported on in much greater detail in their various interim and annual financial reports. Copies of any of the District's financial reports can be obtained directly from the District.

The County's Budget is prepared and adopted annually as a balanced budget as required by Texas law. A balanced budget is achieved by ensuring that the amounts budgeted in a fiscal year for expenditures do not exceed the projected revenues to include any available fund balances. The appropriations of the activities of the General, Special Revenue, Enterprise, and Debt Service Funds are included in the annual budget. Also, budgets are adopted for the major capital construction projects and grants. Grant and capital project budgets may be included in the adopted budget when pertinent information is available; otherwise, these funds are budgeted throughout the year as relevant financial information becomes available.

The County's appropriations for departments are approved at the character level representing, personnel, operating and capital line items. The Court has a standing order not to allow departments to transfer salary appropriations to non-salary line items without specific authorization from the Commissioners Court.

The County's budgetary and accounting records are organized and operated on a fund basis. A "fund" is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Funds are categorized by type to indicate both the sources of the fund's financial resources and the nature of activities financed. There are three broad categories of funds used in governmental accounting: governmental, proprietary, and fiduciary funds.

Factors Affecting Financial Condition

El Paso MSA Employment by Industry					
Amounts in Thousands					
ELPaso Metropolitan Statistical Area Profile obtained from the Texas Workforce Commission					
Industry Types	September 2005	Amount Change	Percentage Change	September 2006	Percent of Total
Construction	13.00	0.90	6.92%	13.90	5.20%
Manufacturing	23.20	-0.50	-2.16%	22.70	8.49%
Trade	42.90	2.10	4.90%	45.00	16.82%
Trans., Ware, & Util.	13.20	0.40	3.03%	13.60	5.08%
Information	4.70	-0.30	-6.38%	4.40	1.64%
Financial Activites	11.70	0.60	5.13%	12.30	4.60%
Services	95.30	1.30	1.36%	96.60	36.11%
Total Government	60.60	-1.60	-2.64%	59.00	22.06%
Total Labor Market	264.60	2.90	1.10%	267.50	100.00%

Information presented in these financial statements is perhaps best understood when considered from a broad perspective of the specific environment within which the El Paso County operates.

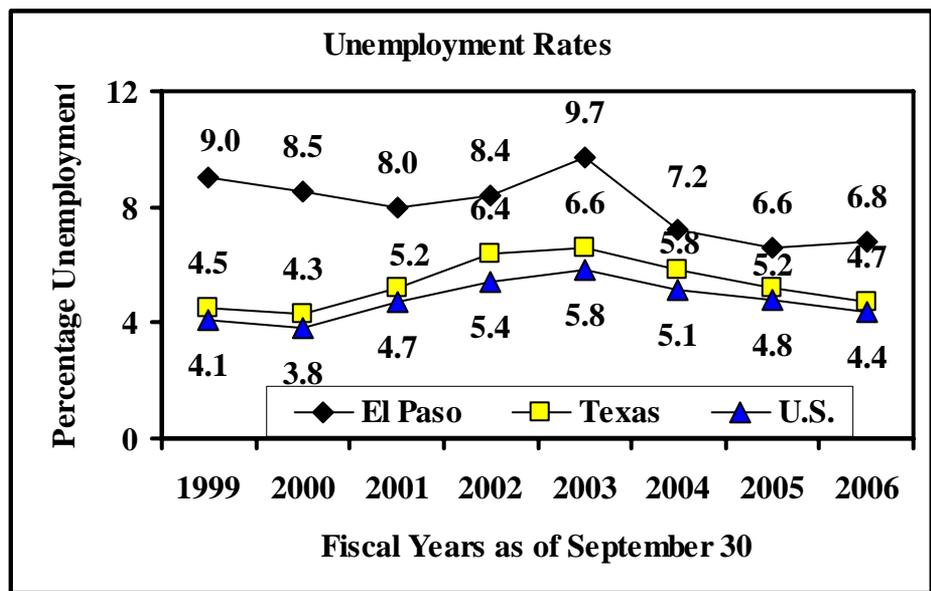
Local Economy. The El Paso region is still seeing positive movement in the economy, or 1.10% overall, as reflected in the chart above. Mexico's economy continues improving and the border retail activity is gaining momentum that is ultimately feeding job growth. Government as well as the University of Texas at El Paso (UTEP) remains vital to the economy but our single largest economic driver is the Fort Bliss Military Base. Fort Bliss continues to expand due to national military realignment. Fueling the base's current growth is construction of a \$2.6 billion city to house nearly 50,000 soldiers and family members as well as professional and civilian support staff. Fort Bliss will house a population of 76,500 within a decade. Being that the El Paso area serves as a vital retail trade center for far West Texas and Northern Mexico, the County's economy is bolstered by a variety of sectors.

The regional economy is predominantly comprised of agriculture, agribusiness, manufacturing, tourism, wholesale and retail trade, and government. Farming and ranching have been mainstays of the economy for more than 100 years. In recent years, more focus has been placed on tourism and outdoor recreation as a significant component of the economy. El Paso County has developed an economy that is driven largely by manufacturing, international trade, military training, wholesale and retail trade, and educational services.

The chart on the prior page reflects a high level summary of El Paso's changes in the employment industry components. Although El Paso's unemployment rate remains almost double that of Texas as well as that of the United States as depicted below, as the national economy stabilizes, El Paso should continue to see future employment gains. Historical trends indicate El Paso's gains should surpass that of the rest of Texas.

El Paso evolved from an agricultural economy to what it is today, an international center of trade and manufacturing with an increasing population. According to the Texas State Comptroller's State of Texas 2006 Annual Cash Report, El Paso's five largest employers in 2006 are the El Paso (ISD) (9,000), Ysleta ISD (6,800), City of El Paso (5,400), Socorro ISD (5,200), Sierra Providence Health Network (6,600). Fortune 500 companies operating in El Paso include Boeing, Eureka, General Electric, Hoover and Leviton.

According to the Texas Workforce Commission's October 2006 issue of Texas Labor Market Review, unemployment statewide was 4.7 percent in September. When compared to the same time last year, this unemployment rate was .50 percent lower. As reflected to the right, El Paso's unemployment rate for September was 6.8 percent in comparison to 6.6 percent in September 2005.



Over the past fiscal year between September 2005 and September 2006, El Paso added 2,900 jobs overall. Further analysis reflects that 5,300 job gains resulted which netted with 2,400 employment losses. The various job gains occurred in construction, 900, trade, 2,100, transportation/public utilities, 400, financial activities, 600, and the service sectors, 1,300. The major decline occurred in the total government sector which lost 1,600 jobs most of which were related to the downsizing of National Center for Employment of the Disabled. Other job reductions were experienced in the manufacturing sector, which lost 500 jobs followed by a decline in the information sector totaling 300. These sectors combined comprise 32.19 percent of El Paso's employment market. The reduction continued in the manufacturing sector and remains to be attributable to apparel manufacturers shifting a portion of operations from El Paso to Mexico in order to reduce manufacturing costs. This is consistent with the nationwide trend of cost cutting within the apparel-manufacturing sector.

El Paso's cultural and business ties as a border region with Mexico drive the economy. The renewed attraction of El Paso County as a favorable business environment, coupled with continued

moderately low interest rates, continues to stimulate local construction activity. Due to the nature of our border economy and labor markets, El Paso continues to thrive as reflected in its employment trends. The strong dollar and a slow U.S. recovery battered El Paso's retail sales in 2002 through 2003 with a rebound in sales and use taxes in fiscal years 2004 and 2005. El Paso continues to transition from a goods-producing economy to a service economy. Overall, in line with state and national positive economic conditions and the job growth reflected in 2005, the financial outlook remains positive, given our low taxes, abundance of labor, and moderate wage rates.

Long-Term Financial Planning. County strategies and plans are integrated into all departmental budgets to ensure unified efforts within County government to achieve the goals and objectives of the County. Texas county government operates under a balanced budget as required by law. This does not mean that estimated revenues must always be exactly equal to expenditures. In most of the annual operating budgets, the Commissioners Court members usually decide to use a portion of fund balances reserves to balance the revenues to appropriations. As a sound financial management practice, members of the Commissioners Court consistently emphasize maintaining sufficient undesignated fund balance levels (unreserved net assets) to meet first quarter obligations of payroll and operating costs and furthermore, this assists in maintaining financial stability and retaining or enhancing the County's bond ratings.

Over the years, the County has emphasized stabilization of ad valorem property tax rates. Efforts by the Court are evidenced by reduction of the tax rate in fiscal year 1996, adoption of the same tax rate in fiscal year 1997 as in 1995, and a less than one percent increase in fiscal year 1998. The court increased its tax rate to \$0.361434 in fiscal year 1999 and maintained this same rate through fiscal year 2002. During these years, the County was fortunate to receive various uncertified and unbudgeted cash reimbursements, which resulted in significant fund balance gains. The drawback to this was that various Commissioners Courts subsequently set expenditure levels significantly higher than sustainable actual future revenues. As a result, subsequent tax rate increases were necessary and in fiscal year 2004 set the rate at \$0.410817, and the same rate of \$0.432259 in 2005 and 2006, in addition to revenue generating initiatives to more efficiently collect various county fines and fees.

Fund balance refers to the excess of assets over liabilities in governmental funds. As implied in the County's financial policies, for the purpose of financial planning, fund balance is defined as the cumulative surpluses or deficits resulting from the difference between expenditures and revenues in any one fiscal year. The cumulative effect of yearly fund balance amounts is furthermore addressed as a fund balance reserve. When evaluating fund balance reserves, it is vitally important to maintain sufficient positive fund balance reserves in order to avoid borrowing to meet short term operating needs.

As a rule of thumb, since the General Fund is the County's main operating fund, the County strives to maintain a general fund balance of, at a minimum, equal to projected cash needs for the first fiscal quarter to meet operating obligations (approximately \$12-15 million net cash outflow) or 15 percent of the total general fund adopted operating budget in any one fiscal year. At the present level, this means that the County should strive to maintain a minimum undesignated general fund balance of at least \$27,365,779 based on the fiscal year 2007 General Fund budget of \$182,438,525. By maintaining a low fund balance, the County remains vulnerable to the lowering of its bond ratings. Lower bond ratings ultimately result in more costly future borrowing at higher interest

rates, and therefore, increased interest expense in response to an entity's declining financial position depicted at any one point in time. In essence, having some amount of fund balance gives the County the financial ability to cover unanticipated revenue losses or significant unanticipated expenditures, should they occur.

Historically speaking, up until fiscal year 2002, actual expenditures were less than amounts budgeted and total actual revenues exceeded total expenditures. Even with these favorable trends, the County was not able to achieve its 10 percent undesignated general fund balance reserve goal until fiscal year 1998. Continued persistence and emphasis on building and maintaining some amount of reserves resulted in retaining a stable fund balance reserve in the General Fund. A myriad of factors contributed to the stable results on the General Fund's financial position. It is noteworthy to mention that the actions of Commissioners Court throughout the year had a contributing effect of enhancing a favorable expenditure budget variance, or unspent budget balance, within the General Fund. The Court has taken a stance of tightening the budget of the General Fund, especially due to actual shortfalls in 2002 of \$12.5 million and approximately \$6.1 million in 2003.

As a result of the Court's fiscal restraints, fiscal year 2006 resulted in revenues outpacing expenditures by \$6 million, thus maintaining a healthy general fund balance. In this regard, net revenues grew by approximately \$11.9 million or 7.84 percent mainly attributable to growth in tax revenues of approximately \$10.9 million or 10.45 percent. Intergovernmental revenues grew by approximating \$1.5 million or 55.39 percent mainly due to a rebound in federal bridge case reimbursement revenue. Charges for services grew by approximately \$2.1 million or 7.12 percent mainly attributable to a increase of \$1.8 in County Clerk revenues and marginal growth of \$144,171 in the area of reimbursement for housing City and Federal prisoners. Additionally, interest earnings grew by approximately \$1.6 million or 99.44 percent. These increases were offset by declines such as fines and fees which fell by \$316,055 or 5.06 percent, miscellaneous revenues declined by \$909,012 or 30.66 percent and transfers-in from other funds which fell approximately \$3 million due to elimination of the a transfer from the Road and Bridge fund. Overall, expenditures grew by \$14.5 million or 10.13 percent, mainly attributed to salary and benefits.

For fiscal year 2007, the Court increased its use of fund balance in the budget by \$11,063,335 or 107.91 percent for a total of \$21,316,171. As a result, the County ended fiscal year 2006 with an undesignated fund balance of approximately \$26,691,443, and materially met its target goal with a ratio of 14.63 percent of the fiscal year 2007 adopted general fund budget of \$182,438,525.

It is vitally important that the Commissioners Court remain focused on trends of the general fund, especially in light of the shortfalls in prior fiscal years. It is imperative that the Commissioners Court continue to focus on revenue enhancement in order to adequately fund present and future mandates placed on County government. The fiscal year 2007 budget incorporated additional funding for the sheriff's department and other mandated functions, while the majority of other departments experienced level funding to operating accounts. Simultaneously, the designated fund balance utilized in balancing the 2007 budget for all funds combined, increased from the prior year by \$11,515,646 or 52.55 percent for a total of \$33,429,208. Departments will continue to be challenged with increasing efficiencies in order to operate within their budgets.

More than ever, monitoring of expenditures will be paramount in forecasting budget inadequacies and identifying potential excesses.

For the future, it is anticipated that in fiscal year 2007 the Court will continue to face funding challenges. Some of those challenges will be additional operating cost of new facilities, automatic contractual collective bargaining salary adjustments for the sheriff's department and continued adherence to the County's salary-step-plan. Specific monitoring will remain focused on revenues related to hotel occupancy and sales and use taxes as they tend to be impacted negatively during times of national and international conflict due to the nature of El Paso County's proximity to the international border. Also, growth due to inflation and the possibility of new mandates will be challenges faced by the Court.

Finally, as a result of budget shortfalls at both federal and state levels, it is anticipated that additional financial burden will continue to be shifted down to the County and ultimately local taxpayers if other sources of funding are not identified. The County will be tasked with identifying new or additional revenues to counter these expenditures. At its discretion, the Court will probably continue to utilize some amount of fund balance which is healthy in the sense that it keeps the County from building up excessive reserves and reduces a future burden on taxpayers. Based on the amount of fund balance utilized to balance the 2007 budget, the Court must remain cautious in planning for the budget in fiscal year 2008 in the absence of either continued cost containment initiatives or additional revenue enhancement efforts. It is imperative that County Government continually strive to maintain steady increases in revenue while costs are on the rise.

Major Initiatives. Over a number of years, the County has been actively involved in the creation of a new port of entry in Fabens, Texas. Funding in the amount of \$2,500,000 was budgeted within the Capital Project Fund in fiscal year 2002 on a project basis in support of preliminary assessment and design as negotiations between the United States and Mexican government continue. As of fiscal year 2006, capital appropriations related to this project totaled \$7,000,000, while year-to-date expenditures as of September 30, 2006 totaled \$5,295,447. Funds expended to date relate to environmental assessment, bridge design and the purchase of land and right-of-way necessary for this project. Significant efforts were made to secure a presidential permit to move forward on construction of the port of entry. Based on the fact that a presidential permit was issued in fiscal year 2005, El Paso County continues its negotiations with federal, state and international officials on the timely construction of this bridge in unison with other agency facilities and anticipates completion by January 2012. Revenue bonds are anticipated to fund the construction of this bridge beginning in fiscal year 2010, provided other agencies' facilities are timely funded and constructed.

Current priorities include addressing construction of various outlying courthouse annexes, capital equipment needs, and rural and regional park improvements. Other issues include continually encouraging departments and officials to streamline functions to improve operational efficiencies, minimize costs by controlling spending habits, consolidating duplicate activities and saving tax dollars wherever possible. In turn, unspent appropriations at year-end would reduce the tax burden required to provide future services. The County has a continual goal of evaluating its various functions, activities and the ever-changing needs of its constituents.

Awards and Acknowledgements. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of El Paso for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2005. This was the seventeenth consecutive year that the County of El Paso has received this prestigious award. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Additionally, the County of El Paso received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the 2006 fiscal year beginning October 1, 2005. This was the twelfth consecutive year that the County of El Paso has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. A Certificate of Achievement is valid for a period of one year only.

The preparation of this report would not have been possible without the efficient and dedicated services of the County Auditor's staff. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Commissioners Court for their unfailing support in maintaining the highest standards of professionalism in the management of the County of El Paso's finances. I express my sincere thanks to the Council of Judges and other County officials, Department Heads, and employees for their roles in directing the financial affairs of the County in a responsible and professional manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Edward A. Dion", with a stylized flourish at the end.

Edward A. Dion
County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of El Paso
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2005

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.



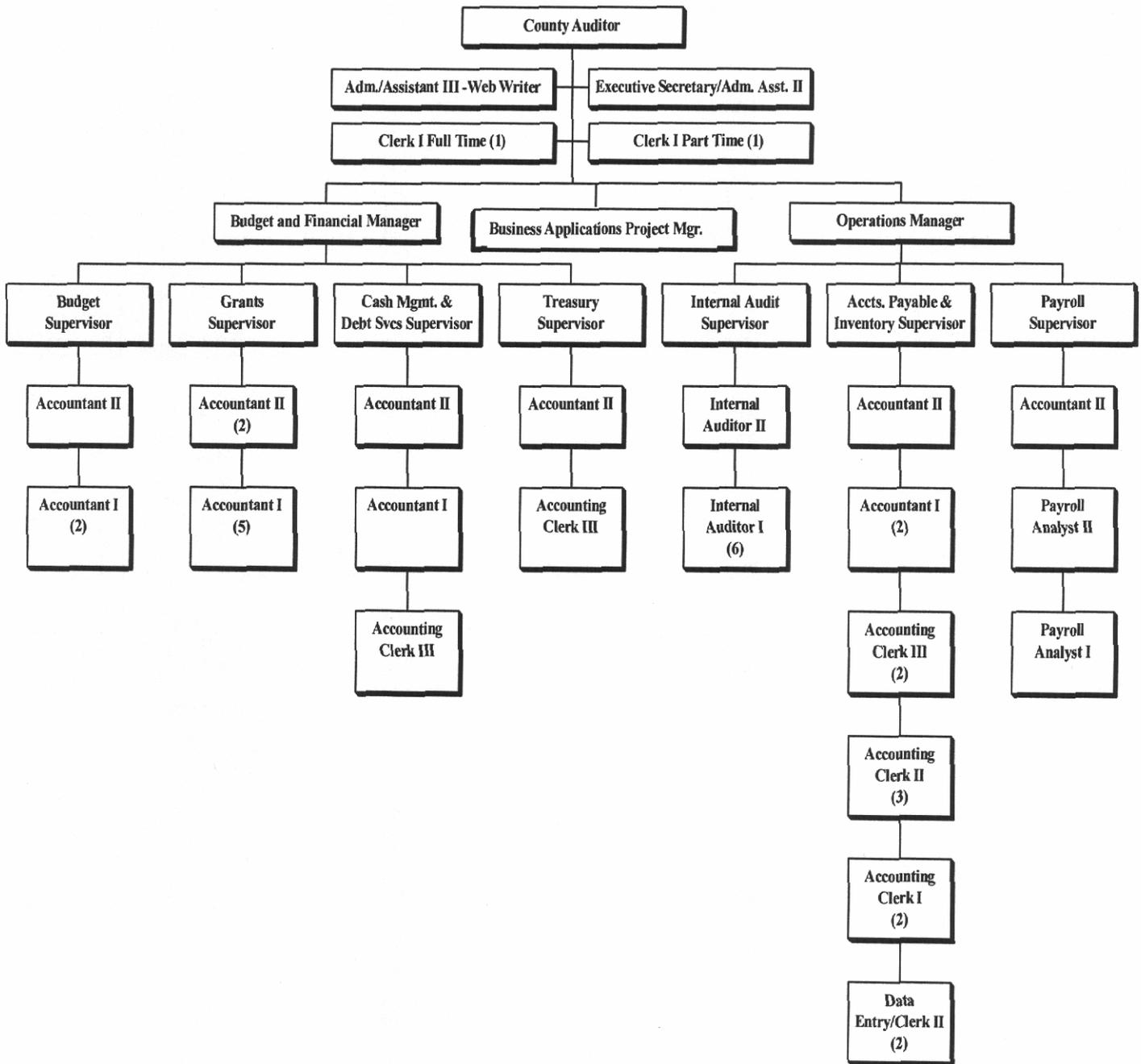
President

Executive Director

County of El Paso Auditor's Office

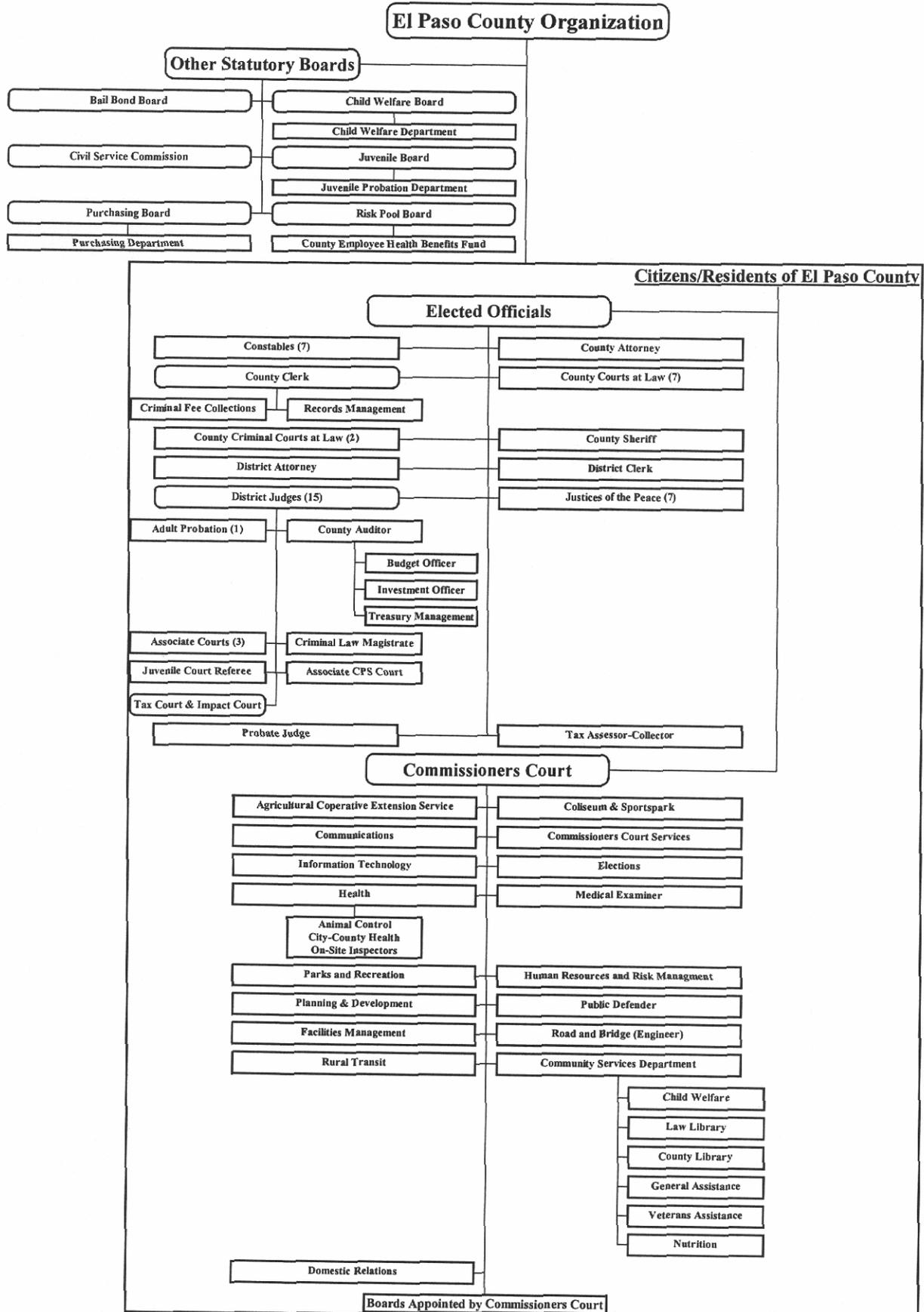
Organizational Chart

As of September 30, 2006



County of El Paso, Texas

Organizational Chart
As of September 30, 2006



1. Adult Probation is also known as West Texas Community Supervision and Corrections



Directory of Principal Officials



Commissioners Court (The Governing Body)

County Judge, Dolores Briones
 County Commissioner, Precinct Number 1, Larry Medina
 County Commissioner, Precinct Number 2, Betti Flores
 County Commissioner, Precinct Number 3, Miguel Teran
 County Commissioner, Precinct Number 4, Daniel R. Haggerty

Room 301, County Courthouse Bldg, (915) 546-2098
 Room 301, County Courthouse Bldg, (915) 546-2014
 Room 301, County Courthouse Bldg, (915) 546-2111
 Room 301, County Courthouse Bldg, (915) 546-2144
 Room 301, County Courthouse Bldg, (915) 546-2044

The Council of Judges

Local Administrative Judge, 384th Judicial District, Patrick M. Garcia
 34th Judicial District, William E. Moody, District Judge
 41st Judicial District, Mary Anne Bramblett, District Judge
 65th Judicial District, Alfredo Chavez, District Judge
 120th Judicial District, Luis Aguilar, District Judge
 168th Judicial District, Guadalupe Rivera, District Judge
 171st Judicial District, Bonnie Rangel, District Judge
 205th Judicial District, Kathleen Olivares, District Judge
 210th Judicial District, Gonzalo Garcia, District Judge
 243rd Judicial District, David Guaderrama, District Judge
 327th Judicial District, Linda Chew, District Judge
 346th Judicial District, Angie Juarez Barill, District Judge
 383rd Judicial District, Mike Herrerra, District Judge
 388th Judicial District, Patricia Macias, District Judge
 409th Judicial District, Sam Medrano, District Judge
 Associate CPS Court, Oscar Galbadon, Judge
 Associate Family Court 1, Jose Juarez, Judge
 Associate Family Court 2, Kathleen Anderson, Judge
 Associate Family Court 3, Roberta Bramblett, Judge
 County Court at Law Number 1, Richard Herrera, Judge
 County Court at Law Number 2, Julie Gonzalez, Judge
 County Court at Law Number 3, Javier Alvarez, Judge
 County Court at Law Number 4, Alejandro Gonzalez, Judge
 County Court at Law Number 5, Carlos Villa, Judge
 County Court at Law Number 6, Sue Kurita, Judge
 County Court at Law Number 7, Thomas A. Spieczny, Judge
 County Criminal Court 1, Alma Trejo, Judge
 County Criminal Court 2, Robert Anchondo, Judge
 County Probate Court, Max Higgs, Judge
 Juvenile Court Referee, Richard Ainsa, Judge
 Magistrate I, James T. Carter, Judge
 Tax Court, Visiting Judges
 Impact Court, Visiting Judges

Room 906, County Courthouse Bldg, (915) 546-2134
 Room 905 County Courthouse Bldg, (915) 546-2101
 Room 1006, County Courthouse Bldg, (915) 546-2149
 Room 1105, County Courthouse Bldg, (915) 546-2102
 Room 605, County Courthouse Bldg, (915) 546-2103
 Room 602, County Courthouse Bldg, (915) 546-2141
 Room 601, County Courthouse Bldg, (915) 546-2100
 Room 1002, County Courthouse Bldg, (915) 546-2107
 Room 1005, County Courthouse Bldg, (915) 546-2130
 Room 901, County Courthouse Bldg, (915) 546-2168
 Room 606, County Courthouse Bldg, (915) 546-2032
 Room 902, County Courthouse Bldg, (915) 546-2119
 Room 1101, County Courthouse Bldg, (915) 546-2132
 Room 705, County Courthouse Bldg, (915) 543-3850
 Room 700, County Courthouse Bldg, (915) 834-8209
 Room 1104, County Courthouse Bldg, (915) 546-2147
 Room 1103, County Courthouse Bldg, (915) 543-3859
 Room 1102, County Courthouse Bldg, (915) 543-3871
 Room 704, County Courthouse Bldg, (915) 834-8288
 Room 802, County Courthouse Bldg, (915) 546-2011
 Room 801, County Courthouse Bldg, (915) 546-2145
 Room 1001, County Courthouse Bldg, (915) 546-2183
 Room 805, County Courthouse Bldg, (915) 546-2190
 Room 806, County Courthouse Bldg, (915) 546-2004
 Room 1106, County Courthouse Bldg, (915) 543-3868
 Room 902, County Courthouse Bldg, (915) 543-3877
 Room 1201, County Courthouse Bldg, (915) 834-8241
 Room 704, County Courthouse Bldg, (915) 834-8232
 Room 706, County Courthouse Bldg, (915) 546-2161
 6400 Delta, Juvenile Probation Bldg, (915) 772-2133
 600 E. Overland, Municipal Crt Bldg, (915) 546-2077
 Room 604, County Courthouse Bldg., (915) 834-8236
 Room 603, County Courthouse Bldg., (915) 546-8192

Other Principal Officials

County Attorney, José R. Rodríguez
 County Auditor, Edward A. Dion
 County Clerk, Waldo Alarcon
 County Purchasing Agent, Piti Vasquez
 County Sheriff, Leo Samaniego
 County Tax Assessor and Collector, Victor A. Flores
 District Attorney, Jaime Esparza
 District Clerk, Gilbert Sanchez
 Human Resource Director, Robert Almanzan
 Public Defender, Clara Hernandez

Room 503, County Courthouse Bldg, (915) 546-2050
 Room 406, County Courthouse Bldg, (915) 546-2040
 Room 105, County Courthouse Bldg, (915) 546-2071
 Room 500, County Courthouse Bldg, (915) 546-2048
 800 East Overland, Room 300, (915) 546-2291
 500 East Overland, Suite 101, (915) 546-2140
 Room 201, County Courthouse Bldg, (915) 546-2059
 Room 103, County Courthouse Bldg, (915) 546-2021
 Room 302, County Courthouse Bldg, (915) 546-2218
 Room 501, County Courthouse Bldg, (915) 546-8185

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

County Judge and Members of
Commissioners' Court
County of El Paso, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of The County of El Paso, Texas (County), as of and for the year ended September 30, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditors.

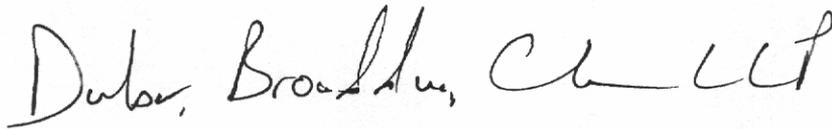
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the discretely presented component unit were audited in accordance with generally accepted auditing standards and in accordance with *Government Auditing Standards*. 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 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information of the County and the respective budgetary comparison for the General Fund, as of September 30, 2006, and the respective changes in financial position, and, where applicable cash flows thereof for the year then 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 January 26, 2007 on our consideration of The County of El Paso, 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.

The management's discussion and analysis on pages 17 through 32, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, other supplementary information, combining, comparative and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are 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 express no opinion on them.



El Paso, Texas
January 26, 2007

W:\DATA\El Paso County\2006 Audit\Auditor Reports\AUDITORSREPORTS05.wpd

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Management's Discussion and Analysis

As management of the County of El Paso (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 through 10 of this report.

Financial Highlights. Combined County assets from governmental and business type activities exceeded liabilities at the close of fiscal year 2006 by \$169,499,931, which represents total net assets. Of this amount, \$157,641,430 or 93.0 percent relates to governmental-type activities while \$11,858,501 or 7.0 percent represents business-type activities. Total net assets are comprised of restricted and unrestricted assets and investment in capital assets net of related debt. Investment in capital assets net of related debt totaled \$69,740,104 or 41.14 percent of total net assets. Restricted assets represent funds subject to constraints that are imposed externally by creditors, debt covenants, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted net assets totaled \$58,380,447 or 34.44 percent of total net assets of which the primary government and business type activities totaled \$57,326,500 or 98.19 percent and \$1,053,947 or 1.81 percent, respectively. Unrestricted net assets on the other hand may be used to meet the county's ongoing obligations to citizens and creditors and totaled \$41,379,380 or 24.41 percent of total net assets.

Fiscal year 2006 operations of the County resulted in total net assets increasing by \$23,849,033 or 16.37 percent. This was mainly attributable to a net increase of \$24,177,346 or 18.12 percent in the governmental-type net assets and a decline in business-type net assets totaling \$328,313 or 2.69 percent. Explanation of these changes is depicted hereafter in this management discussion and analysis.

Overview of the Financial Statements

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in 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 government'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 only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the County that are primarily supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges similar to business-type activities. The governmental activities of the County include general government, administration of justice, public safety, health and welfare, community services, resource development, culture and recreation and public works. The business-type activities of the County include the East Montana Water Project and the County Solid Waste Project.

The government-wide financial statements include not only the County itself (known as the primary government), but also the R. E. Thomason Hospital District (The District), a discretely presented component unit. The District is included in this CAFR because the El Paso County Commissioners Court, the County's governing body, has the legal duty to exercise financial accountability over it by appointing its board members, approving its budget and setting its tax rate as discussed in the letter of transmittal. Copies of any of the District's financial reports can be obtained directly from the District. The government-wide financial statements can be found on exhibits 1 and 2 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. El Paso County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, it is our hope that readers will better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains multiple individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, road and bridge fund and capital projects 2001 and 2002, which management considered of financial importance or for consistency purposes. Data from the other 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.

The County adopts an annual appropriated budget for its general fund, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits 3-5 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for its East Montana Water Facility. The internal service fund is an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its employee health benefits, workers compensation, and supplemental dental and optical benefits funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the East Montana Water Facility. The internal service funds are also presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on Exhibits 6-8 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on Exhibit 9 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-79 of this report.

Other information. The combining statements regarding non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 95-224 of this report.

Government-Wide Financial Analysis

As previously noted, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$169,499,931 at the close of fiscal year 2006. By far the largest component of the County's net assets represents investment in capital assets (e.g., land, buildings, machinery, and equipment) totaling \$69,740,104 or 41.14 percent of total net assets, which is net of any related debt used to acquire those assets that is still outstanding. The 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 next component of the County's net assets represents unrestricted net assets totaling \$41,379,380 or 24.41 percent of total net assets, which may be used to meet the county's ongoing obligations to citizens and creditors. The last category relates to restricted assets totaling \$58,380,447 or 34.44 percent. These restricted net assets represent resources that are subject to external restrictions on how they may be used of which the majority relates to capital project funds totaling \$27,626,009 or 47.32 percent of restricted net assets followed by special revenue funds totaling \$27,905,402 or 47.80 percent of restricted net assets.

Furthermore, as of September 30, 2006, the County is able to report positive balances in all three categories of net assets for the governmental and business-type activities. Investments in capital assets net of related debt from governmental and business-type activities grew by \$9,458,490 or 15.69 percent. There was an increase of \$4,177,298 or 7.71 percent in restricted net assets reported, of which \$4,159,496 related to governmental activities and \$17,802 resulted from business-type activities. Unrestricted net assets also grew solely in the governmental activities by \$10,213,245 or 32.77 percent.

On a global perspective, the County of El Paso's total assets from governmental and business-type activities increased by \$14,172,378 or 4.58 percent. This increase was the culmination of a multitude of changes at the fund level statements, but more so, at the entity-wide level financial statements. Discussion here will focus on selective information to give the reader a basic understanding of changes by evaluating changes in the statement of net assets and the associated changes in revenues and expenditures. Detailed analysis and explanation will be focused on significant changes, which occurred throughout the various levels within these financial statements.

El Paso County, Texas Net Assets						
	Governmental		Business-type		Total	
	Activities		Activities			
	FY2006	FY2005	FY2006	FY2005	FY2006	FY2005
Current and other assets	\$ 140,735,943	\$ 125,493,379	\$ 1,376,625	\$ 1,347,617	\$ 142,112,568	\$ 126,840,996
Capital assets	169,835,016	170,565,114	11,770,779	12,139,875	181,605,795	182,704,989
Total assets	310,570,959	296,058,493	13,147,404	13,487,492	323,718,363	309,545,985
Long-term liabilities outstanding	133,559,396	141,881,678	1,213,100	1,150,000	134,772,496	143,031,678
Other liabilities	19,370,133	20,712,731	75,803	150,678	19,445,936	20,863,409
Total liabilities	152,929,529	162,594,409	1,288,903	1,300,678	154,218,432	163,895,087
Net assets:						
Invested in capital assets, net of related debt	58,935,550	49,130,945	10,804,554	11,150,669	69,740,104	60,281,614
Restricted	57,326,500	53,167,004	1,053,947	1,036,145	58,380,447	54,203,149
Unrestricted	41,379,380	31,166,135	-	-	41,379,380	31,166,135
Total net assets	\$ 157,641,430	\$ 133,464,084	\$ 11,858,501	\$ 12,186,814	\$ 169,499,931	\$ 145,650,898

The overall increase in net assets of the County can be better understood when evaluating the changes to net assets, total assets minus total liabilities. Total assets amounted to \$323,718,363, an increase of \$14,172,378 or 4.58 percent. Further analysis reflects that the majority of all assets relate to governmental activities totaling \$310,570,959 or 95.94 percent and business-type activities totaled \$13,147,404 or 4.06 percent. Overall, capital assets (net of related depreciation) totaled \$181,605,795 and decreased by \$1,099,194 or .60 percent below the prior year and represent land, buildings, improvements, equipment, furniture, vehicles, roads, bridges and culverts and construction in progress. This decrease to capital assets represent mainly disposal of equipment.

For entity-wide reporting purposes under GASB 34, capital expenditures made at the fund level must be reversed from expenditures at the entity-wide level financial statements and reflected as capital assets net of depreciation. Due to this, you may observe fund level expenditure amounts in excess of what is reported at the entity-wide level or visa versa. The most significant impacts in total assets represent increases that occurred within cash and cash equivalents totaling \$14,961,972 and receivables (net of allowances for uncollectible) totaling \$303,725. The significance of this can be further evaluated by shifting attention away from assets and liabilities and focusing on the changes to the components of total net assets, which is discussed immediately following discussion on total liabilities.

Overall, total entity-wide liabilities were \$154,218,432 and declined by \$9,676,655 or 5.90 percent. Further analysis reflects that the majority of all liabilities relate to governmental activities totaling \$152,929,529 or 99.16 percent. When compared to fiscal year 2005, liabilities declined in the areas of vouchers payable by \$955,781 or 13.97 percent and claims payable by \$1,077,805 or 67.64 percent. Another significant decline of \$10,574,328 or 8.63 percent related to bonds payable. Offsetting increases included compensated absences totaling \$1,912,421 or 9.35 percent and contingent liabilities totaling \$300,000 to name a few. For additional information regarding compensated balances, please see note 1-K.

The increase in the County's net assets of \$23,849,033 or 16.37 percent represents the degree to which revenue growth has exceeded the trend of growth in expenses, a significant accomplishment of the Court in the past three fiscal years. Overall revenue increased by \$10,178,048 or 4.73 percent, of which a significant share of \$6,302,624 or 6.88 percent relates to ad valorem property taxes. Other taxes mainly comprise sales and use and hotel occupancy taxes, and rose by \$3,870,163 or 12.42 percent mainly due to a rebound of sales tax. Other impacts included charges for services which grew by \$3,616,205 or 7.17 percent, mainly attributable to statutory fee increases and the rebound in housing of federal and city prisoners by the County Sheriff. Other areas saw a decline such as operating grants and contributions, which decreased overall by \$1,264,393 or 4.44 percent while other revenues all declined by \$2,346,551 or 17.28 percent mainly attributable to continued decline in phone commission revenue.

Expenses also increased by a net of \$7,025,322 or 3.56 percent. Expense changes included increases in culture and recreation of \$3,686,282 or 48.64 percent, public safety of \$2,754,149 or 2.94 percent, and administration of justice totaling \$1,604,534 or 4.08 percent, public works totaling \$1,387,800 or 32.20 percent, community services totaling \$329,422 or 50.88 percent, East Montana Water Project totaling \$238,462 or 21.97 percent and resource development totaling \$120,003 or 25.02 percent. These increases netted with declines in general government of \$1,830,189 or 5.57 percent, health and welfare of \$804,998 or 6.90 percent related to children's mental health and completed air quality projects and interest on long-term debt of \$460,143 or 7.77 percent. Further explanation of all the above changes is discussed hereafter in this section.

From here forward in the discussion of entity-wide changes, please note that the increases and decreases in entity-wide expenses in the various functions of county government are a result of a combination of financial impacts, such as depreciation expense and retirement of assets along with the other adjustments such as the recognition of compensated absences, allocation of profit/loss of the internal service funds back to departments and the conversion of capital outlays to reflect at the entity-wide level as expenses by function.

County of El Paso, Texas Changes in Net Assets						
	Governmental		Business-type		Total	
	Activities		Activities			
	FY2006	FY2005	FY2006	FY2005	FY2006	FY2005
Revenues:						
Program revenues:						
Charges for services	\$ 53,130,371	\$ 49,594,681	\$ 932,846	\$ 852,331	\$ 54,063,217	\$ 50,447,012
Operating grants and contributions	27,218,156	28,482,549	-	-	27,218,156	28,482,549
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	97,968,047	91,665,423			97,968,047	91,665,423
Other taxes	35,040,601	31,170,438			35,040,601	31,170,438
Other	11,174,127	13,549,818	62,463	33,323	11,236,590	13,583,141
Total revenues	224,531,302	214,462,909	995,309	885,654	225,526,611	215,348,563
Expenses:						
General government	31,024,457	32,854,646			31,024,457	32,854,646
Administration of justice	40,958,490	39,353,956			40,958,490	39,353,956
Public safety	96,474,144	93,719,995			96,474,144	93,719,995
Health and welfare	10,854,470	11,659,468			10,854,470	11,659,468
Community services	976,811	647,389			976,811	647,389
Resource development	599,712	479,709			599,712	479,709
Culture and recreation	11,264,459	7,578,177			11,264,459	7,578,177
Public works	5,697,541	4,309,741			5,697,541	4,309,741
Interest on long-term debt	5,461,343	5,921,486			5,461,343	5,921,486
East Montana water project			1,323,622	1,085,160	1,323,622	1,085,160
Total expenses	203,311,427	196,524,567	1,323,622	1,085,160	204,635,049	197,609,727
Increase in net assets	21,219,875	17,938,342	(328,313)	(199,506)	20,891,562	17,738,836
Net assets October 1	133,464,084	115,525,742	12,186,814	12,386,320	145,650,898	127,912,062
Prior period adjustment	2,957,471		-		2,957,471	
Net assets September 30	\$ 157,641,430	\$ 133,464,084	\$ 11,858,501	\$ 12,186,814	\$ 169,499,931	\$ 145,650,898

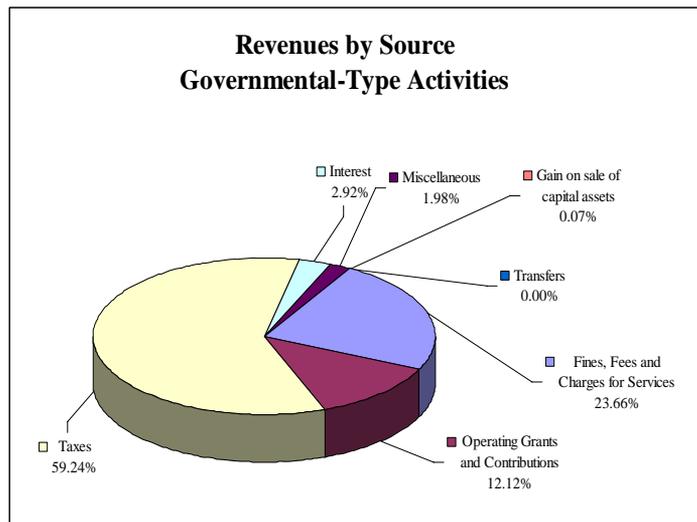
Governmental activities

Governmental activities during fiscal year 2006 resulted in an increase in net assets of \$21,219,875, or 18.29 percent thereby accounting for 101.5 percent of the total change of \$20,891,562 in net assets. Comparative fiscal year 2006 and 2005 data relating to these changes is reflected above.

Property taxes increased by \$6,302,624 or 6.88 percent during the year. This increase is attributable to addition of new taxable properties and increases in existing taxable property values totaling \$1,556,848,604 or 7.42 percent while maintaining the same tax rate of \$0.432259.

Fines, fees and charges for services increased by \$3,535,690 or 7.13

percent and represent 23.66 percent of total revenue. This was mainly attributable to an increase in County Clerk fees approximating \$1.8 million as well as growth in other fee accounts. City and Federal prisoner reimbursement grew slightly by \$144,171 relating to the cost of housing



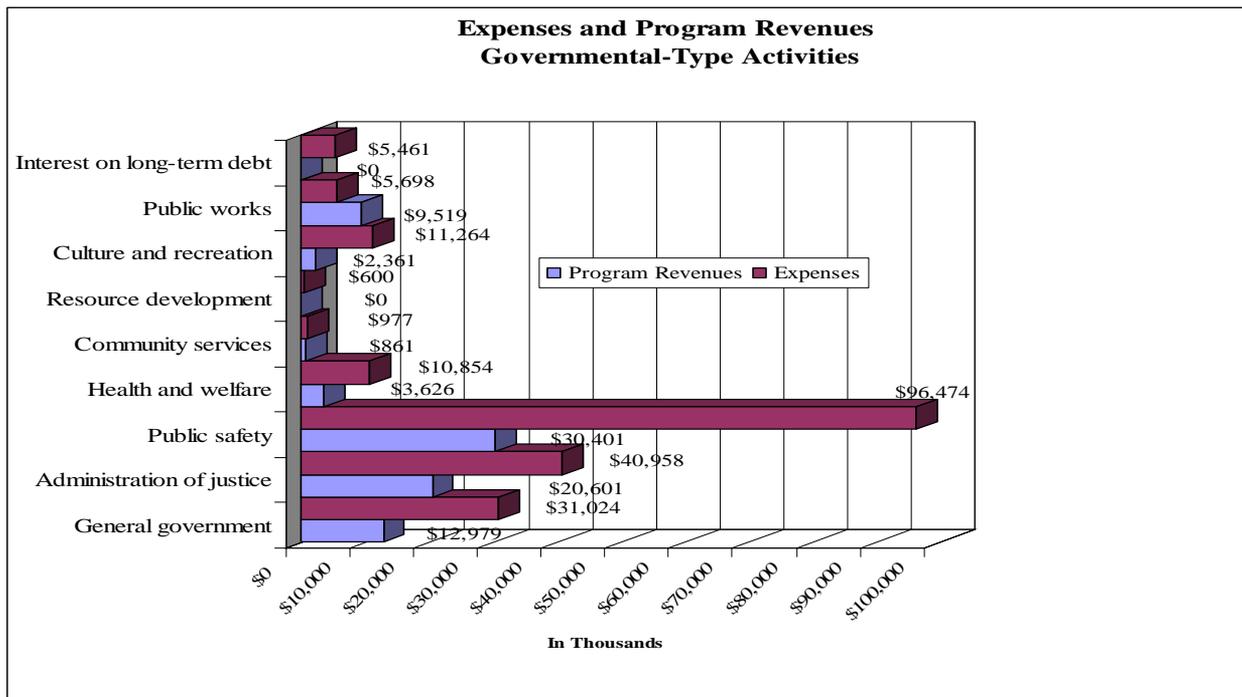
prisoners and by \$357,084 for criminal alien assistance reimbursement which was received in fiscal year 2006 compared to zero in fiscal year 2005.

Operating grants and contributions for governmental activities decreased by \$1,264,393 or 4.44 percent. Additionally, other revenues declined by \$2,375,691 mainly due to offsetting changes such as an increase in interest earnings of \$3,037,282 and a decline in miscellaneous revenues totaling \$3,654,635.

Other taxes grew by \$3,870,163 or 12.42 percent due mainly to increases in both sales and use and hotel/motel taxes but predominately sales tax.

Government-wide expenses increased by \$7,025,322 or 3.56 percent of which governmental activities contributed to an increase of \$6,786,860 or 3.45 percent and comprised 96.61 percent of the overall entity-wide increase. The most significant changes were evident in the areas which increased such as culture and recreation by \$3,686,282 or 48.64 percent, public safety by \$2,754,149 or 2.94 percent, administration of justice by \$1,604,534 or 4.08 percent, public works by \$1,387,800 or 32.20 percent, community services by \$329,422 or 50.88 percent, and resource development by \$120,003 or 25.02 percent. Other areas declined such as general government totaling \$1,830,189 or 5.57 percent, health and welfare totaling \$804,998 or 6.90 percent and interest on long-term debt totaling \$460,143 or 7.77 percent.

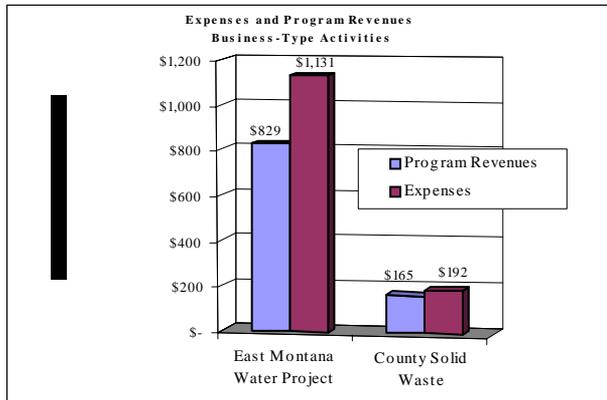
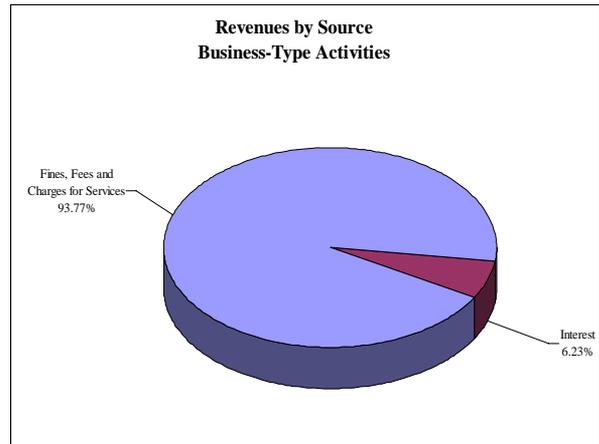
Changes mentioned previously within each of the functions above are the result of a combination of factors both at the fund level and more materially at the entity-wide level as explained in the discussion of the changes in the statement of net assets. More specific information can be found in the fund level discussion later in this section. Factors affecting expenses that are recognized in governmental activities and not presented in the individual government funds can be found on Exhibits 3.1 and 4.1 of the basic financial statements.



Business-type activities. Business-type activities resulted in a decrease in net assets of \$328,313 or 2.69 percent and accounted for 1.57 percent of the total change in the government's net assets. Comparative fiscal year 2006 and 2005 data relating to these changes is reflected on Exhibit 6.

Overall revenues totaled \$995,309 and grew by \$109,655 or 12.38 percent. Charges for services increased by \$80,515 or 9.45 percent due to an increase in program revenue received from the East Montana water system.

Other revenues increased by \$29,140 or 87.45 percent mostly due to higher investment earnings on more funds available for investment in business-type activities.



Expenses in this area totaled \$1,323,622 and increased by \$238,462 or 21.97 percent and were related to increased cost of water purchases for the East Montana water project and garbage services for the Far East side of the County.

Financial Analysis of the Government's Funds

Governmental funds

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

As of the end of the 2006 fiscal year, the County's governmental funds reported combined ending fund balances of \$107,128,340, an increase of \$10,641,032 or 11.03 percent in comparison with the prior year. Unreserved undesignated fund balance constitutes \$41,423,416 or 38.67 percent of total fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it has already been committed. The majority of this designated balance is attributable to capital project funds totaling \$26,860,711 or 25.07 percent of combined fund balances for planned capital equipment and infrastructure. Also included in the unreserved balance is \$31,306,862 designated to balance the fiscal year 2007 operating budget. Designations included \$21,316,171 in the General Fund and \$9,990,691 in Special Revenue for a variety of specific purposes. Additionally, \$2,427,571 is reserved for future debt service principal and interest payments.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$48,007,614 of which \$26,691,443 is unreserved and undesignated. Overall, the undesignated fund balance of the general fund decreased by \$4,607,779 or 14.72 percent. Fund balance totaled \$49,169,358, and increased by \$6,538,891 or 15.34 percent. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The Commissioners Court utilized undesignated reserves in balancing the fiscal year 2007 operating budget, which included an expenditure level exceeding the corresponding rate of estimated revenue growth, although the designation increased considerably by \$11,063,335 or 107.91 percent from that of the prior fiscal year.

The debt service fund ended the fiscal year with a fund balance of \$2,427,571, all of which is reserved for the payment of debt service. The net increase in fund balance during the fiscal year was \$1,118,253 and is mainly attributed to the increase of approximately \$1.05 million in excess sales tax transferred from the general fund. State law requires that excess sales tax be used to pay off any outstanding debt.

The special revenue funds in the aggregate have a fund balance of \$27,905,402, an increase of \$6,081,377 or 27.87 percent compared to the previous year. This increase is mainly due to the recognition of revenue for the transfers to the grants from the general fund and the elimination of a \$2.5 million transfer from the Road and Bridge fund to the General Fund.

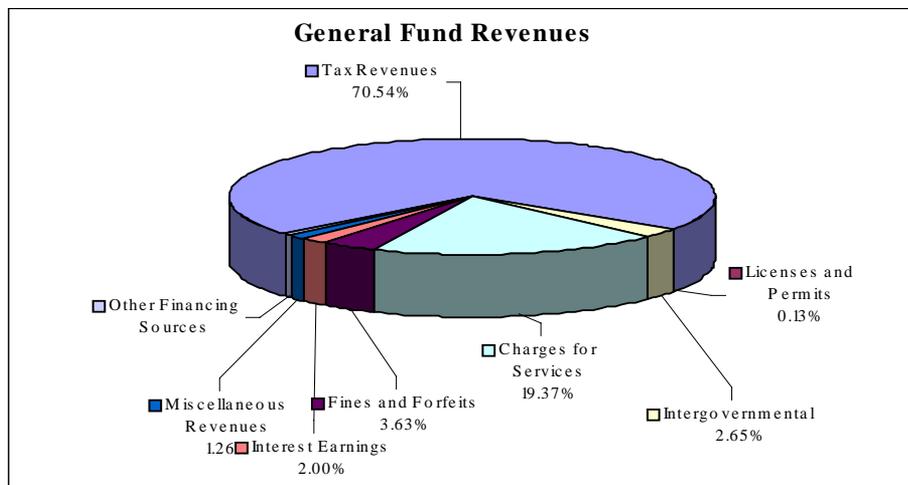
Proprietary funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Restricted net assets of the Business-Type Activities at the end of the year amounted to \$1,053,947, an increase of \$17,802 or 1.72 percent. Key factors concerning the finances of this fund were addressed in the discussion of the County's business-type activities.

General Fund Trends

A myriad of factors contributed to the general fund's financial position. Factors included the favorable variance of actual revenues and other financing sources over estimates of \$9,455,704. Actual revenues totaled \$163,008,466, an increase of \$14,978,037 or 10.12 percent over fiscal year 2005. On the other hand, other financing sources totaled \$703,385, a decrease of \$3,072,967 or 81.37 percent from fiscal year 2005.



General Fund Revenues	2005 Actuals	2006 Actuals	Amount Increase (Decrease) from FY 2005	Percent Increase (Decrease)	2006 Actual as a % of Total Revenues and Other Financing Sources
Tax Revenues	\$ 104,558,090	\$ 115,483,678	\$ 10,925,588	10.45%	70.54%
Licenses and Permits	\$ 216,113	\$ 208,535	\$ (7,578)	-3.51%	0.13%
Intergovernmental	\$ 2,791,201	\$ 4,337,142	\$ 1,545,941	55.39%	2.65%
Charges for Services	\$ 29,608,989	\$ 31,717,862	\$ 2,108,873	7.12%	19.37%
Fines and Forfeits	\$ 6,252,157	\$ 5,936,102	\$ (316,055)	-5.06%	3.63%
Interest Earnings	\$ 1,639,538	\$ 3,269,818	\$ 1,630,280	99.44%	2.00%
Miscellaneous Revenues	\$ 2,964,341	\$ 2,055,329	\$ (909,012)	-30.66%	1.26%
Other Financing Sources	\$ 3,776,352	\$ 703,385	\$ (3,072,967)	-81.37%	0.43%
Total revenues and other sources	\$ 151,806,781	\$ 163,711,851	\$ 11,905,070	7.84%	100.00%

It is noteworthy to mention that various factors and actions by the County during the fiscal year had the effect of maintaining the County's favorable fund balance and unspent budget balance within the general fund. Significant factors impacting the general fund balance were revenue increases in a variety of areas. Together, revenues and other sources netted a total increase of \$11,905,070 or 7.84 percent. Some of the increases in revenues were briefly discussed previously in the governmental-type activities revenue discussion. Further analysis of the general fund reflects increases such as taxes, \$10,925,588 or 10.45 percent of which the majority of this increase related to growth in ad valorem property taxes totaling \$7,372,097 or 9.74 percent and sales and use taxes totaling \$3,413,146 or 12.32 percent. The increase in taxes was attributable in part to continued growth in the property tax base and valuation increases and rebounding of sales and use taxes. As stated earlier, the Commissioners Court maintained the same tax rate of \$0.432259 in fiscal 2006 in an effort to continue alignment of revenues with expenditure trends while actively containing current and future expenditure growth.

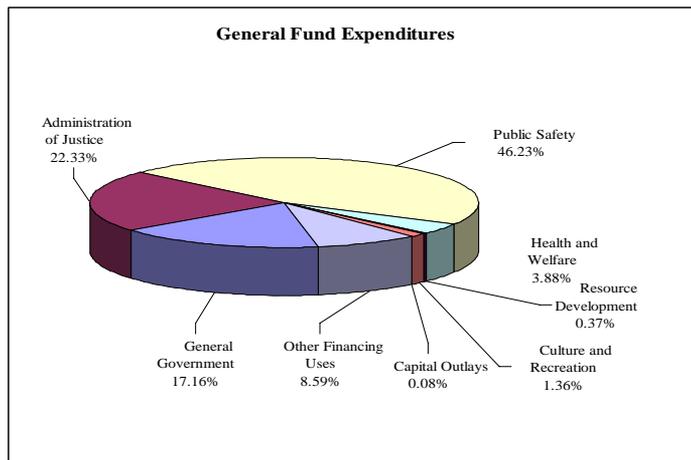
Other areas which experienced growth, included charges for services \$2,108,873 or 7.12 percent mainly due to growth in county clerk fees of \$1,858,993, interest earnings of \$1,630,280 or 99.44 percent due to continued action by the Federal Reserve of raising interest rates, and intergovernmental revenues of \$1,545,941 or 55.39 percent due mainly to federal drug bridge case reimbursement.

These increases were netted by general fund revenue declines in other financing sources totaling \$3,072,967 or 81.37 percent mainly due to a significant reduction of transfers from the Road and Bridge fund to the general fund down to zero from \$2.5 million in fiscal year 2005 and \$5 million in fiscal year 2004. Miscellaneous revenues also declined by \$909,012 or 30.66 percent followed by fines and forfeits totaling \$316,055 or 5.06 percent.

General Fund Expenditures	2005 Actuals	2006 Actuals	Amount Increase (Decrease) from FY 2005	Percent Increase (Decrease)	2006 Actual as a % of Total Expenditures and Other Financing Uses
Current:					
General Government	\$ 26,210,753	\$ 26,723,140	\$ 512,387	1.95%	17.16%
Administration of Justice	\$ 32,936,400	\$ 34,779,095	\$ 1,842,695	5.59%	22.33%
Public Safety	\$ 70,474,657	\$ 71,984,926	\$ 1,510,269	2.14%	46.23%
Health and Welfare	\$ 5,886,043	\$ 6,048,020	\$ 161,977	2.75%	3.88%
Resource Development	\$ 558,064	\$ 572,155	\$ 14,091	2.52%	0.37%
Culture and Recreation	\$ 2,016,340	\$ 2,116,680	\$ 100,340	4.98%	1.36%
Capital Outlays	\$ 134,723	\$ 119,881	\$ (14,842)	-11.02%	0.08%
Other Financing Uses	\$ 11,521,912	\$ 13,372,326	\$ 1,850,414	16.06%	8.59%
Total Expenditures (Uses)	\$ 149,738,892	\$ 155,716,223	\$ 5,977,331	3.99%	100.00%

Comparison of the general fund adopted appropriations reflects growth in fiscal year 2006 of \$7,057,843 or 4.48 percent, whereas actual expenditures in fiscal year 2006 grew by \$5,977,331 or 3.99 percent before non-budgeted expenditure accrual adjustments bringing the total of general fund expenditures and transfers to \$155,716,223. Growth in expenditures by category as reflected in the chart above was a result of a multitude of changes including increases related to the county's salary-step-plan, the sheriff's collective bargaining agreement, new costs to fund mandated services as well as to keep pace with general inflationary increases. Further analysis reflects increases totaling \$5,992,173 comprised of other financing uses totaling \$1,850,414 or 16.06 percent, administration of justice totaling \$1,842,695 or 5.59 percent, public safety totaling \$1,510,269 or 2.14 percent, general government totaling \$512,387 or 1.95 percent, health and welfare totaling \$161,977 or 2.75 percent, culture and recreation totaling \$100,340 or 4.98 percent and resource development totaling \$14,091 or 2.52 percent. Increases were netted with a decline of \$14,842 or 11.02 percent in capital outlays.

Additionally, revenues and other sources exceeded expenditures and other uses by \$6,157,490 after non-budgeted accrual adjustments. This can be further explained by analyzing the effect of non-budgeted adjustments for the comparative years for contingent liabilities, payroll liabilities and excess sales and use tax transfers to the debt service fund. Other changes not elaborated herein include statutory mandates such as in administration of justice and public safety.



General Fund Budgetary Highlights

The fiscal year 2006 budget of \$164,508,983 did not increase during the fiscal year other than for carryover appropriations totaling \$875,839 bringing the original budget total to \$165,384,822. This budget included \$10,252,836 of fund balance reserves to balance the fiscal year 2006 budget gap of appropriations in excess of estimated revenues. The only other changes were for reallocations within expenditure classifications and can be briefly summarized as follows:

- (\$3,316,855) decreases in general government activities.
- \$2,265,594 increases allocated to administration of justice.
- \$528,040 increases allocated to public safety.
- \$311,182 increases allocated to health and welfare.
- \$251,929 increases allocated to culture and recreation.
- (\$8,997) decreases in resource development.
- (\$1,266,926) decreases to capital outlays.
- \$1,236,033 increases to transfers out.

General Fund Budgetary Variance Highlights

Analysis of budget actual trends depicts that actual revenues exceeded estimates by \$9,326,319 in a variety of areas. The most significant variances occurred in taxes, as sales taxes saw a favorable variance of 14.19 percent contributing \$3,867,468 or 41.47 percent of the total revenue variance. Intergovernmental revenues also outpaced estimates by \$1,995,903 or 85.25 percent and represented 21.40 percent of total revenue variance. This was due to an increase in receipt of uncertified federal reimbursements related to federal drug bridge case prosecution totaling \$1,266,146 and growth in other agency reimbursement. Other favorable variances of significance included interest earnings totaling \$1,569,818 or 16.83 percent of the total revenue variance and ad valorem property taxes totaling \$1,415,382 or 15.18 percent of the total revenue variance. Other less significant positive variances were experienced in miscellaneous revenues with an unfavorable variance of \$858,973 or 9.21 percent due to mainly to a decline of \$723,735 in phone commission revenues resulting from the introduction of phone cards in the county's jail facilities and therefore reducing the number of higher commission collect calls. Other financing sources representing transfers-in also saw a favorable variance of \$129,385 due to residual matching funds remaining upon closing of grants.

Favorable appropriation variances were also experienced as the Commissioners Court and County departments remained frugal and the Court enforced cost reduction policies such as maintaining a ten week hiring freeze when filling staffing table vacancies, no appropriation transfers between categories of personnel, operating and capital without Court approval and encouraging efficiencies in business practices. Overall favorable appropriation variances totaled \$9,668,599 which represents 5.85% of the adopted budget with carryover. This variance was comprised of personnel, operating and capital totaling \$4,029,541, \$5,567,345 and \$71,713, respectively. The most significant favorable variance was in the area of general government totaling \$6,326,706 or 65.44 percent of overall appropriation variances. This variance was almost evenly split between personnel and operating appropriations and was made possible due to the County's policy of not fully funding departmental salaries until the third quarter of each fiscal year, which factors in savings related to attrition, cost of living and merit increases. In

regard to operating appropriations, the favorable impact was due to frugal use of operating contingency funds under the control of the Commissioners Court. Appropriations for transfers-out relate to leveraging county matching funds to secure state and federal grant funding which saw a favorable variance of \$659,557.

Capital Asset and Debt Administration

Capital assets

The County's capital assets for governmental and business type activities as of September 30, 2006 amounted to \$181,605,795 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, vehicles, roads and bridges. The total change in the County's capital assets for the current fiscal year was a net decline of \$1,099,194 or .60 percent, comprised of \$730,098 in governmental activities and \$369,096 in the business-type activities.

El Paso County, Texas						
Summary of Capital Assets (Net of Depreciation)						
Categories	Governmental Activities		Business-type Activities		Totals	
	2006	2005	2006	2005	2006	2005
Land	\$ 12,878,258	\$ 11,914,365			\$ 12,878,258	\$ 11,914,365
Buildings	118,157,586	114,133,019			118,157,586	114,133,019
Improvements	6,301,705	6,644,139			6,301,705	6,644,139
Equipment	6,730,102	7,958,672	\$ 11,770,778	\$ 12,139,875	18,500,880	20,098,547
Furniture and Fixtures	199,261	228,588			199,261	228,588
Vehicles	3,352,208	3,175,291			3,352,208	3,175,291
Roads	14,591,069	14,332,249			14,591,069	14,332,249
Bridges and culverts	1,986,866	2,088,338			1,986,866	2,088,338
Leased equipment	171,872	131,456			171,872	131,456
Construction in progress	5,466,089	9,958,997			5,466,089	9,958,997
Total assets	\$ 169,835,016	\$ 170,565,114	\$ 11,770,778	\$ 12,139,875	\$ 181,605,794	\$ 182,704,989

Major capital asset activity occurring in fiscal year 2006 included: road construction, purchases and/or sales or disposition of land, equipment, software and hardware upgrades. The most significant increases were attributable to the addition of county roads and construction in progress from expenditure of capital bonds issued in prior years. Another activity of significance includes the Fabens Port of Entry in Far East El Paso whereby the County is working with State, Federal and Mexican officials for the construction of a new international port of entry between the United States and Mexico. Additional information on the County's capital assets can be found in note 3-C and Exhibit G1- G3.

Long-term debt

At the end of the current fiscal year, the County had total bonded debt outstanding of \$112,046,000 as reflected below. Of this amount, \$110,930,000 comprises debt backed by the full faith and credit of the government. The remainder of the County's debt represents revenue bonds secured solely by specified revenue sources. During the current fiscal year the County's total debt decreased by \$10,604,000 or 8.65 percent. This decrease was due to payment of principal.

El Paso County's Outstanding Debt						
Type of Debt	Governmental Activities		Business-type Activities		Totals	
	2006	2005	2006	2005	2006	2005
General obligation bonds	\$36,865,000	\$44,360,000			\$36,865,000	\$44,360,000
Certificates of obligation bonds	74,065,000	77,140,000			74,065,000	77,140,000
Revenue bonds			\$1,116,000	\$1,150,000	1,116,000	1,150,000
Total	\$110,930,000	\$121,500,000	\$1,116,000	\$1,150,000	\$112,046,000	\$122,650,000

In fiscal year 2002, the Commissioners Court issued new debt to refinance some of its existing debt, taking advantage of favorable interest rates. At that time, both Moody's Investors Service and Standards & Poors reaffirmed bond ratings for a stable outlook in El Paso County with ratings of A1 and AA-, respectively. Both firms also reaffirmed these ratings on the County's outstanding general obligation debt. These ratings reflect the County's diverse and moderately growing economic base, well managed financial operations with emphasis on long-range financial goals of maintaining ample reserves, sound financial position and a manageable debt position.

Overall, both ratings reflect the County's current stable credit position that depends upon adequate operating margins and fund balance reserves in order to maintain and improve the County's current credit quality. It is believed that the County's fiscal 2007 budget along with the increasing stability of general fund reserves enhances the County's credit worthiness and reflects a commitment in attaining set goals and objectives. More detailed information on the County's indebtedness may be found in note 3-F.

Economic Factors and Next Year's Budgets and Rates.

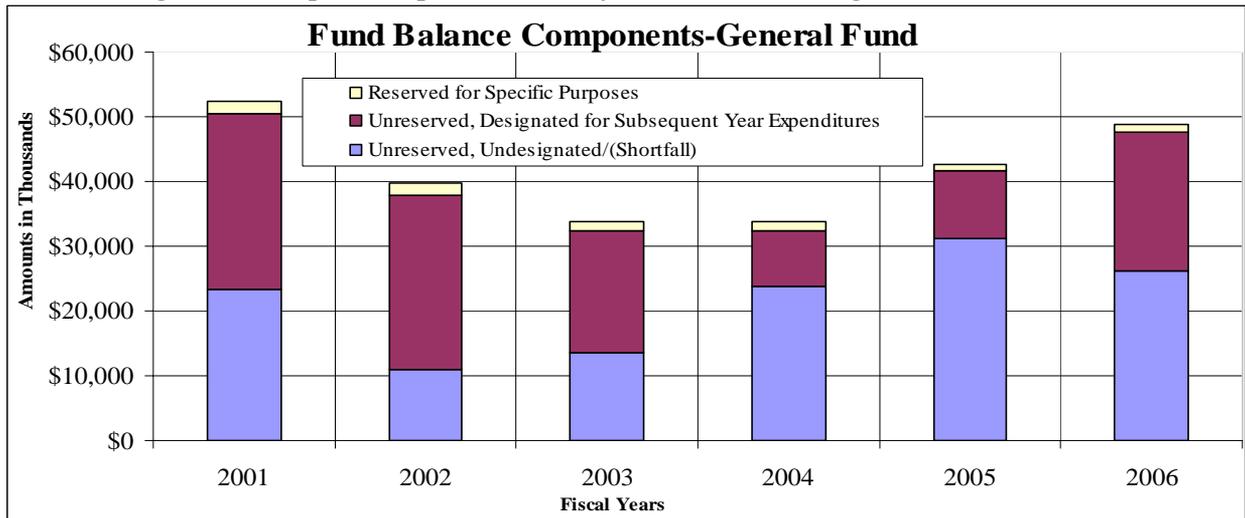
- According to the Texas Workforce Commission's October 2006 issue of Texas Labor Market Review, unemployment statewide was 4.7 percent in September. When compared to the same time last year, this unemployment rate was .50 percent lower. According to the Texas Comptroller of Public Accounts 2006 Cash Report, in 2006, *Entrepreneur* magazine rated El Paso the hottest mid-size city in America for entrepreneurs. In other studies, Sperling's Best Places ranked 82 cities and found El Paso the least expensive place in the U.S. to drive. Sperling's study compared the average number of miles driven in each city with the average daily number of gallons of fuel used and wasted by drivers in traffic.
- Assessed property values have averaged 4.99 percent growth over the past 10 years.
- The ad valorem property tax rate remained at \$0.361434 in fiscal years 1999 through 2002 but was increased to \$0.39661 and \$0.410817 in fiscal years 2003 and 2004 respectively. In fiscal years 2005 and 2006 the tax rate grew and remained at \$0.432259 in a continued effort to align revenues with expenditure trends. For fiscal year 2007, the tax rate fell to \$0.391390 as a result of increased property valuations and the addition of new property to the tax rolls.
- Undesignated fund balance of the general fund had experienced positive growth from fiscal year 1997 through 2001. Furthermore, the Court was able to overcome the downward trend of fund balance in fiscal years 2002 and 2003 to stability in 2004 and some growth in years 2005 and 2006. The overall fund balance of the general fund trended down in fiscal years 2002 and 2003, by approximately \$8.5 and \$10 million or 16.20, and 22.82 percent, respectively and is depicted in the graph on the next page
- For the third consecutive year, sales and use tax revenues have grown such 4.27 percent in 2004, 5.05 percent in 2005 and in fiscal year 2006 the County experienced an outstanding 12.32 percent increase.
- Inflationary trends in the region have trended favorably compared to the state and national levels.
- The trend of general fund expenditure growth outpacing growth in revenues has been and continues to be of central focus of the Commissioners Court.

All of these factors were considered in preparing the County's budget for the 2007 fiscal year.

Focus of the County remains on conservative fiscal management while addressing public service needs and state mandates. The U.S economy gained momentum during the 2005 fiscal year and is showing signs of recovery. The Federal Reserve did not change the fund rates until June 30, 2004. From the June 30, 2004 meeting, the Federal Reserve raised the fund rates sixteen times through September 30, 2006. Interest for the twelve months ended September 2006 was \$6,613,250 when compared to \$3,542,129 the prior fiscal year, an increase of \$3,071,121 or 86.70 percent.

Unquestionably, the County faces continued challenges associated with meeting the steadily increasing demands for additional services and infrastructures for its rapidly growing population. The Commissioners Court members will continue to evaluate and analyze ways to streamline the County’s operations by consolidating activities internally and with other governmental entities and downsizing, wherever possible, to achieve maximum cost effectiveness for the taxpayers. To date, inter-local governmental agreements have been the most popular method for consolidating activities with other governmental entities.

For the future, it is anticipated that in fiscal year 2007, the Court will continue to face funding challenges. Some of these challenges will include identification of new sources or increases to revenues, additional costs for mandates such as new courts and possible shifting of financial funding responsibilities from the State to the County. Other challenges include public health and welfare, public safety and culture and recreation in response to community needs. Healthcare benefit costs for County employees and retirees are of major concern due to the trend of increasing cost of health care. Continuation of contractual collective bargaining salary adjustments for the sheriff’s department and continued adherence to the County’s salary-step-plan, and elimination of step-plan gaps in fiscal year 2007, will remain of concern. Further challenges facing the court in the future are the increasing space needs, inflation and various other funding mandates placed upon the County as it continues to grow.



At its discretion, the Court will probably continue to utilize some amount of fund balance, which is healthy in the sense that it keeps the County from building up excessive reserves and reduces a future burden on taxpayers. Based on the amount of fund balance utilized in the fiscal year 2007 budget and combined with the past pattern of declining general fund balance reserves in fiscal years 2002 and 2003, the Court must continue its focus on fiscal and budgetary restraint in fiscal years 2007 and beyond, if additional revenue sources are not identified.

County government will continually strive to maintain steady increases in revenue while costs are on the rise. In terms of the overall financial condition, the County's present position is reflective of continued significant accomplishments by the County of El Paso and the Commissioners Court is to be commended for such an attainment.

Although it is healthy to utilize fund balance to balance a subsequent fiscal year budget, caution should be exercised not to become dependent upon fund balance to support future expenditure growth in order to assure maintenance of reasonable fund balance reserves in accordance with County financial policies. Emphasis must be placed on generating adequate operational revenues to meet planned operational expenditures and it is paramount to maintaining sound financial stability and maintenance of realistic fund balance reserves. Departments will continue to be challenged with continually assessing possible increased efficiencies in order to operate within their budgets. In order to maintain the County's favorable financial condition, more than ever, monitoring of expenditures will continue to be paramount in forecasting budget inadequacies and identifying potential excesses.

The 2007 budget adopted by the County totaled \$241,863,824, a net decrease of \$11,857,457 or 4.67 percent in comparison to the final fiscal year 2006 adopted amended budget. Additional information regarding the 2007 budget can be obtained from the County's official 2007 published budget presentation package on the County's web page at <http://www.epcounty.com/auditor/publications/reports.html>.

This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the El Paso County Auditor, 500 East San Antonio Street, Room 406, El Paso, Texas, 79901-2407.

BASIC FINANCIAL STATEMENTS

County of El Paso, Texas
Statement of Net Assets
September 30, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hospital District
ASSETS				
Cash and cash equivalents	\$113,499,033	\$1,050,910	\$114,549,943	\$52,167,000
Investments				47,557,000
Receivables (net of allowance for uncollectible)	27,225,292	78,082	27,303,374	31,754,000
Inventories	11,618		11,618	3,954,000
Prepaid				5,780,000
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents		247,633	247,633	
Other assets				134,354,000
Capital Assets (net of accumulated depreciation):				
Land	12,878,258		12,878,258	6,998,000
Buildings	118,157,586		118,157,586	55,806,000
Improvements	6,301,705		6,301,705	
Equipment	6,730,102	11,770,779	18,500,881	
Furniture and fixtures	199,261		199,261	39,231,000
Vehicles	3,352,208		3,352,208	
Roads	14,591,069		14,591,069	
Bridges and culverts	1,986,866		1,986,866	
Leased equipment	171,872		171,872	
Construction in progress	5,466,089		5,466,089	1,345,000
Total assets	<u>310,570,959</u>	<u>13,147,404</u>	<u>323,718,363</u>	<u>378,946,000</u>
LIABILITIES				
Vouchers payable	5,824,328	61,601	5,885,929	40,252,000
Claims payable	515,634		515,634	
Payroll liabilities	2,610,446		2,610,446	
Due to others	88,505		88,505	
Due to other units	241,703		241,703	
Due to other governments	2,861,714	7,109	2,868,823	
Unearned revenue	5,351,340		5,351,340	
Accrued interest payable	632,482	7,093	639,575	
Claims and judgments	1,243,981		1,243,981	
Noncurrent liabilities:				
Due within one year				
Bonds	11,335,000	17,000	11,352,000	3,881,000
Capital leases	69,335		69,335	
Self-insured obligations				2,147,000
Contingent liabilities	300,000		300,000	
Compensated Absences	6,808,507		6,808,507	
Due in more than one year				
Bonds	99,417,797	1,116,000	100,533,797	158,757,000
Capital leases	77,334		77,334	
Self-insured obligations				1,349,000
Customer deposits payable		80,100	80,100	
Compensated Absences	15,551,423		15,551,423	
Total liabilities	<u>152,929,529</u>	<u>1,288,903</u>	<u>154,218,432</u>	<u>206,386,000</u>
NET ASSETS				
Invested in capital assets, net of related debt	58,935,550	10,804,554	69,740,104	64,142,000
Restricted for:				
Capital Projects	27,626,009		27,626,009	
Special Revenue	27,905,402		27,905,402	
Debt service	1,795,089		1,795,089	
Enterprise fund		1,053,947	1,053,947	
Hospital district				2,172,000
Unrestricted	41,379,380		41,379,380	106,246,000
Total net assets	<u>\$157,641,430</u>	<u>\$11,858,501</u>	<u>\$169,499,931</u>	<u>\$172,560,000</u>

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

County of El Paso, Texas
Statement of Activities
For the Year Ended September 30, 2006

Functions/Programs Primary government:	Program Revenues				Net (expense) Revenue and Changes in Net Assets			Component Unit	
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total	Hospital		
							District	District	
Governmental Activities:									
General government	\$31,024,457	\$10,524,799	\$2,453,919	(\$18,045,739)		(\$18,045,739)			
Administration of justice	40,958,490	11,907,547	8,693,786	(20,357,157)		(20,357,157)			
Public safety	96,474,144	19,829,064	10,572,135	(66,072,945)		(66,072,945)			
Health and welfare	10,854,470	111,748	3,514,204	(7,228,518)		(7,228,518)			
Community services	976,811		860,977	(115,834)		(115,834)			
Resource development	599,712			(599,712)		(599,712)			
Culture and recreation	11,264,459	2,321,172	40,323	(8,902,964)		(8,902,964)			
Public works	5,697,541	8,436,041	1,082,812	3,821,312		3,821,312			
Interest on long-term debt	5,461,343			(5,461,343)		(5,461,343)			
Total governmental activities	203,311,427	53,130,371	27,218,156	(122,962,900)		(122,962,900)			
Business-type activities:									
East Montana water project	1,131,195	767,416			(\$363,779)	(363,779)			
County Solid Waste	192,427	165,430			(26,997)	(26,997)			
Total business-type activities	1,323,622	932,846			(390,776)	(390,776)			
Total primary government	\$204,635,049	\$54,063,217	\$27,218,156	(\$122,962,900)	(\$390,776)	(\$123,353,676)			
Component units:									
Hospital district	\$294,409,000	\$172,416,000	\$85,676,000					(\$36,317,000)	
Total component units	\$294,409,000	\$172,416,000	\$85,676,000					(36,317,000)	
General revenues:									
Taxes:									
Property				\$97,968,047		\$97,968,047		\$45,756,000	
Hotel/Motel				2,602,025		2,602,025			
Sales				31,117,468		31,117,468			
Bingo				67,503		67,503			
State mixed beverage				1,253,605		1,253,605			
Interest				6,550,788	\$62,463	6,613,251		5,569,000	
Miscellaneous				4,447,345		4,447,345		954,000	
Realized gain				15,254		15,254			
Gain on sale of capital assets				160,740		160,740			
Total general revenues and transfers				144,182,775	62,463	144,245,238		52,279,000	
Change in net assets				21,219,875	(328,313)	20,891,562		15,962,000	
Net assets - beginning				133,464,084	12,186,814	145,650,898		156,598,000	
Prior period adjustment				2,957,471		2,957,471			
Net assets - ending				\$157,641,430	\$11,858,501	\$169,499,931		\$172,560,000	

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

County of El Paso, Texas
Balance Sheet
Governmental Funds
September 30, 2006

	General	Special Revenue Road and Bridge	County Capital Projects 2001	County Capital Projects 2002	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$45,389,762	\$12,448,364	\$11,505,362	\$13,114,137	\$25,100,164	\$107,557,789
Receivables (net of allowances for uncollectible):						
Taxes	11,531,086					11,531,086
Accounts	9,114,319	334,325			3,946,446	13,395,090
Interest						
Due from other funds					3,870,069	3,870,069
Inventory of supplies	11,618					11,618
Total assets	<u>\$66,046,785</u>	<u>\$12,782,689</u>	<u>\$11,505,362</u>	<u>\$13,114,137</u>	<u>\$32,916,679</u>	<u>\$136,365,652</u>
Liabilities and fund balances						
Liabilities:						
Vouchers payable	\$2,783,520	\$662,233	\$98,999	\$200,681	\$2,078,895	\$5,824,328
Payroll liability	2,120,130	61,983			426,238	2,608,351
Due to others	3,127	11,400			62,955	77,482
Due to other funds	1,642,922				2,227,147	3,870,069
Due to other units	241,703					241,703
Due to other governments	1,449,408				1,412,306	2,861,714
Deferred revenue	8,636,617				5,117,048	13,753,665
Total liabilities	<u>16,877,427</u>	<u>735,616</u>	<u>98,999</u>	<u>200,681</u>	<u>11,324,589</u>	<u>29,237,312</u>
Fund Balances:						
Reserved for:						
Encumbrances	1,048,641	2,584,035	259,871	264,881	839,249	4,996,677
Travel advances, imprest and change funds	101,485					101,485
Inventory	11,618					11,618
Debt service					2,427,571	2,427,571
Unreserved, reported in:						
General fund:						
Designated for subsequent year's expenditures	21,316,171					21,316,171
Undesignated	26,691,443					26,691,443
Special revenue funds:						
Designated for subsequent year's expenditures		6,529,042			3,461,649	9,990,691
Undesignated		2,933,996			11,797,977	14,731,973
Capital project funds:						
Designated for subsequent year's expenditures			11,146,492	12,648,575	3,065,644	26,860,711
Total fund balances	<u>49,169,358</u>	<u>12,047,073</u>	<u>11,406,363</u>	<u>12,913,456</u>	<u>21,592,090</u>	<u>107,128,340</u>
Total liabilities and fund balances	<u>\$66,046,785</u>	<u>\$12,782,689</u>	<u>\$11,505,362</u>	<u>\$13,114,137</u>	<u>\$32,916,679</u>	<u>\$136,365,652</u>

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

El Paso County, Texas
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
September 30, 2006

Total fund balances for governmental funds		\$107,128,340
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.		
Land	12,878,258	
Buildings, net of accumulated depreciation	118,157,586	
Improvements, net of accumulated depreciation	6,301,705	
Equipment, net of accumulated depreciation	6,730,102	
Furniture and fixtures, net of accumulated depreciation	199,261	
Vehicles, net of accumulated depreciation	3,352,208	
Roads, net of accumulated depreciation	14,591,069	
Bridges and culverts, net of accumulated depreciation	1,986,866	
Leased equipment, net of accumulated depreciation	171,872	
Construction in progress	5,466,089	
Total capital assets		169,835,016
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Deferred revenue property taxes		8,402,325
Receivable for court costs, net of allowance for uncollectible accounts		2,267,347
Compensated Absences		(22,359,930)
Internal service fund is used to charge the health care costs for county employees, dependants, and retirees.		5,444,261
Long-term liabilities, including bonds payable, that are not due and payable in the current period and therefore not reported in the funds.		
Accrued interest on bonds	(632,482)	
General long-term debt	(110,930,000)	
Capital leases	(146,669)	
Contingent liabilities	(300,000)	
Claims and judgments	(1,243,981)	
Deferred bond issuance costs	177,203	
Total long-term liabilities		(113,075,929)
Total net assets of governmental activities		\$157,641,430

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

County of El Paso, Texas
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2006

	General	Special Revenue Road and Bridge	County Capital Projects 2001	County Capital Projects 2002	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$115,483,678				\$17,983,099	\$133,466,777
Licenses and permits	208,535					208,535
Intergovernmental revenues	4,337,142	251,865			22,629,149	27,218,156
Charges for services	31,717,862	8,436,041			4,595,984	44,749,887
Fines and Forfeitures	5,936,102				266,417	6,202,519
Interest	3,269,818	535,131	\$501,453	\$677,785	1,374,211	6,358,398
Miscellaneous	2,055,329	191,032			2,200,984	4,447,345
Total Revenues	<u>163,008,466</u>	<u>9,414,069</u>	<u>501,453</u>	<u>677,785</u>	<u>49,049,844</u>	<u>222,651,617</u>
EXPENDITURES						
Current:						
General Government	26,704,394	1,272,769			2,025,365	30,002,528
Administration of justice	34,839,762				6,229,639	41,069,401
Public safety	72,206,787				20,191,806	92,398,593
Health and welfare	6,055,699				4,705,346	10,761,045
Community services					886,172	886,172
Resource development	572,953					572,953
Culture and recreation	2,118,440				3,420,443	5,538,883
Public works		4,071,427			109,533	4,180,960
Debt Service:						
Principal					10,570,000	10,570,000
Interest					5,518,698	5,518,698
Capital outlays	119,881	1,450,278	1,122,729	4,634,155	4,459,545	11,786,588
Total expenditures	<u>142,617,916</u>	<u>6,794,474</u>	<u>1,122,729</u>	<u>4,634,155</u>	<u>58,116,547</u>	<u>213,285,821</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,390,550</u>	<u>2,619,595</u>	<u>(621,276)</u>	<u>(3,956,370)</u>	<u>(9,066,703)</u>	<u>9,365,796</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	703,385	67,063			17,457,688	18,228,136
Transfers out	(15,015,248)				(3,212,888)	(18,228,136)
Capital leases	78,803					78,803
Realized gain					15,254	15,254
Sale of capital assets					160,740	160,740
Total other financing sources and uses	<u>(14,233,060)</u>	<u>67,063</u>			<u>14,420,794</u>	<u>254,797</u>
Net change in fund balances	<u>6,157,490</u>	<u>2,686,658</u>	<u>(621,276)</u>	<u>(3,956,370)</u>	<u>5,354,091</u>	<u>9,620,593</u>
Fund balances - beginning	42,630,467	9,360,415	10,121,613	16,869,826	17,504,987	96,487,308
Prior year adjustment	419,774		1,906,026		(1,266,988)	1,058,812
Net change in reserve for inventories	(38,373)					(38,373)
Fund balances - ending	<u>\$49,169,358</u>	<u>\$12,047,073</u>	<u>\$11,406,363</u>	<u>\$12,913,456</u>	<u>\$21,592,090</u>	<u>\$107,128,340</u>

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

County of El Paso, Texas
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended September 30, 2005

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

Net change in fund balances - total governmental funds		\$9,620,593
<p>Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered an other source of financing, but in the statement of net assets, the lease obligation is reported as a liability.</p>		
		(78,803)
<p>Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.</p>		
Repayments		
Bond issuance costs	(12,672)	
Principal payments	10,570,000	
Net adjustment		10,557,328
Court cost receivables, net of allowance for uncollectible amounts		1,923,003
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.</p>		
Deferred revenue property taxes	(458,129)	
Additional contingent liabilities	(300,000)	
Additional payroll liabilities	0	
Additional Compensated Absences	(1,912,421)	
Depreciation expense	(12,185,497)	
The net effect of various transactions involving capital assets (i.e., sales and retirements) is to increase net assets	10,360,667	
Unpaid claims workers comp	(97,046)	
Change in purchasing inventory	(38,373)	
Expenses related to capital lease payments and retirements	56,178	
Accrued interest on bonds	57,355	
		(4,517,266)
<p>Internal service fund is used to charge the health care costs for county employees, dependants, and retirees.</p>		
		3,715,020
Change in net assets of governmental activities		\$21,219,875

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

County of El Paso, Texas
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$81,629,720	\$81,629,720	\$83,045,102	\$1,415,382
Sales	27,250,000	27,250,000	31,117,468	3,867,468
Bingo	60,000	60,000	67,503	7,503
State mixed beverage	950,000	950,000	1,253,605	303,605
Licenses and permits	199,500	199,500	208,535	9,035
Intergovernmental	2,341,239	2,341,239	4,337,142	1,995,903
Charges for services	31,072,386	31,072,386	31,717,862	645,476
Fines and forfeitures	5,565,000	5,565,000	5,936,102	371,102
Interest	1,700,000	1,700,000	3,269,818	1,569,818
Miscellaneous	2,914,302	2,914,302	2,055,329	(858,973)
Total revenues	<u>153,682,147</u>	<u>153,682,147</u>	<u>163,008,466</u>	<u>9,326,319</u>
EXPENDITURES				
Current:				
General government				
Personnel	23,156,670	20,745,914	17,585,750	3,160,164
Operating	13,210,031	12,303,928	9,137,390	3,166,538
Total general Government	<u>36,366,701</u>	<u>33,049,842</u>	<u>26,723,140</u>	<u>6,326,702</u>
Administration of justice				
Personnel	27,792,989	29,687,611	29,287,771	399,840
Operating	5,565,895	5,936,867	5,491,324	445,543
Total Administration of justice	<u>33,358,884</u>	<u>35,624,478</u>	<u>34,779,095</u>	<u>845,383</u>
Public safety				
Personnel	59,042,931	59,056,478	58,950,182	106,296
Operating	13,057,936	13,572,429	13,034,744	537,685
Total Public safety	<u>72,100,867</u>	<u>72,628,907</u>	<u>71,984,926</u>	<u>643,981</u>
Health and welfare				
Personnel	1,005,883	1,201,307	1,087,599	113,708
Operating	5,261,561	5,377,319	4,960,421	416,898
Total Health and welfare	<u>6,267,444</u>	<u>6,578,626</u>	<u>6,048,020</u>	<u>530,606</u>
Resource development				
Personnel	546,811	555,411	445,636	109,775
Operating	203,417	185,820	126,519	59,301
Total Resource development	<u>750,228</u>	<u>741,231</u>	<u>572,155</u>	<u>169,076</u>
Culture and recreation				
Personnel	1,239,641	1,262,964	1,123,206	139,758
Operating	1,046,691	1,275,297	993,474	281,823
Total Culture and recreation	<u>2,286,332</u>	<u>2,538,261</u>	<u>2,116,680</u>	<u>421,581</u>
Capital outlays				
Total expenditures	<u>152,588,976</u>	<u>151,352,939</u>	<u>142,343,897</u>	<u>9,009,042</u>
Excess of revenues over expenditures	<u>1,093,171</u>	<u>2,329,208</u>	<u>20,664,569</u>	<u>18,335,361</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	574,000	574,000	703,385	129,385
Transfers out	(12,795,850)	(14,031,883)	(13,372,326)	659,557
Capital leases			78,803	78,803
Total other financing sources and uses	<u>(12,221,850)</u>	<u>(13,457,883)</u>	<u>(12,590,138)</u>	<u>867,745</u>
Net change in fund balances	(11,128,679)	(11,128,675)	8,074,431	19,203,106
Fund balances - beginning	49,154,389	49,154,389	49,154,389	
Fund balances - ending	<u>\$38,025,710</u>	<u>\$38,025,714</u>	<u>\$57,228,820</u>	<u>\$19,203,106</u>

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

County of El Paso, Texas
Statement of Net Assets
Proprietary Funds
September 30, 2006

	Business-type Activities-Enterprise Funds					Governmental Activities - Internal Service Fund
	East Montana Water Project (Current Year)	East Montana Water Project (Prior Year)	County Solid Waste (Current Year)	County Solid Waste (Prior Year)	Total Current Year	
ASSETS						
Current assets:						
Cash and cash equivalents	\$1,070,882	\$1,020,804	(\$19,972)	\$8,483	\$1,050,910	\$5,941,244
Accounts receivable	62,733	68,215	15,349	10,429	78,082	31,769
Customer deposits	80,100	77,900			80,100	
East Montana 1997A interest and sinking fund	36,532	35,507			36,532	
East Montana 2000A interest and sinking fund	3,816	3,106			3,816	
Total current assets	<u>1,254,063</u>	<u>1,205,532</u>	<u>(4,623)</u>	<u>18,912</u>	<u>1,249,440</u>	<u>5,973,013</u>
Noncurrent assets:						
Restricted cash, cash equivalents, and investments:						
East Montana 1997B construction fund	36,470	36,470			36,470	
East Montana Reserve fund	90,715	86,703			90,715	
Total restricted assets:	<u>127,185</u>	<u>123,173</u>			<u>127,185</u>	
Capital assets:						
Equipment, water system	13,134,237	13,134,237			13,134,237	
Vehicles	16,979	16,979			16,979	
Less accumulated depreciation	(1,380,437)	(1,011,341)			(1,380,437)	
Total capital assets, net of accumulated depreciation	<u>11,770,779</u>	<u>12,139,875</u>			<u>11,770,779</u>	
Total noncurrent assets	<u>11,897,964</u>	<u>12,263,048</u>			<u>11,897,964</u>	
Total assets	<u>13,152,027</u>	<u>13,468,580</u>	<u>(4,623)</u>	<u>18,912</u>	<u>13,147,404</u>	<u>5,973,013</u>
LIABILITIES						
Current liabilities:						
Vouchers payable	44,086	44,501	17,515	14,081	61,601	
Customer deposits payable	80,100	77,900			80,100	
Claims payable						515,634
Payroll Liability						2,095
Due to others						11,023
Due to other governments	7,109	6,995			7,109	
East Montana Water Project 1997A payable	10,000	10,000			10,000	
East Montana Water Project 2000A payable	7,000	7,000			7,000	
Accrued interest payable	7,093	7,201			7,093	
Total current liabilities	<u>155,388</u>	<u>153,597</u>	<u>17,515</u>	<u>14,081</u>	<u>172,903</u>	<u>528,752</u>
Noncurrent liabilities:						
East Montana Water Project 1997A payable	960,000	970,000			960,000	
East Montana Water Project 2000A payable	156,000	163,000			156,000	
Total noncurrent liabilities	<u>1,116,000</u>	<u>1,133,000</u>			<u>1,116,000</u>	
Total liabilities	<u>1,271,388</u>	<u>1,286,597</u>	<u>17,515</u>	<u>14,081</u>	<u>1,288,903</u>	<u>528,752</u>
NET ASSETS						
Invested in capital assets, net of related debt	10,804,554	11,150,669			10,804,554	
Restricted for:						
East Montana Water Project	1,076,085	1,031,314			1,076,085	
County Solid Waste			(22,138)	4,831	(22,138)	
Unrestricted:						
Internal Service fund						5,444,261
Total net assets	<u>\$11,880,639</u>	<u>\$12,181,983</u>	<u>(\$22,138)</u>	<u>\$4,831</u>	<u>\$11,858,501</u>	<u>\$5,444,261</u>

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

County of El Paso, Texas
Statement of Revenues, Expenses, and
Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2006

	Business-type Activities-Enterprise Funds					Governmental Activities - Internal Service Fund
	East Montana Water Project (Current Year)	East Montana Water Project (Prior Year)	County Solid Waste (Current Year)	County Solid Waste (Prior Year)	Total Current Year	
OPERATING REVENUES						
Charges for services	\$767,416	\$757,244	\$165,430	\$95,087	\$932,846	
Employee premiums						\$4,121,586
Employer premiums						10,184,907
Other agencies						46,427
Retiree premiums						769,058
Cobra						69,623
Stop loss reimbursements						448,708
Other						19,690
Total operating revenues	<u>767,416</u>	<u>757,244</u>	<u>165,430</u>	<u>95,087</u>	<u>932,846</u>	<u>15,659,999</u>
OPERATING EXPENSES						
Personnel expenses	146,168	39,485			146,168	
Operating expenses	136,454	78,732			136,454	
Depreciation	369,096	377,013			369,096	
Public utilities	209,452	216,423			209,452	
Professional services	212,528	224,800	192,427	90,354	404,955	
Claims						10,945,239
Administrative						1,192,130
Total operating expenses	<u>1,073,698</u>	<u>936,453</u>	<u>192,427</u>	<u>90,354</u>	<u>1,266,125</u>	<u>12,137,369</u>
Operating income (loss)	<u>(306,282)</u>	<u>(179,209)</u>	<u>(26,997)</u>	<u>4,733</u>	<u>(333,279)</u>	<u>3,522,630</u>
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	62,435	33,225			62,435	192,390
Interest expense	(57,497)	(58,353)	28	98	(57,469)	
Total nonoperating revenues (expenses)	<u>4,938</u>	<u>(25,128)</u>	<u>28</u>	<u>98</u>	<u>4,966</u>	<u>192,390</u>
Change in Net Assets	<u>(301,344)</u>	<u>(204,337)</u>	<u>(26,969)</u>	<u>4,831</u>	<u>(328,313)</u>	<u>3,715,020</u>
Total net assets, beginning	<u>12,181,983</u>	<u>12,386,320</u>	<u>4,831</u>		<u>12,186,814</u>	<u>1,729,241</u>
Total net assets, ending	<u>\$11,880,639</u>	<u>\$12,181,983</u>	<u>(\$22,138)</u>	<u>\$4,831</u>	<u>\$11,858,501</u>	<u>\$5,444,261</u>

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

County of El Paso, Texas
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2006

	Business-type Activities-Enterprise Funds					Governmental Activities - Internal Service Fund
	East Montana Water Project (Current Year)	East Montana Water Project (Prior Year)	County Solid Waste (Current Year)	County Solid Waste (Prior Year)	Total Current Year	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$775,212	\$756,704	\$160,510	\$84,658	\$935,722	
Payments for personnel expenses	(146,168)	(39,485)			(146,168)	
Payments for operating expenses	(136,869)	(106,208)	3,434	14,081	(133,435)	
Payments for utilities	(209,452)	(216,423)			(209,452)	
Payments for professional services	(212,528)	(224,800)	(192,427)	(90,354)	(404,955)	
Receipts from employee premiums						\$4,089,956
Receipts from employer premiums						10,185,628
Receipts from other agencies premiums						46,427
Receipts from retiree premiums						769,058
Receipts from cobra premiums						69,623
Receipts from stop loss reimbursements						448,708
Receipts from miscellaneous services						19,690
Receipts for payroll liability						(392,849)
Payments for claims						(11,109,733)
Payments for administrative expenses						(1,192,130)
Net cash provided (used) by operating activities	<u>70,195</u>	<u>169,788</u>	<u>(28,483)</u>	<u>8,385</u>	<u>41,712</u>	<u>2,934,378</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interest paid	(57,605)	(58,460)			(57,605)	
Principal repayments	(17,000)	(17,000)			(17,000)	
Net cash provided (used) by noncapital financing activities	<u>(74,605)</u>	<u>(75,460)</u>			<u>(74,605)</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of vehicle		(16,979)				
Net cash provided (used) by capital and related financing activities		<u>(16,979)</u>				
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipt of interest	62,435	33,225	28	98	62,463	192,390
Net cash provided (used) by investing activities	<u>62,435</u>	<u>33,225</u>	<u>28</u>	<u>98</u>	<u>62,463</u>	<u>192,390</u>
Net increase in cash and cash equivalents	58,025	110,574	(28,455)	8,483	29,570	3,126,768
Cash and cash equivalents, beginning of year	1,260,490	1,149,916	8,483		1,268,973	2,814,476
Cash and cash equivalents, end of year	<u>\$1,318,515</u>	<u>\$1,260,490</u>	<u>(\$19,972)</u>	<u>\$8,483</u>	<u>\$1,298,543</u>	<u>\$5,941,244</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	(\$306,282)	(\$179,209)	(\$26,997)	\$4,733	(\$333,279)	\$3,522,630
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	369,096	377,013			369,096	
(Increase) decrease in accounts receivable	5,482	(2,970)	(4,920)	(10,429)	562	(30,909)
Increase (decrease) in customer deposits	2,200	2,050			2,200	
Increase (decrease) in vouchers payable	(415)	(27,476)	3,434	14,081	3,019	
Increase (decrease) in claims liability						(164,494)
Increase (decrease) in payroll liability						(392,849)
Increase (decrease) in due to other governments	114	380			114	
Total adjustments	<u>376,477</u>	<u>348,997</u>	<u>(1,486)</u>	<u>3,652</u>	<u>374,991</u>	<u>(588,252)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$70,195</u>	<u>\$169,788</u>	<u>(\$28,483)</u>	<u>\$8,385</u>	<u>\$41,712</u>	<u>\$2,934,378</u>

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

County of El Paso, Texas
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
September 30, 2006

	Agency Funds
Assets	
Cash and cash equivalents	\$25,362,900
Accounts receivable	212,731
Restricted-funds held in trust cash equivalents	586,438
Total Assets	\$26,162,069
 Liabilities	
Vouchers payable	\$225,492
Payroll liabilities	1,819,803
Due to others	11,942,187
Due to other governmental agencies	12,174,587
Total Liabilities	\$26,162,069
Net Assets	

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



NOTES TO THE FINANCIAL STATEMENTS

COUNTY OF EL PASO, TEXAS
Notes to the Financial Statements
September 30, 2006

Note 1. Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The County implemented GASB 34 for fiscal year ended September 30, 2002 and has fully implemented the infrastructure portion during fiscal year 2006.

The provisions of GASB Statement No. 44 Economic Condition Reporting: The Statistical Section are effective for statistical sections prepared for periods beginning after June 15, 2005. The County elected to early implement such provisions for the fiscal year ending September 30, 2005.

The County's most significant accounting policies are described below.

A. Reporting Entity

The County of El Paso is a public corporation and a political subdivision of the State of Texas. The governing body of the County is the Commissioners Court. The Commissioners Court is composed of five elected officials, the County Judge and four County Commissioners.

The financial statements of the County, the reporting entity, include all governmental activities, departments, agencies, organizations and functions of the County for which the governing body is financially accountable. In evaluating and determining how to define the financial reporting entity, all likely units have been considered.

The decisions to include or exclude a potential component unit in the reporting entity were made by applying standards contained in GAAP. The key consideration for including or excluding a potential component unit is the primary governing body's financial accountability. A primary government is financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing board and if it is able to impose its will or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the primary government.

In conformity with the criteria discussed above, the financial statements of the El Paso County Hospital District (District) have been included in the financial reporting entity as a discretely presented component unit. This unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County.

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

The District operates R. E. Thomason General Hospital, a non-profit organization. The El Paso County Commissioners Court appoints the Hospital's seven member governing body, approves the District's budget, tax rate and issuance of bonded debt. Complete financial statements for the District can be obtained from its administrative office:

R. E. Thomason General Hospital
4815 Alameda Avenue
El Paso, Texas 79905
(915) 521-7610

B. Government-wide and fund financial statements

The government-wide financial statements report financial information of the primary government and its component unit for all non-fiduciary activities. The effects of inter-fund activities have been removed from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separate from business-type activities, which rely on fees and charges for a significant portion of their revenues.

The statement of net assets focuses on the net assets of the governmental and business type activities of the primary government and its component unit, where the net assets equals the assets less liabilities. The statement of activities focuses on the direct expenses of a given function that are offset by program revenues. *Direct expenses* are those expenses that are clearly identifiable with a specific function. *Program revenues* include 1) charges for services and 2) operating and capital grants and contributions. Taxes and other revenue items not included in program revenues are reported as *general revenues*.

Separate financial statements are provided for the Governmental, Proprietary and Fiduciary funds, even though the latter are excluded from the government-wide financial statements

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows occur. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

All governmental funds are reported using a current financial resources measurement focus. Ordinarily, only current assets and current liabilities are included on the balance sheet with this measurement focus. The operating statements of the funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). In the case of the County, "measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred.

Revenues susceptible to accrual include property taxes, fines, forfeitures, special assessments, licenses, interest income and charges for services. Sales and use taxes collected and held by the State at fiscal year end on behalf of the County are also recognized as revenue. Permits are not susceptible to accrual because generally they are not measurable.

Deferred revenues arise when potential revenues do not meet both the measurable and available tests for recognition in the current period. Deferred revenues also come about when resources are received by the County before the County is legally entitled to them. In succeeding periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for deferred revenue is removed from the statements and revenue is recognized.

The County reports the following major governmental funds:

The general fund is the primary operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Road and Bridge Special Revenue fund is used to account for funds dedicated for the purpose of constructing and maintaining county roads and bridges. The principle financial resources for this fund are the Auto License Registration Fees and the Auto Sales Tax.

The County Capital Projects 2001 and 2002 are used to account for the financial resources secured through the sale of certificates of obligation to fund a multitude of county projects, to include the courthouse expansion, parking garage, improvements to the County's water infrastructure and other County capital needs. Although these two funds do not meet the criteria for major fund reporting, they are included in order to enhance consistency from the previous year.

The County reports both enterprise funds as major proprietary funds. The enterprise fund accounts for the activities of the East Montana Water Project and County Solid Waste. User charges are used to pay off the debt on the revenue bonds for the East Montana Water Project, plus the operating expenses for both enterprise funds.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County reports the following non-major governmental funds:

Special Revenue Funds account for resources that are legally restricted for specific purposes.

Debt Service Funds account for the resources accumulated for subsequent payment made for principal and interest on long-term obligation debt of the County.

Capital Projects Funds account for the resources used to construct major capital assets of the County.

The County additionally reports the following Funds types:

Internal Service Funds account for the health benefits provided to County employees, retirees and dependents. The workers' compensation benefits and the supplemental dental, optical and legal benefits provided to Sheriff's officers are also accounted in the Internal Service Funds. Contributions to the funds are made as charges to the departments for covered employees along with contributions from employees and retirees.

Agency Funds are used to account for the assets that are held in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include the following:

County Payroll Fund is used as a clearing account for the bi-weekly employee payroll.

IRS Section 125 Fund is used to account for the employees' contributions to a cafeteria plan under the provisions of the *Internal Revenue Code Section 125*.

County Employees' Retirement Fund is used as a clearing account for the County and employees' contributions to the Texas County and District Retirement System.

Social Security Fund is used as a clearing account for the F.I.T. and F.I.C.A. withholdings.

Child Support Fund is used as a clearing account for County employees' deductions for court ordered child support payments.

West Texas Community Supervision and Corrections Fund is used to account for the activities of the State Adult Probation Department.

County Attorney Bad Check Trust Fund is used to account for the collections and disbursement of insufficient fund checks.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

High Intensity Drug Trafficking and Narcotics Detection Apprehension Funds are used to account for the seizures related to drug cases pending disposition by the Courts.

District Attorney Real Estate and District Attorney Seized Funds are used to account for seizures held pending disposition by the Courts.

Self Help Escrow Fund is used to account for the insurance and property taxes held in escrow for individuals who received state loans to improve their homes.

Domestic Relations Office Fund is used to account for the collections and disbursements of the child support funds.

Other Elected Officials Fund is used to account for the collections of various county officials pending the allocation to the County, other governmental entities or individuals.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business type activities subject to this same limitation; however, the County has elected not to follow subsequent private sector guidelines.

Interfund activities have been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges for services (i.e., application fees, fines, court fees, processing fees, etc.), 2) operating grants and contributions, 3) capital grants and contributions. Other revenues that are not related to a specific activity or function are reported as *general revenues*. General revenues include all taxes, grants and contributions not restricted to a specific program or function, and any unrestricted investment earnings.

The proprietary fund distinguishes between operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services in connection with the proprietary fund's principal operations. The East Montana Water Project recognizes tap and water service fees as operating revenues. The County Solid Waste recognizes waste collection fees as operating revenues. Revenues and expenses not considered as operating are classified as non-operating.

D. Budgets

Annual budgets are approved and utilized for the general fund, special revenue and grant funds and debt service funds. Annual budgets for the debt service funds are adopted by fund type in the aggregate. Annual budgets are adopted for the special revenue grant funds at the aggregate level by function. Budgets for grants are employed as a management control device in order to comply with granting agencies' provisions. Appropriations expire at fiscal year-end with the exception of grant funds.

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgets (Continued)

Formal budgetary integration is employed for the general fund, special revenue and grant funds and debt service funds. Capital projects funds are ordinarily more project oriented than period oriented, thus, project-length budgets for all capital projects funds are utilized and appropriations at year-end carry forward to subsequent years until the project completion. Budgets for all funds are prepared on the modified accrual basis. Formal budgetary integration is not employed in the Internal Service Fund.

The adopted budget for fiscal year 2006 totaled \$221,289,026. Throughout the year, the Commissioners Court amended the budget for an aggregate increase total of \$32,432,255. These increases represented statutorily provided increases for additional funding by granting agencies and intergovernmental agreements bringing the overall budget total to \$253,721,281. The appropriation changes included revisions as follows:

County of El Paso, Texas
Schedule of Amended Funding Amounts
For the period ending September 30, 2006

Date of Amendment	General Fund	Special Revenue Fund	Enterprise Fund	Debt Service Fund	Capital Projects Fund	Grants	Total Funding Amounts
October 10, 2005	\$164,508,983	\$37,122,499	\$1,450,854	\$16,088,699	\$1,170,191	\$947,800	\$221,289,026
October 17, 2005						4,837,919	4,837,919
October 24, 2005						(320)	(320)
October 31, 2005						360,268	360,268
November 7, 2005						400,000	400,000
November 14, 2005						66,057	66,057
November 21, 2005						623,924	623,924
December 5, 2005						(480,129)	(480,129)
December 12, 2005						78,395	78,395
December 19, 2005						367,500	367,500
January 9, 2006						355,000	355,000
January 23, 2006						77,191	77,191
January 30, 2006						19,030	19,030
February 13, 2006		19,049				200,000	219,049
February 27, 2006						119,823	119,823
March 6, 2006					(500,000)		(500,000)
March 13, 2006						1,106,148	1,106,148
March 20, 2006						551,396	551,396
March 27, 2006						100,500	100,500
April 3, 2006						4,796,934	4,796,934
April 10, 2006						2,249,572	2,249,572
April 17, 2006						4,043,949	4,043,949
April 24, 2006						646,488	646,488
May 1, 2006						10,000	10,000
May 8, 2006						59,823	59,823
May 15, 2006						488,793	488,793
May 22, 2006						454,854	454,854
June 5, 2006						20,000	20,000
June 12, 2006						7,983	7,983
June 26, 2006						209,246	209,246
July 10, 2006						1,274,104	1,274,104
July 17, 2006						569,998	569,998
July 31, 2006						154,956	154,956
August 14, 2006						284,741	284,741
August 28, 2006						2,969,846	2,969,846

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgets (Continued)

Date of Amendment	General Fund	Special Revenue Fund	Enterprise Fund	Debt Service Fund	Capital Projects Fund	Grants	Total Funding Amounts
September 11, 2006					50,926	1,679,827	1,730,753
September 25, 2006		112,000				4,046,464	4,158,464
Subtotal	\$164,508,983	\$37,253,548	\$1,450,854	\$16,088,699	\$721,117	\$33,698,080	\$253,721,281
Carry over							
Re-appropriation	875,839	1,942,959	1,138		30,939,961		33,759,897
Totals	\$165,384,822	\$39,196,507	\$1,451,992	\$16,088,699	\$31,661,078	\$33,698,080	\$287,481,178

A reconciliation of budgeted and non-budgeted fund balance is as follows:

	General Fund
Combined Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual	\$57,228,820
Revenues: Non-Budgeted	
Expenditures: Non-budgeted	<u>274,019</u>
Revenues over (under) Expenditures	(274,019)
Other financing sources (uses): Non-budgeted	<u>(1,642,922)</u>
Excess (deficiency) of revenues and Other financing sources over (under) Expenditures and other financing uses	(1,916,941)
Change in reserve for inventory	(38,373)
Prior years differences	<u>(6,523,922)</u>
Prior period adjustment	419,774
Combined Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$49,169,358</u>

The non-budgeted expenditures in the general fund represent an increase in the accrual for payroll liabilities of \$312,392 and a change in the reserve for inventory of (\$38,373), which represents the amount of inventory consumed during the year. The non-budgeted other financing uses represent an inter-fund transfer for excess sales tax from the general fund to the debt service fund. These adjustments were necessary due to timing. The prior period adjustment includes \$507,344 for the manner in which contingent liabilities are reported in the financial statements plus a correction for a misclassification of \$87,750.

Note 1. Summary of Significant Accounting Policies (Continued)

E. Excess of Expenditures Over Appropriations

County purchasing agent and facilities management within the General Fund had expenditures that exceeded appropriations by \$6,608 and \$17,024, respectively, which resulted from accruals for various expenditures. Also, the Coliseum Tourist Promotion, County Law Library, Probate Judiciary Support, Juvenile Probation, County Attorney Bad Check Operating and District Attorney Apportionment Supplement Special Revenue Funds had deficit appropriations of \$7,267, \$42,500, \$3,659, \$52,662, \$190,166, and \$1,188 respectively, due to payroll and operating expenditure accruals. These budget shortfalls were covered by available fund balance within the individual special revenue funds or in the General Fund.

F. Deposits and Investments

Cash and cash equivalents as reported by the County and the component unit represent cash on hand, demand deposits, negotiable order of withdrawal (NOW) accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

County policy and State law require that all monies deposited in a depository bank be completely insured by the Federal Deposit Insurance Corporation or fully collateralized with securities of the United States or its agencies.

Governmental Accounting Standards Board Statement Number 40 "*Deposit and Investment Risk Disclosure an amendment to GASB Statement Number 3*" establishes and modifies disclosure requirements related to investment risks associated with credit risk (including custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk. To limit the concentration of credit risk, the County has an established policy, whereby the maximum aggregate for all investments in obligations of U. S. Agencies and Instrumentalities shall not exceed 75 percent. The County has also established interest rate risk policies that limit the maximum maturity of any one security to 3 years or less. The County is not exposed to foreign currency risk since County policy prohibits investment in any foreign investments. This statement becomes effective for financial statements for periods beginning after June 15, 2004. The County, the primary government, has implemented the requirements of this statement.

Governmental Accounting Standards Board Statement Number 31 "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*" became effective for fiscal years beginning after June 15, 1997. Statement No. 31 requires governmental entities, including external investment pools, to report investments at fair value, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less, which may be reported at amortized cost unless the fair value of these investments has been significantly impaired. Money market investments are short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and United States Treasury and agency obligations.

Investments reported on the balance sheet are stated at amortized fair value. All of the County's investments are purchased with maturity of three years or less. In accordance with Public Funds Investment Act, all County investments are in United States Treasury Securities, agency securities, TexPool, certificates of deposit or commercial paper through an authorized investment pool. All certificates of deposit are fully insured by the Federal Deposit Insurance Corporation and/or fully collateralized with United States Treasury or agency securities. United States Treasury Securities are backed by the full faith and credit of the United States.

Note 1. Summary of Significant Accounting Policies (Continued)

F. Deposits and Investments (Continued)

Agencies have no expressed liability assumed by the U.S. Government; however, the agencies are required to maintain secured advances, guaranteed mortgages, U.S. Government securities or cash in an amount equal to the amount of the consolidated bonds and discount notes outstanding. Securities pledged to the County as collateral are held by a third party bank in the County's name.

TexPool

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool, the Texas Local Government Investment Pool. Oversight includes the ability to significantly influence operations, designation of management and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other individuals who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

Finally, TexPool is rated AAAM by Standard & Poors. As a requirement to maintain the weekly rating, portfolio information must be submitted to Standard & Poors, as well as the office of the State Comptroller of Public Accounts for review.

TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost, which approximates fair value to report the carrying value of investments pursuant to GASB Statement No. 31. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of the inter-fund loan or "advances to/from other funds" for the non-current portion of inter-fund loans. All other transactions that occur between individual funds for goods or services provided are classified as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental fund, which indicates that they do not represent available financial resources and are not available for appropriation.

All trade and property tax receivables are shown net of an allowance for uncollectable accounts. Property taxes are levied October 1st and become delinquent on February 1st, at which time penalties and interest are assessed. The allowance for uncollectable property taxes is set at one percent of the outstanding delinquent taxes at September 30, 2006.

Note 1. Summary of Significant Accounting Policies (Continued)

H. Inventories and prepaid items

All inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased.

Payments made to vendors for goods or services that will benefit periods beyond year-end are classified as prepaid items.

I. Restricted Assets

Certain proceeds of the East Montana Water Project are classified as restricted assets on the balance sheet and are maintained separate on the books. Those resources are for the repayment of the related debt and customer deposits and to maintain the required reserves. The reserve fund is used to cover any deficiencies from operations that could adversely affect debt service payments.

J. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the appropriate governmental or business-type activities columns in the government-wide financial statements. Capital assets are those assets with a value of \$5,000 or more and with useful lives of over one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated capital assets are stated at their fair market value on the date donated. When no historical records are available, capital assets are valued at estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the assets or substantially extend the life of the assets are not capitalized.

Improvements and major outlays are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All infrastructure capital assets of the County are reported retroactively, except for roads, which are reported prospectively.

Capital assets for the enterprise fund are depreciated using the 120 percent declining balance over 40 years in accordance with the bond covenant. Capital assets under construction are not depreciated until construction is completed.

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

Note 1. Summary of Significant Accounting Policies (Continued)

J. Capital Assets (continued)

<u>Assets</u>	<u>Years</u>
Building	40
Moveable & Fixed Equipment	3-20
Roads	20
Vehicles	5
Improvements	20
Bridges	35

Assets of the component unit are depreciated on a straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building & Improvements	8-40
Moveable & Fixed Equipment	3-15

K. Compensated Absences

Regular full-time employees accumulate vacation leave at varying rates depending on their years of service with the County as follows:

<u>Number of Years of Service</u>	<u>Vacation Leave Days Earned Per Year</u>
Up to 5 years	10
5 to 15 years	15
Over 15 years	20

Vacation leave may be accumulated up to a maximum of two times the annual vacation benefit (20, 30 or 40 days depending on the number of years of service). Employees lose, without pay, unused vacation leave, which exceeds this limit. Regular part-time employees accumulate vacation leave at half the rate of regular full-time employees. On September 30, 2006, the County's total liability for vested vacation leave totaled \$8,785,479.

Each regular full-time employee earns sick leave at the rate of 15 working days per year and may accumulate a maximum sick leave balance of 90 working days. Outstanding sick leave balances are canceled, without recompense, upon termination, resignation, retirement or death except in the case of sheriff's officers. In accordance with the provisions of Governmental Accounting Standard Board, Statement No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Note 1. Summary of Significant Accounting Policies (Continued)

K. Compensated Absences (Continued)

A liability in the amount of \$13,574,451 has been established for the accumulated vested sick leave benefits of the El Paso County Sheriff's deputies and detention officers. This is in accordance with the provisions of the contract agreement between the County and the El Paso County Sheriff's Association, whereby the County shall buy back any unused sick leave at the end of an officer's career. An officer will be paid at the rate of one day's pay for one day's sick leave up to 90 days and thereafter at the rate of one day's pay for every three days of sick leave.

Vested vacation and sick leave benefits are not expected to be liquidated with expendable and available financial resources and therefore, are reported as long term liabilities in the government wide statements. The accrued accumulated vested benefits for the current year are \$22,359,930 of which \$6,808,507 is reported as due within one year.

The general fund or the appropriate special revenue fund are used to liquidate any liabilities for compensated absences.

L. Long-term Obligations

For the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Bond premiums, discounts, and issuance costs are recognized in the fund financial statements of governmental fund types during the current period. The bond face amount and any premiums are reported as other financing resources while any discounts are reported as other financing uses. Bond issuance costs are reported in either the capital projects or debt service fund depending on whether the bond is a new issue or refunding issue, regardless of whether or not the costs were withheld from the bond proceeds received.

M. Fund Equity

Reserves represent those portions of fund equity not available for appropriation or expenditure or are legally restricted by outside parties for a specific purpose. Designated fund balances result from management's official action committing the use of financial resources.

N. Comparative Data/reclassifications

Comparative total data for the previous year have been presented in selected accompanying financial statements in order to afford an understanding of changes in the County's position and operations.

Note 1. Summary of Significant Accounting Policies (Continued)

N. Comparative Data/reclassifications (Continued)

Comparative data, nonetheless, have not been presented in all statements because such inclusion would make certain statements unduly complex and difficult to comprehend. Also, certain amounts presented for the prior year data have been reclassified consistent with the current year's presentation.

O. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Legal Compliance - Budgets

The County Auditor serves as the Budget Officer for the Commissioners Court of the County. Budgets are adopted by Commissioners Court on a modified accrual basis.

The Budget Officer prepares a proposed budget utilizing spending requests received from the various County departments and agencies. This proposed budget contains the County Auditor's estimate of revenues. The Commissioners Court may not legally adopt an annual operating budget containing appropriations in excess of the available funds at the beginning of the fiscal year and the anticipated revenues for the fiscal year as estimated by the County Auditor.

Public hearings pertaining to the proposed budget are conducted by Commissioners Court and the Budget Officer. During these hearings, the department heads are requested to explain and justify their spending requests. Before determining the final budget, Commissioners Court, while establishing overall spending priorities for the County, may increase or decrease the amounts requested by the different departments and agencies.

After approval of the budget, Commissioners Court may authorize transfers of appropriations within the various expenditure levels during the year. Such transfers, however, may not increase the overall budget total. The County budget may be increased during the course of the fiscal year for newly received bond proceeds, grants, state aid, intergovernmental contracts or unanticipated revenue received after adoption of the budget.

The legal level of budgetary control requires that all expenditures shall be made in strict compliance with the budget. The legal level of budgetary control for the general fund and special revenue funds is effectively controlled at the category (personnel, operations, capital outlays) level by department, while control for the debt service funds and capital projects funds is at the fund level. Any budgetary changes impacting appropriations at these levels may be made only with the formal approval of the Commissioners Court.

Note 3. Detailed notes on all funds

A. Deposits and Investments

At year-end, the carrying amount of the County's deposits was \$140,499,281 consisting of cash and cash equivalents. Of this amount, \$586,438 represents funds held in trust from the County Clerk's Probate Account. The bank balance of \$62,351,424 was covered by \$100,000 federal depository insurance with the remaining bank balance fully collateralized with securities held in the County's name in a joint custody account with the County's Depository bank at Frost National Bank.

The carrying amount of the deposits for the Hospital District, the discretely presented component unit, was \$61,195,000, consisting of cash and cash equivalents. The bank balance was covered by \$100,000 federal deposit insurance and the remaining bank balance collateralized with securities held in the hospital's name by the depository bank's trust department.

As of September 30, 2006 the County had the following investments.

Investment Type	Fair Value	Weighted Average Maturity (Years)
TexPool investment pool	<u>\$79,544,090</u>	0.14
Total	<u>\$79,544,090</u>	0.14

As of September 30, 2006 the District had the following investments.

Investment Type	Fair Value	Weighted Average Maturity (Years)
Certificates of deposit	\$604,000	0.60
Repurchase agreements	119,878,000	1.87
U.S. Treasuries	2,170,000	1.40
U.S. Agencies	<u>47,755,000</u>	1.53
Total	<u>\$170,407,000</u>	1.76

Interest rate risk. In accordance with the County's investment policy, the County has established interest rate risk policies that limit the maximum maturity of any one security to 3 years or less.

The District has established interest rate risk policies that limits the maximum maturity of any one security to 5 years or less, except for the tobacco settlement fund for which the maximum maturity is 10 years.

Credit risk. The Public Funds Investment Act *Government Code §2256.009(b)* limits allowable investments to obligations of, or guaranteed by, governmental entities, certificates of deposit, share certificates, repurchase agreements, bankers acceptances or commercial paper not to exceed 270 days, mutual funds not to exceed 90 days, guaranteed investment contracts, and investment pools. The County and District further limit investments to United States Treasury bills, bonds and notes, certificates of deposit, United States Agency securities (GNMA, SBA, EXIM BANK, FMHA, GSA, FNMA, FHLB, FHLMC, and FFCB), repurchase agreements (County not to exceed 4 days, District repurchase agreements must have a defined termination date), commercial paper through an authorized investment pool, and an investment pool authorized through commissioners court.

Note 3. Detailed notes on all funds (Continued)

A. Deposits and Investments (Continued)

Concentration of credit risk. To limit the concentration of credit risk, the County has an established policy, whereby the maximum aggregate for all investments in obligations of U. S. Agencies and Instrumentalities shall not exceed 75 percent. The County is not exposed to foreign currency risk since the County prohibits investment in any foreign investments.

District investments shall be diversified by limiting concentration of specific security types, issuers, and by staggering maturity dates.

Custodial credit risk – deposits. This is the risk that in the event of a bank failure, the County's or District's deposits may not be returned to the respective entity. The County and District protect their deposits by requiring the respective entity's depository bank to fully collateralize the amount in excess of federal depository insurance, with securities held in the respective entity's name in a joint custody account with the respective entity's depository bank at a third party financial institution.

Custodial credit risk – investments. For an investment, this is the risk that in the event of the failure of the issuer, the County or District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County and District reduces this risk by purchasing securities that are backed by the full faith and credit of the United States or an implied backing of the full faith and credit of the United States. Both the County's and District's investment policies strictly limit the entity's exposure to riskier type of securities such as commercial paper by limiting the maximum maturity and maximum investment.

B. Receivables

Receivables as of September 30, 2006 for the general, major and enterprise funds and nonmajor governmental, internal service, and fiduciary funds in aggregate, including applicable allowances for uncollectable accounts, are as follows:

	<u>General</u>	<u>Special Revenue Fund</u>	<u>Enterprise Funds</u>	<u>Non-major and other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$11,647,562				\$11,647,562
Accounts	9,114,319	\$334,325	\$78,082	\$4,190,946	13,717,672
Less: allowance for uncollectables	<u>(116,476)</u>				<u>(116,476)</u>
Net total receivables	<u>\$20,645,405</u>	<u>\$334,325</u>	<u>\$78,082</u>	<u>\$4,190,946</u>	<u>\$25,248,758</u>

Accounts and property taxes receivables are reported net of unrealizable amounts. The taxes receivable account represents uncollected tax levies of the past twenty years on real property and the last four years on personal property in accordance with State statute. The allowance for estimated uncollectable taxes is one percent of the total delinquent taxes receivable, including penalties and interest, as of September 30, 2006. Of the taxes receivable, including penalties and interest, the County defers approximately 70 percent until collection of those revenues.

Note 3. Detailed notes on all funds (Continued)

B. Receivables (Continued)

On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property, whether or not the taxes are imposed in the year the lien attaches. Property taxes are levied as of October 1 on property values assessed as of the same date. The tax levy is billed on or shortly after October 1 and is considered due upon receipt by the taxpayers. The tax levy must be paid by January 31. Taxes become delinquent if not paid before February 1.

Governmental funds report deferred revenue in connection with receivables for revenues that are considered not available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (general fund)	\$8,402,325	
Court costs and fines (general fund)	1,312	
Telephone Commission Advance (general fund)		<u>\$232,980</u>
Total deferred /unearned revenue for governmental funds	<u>\$8,403,637</u>	<u>\$232,980</u>

C. Capital assets

Capital assets activity for the year ended September 30, 2006 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$11,914,365	\$1,083,325	\$10,269	(\$129,701)	\$12,878,258
Construction in progress	<u>9,958,997</u>		<u>2,748,897</u>	<u>(7,241,805)</u>	<u>5,466,089</u>
Total capital assets, not being depreciated	<u>21,873,362</u>	<u>1,083,325</u>	<u>2,759,166</u>	<u>(7,371,506)</u>	<u>18,344,347</u>
Capital assets, being depreciated:					
Bridges and culverts	3,570,308				3,570,308
Buildings	194,062,750		10,639,550	(75,057)	204,627,243
Equipment	20,334,061	342,200	1,902,067	(658,310)	21,920,018
Furniture and fixtures	862,179		6,395	(5,274)	863,300
Improvements	8,967,670		84,101		9,051,771
Leased equipment	250,911		67,898		318,809
Roads	20,079,136		1,321,574		21,400,710
Vehicles	<u>9,913,202</u>		<u>1,189,137</u>	<u>(171,018)</u>	<u>10,931,321</u>
Total capital assets, being depreciated	<u>258,040,217</u>	<u>342,200</u>	<u>15,210,722</u>	<u>(909,659)</u>	<u>272,683,480</u>
Less accumulated depreciation for:					
Bridges and culverts	(1,481,970)		(101,472)		(1,583,442)
Buildings	(79,929,731)		(6,560,450)	20,524	(86,469,657)
Equipment	(12,375,389)	(330,793)	(2,959,402)	475,668	(15,189,916)
Furniture and fixtures	(633,591)		(35,502)	5,054	(664,039)
Improvements	(2,323,531)		(426,535)		(2,750,066)
Leased equipment	(119,455)		(27,482)		(146,937)

Note 3. Detailed notes on all funds (Continued)

C. Capital assets (Continued)

Primary Government (continued)

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
Governmental Activities:					
Less accumulated depreciation for:					
Roads	(\$5,746,887)		(\$1,062,754)		(\$6,809,641)
Vehicles	<u>(6,737,911)</u>		<u>(1,011,900)</u>	\$170,698	<u>(7,579,113)</u>
Total accumulated depreciation	<u>(109,348,465)</u>	<u>(\$330,793)</u>	<u>(12,185,497)</u>	<u>671,944</u>	<u>(121,192,811)</u>
Total capital assets, being depreciated, net	<u>148,691,752</u>	<u>11,407</u>	<u>3,025,225</u>	<u>(237,715)</u>	<u>151,490,669</u>
Governmental activities capital assets, net	<u>\$170,565,114</u>	<u>\$1,094,732</u>	<u>\$5,784,391</u>	<u>(\$7,609,221)</u>	<u>\$169,835,016</u>
Business-type activities:					
Capital assets, being depreciated:					
Vehicles	\$16,979				\$16,979
Water system	<u>13,134,237</u>				<u>13,134,237</u>
Total capital assets, being depreciated	<u>13,151,216</u>				<u>13,151,216</u>
Less accumulated depreciation for:					
Vehicles	(1,011)		(\$2,425)		(3,436)
Water system	<u>(1,010,330)</u>		<u>(366,672)</u>		<u>(1,377,002)</u>
Total accumulated depreciation	<u>(1,011,341)</u>		<u>(369,097)</u>		<u>(1,380,438)</u>
Total capital assets, being depreciated, net	<u>12,139,875</u>		<u>(369,097)</u>		<u>11,770,778</u>
Business-type activities capital assets, net	<u>\$12,139,875</u>		<u>(\$369,097)</u>		<u>\$11,770,778</u>

The amounts reported in the adjustment column consist of land, easements and right-of-ways that were pending as part of the GASB 34 reporting requirements; and a correction of \$352,000 and the corresponding depreciation for elections software that was previously omitted from the capital assets. These adjustments are reported as part of the prior period adjustments at the entity wide level statements.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government	\$4,503,932
Administration of justice	274,848
Public safety	4,216,443
Health and welfare	174,217
Community service	60,335
Resource Development	31,978
Culture and recreation	1,116,718
Public works	<u>1,807,026</u>
Total depreciation expense governmental activities	<u>\$12,185,497</u>
Business-type activities:	
Vehicles	\$2,425
Water system	<u>366,672</u>
Total depreciation expense Business-type activities	<u>\$369,097</u>

Note 3. Detailed notes on all funds (Continued)

C. Capital assets (Continued)

Construction Commitments

The government has several active construction projects as of September 30, 2006. The projects include the construction of runways at the Fabens Airport, the Fabens Port of Entry, the Sparks Arroyo, Canutillo Drainage and the Safe Routes to School Projects. The County's year-end commitments are as follows:

Construction commitments		
Project	Spent-to-date	Remaining Commitment
Fabens Airport Runways	\$172,802	
Fabens Port of Entry	4,188,726	\$1,678,714
Sparks Arroyo	427,000	191,000
Canutillo Drainage	597,601	1,344,399
Safe Routes To School	79,960	
Total	<u>\$5,466,089</u>	<u>\$3,214,113</u>

The Fabens Airport Runways and the Safe Routes To School projects are being funded through intergovernmental agreements with the State. These projects are reported as construction in progress until the State's portion of the commitment is used to finish the project.

Component unit

Capital asset activity for the District for the year ended September 30, 2006, was as follows:

	Beginning Balance	Increases	Transfer Disposals/ Retirements	Ending Balances
Capital assets, not being depreciated:				
Land	\$6,998,000			\$6,998,000
Construction in progress	<u>1,375,000</u>	<u>\$2,476,000</u>	<u>(\$ 2,506,000)</u>	<u>1,345,000</u>
Total capital assets, not being depreciated	<u>8,373,000</u>	<u>2,476,000</u>	<u>(2,506,000)</u>	<u>8,343,000</u>
Capital assets, being depreciated:				
Buildings and improvements	109,742,000	1,043,000	666,000	111,451,000
Movable and fixed equipment	<u>114,261,000</u>	<u>7,169,000</u>	<u>339,000</u>	<u>121,769,000</u>
Total capital assets, being depreciated	<u>224,003,000</u>	<u>8,212,000</u>	<u>1,005,000</u>	<u>233,220,000</u>
Less accumulated depreciation for:				
Buildings, improvements and equipment	<u>(122,995,000)</u>	<u>(16,559,000)</u>	<u>1,371,000</u>	<u>(138,183,000)</u>
Total accumulated depreciation	<u>(122,995,000)</u>	<u>(16,559,000)</u>	<u>1,371,000</u>	<u>(138,183,000)</u>
Total capital assets, being depreciated, net	<u>101,008,000</u>	<u>(8,347,000)</u>	<u>2,376,000</u>	<u>95,037,000</u>
District capital assets, net	<u>\$109,381,000</u>	<u>(\$5,871,000)</u>	<u>(\$130,000)</u>	<u>\$103,380,000</u>

Construction in progress for the Component Unit at September 30, 2006 primarily represents renovation of the hospital's second floor to be utilized as additional intensive care unit rooms.

Note 3. Detailed notes on all funds (Continued)

D. Interfund receivables, payables, and transfers

The composition of Interfund balances as of September 30, 2006, is as follows:

	<u>Due From</u>	<u>Due To</u>
<u>General Fund</u>		<u>\$1,642,922</u>
<u>Special Revenue</u>		
34 th Judicial District Prosecution Initiative		\$92,643
65 th District Family Drug Court Enhance Program		9,128
65 th District Family Drug Court		16,407
409 th District Drug Court		75,440
Bootstrap Program		1,589
Byrne Justice Assistance Grant		12,769
County Attorney Juvenile Information Systems		61,368
Colonia Road Projects		108,911
Colonia Self-Help Center		303,161
Criminal Enterprise Unit		350,559
Cruz Salcido Project		50,733
District Attorney Project Safe Neighborhoods		13,344
DIMS Project		57,879
Domestic Violence Unit		26,028
Enforcement of Protective Orders		16,533
Hispanic Nutrition Program		925
Homeland Security		271
Home Program Deed Conversions		6,816
Intelligent Transportation System		24,329
Juvenile Accountability Incentive		12,973
ONDCP Multiple Initiatives		541,677
Operation Linebacker		99,684
Organized Crime Drug Enforce Task Force		2,791
Regional Public Transportation Plan		23,945
Rural Transit Assistance Program		62,721
Sheriff's Crime Victim Services		21,045
Sheriff's Training Academy		43,163
Southwest Border CPOT Initiatives		36,483
Southwest Border HIDTA Management		28,608
TJPC Title IV-E Enhanced Billing	2,227,147	
Transit Bus Project		68,875
Vehicle Registration Abuse Program		11,548
Victim Coordinator and Liaison		10,937
Victim Services Liaison		11,270
Victim Witness Service		<u>22,594</u>
Subtotal	<u>2,227,147</u>	<u>2,227,147</u>
<u>Debt Service</u>		
General Obligation Refunding Bonds, Series 2001	1,642,922	
 Grand Total	 <u>\$3,870,069</u>	 <u>\$3,870,069</u>

Note 3. Detailed notes on all funds (Continued)

D. Interfund receivables, payables, and transfers (Continued)

The following are the transfers in and out as of September 30, 2006:

	Transfers Out <u>Actual</u>	Transfers In <u>Actual</u>
<u>General Fund</u>		
Bosque Match	\$20,000	
Child Protective Services - Match	334,126	
Court Reporter Service Fund		\$169,119
District Attorney	35,000	
District Attorney DIMS Project – Match	91,573	
Domestic Violence Unit – Match	74,660	
Excess Grant Match		60,385
Excess Sales Tax	1,642,922	
General & Administrative	1,871,040	473,881
Juvenile Probation	9,889,611	
Nutrition – Match	947,800	
Victim Services Liaison	6,714	
Victim Witness Services	86,129	
VAWA CA – Match	15,673	
Subtotal	<u>15,015,248</u>	<u>703,385</u>
<u>Special Revenue</u>		
Ascarate Park Improvement	180,000	92,221
Coliseum Tourist Promotion	501,641	
County Tourist Promotion	85,000	502,800
Court Reporter Service Fund	167,000	
Courthouse Security	296,000	
Juvenile Probation Special Revenue	200,740	9,838,880
Road & Bridge		67,063
Sports Park		<u>259,701</u>
Subtotal	<u>1,430,381</u>	<u>10,760,665</u>
<u>Special Revenue - Grants</u>		
65 th District Family Drug Court Enhance		39,009
409 th District Drug Court	2,173	18,039
Border Children's Mental Health Collaborative		231,103
Bosque Bonito & San Elizario		20,000
Child Protective Services		334,126
Colonia Self Help		301,267
County Attorney Protective Orders	2,025	
DIMS Project		91,573
Domestic Violence Unit		79,938
Enforcement of Protective Orders		15,673
First Thanksgiving	1,159	
Gallegos Park	11,520	
Juvenile Accountability Incentive	373	4,874
Nutrition	59,695	947,800
Ponderosa Western Village		204,000
Rural Transit Bus	225	
San Elizario Jail Preservation		85,000
San Felipe OHV Park	80,701	
TJPC Secure Post-Adjudication	218,000	218,000
TJPC Title IV-E Enhanced Billing	1,390,741	1,390,741
Victim Coordinator and Liaison	84	
Victim Services Liaison	2,404	6,714
Victim Witness Services	<u>1,229</u>	<u>121,129</u>
Subtotal	<u>1,770,329</u>	<u>4,108,986</u>
<u>Capital Projects</u>		
Courthouse 98	12,178	
County Capital Improvement		12,178
County Capital Improvements 2001		<u>1,000,000</u>
Subtotal	<u>12,178</u>	<u>1,012,178</u>

Note 3. Detailed notes on all funds (Continued)

D. Interfund receivables, payables, and transfers (Continued)

	Transfers Out <u>Actual</u>	Transfers In <u>Actual</u>
<u>Debt Service</u>		
General Obligation Refunding Bonds, Series 2001	_____	<u>\$1,642,922</u>
Subtotal	_____	<u>1,642,922</u>
Grand total	<u>\$18,228,136</u>	<u>\$18,228,136</u>

E. Leases

Operating Leases

The County has various lease commitments for office space, equipment and data processing software. These leases are considered to be operating leases, which are renewable on an annual basis. Lease expenditures for the year ending September 30, 2006 amounted to \$1,090,213.

Capital Leases

The County leases equipment through capital leasing arrangements in the governmental fund types. Payments during fiscal year ended September 30, 2006, amounted to \$56,178. The County has entered into lease agreements as lessee for financing the acquisition of copiers for various County departments and a mailing system for the mail room totaling \$78,803. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset:	
Machinery and equipment	\$318,809
Less: accumulated depreciation	<u>146,937</u>
Total	<u>\$171,872</u>

The future minimum lease payments and the net present value of these minimum lease payments as of September 30, 2006 are as follows:

	<u>Year ending September 30</u>	<u>Governmental Activities</u>
	2007	\$69,335
	2008	50,109
	2009	16,722
	2010	16,517
	2011	<u>13,076</u>
Total minimum lease payments		165,759
Less: Interest		<u>19,090</u>
Present value of future Minimum lease payments		<u>\$146,669</u>

Note 3. Detailed notes on all funds (Continued)

F. Long-term Debt

General and certificates of obligation bonds

The County issues general and certificate of obligation bonds as well as revenue bonds to provide the resources for the acquisition and construction of capital assets. These bonds have been issued for both governmental and business-type activities. The beginning balance of the general and certificate of obligation bonds issued in prior years was \$121,500,000. The beginning balance of the revenue bonds is \$1,150,000.

The general and certificate of obligation bonds are direct obligations of the County, payable from the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the County in an amount sufficient to provide payment of principal and interest. All general and certificate of obligation bonds have principal maturities on February 15th. Interest is payable semi-annually on February and August 15th.

The general and certificate of obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Amount</u>
Certificates of Obligation, Series 1997	4.75 – 7.75%	1997	2017	\$6,480,000
Certificates of Obligation, Series 1998	4.20 – 5.25%	1998	2018	8,210,000
General Obligation Refunding, Series 1998	3.75 – 5.50%	1998	2013	21,205,000
Certificates of Obligation, Series 2001	4.00 – 5.50%	2001	2022	29,880,000
General Obligation Refunding, Series 2001	4.00 – 5.00%	2001	2012	7,965,000
Certificates of Obligation, Series 2002	3.00 – 5.25%	2002	2022	29,495,000
General Obligation Refunding, Series 2002	3.50 – 4.00%	2002	2012	1,330,000
General Obligation Refunding, Series 2002A	3.00 – 4.50%	2002	2012	6,365,000
				<u>\$110,930,000</u>

Annual debt service requirements to maturity for general and certificates of obligation bonds are as follows:

<u>Year Ending September 30</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2007	\$10,920,000	\$5,059,854	\$15,979,854
2008	11,335,000	4,572,746	15,907,746
2009	7,830,000	4,144,980	11,974,980
2010	7,985,000	3,796,653	11,781,653
2011	8,080,000	3,435,313	11,515,313
2012-2016	30,465,000	12,322,456	42,787,456
2017-2021	28,130,000	5,167,984	33,297,984
2022	<u>6,185,000</u>	<u>154,625</u>	<u>6,339,625</u>
	<u>\$110,930,000</u>	<u>\$38,654,611</u>	<u>\$149,584,611</u>

As of September 30, 2006, The County had a defeasance escrow amount of \$101,646 at fair value. This escrow is related to the August 17, 2004 partial advance refunding of the County of El Paso, Texas General Obligation Refunding Bonds, Series 2001.

Note 3. Detailed notes on all funds (Continued)

F. Long-term Debt (Continued)

Revenue Bonds

The County also issued bonds where the County pledged income derived from the acquired or constructed assets to pay debt service. The revenue bonds have principal maturities on August 15th. Interest is payable semi-annually on February and August 15th. Revenue bonds outstanding are as follows:

Purpose	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Amount</u>
East Montana Water Project				
\$1,050,000 Waterworks System Revenue Bonds, Series 1997-A	4.87%	1997	2037	\$970,000
\$195,000 Waterworks System Revenue Bonds, Series 2000	4.95 – 6.10%	2000	2021	<u>163,000</u>
Total				<u>\$1,133,000</u>

Revenue bond debt service requirements to maturity are as follows:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$17,000	\$56,746	\$73,746
2008	18,000	55,884	73,884
2009	18,000	54,964	72,964
2010	28,000	54,046	82,046
2011	29,000	52,634	81,634
2012-2016	153,000	240,420	393,420
2017-2021	190,000	198,120	388,120
2022-2026	150,000	151,126	301,126
2027-2031	200,000	109,690	309,690
2032-2036	270,000	55,576	325,576
2037	<u>60,000</u>	<u>2,926</u>	<u>62,926</u>
	<u>\$1,133,000</u>	<u>\$1,032,132</u>	<u>\$2,165,132</u>

Prior Years

On August 17, 2004 the County advance refunded a portion of the County of El Paso, Texas General Obligation Refunding Bonds, Series 2001. These bonds were partially refunded after the County sold land that had been purchased with proceeds from a bond issue that was subsequently refunded by the General Obligation refunding bonds, series 2001. The sale of the land was considered a change in use event that required the partial defeasance of the bonds in order to comply with Internal Revenue Service regulations. The cost of defeasance was \$23,000. The defeased bonds are payable starting in February 15, 2008 through February 15, 2012. On September 30, 2004 the outstanding defeased bonds were \$100,000. The defeasance of bonds resulted in an economic gain of \$18,048.

On July 2, 2004 the County current refunded a portion of the County of El Paso, Texas Limited Tax and Surplus Revenue Certificates of Obligation Bonds, Series 1994. These bonds were refunded after the County sold land that had been purchased with proceeds of these bonds. The sale was considered a change in use event that required the defeasance of the bonds in order to comply with Internal Revenue Service regulations.

Note 3. Detailed notes on all funds (Continued)

F. Long-term Debt (Continued)

On December 9, 2002 the County issued \$9,805,000 in long-term obligations consisting of Limited Tax Refunding Bonds, Series 2002A. These bonds are a current refunding of \$6,945,000 of the Limited Tax General Obligation Refunding Bonds, Series 1993A and \$2,945,000 of the Limited Tax General Obligation Refunding Bonds, Series 1993C. The refunding resulted in a present value savings of \$674,162.

On August 7, 2002 the County issued \$1,330,000 General Obligation Refunding Bonds, Series 2002 to currently refund a portion of the Certificates of Obligation Bonds, Series 1998. The County refunded a portion of these bonds in order to restructure the annual debt service payments to allow for issuance of additional debt without increasing the annual debt service payments from the current level.

On December 20, 2001 the County issued \$20,920,000 General Obligation Refunding Bonds, Series 2001 to currently refund the remaining portion of \$2,120,000 General Obligation Refunding Bonds, Series 1992, \$250,000 Certificates of Obligation, Series 1992-A, and \$17,980,000 General Obligation Bonds, Series 1992-B. The proceeds from the sale of the refunding bonds along with other legally available funds of the County were placed with an escrow agent. The refunded obligations and interest due thereon, were paid on February 15, 2002 from the funds deposited with the escrow agent. The County refunded these bonds in order to reduce total debt service payments by \$1,520,690 over the next 10 years and to obtain an economic gain of \$1,330,025.

On June 3, 1998, the County issued \$26,395,000 in Limited Tax General Obligation Refunding Bonds, Series 1998 to advance refund a portion of Certificates of Obligation, Series 1990, 1992-A, 1994 and Limited Tax General Obligation Jail Bonds, Series 1993-A. The County received net proceeds of \$25,005,000, after payment of \$307,505 in underwriting fees, insurance, other issuance costs and receipt of \$225,594.42 of accrued interest, which was used for the August 15, 1998 interest payment. The bond proceeds plus an additional \$21,615.56, \$75,878.29, \$61,533.33, and \$413,870.83 of 1990, 1992-A, 1994 and 1993-A Series Sinking Fund monies, respectively, were used to purchase U.S. Government securities and open market securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for current and future debt service payments on 1990, 1992-A, 1994 and 1993-A Series bonds. The County refunded these bonds in order to reduce total debt service payments over the next 15 years by \$1,196,654 and obtain an economic gain of \$847,296.

Note 3. Detailed notes on all funds (Continued)

F. Long-term Debt (Continued)

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2006, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$44,360,000		(\$7,495,000)	\$36,865,000	\$7,760,000
Certificates of obligation bonds	77,140,000		(3,075,000)	74,065,000	3,575,000
Bond Premium	486,561		(30,410)	456,151	
Less deferred amounts:					
For issuance discounts	(189,875)		12,672	(177,203)	
On refunding	<u>(486,561)</u>		<u>30,410</u>	<u>(456,151)</u>	
Total bonds payable	121,310,125		(10,557,328)	110,752,797	11,335,000
Capital leases	124,044	\$78,803	(56,178)	146,669	69,335
Claims and judgments	1,146,935	2,320,751	(2,223,705)	1,243,981	1,243,981
Contingent liabilities		300,000		300,000	300,000
Compensated absences	<u>20,447,509</u>	<u>22,359,930</u>	<u>(20,447,509)</u>	<u>22,359,930</u>	<u>6,808,507</u>
Governmental activity Long-term liabilities	<u>\$143,028,613</u>	<u>\$25,059,484</u>	<u>(\$33,284,720)</u>	<u>\$134,803,377</u>	<u>\$19,756,823</u>
Business-type activities:					
Bonds payable:					
Revenue Bonds	<u>\$1,150,000</u>		<u>(\$17,000)</u>	<u>\$1,133,000</u>	<u>\$17,000</u>
Total bonds payable	1,150,000		(17,000)	1,133,000	17,000
Business-type activity Long-term liabilities	<u>\$1,150,000</u>		<u>(\$17,000)</u>	<u>\$1,133,000</u>	<u>\$17,000</u>

No-commitment debt

No-commitment debt is debt issued by the component unit or debt issued in the County's name on behalf of another entity, for which the County is not responsible for the repayment of the debt.

The following is a summary of the long-term debt at September 30 for the component unit:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Long-term debt					
Bonds payable	\$40,555,000	\$120,000,000	(\$2,258,000)	\$158,297,000	\$2,760,000
Note payable and capital lease Obligations	<u>2,462,000</u>		<u>(888,000)</u>	<u>1,574,000</u>	<u>974,000</u>
	43,017,000	120,000,000	3,146,000	159,871,000	3,737,000
Bond premium and discount	136,000	2,671,000	40,000	2,767,000	147,000
Total long-term debt	<u>\$43,153,000</u>	<u>\$122,671,000</u>	<u>(\$3,186,000)</u>	<u>\$162,638,000</u>	<u>\$3,881,000</u>

Note 3. Detailed notes on all funds (Continued)

F. Long-term Debt (Continued)

No-commitment debt (Continued)

On July 1, 1998, the District issued General Obligation Refunding Bonds, Series 1998, as Premium Capital Appreciation Bonds and Current Interest Bonds. The proceeds from this issue were used to refund all of the District's General Obligation Refunding Bonds, Series 1988A, in order to lower the overall annual debt service requirements of the District.

The Premium Capital Appreciation Bonds, Series 1998, are not subject to redemption prior to maturity. The Current Interest Bonds, Series 1998, at the option of the District, provide for early redemption in whole or in part on August 15, 2008, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

The Order which authorized the issuance of the Series 1998 bonds declare that the District must levy a continuing direct tax on taxable property within the District, for each year that these bonds are outstanding. Tax revenue, levied within the limits prescribed by law must be sufficient, with allowances made for delinquencies and collection costs, to pay the debt service requirements of the Series 1998 refunding bonds. Tax revenues must also provide for the payment of maintenance and operating expenses after payment of principal and interest on the Series 1998 bonds and pay any subsequent subordinate lien revenue bonds of the District which may be issued with priority over maintenance and operating expenses.

On August 2002, the District issued Series 2002 Public Property Finance Contractual Obligations. Proceeds from the sale of the Contractual Obligations to purchase certain capital assets and to pay for related cost of issuance. These Contractual Obligations constitute direct obligations of the District, payable from the levy and collection of an ad valorem tax levied for the benefit of the District and any revenues or funds available to the District for its public purpose.

On December 20, 2005, the District issued Series 2005 Combination Tax and Revenue Bonds/Certificates of Obligation. Proceeds of the bonds were used to finance the construction and equipping of operating and emergency departments, replacement facility for inpatient surgery, additional patient rooms, a heart program and additional outpatient clinics.

The Combination Tax and Revenue Certificates, Series 2005, at the option of the District, provide for early redemption of Obligations having stated maturities on and after September 30, 2013, in whole or in part, on August 15, 2007, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

The Series 2005 Certificates constitute direct obligations of the District, payable from the levy and collection of an ad valorem tax levied for the benefit of the District by Commissioners Court, within the limits prescribed by law, on all taxable property located within the District and any revenues of funds available to the District for its public purpose.

Note 3. Detailed notes on all funds (Continued)

F. Long-term Debt (Continued)

Debt service requirements to maturity for the long-term debt obligations of the component unit are summarized as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending September 30			
2007	\$3,881,000	\$7,783,000	\$11,664,000
2008	5,238,000	7,603,000	12,841,000
2009	5,000,000	7,393,000	12,393,000
2010	4,800,000	7,169,000	11,969,000
2011	4,927,000	6,952,000	11,879,000
2012-2016	19,308,000	31,825,000	51,133,000
2017-2021	21,769,000	27,400,000	49,169,000
2022-2026	27,648,000	21,528,000	49,176,000
2027-2031	35,153,000	14,014,000	49,167,000
2032-2035	34,914,000	4,425,000	39,339,000
	<u>\$162,638,000</u>	<u>\$136,092,000</u>	<u>\$298,730,000</u>

The long-term debt of the component unit is the obligation of the component unit and is fully covered by the property tax levy assessed by the District. These bonds are considered no-commitment debt since the County is not obligated in any way to pay any part of the principal or interest.

G. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by the granting agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, or expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government. Presently, an amount of \$300,000 for probable losses has been accrued as a loss contingency and is reported at the government-wide financial statements.

The Component Unit has certain pending and threatened litigation and claims incurred in the ordinary course of business; however, management believes that the probable resolution of such contingencies will not exceed the District's self-insurance reserves, and will not materially affect the financial position of the District or the results of its operations.

Note 3. Detailed notes on all funds (Continued)

H. Deferred Compensation

The County offers its employees a deferred compensation plan that permits them to defer a portion of their current salary until future years. Any contributions made to the deferred compensation plan, in compliance with Section 457 of the Internal Revenue Code, are not available to employees until termination of employment, retirement, death or an unforeseen emergency. Contributions to the plan are administered by Nationwide Retirement Solutions, ING Life Insurance and Annuity Company and AIG VALIC, as third party administrators. In accordance with the provisions of the IRC Section 457(g), the plan assets are in custodial accounts for the exclusive benefit of the plan participants and beneficiaries. The County provides neither administrative services nor investment advice to the plans. Therefore, in accordance with GASB 32, no fiduciary relationship exists between the County and the deferred compensation pension plans. At September 30, 2006 the plan assets were valued at \$14,336,143.

I. Employee Retirement Plan

Plan Description

The County provides retirement, disability, and death benefits for all of its full-time employees and part-time employees working at least 900 hours a year 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 575 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.

The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with eight or more years of service, with 20 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 employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the County within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits is expected to be adequately financed by the County'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.

Note 3. Detailed notes on all funds (Continued)

I. Employee Retirement Plan (Continued)

Funding Policy

The County 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. The County contributed using the actuarially determined rate of 10.29% for the months of the accounting year in 2005, and 10.41% for the months of the accounting year in 2006.

The contribution rate payable by the employee members for calendar year 2006 is the rate of 7% as adopted by the governing body of the County. 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 County's accounting year ending September 30, 2006, the annual pension cost for the TCDRS plan for its employees was \$11,550,356, and the actual contributions were \$11,550,356. 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 valuations as of December 31, 2003 and December 31, 2004, the basis for determining the contribution rates for calendar years 2005 and 2006. The December 31, 2005 actuarial valuation is the most recent valuation. The actuarial value of the plan's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten-year period.

Actuarial Valuation Information

Actuarial valuation date	12/31/03	12/31/04	12/31/05
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, open	Level percentage of payroll, open	Level percentage of payroll, open
Amortization period in years	20	20	20
Asset valuation method	Long-term appreciation with adjustment	Long-term appreciation with adjustment	Long-term appreciation with adjustment
Actuarial Assumptions:			
Investment return ¹	8.0%	8.0%	8.0%
Projected salary increases ¹	5.5%	5.5%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

¹ Includes inflation at the stated rate.

Note 3. Detailed notes on all funds (Continued)

I. Employee Retirement Plan (Continued)

**Trend Information
for the Retirement Plan for the Employees of the County of El Paso**

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/03	\$10,632,530	100%	\$0
09/30/04	10,916,329	100%	0
09/30/05	11,550,356	100%	0

**Schedule of Funding Progress for the Retirement Plan
for the Employees of the County of El Paso
(Required Supplementary Information-Unaudited)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll ² (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/03	\$195,397,679	\$230,351,894	\$34,954,215	84.83%	\$97,728,698	35.77%
12/31/04	218,713,190	258,623,073	39,909,883	84.57%	103,229,572	38.66%
12/31/05	244,104,650	284,448,016	40,343,366	85.82%	109,916,013	36.70%

Retirement Plan - Component Unit

Plan Description

The Hospital District (the District) 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 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 575 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.

The plan provisions are adopted by the Board of Managers of the District, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 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 employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the District within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the district'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.

² The annual covered payroll is based on actuarial valuations.

Note 3. Detailed notes on all funds (Continued)

I. Employee Retirement Plan (Continued)

Funding Policy

The District 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. The District contributed using the actuarially determined rate of 5.50% for the months of the accounting year in 2005, and 5.38% for the months of the accounting year in 2006.

The contribution rate payable by the employee members for calendar year 2006 is the rate of 5% as adopted by the governing body of the District. 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 District's accounting year ending September 30, 2006, the annual pension cost for the TCDRS plan for its employees was \$3,703,000, and the actual contributions were \$3,703,000. 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 valuations as of December 31, 2003 and December 31, 2004, the basis for determining the contribution rates for calendar years 2005 and 2006. The December 31, 2005 actuarial valuation is the most recent valuation. The actuarial value of the assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten-year period.

Actuarial Valuation Information			
	12/31/03	12/31/04	12/31/05
Actuarial valuation date	12/31/03	12/31/04	12/31/05
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of payroll, open	Level percentage of payroll, open	Level percentage of payroll, open
Amortization period in years	20	20	20
Asset valuation method	Long-term appreciation with adjustment	Long-term appreciation with adjustment	Long-term appreciation with adjustment
Actuarial Assumptions:			
Investment return ¹	8.0%	8.0%	8.0%
Projected salary increases ¹	5.5%	5.5%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

**Trend Information
for the Retirement Plan for the Employees of the Hospital District**

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/04	\$3,768,000	100%	0
09/30/05	3,793,000	100%	0
09/30/06	3,703,000	100%	0

¹ Includes inflation at the stated rate.

Note 3. Detailed notes on all funds (Continued)

I. Employee Retirement Plan (Continued)

Schedule of Funding Progress for the Retirement Plan
for the Employees of the Hospital District
(Required Supplementary Information-Unaudited)
(Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll ² (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/03	\$79,593	\$96,625	\$17,032	82.37%	\$62,202	27.38%
12/31/04	90,439	108,378	17,939	83.45%	67,141	26.72%
12/31/05	101,613	119,619	18,006	85.0%	70,055	25.70%

J. Post-employment Health Care Benefits

The County provides post-retirement health and dental care and life insurance benefits for retirees as they reach normal retirement age. Dependent family members are included in the plan, if at the time of the employee's retirement they were covered by the County's health plan. As of September 30, 2006 there were 125 retirees and their dependents receiving the benefits. For fiscal year ended September 30, 2006, the County recognized expenditures of \$614,122 and contributions of \$457,873 and \$311,185 from retirees and the County, respectively.

K. Property Taxes

Levy and Collection

Property is appraised and a lien on such appraised property becomes enforceable as of January 1, subject to certain established procedures relating to rendition, appraisal, appraisal review and judicial review. Property taxes are levied on October 1 of the assessment year, or as soon thereafter as practicable. Taxes are due and payable when levied. Taxes become delinquent on February 1 of the following year and are then subject to interest and penalty charges. The City of El Paso, under an inter-local governmental agreement, bills and collects property taxes for the County and certain other local governmental entities.

Tax Rate

The County's total 2006 tax rate was \$0.432259 per \$100 of assessed valuation, of which \$0.364033 was allocated for maintenance and operations, and \$0.068226 was allocated to the debt service funds. State law permits the County to levy property taxes up to \$0.80 per \$100 of assessed valuation for the general fund and up to \$0.15 per \$100 assessed valuation for the road and bridge fund.

² The annual covered payroll is based on actuarial valuations.

Note 3. Detailed notes on all funds (Continued)

K. Property Taxes (Continued)

Legislation Affecting Property Tax Policies and Procedures

In 1979, the State Legislature adopted a comprehensive property tax code which established a County-wide appraisal district in each County within the State of Texas. The Central Appraisal District (CAD), created in the County of El Paso, is responsible for the appraisal of taxable property and the equalization of appraised values of property for the taxing entities within the appraisal district. The CAD is governed by a board of directors appointed by the governing bodies of certain taxing entities within the appraisal district.

The property tax code:

- (1) requires that all taxing entities assess taxable property at 100% of appraised value;
- (2) includes procedures for valuation of certain eligible farm, ranch and timberlands on a "production capacity" basis which was mandated by a 1978 amendment to the State constitution;
- (3) requires that the value of real property within the appraisal district be reviewed at least once every three years; and
- (4) requires a taxing entity, other than a school or water district, to calculate two tax rates—the effective tax rate and the rollback tax rate; and
- (5) requires giving public notice and conducting a public hearing before adopting a tax rate that will exceed the rollback or the effective tax rate, whichever is lower.

L. Federal and State Grants

Federal and State grants available for expenditure for general governmental operating purposes are accounted for in the special revenue fund. The accounting periods of most grants are different from the County's accounting period. Because of those differences in accounting periods, columns reflecting those grants' actual expenditures and revenues have been added to the appropriate schedule of revenues and expenditures.

M. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of property; errors and omissions; and natural disasters. The County has purchased commercial insurance to cover any claims up to a certain limit with deductibles ranging from \$25,000 to \$500,000 in both liability and property and has elected to self-insure against any risk over the covered amounts. The County has not experienced any claims exceeding the commercial insurance coverage in the past several years.

Note 3. Detailed notes on all funds (Continued)

M. Risk Management (Continued)

The County retains the risk of loss relating to workers compensation and unemployment liability. Contributions to cover any claims for unemployment are made to a third party administrator with the liability funded on a pay-as-you-go basis. Contribution adjustments are made throughout the year in order to maintain the reserves necessary to meet future claims determined on historical trends. Claims for workers compensation are processed through a third party administrator and also funded on a pay-as-you-go-basis. The estimated potential claims, which are reported in the accompanying financial statements, totaled \$1,243,981. Changes in the balances of claims liabilities during the past year are as follows:

	Year Ended September 30, 2006	Year Ended September 30, 2005
Unpaid claims, beginning of fiscal year	\$1,146,935	\$1,114,593
Incurred claims (including incurred but not reported)	2,320,751	1,760,545
Claim payments	<u>(2,223,705)</u>	<u>(1,728,203)</u>
Unpaid claims, end of fiscal year	<u>\$1,243,981</u>	<u>\$1,146,935</u>

The risk financing for the health benefits fund is accounted for as an internal service fund. Contributions to the fund are made as charges to the departments for all full time regular employees. Contributions are made to the fund by employees for family coverage, retirees and their families eligible for participation in the health and life plan. Health premium rates are assessed on an annual basis and adjustments are made accordingly on January 1. Rate increases are made due to increases in the cost of medical care. The Risk Pool Board has made a commitment to assess and recommend to Commissioners Court any increase necessary to keep pace with health care costs.

The County purchased stop loss insurance to cover individual claims that exceed \$225,000. During fiscal year 2006, one claim was filed with the stop loss insurance carrier. For the fiscal year 2006 the County maintained insurance coverage for aggregate losses in excess of \$12,824,021. No claims in excess of the aggregate insurance coverage occurred during the year. Also at year-end, the County had outstanding health claims in the amount of \$514,767, which will be liquidated within sixty days.

N. Fund Equity

Reserves represent those portions of fund balances that are not available for appropriation or expenditures, or are legally segregated for specific future uses. Designated fund balances represent tentative plans for future uses of financial resources. The reserved retained earnings represent an amount designated to cover catastrophic losses in the Health Benefits Fund. The reserved retained earnings in the Enterprise Fund represent reservations for customer deposits, operating expenses, and repayment of debt service.

Note 3. Detailed notes on all funds (Continued)

O. Encumbrances Outstanding

Encumbrances outstanding at year-end were reported as reservation of fund balance since they do not constitute expenditures or liabilities because the commitments will be honored in the subsequent year. As of September 30, 2006 encumbrances amounted to \$4,996,677, of which \$1,048,641 related to the general fund, \$3,182,738 to the special revenue fund and \$765,298 to the capital projects fund.

P. Payroll Receivable/Payable

The County utilizes the payroll fund to account for those liabilities relating to payroll. The payroll fund maintains a \$30,000 cash imprest balance to cover unforeseen payroll liabilities or adjustments necessary during the normal course of operations and to protect against the possibility of an overdraft because of such adjustments. This amount represents an inter-fund loan which at year-end is reversed and reported in the general fund.

Q. Federal Commodities

For the fiscal year ended September 30, 2006 the County received federal commodities approximating \$5,362 for the Juvenile Probation Department.

R. Prior Period Adjustments

A prior period adjustment was made in the general fund of \$507,344 for contingent liabilities that were previously reflected in the governmental fund and which management determined a better presentation is reflected at the entity wide level of the financial statements. Also in the general fund, an amount of \$87,750 is reflected as a prior period adjustment which constitutes a correction for a misclassification and not reported as part of fund balance. A prior period adjustment in the amount of \$639,038 is reflected in the special revenue grants to account for the grants transfers-in that were previously reported as deferred revenue along with an adjustment of \$1,906,026 relating to a reimbursement from a granting agency where the expenditure was incurred in the previous fiscal year. An adjustment in the Capital Projects also for \$1,906,026 is reported to reduce the expenditures incurred in this fund in the previous period but accounted for as a grant in the current period for HAVA funds. At the government-wide level, an adjustment was made for a net amount of \$1,094,732 to account for capital assets that were not reported in the previous period and \$803,927 to account for the transfer in from previous periods that was reported as unearned revenue.

S. Deficit Net Assets

The County Solid Waste Enterprise Fund and the Sheriff's Officers Association Internal Service Fund had deficit net assets of \$22,138 and \$9,622, respectively as of September 30, 2006, and were a result of sufficient fees not collected for services rendered. However, these deficits will be covered by the general fund in the event that subsequent revenues are not sufficient for the payment of all obligations.



SUPPLEMENTARY INFORMATION

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2006**

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$20,835,598	\$784,649	\$3,479,917	\$25,100,164
Accounts receivable	3,946,446			3,946,446
Due from other funds	2,227,147	1,642,922		3,870,069
Total Assets	<u>\$27,009,191</u>	<u>\$2,427,571</u>	<u>\$3,479,917</u>	<u>\$32,916,679</u>
LIABILITIES				
Vouchers payable	\$1,905,168		173,727	\$2,078,895
Payroll liabilities	426,238			426,238
Due to others	62,955			62,955
Due to other funds	2,227,147			2,227,147
Due to other governments	1,412,306			1,412,306
Deferred revenues	5,117,048			5,117,048
Total Liabilities	<u>11,150,862</u>		<u>173,727</u>	<u>11,324,589</u>
FUND BALANCES				
Reserved for:				
Encumbrances	598,703		240,546	839,249
Debt service		\$2,427,571		2,427,571
Designated for subsequent year's expenditures	3,461,649		3,065,644	6,527,293
Undesignated	11,797,977			11,797,977
Total fund balances	<u>15,858,329</u>	<u>2,427,571</u>	<u>3,306,190</u>	<u>21,592,090</u>
Total liabilities and fund balances	<u>\$27,009,191</u>	<u>\$2,427,571</u>	<u>\$3,479,917</u>	<u>\$32,916,679</u>

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2006

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$2,602,025	\$15,381,074		\$17,983,099
Intergovernmental	22,629,149			22,629,149
Charges for services	4,595,984			4,595,984
Fines and forfeitures	266,417			266,417
Interest	1,061,493	182,950	\$129,768	1,374,211
Miscellaneous	2,200,979	5		2,200,984
Total revenues	<u>33,356,047</u>	<u>15,564,029</u>	<u>129,768</u>	<u>49,049,844</u>
EXPENDITURES				
Current:				
General government	2,025,365			2,025,365
Administration of justice	6,229,639			6,229,639
Public safety	20,191,806			20,191,806
Health and welfare	4,705,346			4,705,346
Community services	886,172			886,172
Culture and recreation	3,420,443			3,420,443
Public works	109,533			109,533
Capital outlays	2,727,914		1,731,631	4,459,545
Debt Service:				
Principal		10,570,000		10,570,000
Interest		5,518,698		5,518,698
Total expenditures	<u>40,296,218</u>	<u>16,088,698</u>	<u>1,731,631</u>	<u>58,116,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,940,171)</u>	<u>(524,669)</u>	<u>(1,601,863)</u>	<u>(9,066,703)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	14,802,588	1,642,922	1,012,178	17,457,688
Transfers out	(3,200,710)		(12,178)	(3,212,888)
Realized gain			15,254	15,254
Sale of capital assets			160,740	160,740
Total other financing sources (uses)	<u>11,601,878</u>	<u>1,642,922</u>	<u>1,175,994</u>	<u>14,420,794</u>
Net Change in Fund Balances	<u>4,661,707</u>	<u>1,118,253</u>	<u>(425,869)</u>	<u>5,354,091</u>
Fund balances - beginning	12,463,610	1,309,318	3,732,059	17,504,987
Prior period adjustments	(1,266,988)			(1,266,988)
Fund balances - ending	<u>\$15,858,329</u>	<u>\$2,427,571</u>	<u>\$3,306,190</u>	<u>\$21,592,090</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES				
Taxes:				
Property	\$81,629,720	\$81,629,720	\$83,045,102	\$1,415,382
Sales	27,250,000	27,250,000	31,117,468	3,867,468
Bingo	60,000	60,000	67,503	7,503
State mixed beverage	950,000	950,000	1,253,605	303,605
Licenses and permits	199,500	199,500	208,535	9,035
Intergovernmental	2,341,239	2,341,239	4,337,142	1,995,903
Charges for services	31,072,386	31,072,386	31,717,862	645,476
Fines and forfeitures	5,565,000	5,565,000	5,936,102	371,102
Interest	1,700,000	1,700,000	3,269,818	1,569,818
Miscellaneous	2,914,302	2,914,302	2,055,329	(858,973)
Total revenues	<u>153,682,147</u>	<u>153,682,147</u>	<u>163,008,466</u>	<u>9,326,319</u>
EXPENDITURES				
Current:				
General government:				
County judge	289,134	297,184	288,299	8,885
Commissioner precinct number 1	145,369	158,869	136,970	21,899
Commissioner precinct number 2	166,847	204,397	146,234	58,163
Commissioner precinct number 3	156,074	166,974	162,761	4,213
Commissioner precinct number 4	147,050	155,382	118,315	37,067
Commissioner court services	66,537	71,087	65,993	5,094
Family and community services	194,126	194,126	154,628	39,498
County auditor	2,695,766	2,840,366	2,771,015	69,351
County purchasing agent	1,022,759	1,033,651	1,040,259	(6,608)
County solid waste disposal	191,323	216,323	47,074	169,249
Human resources	652,244	670,544	641,942	28,602
County clerk	1,530,341	1,605,471	1,574,990	30,481
County clerk fee collections	461,035	469,635	451,779	17,856
District clerk	3,127,908	3,224,077	3,108,956	115,121
Domestic relations office	1,088,107	1,190,407	1,142,578	47,829
Information technology	5,074,516	4,983,654	4,494,172	489,482
County elections	1,244,402	1,267,002	922,481	344,521
Facilities management	2,257,235	2,515,624	2,532,648	(17,024)
Northeast Courthouse Annex	53,784	52,284	46,602	5,682
Mission Valley Courthouse Annex		21,000	9,584	11,416
County communications	286,982	299,182	286,485	12,697
General and administrative	12,912,022	8,713,363	3,995,507	4,717,856
County tax assessor-collector	2,598,311	2,694,411	2,582,214	112,197
Risk pool board operations	3,310	3,310	1,020	2,290
Parking garage operations	1,519	1,519	634	885
Total general government	<u>\$36,366,701</u>	<u>\$33,049,842</u>	<u>\$26,723,140</u>	<u>\$6,326,702</u>

(Continued)

County of El Paso, Texas
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 General Fund
 For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Administration of justice:				
34th district court	\$197,154	\$205,254	\$201,400	\$3,854
41st district court	193,820	209,629	204,746	4,883
Impact court	272,881	294,106	286,760	7,346
Tax court	102,107	118,407	113,372	5,035
65th district court	320,210	317,410	314,119	3,291
120th district court	233,266	246,641	236,819	9,822
168th district court	197,067	204,867	201,488	3,379
171st district court	144,769	153,369	145,949	7,420
205th district court	191,385	199,815	197,625	2,190
210th district court	193,075	184,330	176,710	7,620
243rd district court	226,113	244,878	239,016	5,862
327th district court	190,636	199,686	193,799	5,887
346th district court	188,113	192,758	188,395	4,363
383rd district court	266,267	298,977	293,430	5,547
384th district court	233,564	247,374	244,473	2,901
388th district court	237,696	199,986	192,835	7,151
409th district court	186,092	212,465	205,115	7,350
Council of judges administration	4,737,673	4,950,677	4,907,505	43,172
District judges salary supplement	164,576	204,484	203,879	605
6th administrative judicial region	75,687	75,687	75,687	
Juvenile court referee	588,996	593,922	579,355	14,567
County attorney	4,076,143	4,426,143	4,379,017	47,126
County attorney RETGH legal	552,835	552,835	532,764	20,071
County attorney teen court coordinator	66,242	66,242	45,141	21,101
District attorney	8,744,886	9,457,573	9,180,697	276,876
Family courts	1,249,442	1,268,725	1,240,698	28,027
County Criminal Magistrate Judges	272,227	319,527	318,240	1,287
County Criminal Court at Law 1	179,940	188,620	183,104	5,516
County Criminal Court at Law 2	171,724	191,491	189,247	2,244
Criminal law magistrate court	335,722	386,272	341,652	44,620
County courts administration	541,952	565,052	550,582	14,470
County court at law number 1	179,513	179,448	174,336	5,112
County court at law number 2	180,580	190,680	183,352	7,328
County court at law number 3	184,896	192,811	191,530	1,281
County court at law number 4	162,299	190,249	185,529	4,720
County court at law number 5	188,665	196,965	192,904	4,061
County court at law number 6	190,270	198,500	194,845	3,655
County court at law number 7	190,954	196,919	195,178	1,741
County court at law judges salary	1,007,829	1,182,462	1,171,376	11,086
County probate court	532,068	556,878	541,980	14,898
Public defender	3,266,387	3,538,387	3,514,253	24,134
Justice of the Peace number 1	181,764	194,164	182,816	11,348
Justice of the Peace number 2	297,078	297,954	243,029	54,925
Justice of the Peace number 3	233,067	235,152	215,106	20,046
Justice of the Peace number 4	276,472	303,122	284,322	18,800
Justice of the Peace number 5	192,801	199,251	188,065	11,186
Justice of the Peace number 6	410,970	428,770	411,761	17,009
Justice of the Peace number 7	335,265	349,803	329,661	20,142
8th court of appeals	15,746	15,761	15,433	328
Total administration of justice	<u>\$33,358,884</u>	<u>\$35,624,478</u>	<u>\$34,779,095</u>	<u>\$845,383</u>

(Continued)

County of El Paso, Texas
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public safety:				
County sheriff and jail	\$69,728,409	\$70,201,991	\$69,638,991	\$563,000
Ambulance	353,280	353,280	353,280	
corrections	564,701	574,464	574,017	447
Constable precinct number 1	108,106	115,919	113,967	1,952
Constable precinct number 2	100,934	104,334	97,967	6,367
Constable precinct number 3	100,597	106,956	101,555	5,401
Constable precinct number 4	101,303	108,453	104,283	4,170
Constable precinct number 5	55,702	58,318	55,674	2,644
Constable precinct number 6	151,697	161,847	156,572	5,275
Constable precinct number 7	104,876	112,083	108,810	3,273
Emergency management	56,631	56,631	50,462	6,169
Courthouse security	674,631	674,631	629,348	45,283
Total public safety	<u>72,100,867</u>	<u>72,628,907</u>	<u>71,984,926</u>	<u>643,981</u>
Health and welfare:				
City-county health unit	1,906,421	1,906,421	1,900,171	6,250
Charities	141,000	141,000	110,320	30,680
Child welfare	989,848	979,848	916,234	63,614
County child welfare board	396,754	399,904	227,945	171,959
General assistance	956,397	956,397	944,408	11,989
Life management	118,750	118,750	100,000	18,750
Medical examiner	1,003,225	1,311,257	1,128,976	182,281
Mental health	755,049	765,049	719,966	45,083
Total health and welfare	<u>6,267,444</u>	<u>6,578,626</u>	<u>6,048,020</u>	<u>530,606</u>
Resource development:				
Agriculture co-op extension	336,623	345,223	304,026	41,197
Planning department	413,605	396,008	268,129	127,879
Total resource development	<u>\$750,228</u>	<u>\$741,231</u>	<u>\$572,155</u>	<u>\$169,076</u>

(Continued)

County of El Paso, Texas
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Culture and recreation:				
Ascarate park	\$943,730	\$944,007	\$810,943	\$133,064
Golf course	782,868	987,489	853,429	134,060
Agua dulce community center	4,400	5,027	4,536	491
Fabens community center	6,000	6,000	5,266	734
Library	54,221	54,221	54,152	69
Rural parks	189,125	202,975	180,625	22,350
Rural pools	271,299	303,853	205,613	98,240
San elizario community center	21,084	21,084	16	21,068
Sparks community center	13,605	13,605	2,100	11,505
Total culture and recreation	<u>2,286,332</u>	<u>2,538,261</u>	<u>2,116,680</u>	<u>421,581</u>
Capital outlays	1,458,520	191,594	119,881	71,713
Total expenditures	<u>152,588,976</u>	<u>151,352,939</u>	<u>142,343,897</u>	<u>9,009,042</u>
Excess of revenues over expenditures	<u>1,093,171</u>	<u>2,329,208</u>	<u>20,664,569</u>	<u>18,335,361</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	574,000	574,000	703,385	129,385
Transfers out	(12,795,850)	(14,031,883)	(13,372,326)	659,557
Capital leases			78,803	78,803
Total other financing sources and uses	<u>(12,221,850)</u>	<u>(13,457,883)</u>	<u>(12,590,138)</u>	<u>867,745</u>
Net change in fund balances	<u>(11,128,679)</u>	<u>(11,128,675)</u>	<u>8,074,431</u>	<u>19,203,106</u>
Fund balances - beginning	49,154,389	49,154,389	49,154,389	
Fund balances - ending	<u>\$38,025,710</u>	<u>\$38,025,714</u>	<u>\$57,228,820</u>	<u>\$19,203,106</u>

(Concluded)

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

Road and Bridge Fund

The Road and Bridge Fund was established to account for funds dedicated for the purpose of constructing and maintaining county roads and bridges. Its principal source of revenue is the auto license registration fee.

County Tourist Promotion Fund

This fund is used solely for the purpose of accounting for receipts and disbursements related to the promotion of tourism to the County of El Paso.

Alternative Dispute Resolution Center

This fund is used to account for those revenues generated from the filing fees on civil cases and disbursed to the Rio Grande Council of Governments, a private organization contracted by the County to resolve civil matters outside of the court system.

District Attorney Drug Forfeiture Account

Funds deposited in this account are obtained through criminal asset forfeitures as stated in the Texas Legislative House Bill Number 1185. Of the gross amount received by the District Attorney's Office, up to ten percent is to be deposited into this special account for drug abuse treatment and prevention programs as well as certain law enforcement purposes.

Coliseum Tourist Promotion

This fund is used to account for the receipts and disbursements relating to Tourist Promotion at the County Coliseum. The principal source of revenue is the hotel/motel occupancy tax.

Commissary Inmate Profit Fund

This fund is used to account for the receipts and disbursements relating to the inmates of the County Detention Facilities. This fund is restricted to purchases of items for the benefit of the inmates.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

County Clerk Records Management and Preservation

This fund is used to account for the receipts and disbursements related to a new County Clerk records archives program. Revenues in this account result from an assessment made for certain types of documents filed within the County Clerk Department. Proceeds will be used to scan and archive prior years documents within the County Clerk Department.

County Attorney Commissions

This fund accounts for fees earned by the County Attorney's office, as provided by law, from the collection of judgments in favor of the County. The principal source of revenue is from final judgments on forfeitures. Expenditures from this fund are controlled by Commissioners Court.

Courthouse Security

This fund is used to account for fees allowed by State law charged for filing certain documents in the County. These fees are restricted to expenditures that provide security of County facilities, primarily in the County Courthouse.

Records Management and Preservation

This fund is used to account for receipts and disbursements related to the County's record management and preservation program other than those collected separately by the County Clerk. Resources from this fund are used to manage, organize, promote, implement, and maintain a Countywide records and information management program. Access to these funds requires specific Commissioners Court approval.

County Graffiti Eradication Fund

This fund is used to account for the receipts and disbursements related to the removal of graffiti from neighborhood homes and businesses.

County Law Library

This fund is used to account for receipts of law library fees and the disbursements relating to the maintenance and operations of the County Law Library.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

Court Reporter Service

This fund is utilized to account for court reporter fees, which must be deposited into a separate fund to be utilized to defray the cost of providing court-reporting services for the County of El Paso.

Sheriff's LEOSE

This fund was established in accordance with provisions set forth by the Commission on Law Enforcement Officers Standards and Education. The expenditures in this account are restricted for use in the Sheriff's department employee training.

Ascarate Park Improvement

This fund was established to account for fees received for the use of County park land. The fund has been expanded to include all collections within the park to be used solely for the improvement of Ascarate Park and its facilities.

Fabens Airport

This fund is used to account for the operational costs related to the Fabens Airport. The expenditures from this fund consist of utility costs associated with the runway lights.

San Elizario Placita

This fund was set up to account for donations and expenditures to enhance the San Elizario area and its Mission. Revenues for this program arise from donations made by local businesses and other community members. Expenditures consist of purchases for lighting and seating.

Child Welfare Juror Donations

This fund is used to account for donations of jury duty pay made by jurors. These funds are to be used for the benefit of children through the El Paso County Child Welfare Board.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

County Attorney Supplement

This fund is used to account for supplemental funding received from the State pursuant to House Bill 804. These funds are used for operating costs of the County Attorney's office.

Probate Travel Account Fund

This fund is used to account for additional travel and training funds of the Probate Court staff, pursuant to State law.

Probate Judiciary Support

This fund is utilized to account for fees allocated by State law charged for filing certain documents in the County. These fees are restricted to expenditures for court-related purposes for the support of the judiciary.

Teen Court

This fund is utilized to account for the receipt of funds from filing fees for Teen Court cases and for donations from area businesses for Teen Court projects. The proceeds are used to cover some operating costs of the Teen Court program and to provide scholarships for selected graduating seniors involved in this program.

District Clerk Records Management and Preservation Fund

This fund is utilized to account for the receipts and the disbursements relating to the District Clerk's records management and preservation program. Financing is received from fees assessed for recording documents in the District Clerk's Office.

Juvenile Probation Special Revenue Fund

This fund accounts for funding approved by the Commissioners Court to conduct the operations of the Juvenile Probation Department. It includes funds received from Juror donations that will be utilized to offset costs of juvenile care and services provided at the County's juvenile detention center. Also, the fund includes reimbursements received as a result of the detention of juvenile federal prisoners that will be used for emergencies/anticipated needs of the department.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

Tax Office Discretionary Fund

This fund is utilized to account for the interest generated from the Tax Assessors vehicle inventory escrow account. The proceeds are used to conduct operations of the vehicle inventory tax division of the Tax Assessor Collector's office.

Therapeutic Drug Court Fund

This fund is utilized to account for the receipt and expenditure of funds received from Juror donations. This is only one of various funds that jurors can donate their jury pay to. The funds in this account will be utilized to offset costs of the Therapeutic Drug Court program.

Sheriff's Communications Improvement Fund

This fund was established to account for the receipts and disbursements related to the County Sheriff Communication Improvement program. The revenue in this account results from contributions from the 911 Emergency Service program. Proceeds are utilized to make upgrades to the sheriff's 911-dispatch unit, and for mobile units located in the vehicles.

County Attorney Bad Check Fund

This fund is used to account for the County Attorney's fees on collections for insufficient funds checks.

District Attorney Apportionment Supplement Fund

This fund is used to account for receipts and disbursements relating to the District Attorney's apportionment supplement program.

District Attorney Food Stamp Fraud Prosecution Fund

This fund is used to account for receipts and disbursements related to the food stamp fraud program.

County Clerk Records Archives Fund

This fund is utilized to account for the receipts and disbursements related to a new County Clerk records archives program. Revenues in this account result from an assessment made for certain types of documents filed within the County Clerk Department. Proceeds will be used to scan and archive prior years documents within the County Clerk Department.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

Election Contract Services Fund

This fund is utilized to account for the receipt of funds generated from billings made to other governmental agencies for conducting their elections. The proceeds from these billings are utilized to cover the costs of conducting these elections.

El Paso County Housing Finance Corp. Fund

This fund was set up to account for receipts and disbursements related to operations of the El Paso Housing Finance Corporation. These funds result from application fees assessed to participants in this program. Proceeds are utilized to conduct operations of the El Paso Housing Finance Corporation.

Project Care Fund

This fund was set up to account for receipts and disbursements related to the Project Care Gas and Electric program. Revenues in this account are received from contributions and donations from the general public; proceeds are utilized to cover utility costs for eligible clients.

County Clerk Vital Statistics Fund

This fund was established to account for receipts and disbursements related to the County Clerk Vital Statistics Program. Revenue in the account results from fees assessed for certain documents filed within the County Clerk's office. Proceeds will be utilized to conduct the operations within the Vital Statistics Program.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

District Attorney Special Account

This fund was established to account for receipts and disbursements related to the District Attorney's discretionary account.

Sportspark Special Revenue Fund

This fund is utilized to account for the receipt and expenditure of funds received from player registration, food and beverage concessions, and baseball and softball tournament fees. The recently purchased Sportspark had its first full year of operations under County management during fiscal year 2003. This facility is home to four T-ball fields, six baseball fields, and five volleyball courts.

Family Protection Fund

This fund accounts for receipts and disbursements related to the Family Protection Fund. Revenues in this account come from court costs assessed for certain cases. Proceeds from this account will be utilized to fund the Shelter for Battered Women.

County Attorney Labor Disputes

This fund is utilized to segregate funds received in settlement of labor law cases on behalf of the County and may be spent for labor law dispute activities.

Justice Court Technology Fund

This fund is used to account for the receipts and disbursements of funds directly related to this program. Revenues in this account are a result of court costs for applicable cases. Proceeds are used for the purchase of technology equipment that will be utilized in the Justice Courts.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

BUDGETED

Juvenile Probation National School Fund

This account is used to account for the funds that are reimbursed through the National School Lunch Program and will be used by the Juvenile Probation Department to purchase meals for the juveniles residing in the Detention and Challenge Boot Camp Program.

Juvenile Probation Federal Prisoner

This fund will be used to account for reimbursements received as a result of the detention of Juvenile Federal Prisoners and will be used for emergencies/unexpected purchases.

Drug Enforcement Match

This fund is to account for generated program income from the drug task force, which has been awarded to the County of El Paso to administer usage of drug enforcement funds at the local level.

Justice Court Security

This fund is used to account for revenues related to Court costs. Funds are used to cover costs of Justice of the Peace court security.

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	County Tourist Promotion	Alternative Dispute Resolution Center	District Attorney Drug Forfeitures	Coliseum Tourist Promotion
ASSETS				
Cash and cash equivalents	\$496,468	\$16,554	\$25,500	\$236,602
Accounts receivable		3,844		
Due from other funds				
Total assets	<u>\$496,468</u>	<u>\$20,398</u>	<u>\$25,500</u>	<u>\$236,602</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable	\$87,417	\$16,564	\$1,047	\$34,712
Payroll liabilities			681	
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities	<u>87,417</u>	<u>16,564</u>	<u>1,728</u>	<u>34,712</u>
Fund balances:				
Reserved for encumbrances	162,501	5,164	787	
Designated for subsequent year's expenditures			23,285	200,000
Undesignated	246,550	(1,330)	(300)	1,890
Total fund balances	<u>409,051</u>	<u>3,834</u>	<u>23,772</u>	<u>201,890</u>
Total liabilities and fund balances	<u>\$496,468</u>	<u>\$20,398</u>	<u>\$25,500</u>	<u>\$236,602</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	Commissary Inmate Profit	County Clerk Records Management and Preservation	County Attorney Commissions	Courthouse Security
ASSETS				
Cash and cash equivalents	\$1,476,656	\$426,124	\$141,487	\$79,824
Accounts receivable	12,512	8,245	2,028	3,063
Due from other funds				
Total assets	<u>\$1,489,168</u>	<u>\$434,369</u>	<u>\$143,515</u>	<u>\$82,887</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable	\$36,044	\$2,071	\$4,721	
Payroll liabilities		10,448	439	
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities	<u>36,044</u>	<u>12,519</u>	<u>5,160</u>	
Fund balances:				
Reserved for encumbrances	131,218	9,632	3,891	
Designated for subsequent year's expenditures	172,932	130,775	8,400	\$41,000
Undesignated	1,148,974	281,443	126,064	41,887
Total fund balances	<u>1,453,124</u>	<u>421,850</u>	<u>138,355</u>	<u>82,887</u>
Total liabilities and fund balances	<u>\$1,489,168</u>	<u>\$434,369</u>	<u>\$143,515</u>	<u>\$82,887</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	Records Management and Preservation	County Graffiti Eradication	County Law Library	Court Reporter Service
ASSETS				
Cash and cash equivalents	\$67,221	\$1,027	\$366,922	\$24,889
Accounts receivable	1,752		9,170	2,895
Due from other funds				
Total assets	<u>\$68,973</u>	<u>\$1,027</u>	<u>\$376,092</u>	<u>\$27,784</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable	\$4,266		\$3,884	
Payroll liabilities	2,390		2,538	
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities	<u>6,656</u>		<u>6,422</u>	
Fund balances:				
Reserved for encumbrances			2,322	
Designated for subsequent year's expenditures	47,700	\$1,000	64,543	\$9,500
Undesignated	14,617	27	302,805	18,284
Total fund balances	<u>62,317</u>	<u>1,027</u>	<u>369,670</u>	<u>27,784</u>
Total liabilities and fund balances	<u>\$68,973</u>	<u>\$1,027</u>	<u>\$376,092</u>	<u>\$27,784</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	Sheriff's LEOSE	Ascarate Park Improvement	Fabens Airport	San Elizario Placita
ASSETS				
Cash and cash equivalents	\$57,459	\$145,013	\$5,468	\$1,809
Accounts receivable	447		1,114	
Due from other funds				
Total assets	<u>\$57,906</u>	<u>\$145,013</u>	<u>\$6,582</u>	<u>\$1,809</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable	\$1,162		\$43	
Payroll liabilities				
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities	<u>1,162</u>		<u>43</u>	
Fund balances:				
Reserved for encumbrances				
Designated for subsequent year's expenditures	50,000		6,250	\$1,800
Undesignated	6,744	\$145,013	289	9
Total fund balances	<u>56,744</u>	<u>145,013</u>	<u>6,539</u>	<u>1,809</u>
Total liabilities and fund balances	<u>\$57,906</u>	<u>\$145,013</u>	<u>\$6,582</u>	<u>\$1,809</u>

(Continued)

County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006

	Child Welfare Juror Donations	County Attorney Supplement	Probate Travel Account	Probate Judiciary Support
ASSETS				
Cash and cash equivalents	\$16,044	\$124,140	\$1,885	\$261,764
Accounts receivable	6		15	96
Due from other funds				
Total assets	<u>\$16,050</u>	<u>\$124,140</u>	<u>\$1,900</u>	<u>\$261,860</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable				\$8,857
Payroll liabilities				4,865
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities				<u>13,722</u>
Fund balances:				
Reserved for encumbrances				
Designated for subsequent year's expenditures	\$15,800	\$115,000	\$300	212,000
Undesignated	250	9,140	1,600	36,138
Total fund balances	<u>16,050</u>	<u>124,140</u>	<u>1,900</u>	<u>248,138</u>
Total liabilities and fund balances	<u>\$16,050</u>	<u>\$124,140</u>	<u>\$1,900</u>	<u>\$261,860</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	Teen Court	District Clerk Records Management and Preservation	Juvenile Probation Special Revenue	Tax Office Discretionary Fund
ASSETS				
Cash and cash equivalents	\$4,472	\$58,952	\$790,905	\$340,754
Accounts receivable		1,300	2,891	4,258
Due from other funds				
Total assets	<u>\$4,472</u>	<u>\$60,252</u>	<u>\$793,796</u>	<u>\$345,012</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable		\$2,466	\$164,098	
Payroll liabilities		371	154,199	\$949
Due to others			62,955	
Due to other funds				
Due to other Governments			6,411	
Deferred revenues				
Total liabilities		<u>2,837</u>	<u>387,663</u>	<u>949</u>
Fund balances:				
Reserved for encumbrances		23,146	229,239	
Designated for subsequent year's expenditures	\$2,000	27,000	94,000	70,680
Undesignated	2,472	7,269	82,894	273,383
Total fund balances	<u>4,472</u>	<u>57,415</u>	<u>406,133</u>	<u>344,063</u>
Total liabilities and fund balances	<u>\$4,472</u>	<u>\$60,252</u>	<u>\$793,796</u>	<u>\$345,012</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	Therapeutic Drug Court Program	County Attorney Bad Check Operating	District Attorney Apportionment Supplement	District Attorney Food Stamp Fraud
ASSETS				
Cash and cash equivalents	\$858	\$243,298		\$95,302
Accounts receivable	6		\$693	
Due from other funds				
Total assets	<u>\$864</u>	<u>\$243,298</u>	<u>\$693</u>	<u>\$95,302</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable		\$978	\$22	
Payroll liabilities		2,517	671	
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities		<u>3,495</u>	<u>693</u>	
Fund balances:				
Reserved for encumbrances		4,064		
Designated for subsequent year's expenditures	\$848			\$58,904
Undesignated	16	235,739		36,398
Total fund balances	<u>864</u>	<u>239,803</u>		<u>95,302</u>
Total liabilities and fund balances	<u>\$864</u>	<u>\$243,298</u>	<u>\$693</u>	<u>\$95,302</u>

(Continued)

County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006

	County Clerk Records Archives Fund	Elections Contract Services	El Paso Housing Finance Corp.	Project Care
ASSETS				
Cash and cash equivalents	\$426,963	\$325,055	\$52,624	\$5,281,428
Accounts receivable		51,734		
Due from other funds				
Total assets	<u>\$426,963</u>	<u>\$376,789</u>	<u>\$52,624</u>	<u>\$5,281,428</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable	\$43,906			\$56,247
Payroll liabilities				
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities	<u>43,906</u>			<u>56,247</u>
Fund balances:				
Reserved for encumbrances		\$674		
Designated for subsequent year's expenditures	\$37,000	73,500	\$52,000	500
Undesignated	346,057	302,615	624	5,224,681
Total fund balances	<u>383,057</u>	<u>376,789</u>	<u>52,624</u>	<u>5,225,181</u>
Total liabilities and fund balances	<u>\$426,963</u>	<u>\$376,789</u>	<u>\$52,624</u>	<u>\$5,281,428</u>

(Continued)

County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006

	County Clerk Vital Statistics Fund	District Attorney Special Account	Sportspark	Family Protection
ASSETS				
Cash and cash equivalents	\$141,995	\$791,521	\$119,562	\$33,216
Accounts receivable			8,673	
Due from other funds				
Total assets	<u>\$141,995</u>	<u>\$791,521</u>	<u>\$128,235</u>	<u>\$33,216</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable		\$47	\$16,787	\$10,674
Payroll liabilities		1,268	3,447	
Due to others				
Due to other funds				
Due to other Governments			32	
Deferred revenues				
Total liabilities		<u>1,315</u>	<u>20,266</u>	<u>10,674</u>
Fund balances:				
Reserved for encumbrances			9,035	
Designated for subsequent year's expenditures		534,171		1,000
Undesignated	\$141,995	256,035	98,934	21,542
Total fund balances	<u>141,995</u>	<u>790,206</u>	<u>107,969</u>	<u>22,542</u>
Total liabilities and fund balances	<u>\$141,995</u>	<u>\$791,521</u>	<u>\$128,235</u>	<u>\$33,216</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006**

	County Attorney Labor Disputes	Justice Court Technology	Juvenile Probation National School Lunch	Juvenile Probation Federal Prisoner
ASSETS				
Cash and cash equivalents	\$19	\$145,427	\$169,121	\$9,159
Accounts receivable				
Due from other funds				
Total assets	<u>\$19</u>	<u>\$145,427</u>	<u>\$169,121</u>	<u>\$9,159</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable		\$71,767	\$16,088	
Payroll liabilities				
Due to others				
Due to other funds				
Due to other Governments				
Deferred revenues				
Total liabilities		<u>71,767</u>	<u>16,088</u>	
Fund balances:				
Reserved for encumbrances			13,815	\$2,516
Designated for subsequent year's expenditures	\$19	73,660	9,602	
Undesignated			129,616	6,643
Total fund balances	<u>19</u>	<u>73,660</u>	<u>153,033</u>	<u>9,159</u>
Total liabilities and fund balances	<u>\$19</u>	<u>\$145,427</u>	<u>\$169,121</u>	<u>\$9,159</u>

(Continued)

County of El Paso, Texas
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2006

	Drug Enforcement Match	Justice Court Security	Grants	Total Nonmajor Special Revenue Funds
ASSETS				
Cash and cash equivalents	\$2,278,618	\$13,538	\$5,539,955	\$20,835,598
Accounts receivable			3,831,704	3,946,446
Due from other funds			2,227,147	2,227,147
Total assets	<u>\$2,278,618</u>	<u>\$13,538</u>	<u>\$11,598,806</u>	<u>\$27,009,191</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Vouchers payable	\$40,487		\$1,280,813	\$1,905,168
Payroll liabilities			241,455	426,238
Due to others				62,955
Due to other funds			2,227,147	2,227,147
Due to other Governments			1,405,863	1,412,306
Deferred revenues			5,117,048	5,117,048
Total liabilities	<u>40,487</u>		<u>10,272,326</u>	<u>11,150,862</u>
Fund balances:				
Reserved for encumbrances	699			598,703
Designated for subsequent year's expenditures			1,326,480	3,461,649
Undesignated	\$2,237,432	\$13,538		11,797,977
Total fund balances	<u>2,238,131</u>	<u>13,538</u>	<u>1,326,480</u>	<u>15,858,329</u>
Total liabilities and fund balances	<u>\$2,278,618</u>	<u>\$13,538</u>	<u>\$11,598,806</u>	<u>\$27,009,191</u>

(Concluded)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	County Tourist Promotion	Alternative Dispute Resolution Center	District Attorney Drug Forfeitures	Coliseum Tourist Promotion
REVENUES				
Taxes				\$2,602,025
Intergovernmental				
Charges for services		\$184,734		
Fines and forfeitures			\$10,802	
Interest	\$15,091		1,909	12,733
Miscellaneous	452		508	
Total revenues	<u>15,543</u>	<u>184,734</u>	<u>13,219</u>	<u>2,614,758</u>
EXPENDITURES				
Current				
General government				
Administration of justice		180,900	44,718	
Public safety				
Health and welfare				
Community services				
Culture and recreation	306,524			2,055,626
Public works				
Capital outlays	311,393			
Total expenditures	<u>617,917</u>	<u>180,900</u>	<u>44,718</u>	<u>2,055,626</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(602,374)</u>	<u>3,834</u>	<u>(31,499)</u>	<u>559,132</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	502,800			
Transfers out	(85,000)			(501,641)
Capital leases				
Total other financing sources (uses)	<u>417,800</u>			<u>(501,641)</u>
Net Change in Fund Balances	<u>(184,574)</u>	<u>3,834</u>	<u>(31,499)</u>	<u>57,491</u>
Fund balances - beginning	593,625		55,271	144,399
Prior period adjustment				
Fund balances - ending	<u>\$409,051</u>	<u>\$3,834</u>	<u>\$23,772</u>	<u>\$201,890</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	<u>Commissary Inmate Profit</u>	<u>County Clerk Records Management & Preservation</u>	<u>County Attorney Commissions</u>	<u>Courthouse Security</u>
REVENUES				
Taxes				
Intergovernmental				
Charges for services	\$599,327	\$692,709	\$74,460	\$325,953
Fines and forfeitures				
Interest	60,128	16,894	7,343	3,174
Miscellaneous		465	30	
Total revenues	<u>659,455</u>	<u>710,068</u>	<u>81,833</u>	<u>329,127</u>
EXPENDITURES				
Current				
General government		676,920		
Administration of justice			131,873	
Public safety	283,261			
Health and welfare				
Community services				
Culture and recreation				
Public works				
Capital outlays	35,815			
Total expenditures	<u>319,076</u>	<u>676,920</u>	<u>131,873</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>340,379</u>	<u>33,148</u>	<u>(50,040)</u>	<u>329,127</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				(296,000)
Capital leases				
Total other financing sources (uses)				<u>(296,000)</u>
Net Change in Fund Balances	<u>340,379</u>	<u>33,148</u>	<u>(50,040)</u>	<u>33,127</u>
Fund balances - beginning	1,112,745	388,702	188,395	49,760
Prior period adjustment				
Fund balances - ending	<u>\$1,453,124</u>	<u>\$421,850</u>	<u>\$138,355</u>	<u>\$82,887</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Records Management and Preservation	County Graffiti Eradication	County Law Library	Court Reporter Service
REVENUES				
Taxes				
Intergovernmental				
Charges for services	\$202,331	\$78	\$492,212	\$172,479
Fines and forfeitures				
Interest	2,372	43	16,936	1,584
Miscellaneous			13,250	
Total revenues	<u>204,703</u>	<u>121</u>	<u>522,398</u>	<u>174,063</u>
EXPENDITURES				
Current				
General government	219,293			
Administration of justice				
Public safety				
Health and welfare				
Community services				
Culture and recreation			479,187	
Public works				
Capital outlays				
Total expenditures	<u>219,293</u>		<u>479,187</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(14,590)</u>	<u>121</u>	<u>43,211</u>	<u>174,063</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				(167,000)
Capital leases				
Total other financing sources (uses)				<u>(167,000)</u>
Net Change in Fund Balances	<u>(14,590)</u>	<u>121</u>	<u>43,211</u>	<u>7,063</u>
Fund balances - beginning	76,907	906	326,459	20,721
Prior period adjustment				
Fund balances - ending	<u>\$62,317</u>	<u>\$1,027</u>	<u>\$369,670</u>	<u>\$27,784</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Sheriff's LEOSE	Ascarate Park Improvement	Fabens Airport	San Elizario Placita
REVENUES				
Taxes				
Intergovernmental	\$64,661			
Charges for services				
Fines and forfeitures				
Interest	3,281	\$5,327	\$670	\$79
Miscellaneous			3,282	
Total revenues	<u>67,942</u>	<u>5,327</u>	<u>3,952</u>	<u>79</u>
EXPENDITURES				
Current				
General government				
Administration of justice				
Public safety	96,384			
Health and welfare				
Community services				
Culture and recreation				
Public works			1,282	
Capital outlays			12,444	
Total expenditures	<u>96,384</u>		<u>13,726</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(28,442)</u>	<u>5,327</u>	<u>(9,774)</u>	<u>79</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		92,221		
Transfers out		(180,000)		
Capital leases				
Total other financing sources (uses)		<u>(87,779)</u>		
Net Change in Fund Balances	<u>(28,442)</u>	<u>(82,452)</u>	<u>(9,774)</u>	<u>79</u>
Fund balances - beginning	85,186	227,465	16,313	1,730
Prior period adjustment				
Fund balances - ending	<u>\$56,744</u>	<u>\$145,013</u>	<u>\$6,539</u>	<u>\$1,809</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Child Welfare Juror Donations	County Attorney Supplement	Probate Travel Account	Probate Judiciary Support
REVENUES				
Taxes				
Intergovernmental		\$23,746		\$79,651
Charges for services			\$8,210	
Fines and forfeitures				
Interest	\$660	4,544	97	11,380
Miscellaneous	2,210			
Total revenues	<u>2,870</u>	<u>28,290</u>	<u>8,307</u>	<u>91,031</u>
EXPENDITURES				
Current				
General government				
Administration of justice			9,718	75,087
Public safety				
Health and welfare				
Community services				
Culture and recreation				
Public works				
Capital outlays				
Total expenditures			<u>9,718</u>	<u>75,087</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,870</u>	<u>28,290</u>	<u>(1,411)</u>	<u>15,944</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				
Capital leases				
Total other financing sources (uses)				
Net Change in Fund Balances	<u>2,870</u>	<u>28,290</u>	<u>(1,411)</u>	<u>15,944</u>
Fund balances - beginning	13,180	95,850	3,311	232,194
Prior period adjustment				
Fund balances - ending	<u>\$16,050</u>	<u>\$124,140</u>	<u>\$1,900</u>	<u>\$248,138</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Teen Court	District Clerk Records Management and Preservation	Juvenile Probation Special Revenue	Tax Office Discretionary Fund
REVENUES				
Taxes				
Intergovernmental			\$1,883	
Charges for services	\$3,388	\$75,608	147,877	
Fines and forfeitures				
Interest	205	1,688	63,799	\$139,922
Miscellaneous			31,699	46,796
Total revenues	<u>3,593</u>	<u>77,296</u>	<u>245,258</u>	<u>186,718</u>
EXPENDITURES				
Current				
General government		26,554		63,028
Administration of justice	2,486			
Public safety			9,788,411	
Health and welfare				
Community services				
Culture and recreation				
Public works				
Capital outlays		6,774	105,694	
Total expenditures	<u>2,486</u>	<u>33,328</u>	<u>9,894,105</u>	<u>63,028</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,107</u>	<u>43,968</u>	<u>(9,648,847)</u>	<u>123,690</u>
OTHER FINANCING SOURCES (USES)				
Transfers in			9,838,880	
Transfers out			(200,740)	
Capital leases				
Total other financing sources (uses)			<u>9,638,140</u>	
Net Change in Fund Balances	<u>1,107</u>	<u>43,968</u>	<u>(10,707)</u>	<u>123,690</u>
Fund balances - beginning	3,365	13,447	416,840	220,373
Prior period adjustment				
Fund balances - ending	<u>\$4,472</u>	<u>\$57,415</u>	<u>\$406,133</u>	<u>\$344,063</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Therapeutic Drug Court Program	Sheriff's Communication Improvement	County Attorney Bad Check Operating	District Attorney Apportionment Supplement
REVENUES				
Taxes				
Intergovernmental		\$18,954		\$41,073
Charges for services			\$258,206	
Fines and forfeitures				
Interest	\$34			
Miscellaneous	182		11,902	
Total revenues	<u>216</u>	<u>18,954</u>	<u>270,108</u>	<u>41,073</u>
EXPENDITURES				
Current				
General government				
Administration of justice			186,937	41,073
Public safety		1,354		
Health and welfare				
Community services				
Culture and recreation				
Public works				
Capital outlays		17,600	5,477	
Total expenditures		<u>\$18,954</u>	<u>192,414</u>	<u>\$41,073</u>
Excess (deficiency) of revenues over (under) expenditures	<u>216</u>		<u>77,694</u>	
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				
Capital leases				
Total other financing sources (uses)				
Net Change in Fund Balances	<u>216</u>		<u>77,694</u>	
Fund balances - beginning	648		162,109	
Prior period adjustment				
Fund balances - ending	<u>\$864</u>		<u>\$239,803</u>	

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	District Attorney Food Stamp Fraud	County Clerk Records Archives Fund	Elections Contract Services	El Paso Housing Finance Corp.
REVENUES				
Taxes				
Intergovernmental	\$34,953		\$375,798	
Charges for services		\$633,526		
Fines and forfeitures				
Interest	3,570	13,512	14,558	
Miscellaneous			182	
Total revenues	<u>38,523</u>	<u>647,038</u>	<u>390,538</u>	
EXPENDITURES				
Current				
General government		611,246	390,269	
Administration of justice	8,946			
Public safety				
Health and welfare				
Community services				
Culture and recreation				
Public works				
Capital outlays				
Total expenditures	<u>8,946</u>	<u>611,246</u>	<u>390,269</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>29,577</u>	<u>35,792</u>	<u>269</u>	
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				
Capital leases				
Total other financing sources (uses)				
Net Change in Fund Balances	<u>29,577</u>	<u>35,792</u>	<u>269</u>	
Fund balances - beginning	65,725	347,265	376,520	\$52,624
Prior period adjustment				
Fund balances - ending	<u>\$95,302</u>	<u>\$383,057</u>	<u>\$376,789</u>	<u>\$52,624</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Project Care	County Clerk Vital Statistics Fund	District Attorney Special Account	Sportspark
REVENUES				
Taxes				
Intergovernmental				
Charges for services		\$105,172		\$344,842
Fines and forfeitures			\$255,615	
Interest	\$242,601	5,677	35,897	1,780
Miscellaneous				930
Total revenues	<u>242,601</u>	<u>110,849</u>	<u>291,512</u>	<u>347,552</u>
EXPENDITURES				
Current				
General government		29,742		
Administration of justice			348,368	
Public safety				
Health and welfare	229,650			
Community services				
Culture and recreation				512,699
Public works				
Capital outlays		58,252		
Total expenditures	<u>229,650</u>	<u>87,994</u>	<u>348,368</u>	<u>512,699</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,951</u>	<u>22,855</u>	<u>(56,856)</u>	<u>(165,147)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				259,701
Transfers out				
Capital leases				
Total other financing sources (uses)				<u>259,701</u>
Net Change in Fund Balances	<u>12,951</u>	<u>22,855</u>	<u>(56,856)</u>	<u>94,554</u>
Fund balances - beginning	5,212,230	119,140	847,062	13,415
Prior period adjustment				
Fund balances - ending	<u>\$5,225,181</u>	<u>\$141,995</u>	<u>\$790,206</u>	<u>\$107,969</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Family Protection	County Attorney Labor Disputes	Justice Court Technology	Juvenile Probation National School Lunch
REVENUES				
Taxes				
Intergovernmental				\$142,035
Charges for services	\$50,286		\$117,913	
Fines and forfeitures				
Interest	977	\$16	5,421	5,315
Miscellaneous				
Total revenues	<u>51,263</u>	<u>16</u>	<u>123,334</u>	<u>147,350</u>
EXPENDITURES				
Current				
General government				
Administration of justice		707	175,446	
Public safety				59,665
Health and welfare	59,676			
Community services				
Culture and recreation				
Public works				
Capital outlays				
Total expenditures	<u>59,676</u>	<u>707</u>	<u>175,446</u>	<u>59,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,413)</u>	<u>(691)</u>	<u>(52,112)</u>	<u>87,685</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				
Capital leases				
Total other financing sources (uses)				
Net Change in Fund Balances	<u>(8,413)</u>	<u>(691)</u>	<u>(52,112)</u>	<u>87,685</u>
Fund balances - beginning	30,955	710	125,772	65,348
Prior period adjustment				
Fund balances - ending	<u>\$22,542</u>	<u>\$19</u>	<u>\$73,660</u>	<u>\$153,033</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Juvenile Probation Federal Prisoner	Drug Enforcement Match	Justice Court Security	Grants
REVENUES				
Taxes				
Intergovernmental	\$8,870	\$1,511,756		\$20,325,769
Charges for services		93,283	\$13,390	
Fines and forfeitures				
Interest	289	67,010	148	294,829
Miscellaneous				2,089,091
Total revenues	<u>9,159</u>	<u>1,672,049</u>	<u>13,538</u>	<u>22,709,689</u>
EXPENDITURES				
Current				
General government				8,313
Administration of justice				5,023,380
Public safety		34,889		9,927,842
Health and welfare				4,416,020
Community services				886,172
Culture and recreation				66,407
Public works				108,251
Capital outlays		155,972		2,018,493
Total expenditures		<u>190,861</u>		<u>22,454,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,159</u>	<u>1,481,188</u>	<u>13,538</u>	<u>254,811</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				4,108,986
Transfers out				(1,770,329)
Capital leases				
Total other financing sources (uses)				<u>2,338,657</u>
Net Change in Fund Balances	<u>9,159</u>	<u>1,481,188</u>	<u>13,538</u>	<u>2,593,468</u>
Fund balances - beginning		756,943		
Prior period adjustment				(1,266,988)
Fund balances - ending	<u>\$9,159</u>	<u>\$2,238,131</u>	<u>\$13,538</u>	<u>\$1,326,480</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2006

	Total Nonmajor Special Revenue Funds
REVENUES	
Taxes	\$2,602,025
Intergovernmental	22,629,149
Charges for services	4,595,984
Fines and forfeitures	266,417
Interest	1,061,493
Miscellaneous	2,200,979
Total revenues	33,356,047
 EXPENDITURES	
Current	
General government	2,025,365
Administration of justice	6,229,639
Public safety	20,191,806
Health and welfare	4,705,346
Community services	886,172
Culture and recreation	3,420,443
Public works	109,533
Capital outlays	2,727,914
Total expenditures	40,296,218
Excess (deficiency) of revenues over (under) expenditures	(6,940,171)
OTHER FINANCING SOURCES (USES)	
Transfers in	14,802,588
Transfers out	(3,200,710)
Capital leases	
Total other financing sources (uses)	11,601,878
Net Change in Fund Balances	4,661,707
Fund balances - beginning	12,463,610
Prior period adjustment	(1,266,988)
Fund balances - ending	\$15,858,329

(Concluded)

County of El Paso, Texas
Budgetary Comparison Schedule
Nonmajor Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$2,400,000	\$2,400,000	\$2,602,025	\$202,025
Intergovernmental	774,767	774,767	2,555,245	1,780,478
Charges for services	12,121,055	12,121,055	13,032,025	910,970
Fines and forfeitures	407,000	407,000	266,417	(140,583)
Interest	485,000	485,000	1,301,795	816,795
Miscellaneous	100,700	100,700	302,920	202,220
Total revenues	16,288,522	16,288,522	20,060,427	3,771,905
EXPENDITURES				
General government				
Personnel	1,694,915	1,700,047	1,619,522	80,525
Operating	2,456,020	2,336,590	1,670,299	666,291
Total general government	4,150,935	4,036,637	3,289,821	746,816
Administration of justice				
Personnel	453,462	487,270	412,906	74,364
Operating	1,686,859	1,626,651	793,353	833,298
Total administration of justice	2,140,321	2,113,921	1,206,259	907,662
Public safety				
Personnel	8,974,872	8,517,536	8,555,452	(37,916)
Operating	2,295,941	2,606,861	1,708,512	898,349
Total public safety	11,270,813	11,124,397	10,263,964	860,433
Health and welfare				
Operating	309,801	359,801	289,326	70,475
Total health and welfare	309,801	359,801	289,326	70,475
Resource development				
Operating	50,000	50,000		50,000
Total resource development	50,000	50,000		50,000
Culture and recreation				
Personnel	390,076	454,543	325,222	129,321
Operating	3,316,523	3,283,523	3,028,814	254,709
Total culture and recreation	3,706,599	3,738,066	3,354,036	384,030
Public works				
Personnel	2,584,032	2,624,032	2,328,774	295,258
Operating	9,508,275	9,429,203	1,743,935	7,685,268
Total public works	12,092,307	12,053,235	4,072,709	7,980,526
Capital outlays	3,414,444	3,861,231	2,159,699	1,701,532
Total expenditures	37,135,220	37,337,288	24,635,814	12,701,474
Excess (deficiency) of revenues over (under) expenditures	(20,846,698)	(21,048,766)	(4,575,387)	16,473,379
Other financing sources (uses):				
Transfers in	10,650,953	10,650,953	10,760,665	109,712
Transfers out	(1,930,237)	(1,923,685)	(1,430,381)	493,304
Total other financing sources (uses)	8,720,716	8,727,268	9,330,284	603,016
Net change in fund balances	(12,125,982)	(12,321,498)	4,754,897	17,076,395
Fund balance - beginning	21,824,025	21,824,025	21,824,025	
Fund balance - ending	\$9,698,043	\$9,502,527	\$26,578,922	\$17,076,395

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Road and Bridge Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$30,000	\$30,000	\$251,865	\$221,865
Charges for services	8,113,000	8,113,000	8,436,041	323,041
Interest	140,000	140,000	535,131	395,131
Miscellaneous			191,032	191,032
Total revenues	8,283,000	8,283,000	9,414,069	1,131,069
EXPENDITURES				
General Government				
Personnel	856,509	861,809	830,061	31,748
Operating	949,195	873,395	442,708	430,687
Total general government	1,805,704	1,735,204	1,272,769	462,435
Public Works				
Personnel	2,584,032	2,624,032	2,328,774	295,258
Operating	9,501,075	9,423,347	1,742,653	7,680,694
Total public works	12,085,107	12,047,379	4,071,427	7,975,952
Capital Outlays				
Total expenditures	16,238,969	16,238,969	6,794,474	9,444,495
Excess (deficiency) of revenues over (under) expenditures	(7,955,969)	(7,955,969)	2,619,595	10,575,564
OTHER FINANCING SOURCES (USES)				
Transfers In				
Total other financing sources (uses)			67,063	67,063
Net Change in Fund Balance	(7,955,969)	(7,955,969)	2,686,658	10,642,627
Fund balances - beginning	9,360,415	9,360,415	9,360,415	
Fund balances - ending	\$1,404,446	\$1,404,446	\$11,980,010	\$10,575,564

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Tourist Promotion Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest			\$15,091	\$15,091
Miscellaneous			452	452
Total revenues			<u>15,543</u>	<u>15,543</u>
EXPENDITURES				
Culture and Recreation				
Operating	\$640,387	\$545,387	306,524	238,863
Total culture and recreation	<u>640,387</u>	<u>545,387</u>	<u>306,524</u>	<u>238,863</u>
Capital Outlays	311,393	321,393	311,393	10,000
Total expenditures	<u>951,780</u>	<u>866,780</u>	<u>617,917</u>	<u>248,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(951,780)</u>	<u>(866,780)</u>	<u>(602,374)</u>	<u>264,406</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	501,641	501,641	502,800	1,159
Transfers Out		(85,000)	(85,000)	
Total other financing sources (uses)	<u>501,641</u>	<u>416,641</u>	<u>417,800</u>	<u>1,159</u>
Net Change in Fund Balances	<u>(450,139)</u>	<u>(450,139)</u>	<u>(184,574)</u>	<u>265,565</u>
Fund balances - beginning	593,625	593,625	593,625	
Fund balances - ending	<u>\$143,486</u>	<u>\$143,486</u>	<u>\$409,051</u>	<u>\$265,565</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Alternative Dispute Resolution Center Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$200,000	\$200,000	\$184,734	(\$15,266)
Total revenues	200,000	200,000	184,734	(15,266)
EXPENDITURES				
Administration of justice				
Operating	200,000	200,000	180,900	19,100
Total administration of justice	200,000	200,000	180,900	19,100
Total expenditures	\$200,000	\$200,000	180,900	19,100
Excess (deficiency) of revenues over (under) expenditures			3,834	3,834
Fund balances - beginning				
Fund balances - ending			\$3,834	\$3,834

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
District Attorney Drug Forfeitures Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Fines and forfeitures	\$30,000	\$30,000	\$10,802	(\$19,198)
Interest	500	500	1,909	1,409
Miscellaneous			508	508
Total revenues	<u>30,500</u>	<u>30,500</u>	<u>13,219</u>	<u>(17,281)</u>
EXPENDITURES				
Administration of justice				
Personnel	35,218	35,618	35,336	282
Operating	41,547	41,147	9,382	31,765
Total administration of justice	<u>76,765</u>	<u>76,765</u>	<u>44,718</u>	<u>32,047</u>
Capital Outlays				
Total expenditures	<u>76,765</u>	<u>76,765</u>	<u>44,718</u>	<u>32,047</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(46,265)</u>	<u>(46,265)</u>	<u>(31,499)</u>	<u>14,766</u>
Fund balances - beginning	<u>55,271</u>	<u>55,271</u>	<u>55,271</u>	
Fund balances - ending	<u>\$9,006</u>	<u>\$9,006</u>	<u>\$23,772</u>	<u>\$14,766</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Coliseum Tourist Promotion Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$2,400,000	\$2,400,000	\$2,602,025	\$202,025
Interest	10,000	10,000	12,733	2,733
Total revenues	<u>2,410,000</u>	<u>2,410,000</u>	<u>2,614,758</u>	<u>204,758</u>
EXPENDITURES				
Culture and recreation				
Operating	2,048,359	2,048,359	2,055,626	(7,267)
Total culture and recreation	<u>2,048,359</u>	<u>2,048,359</u>	<u>2,055,626</u>	<u>(7,267)</u>
Capital outlays				
Total expenditures	<u>2,048,359</u>	<u>2,048,359</u>	<u>2,055,626</u>	<u>(7,267)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>361,641</u>	<u>361,641</u>	<u>559,132</u>	<u>197,491</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(501,641)	(501,641)	(501,641)	
Total other financing sources (uses)	<u>(501,641)</u>	<u>(501,641)</u>	<u>(501,641)</u>	
Net Change in Fund Balances	<u>(140,000)</u>	<u>(140,000)</u>	<u>57,491</u>	<u>197,491</u>
Fund balances - beginning	<u>144,399</u>	<u>144,399</u>	<u>144,399</u>	
Fund balances - ending	<u>\$4,399</u>	<u>\$4,399</u>	<u>\$201,890</u>	<u>\$197,491</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Commissary Inmate Profit Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$600,000	\$600,000	\$599,327	(\$673)
Interest	20,000	20,000	60,128	40,128
Total revenues	620,000	620,000	659,455	39,455
EXPENDITURES				
Public Safety				
Personnel	78,842	78,842		78,842
Operating	635,250	635,250	283,261	351,989
Total public safety	714,092	714,092	283,261	430,831
Capital outlays	603,678	603,678	35,815	567,863
Total expenditures	1,317,770	1,317,770	319,076	998,694
Excess (deficiency) of revenues over (under) expenditures	(697,770)	(697,770)	340,379	1,038,149
Fund balances - beginning	1,112,745	1,112,745	1,112,745	
Fund balances - ending	\$414,975	\$414,975	\$1,453,124	\$1,038,149

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Clerk Records Management and Preservation Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$650,000	\$650,000	\$692,709	\$42,709
Interest	6,000	6,000	16,894	10,894
Miscellaneous			465	465
Total revenues	656,000	656,000	710,068	54,068
EXPENDITURES				
General government				
Personnel	622,045	622,045	602,186	19,859
Operating	106,782	106,782	74,734	32,048
Total general government	728,827	728,827	676,920	51,907
Total expenditures	728,827	728,827	676,920	51,907
Excess (deficiency) of revenues over (under) expenditures	(72,827)	(72,827)	33,148	105,975
Fund balances - beginning	388,702	388,702	388,702	
Fund balances - ending	\$315,875	\$315,875	\$421,850	\$105,975

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Attorney Commissions Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$75,000	\$75,000	\$74,460	(\$540)
Interest	2,000	2,000	7,343	5,343
Miscellaneous			30	30
Total revenues	<u>77,000</u>	<u>77,000</u>	<u>81,833</u>	<u>4,833</u>
EXPENDITURES				
Administration of justice				
Personnel	69,360	69,360	55,513	13,847
Operating	196,921	196,921	76,360	120,561
Total administration of justice	<u>266,281</u>	<u>266,281</u>	<u>131,873</u>	<u>134,408</u>
Total expenditures	<u>266,281</u>	<u>266,281</u>	<u>131,873</u>	<u>134,408</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(189,281)</u>	<u>(189,281)</u>	<u>(50,040)</u>	<u>139,241</u>
Fund balances - beginning	<u>188,395</u>	<u>188,395</u>	<u>188,395</u>	
Fund balances - ending	<u>(\$886)</u>	<u>(\$886)</u>	<u>\$138,355</u>	<u>\$139,241</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Courthouse Security Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$295,000	\$295,000	\$325,953	\$30,953
Interest	1,000	1,000	3,174	2,174
Total revenues	<u>296,000</u>	<u>296,000</u>	<u>329,127</u>	<u>33,127</u>
EXPENDITURES				
Public Safety				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>296,000</u>	<u>296,000</u>	<u>329,127</u>	<u>33,127</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(296,000)	(296,000)	(296,000)	
Total other financing sources (uses)	<u>(296,000)</u>	<u>(296,000)</u>	<u>(296,000)</u>	
Net Change in Fund Balances			<u>33,127</u>	<u>33,127</u>
Fund balances - beginning	49,760	49,760	49,760	
Fund balances - ending	<u>\$49,760</u>	<u>\$49,760</u>	<u>\$82,887</u>	<u>\$33,127</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Records Management and Preservation Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$200,000	\$200,000	\$202,331	\$2,331
Interest	1,000	1,000	2,372	1,372
Total revenues	<u>201,000</u>	<u>201,000</u>	<u>204,703</u>	<u>3,703</u>
EXPENDITURES				
General government				
Personnel	128,681	128,681	121,194	7,487
Operating	121,319	121,319	98,099	23,220
Total general government	<u>250,000</u>	<u>250,000</u>	<u>219,293</u>	<u>30,707</u>
Capital outlays				
Total expenditures	<u>250,000</u>	<u>250,000</u>	<u>219,293</u>	<u>30,707</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(49,000)</u>	<u>(49,000)</u>	<u>(14,590)</u>	<u>34,410</u>
Fund balances - beginning	<u>76,907</u>	<u>76,907</u>	<u>76,907</u>	
Fund balances - ending	<u>\$27,907</u>	<u>\$27,907</u>	<u>\$62,317</u>	<u>\$34,410</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Graffiti Eradication Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$150	\$150	\$78	(\$72)
Interest			43	43
Total revenues	<u>150</u>	<u>150</u>	<u>121</u>	<u>(29)</u>
EXPENDITURES				
Public safety				
Operating	1,000	1,000		1,000
Total public safety	<u>1,000</u>	<u>1,000</u>		<u>1,000</u>
Total expenditures	<u>1,000</u>	<u>1,000</u>		<u>1,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(850)</u>	<u>(850)</u>	<u>121</u>	<u>971</u>
Fund balances - beginning	<u>906</u>	<u>906</u>	<u>906</u>	
Fund balances - ending	<u>\$56</u>	<u>\$56</u>	<u>\$1,027</u>	<u>\$971</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Law Library Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$450,000	\$450,000	\$492,212	\$42,212
Interest	2,000	2,000	16,936	14,936
Miscellaneous	10,000	10,000	13,250	3,250
Total revenues	462,000	462,000	522,398	60,398
EXPENDITURES				
Culture and recreation				
Personnel	174,359	174,359	131,140	43,219
Operating	305,547	305,547	348,047	(42,500)
Total culture and recreation	479,906	479,906	479,187	719
Total expenditures	479,906	479,906	479,187	719
Excess (deficiency) of revenues over (under) expenditures	(17,906)	(17,906)	43,211	61,117
Fund balances - beginning	326,459	326,459	326,459	
Fund balances - ending	\$308,553	\$308,553	\$369,670	\$61,117

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Court Reporter Service Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$150,000	\$150,000	\$172,479	\$22,479
Interest			1,584	1,584
Total revenues	150,000	150,000	174,063	24,063
EXPENDITURES				
Administration of Justice				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	150,000	150,000	174,063	24,063
OTHER FINANCING SOURCES (USES)				
Transfers out	(167,000)	(167,000)	(167,000)	
Total other financing sources (uses)	(167,000)	(167,000)	(167,000)	
Net Change in Fund Balances	(17,000)	(17,000)	7,063	24,063
Fund balances - beginning	20,721	20,721	20,721	
Fund balances - ending	\$3,721	\$3,721	\$27,784	\$24,063

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Sheriff's LEOSE Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$65,000	\$65,000	\$64,661	(\$339)
Interest	1,000	1,000	3,281	2,281
Total revenues	66,000	66,000	67,942	1,942
EXPENDITURES				
Public Safety				
Operating	130,000	130,000	96,384	33,616
Total public safety	130,000	130,000	96,384	33,616
Total expenditures	130,000	130,000	96,384	33,616
Excess (deficiency) of revenues over (under) expenditures	(64,000)	(64,000)	(28,442)	35,558
Fund balances - beginning	85,186	85,186	85,186	
Fund balances - ending	\$21,186	\$21,186	\$56,744	\$35,558

County of El Paso, Texas
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 Ascarate Park Improvement Special Revenue Fund
 For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest			\$5,327	\$5,327
Total revenues			5,327	5,327
EXPENDITURES				
Culture and recreation				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures			5,327	5,327
OTHER FINANCING SOURCES (USES)				
Transfers in			92,221	92,221
Transfers out	(\$180,000)	(\$180,000)	(180,000)	
Total other financing sources (uses)	(180,000)	(180,000)	(87,779)	92,221
Net Change in Fund Balances	(180,000)	(180,000)	(82,452)	97,548
Fund balances - beginning	227,465	227,465	227,465	
Fund balances - ending	\$47,465	\$47,465	\$145,013	\$97,548

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Fabens Airport Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest			\$670	\$670
Miscellaneous	\$3,000	\$3,000	3,282	282
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>3,952</u>	<u>952</u>
EXPENDITURES				
Public works				
Operating	7,200	5,856	1,282	4,574
Total public works	<u>7,200</u>	<u>5,856</u>	<u>1,282</u>	<u>4,574</u>
Capital outlays				
Total expenditures	<u>7,200</u>	<u>18,300</u>	<u>13,726</u>	<u>4,574</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,200)</u>	<u>(15,300)</u>	<u>(9,774)</u>	<u>5,526</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(11,100)			
Total other financing sources (uses)	<u>(11,100)</u>			
Net Change in Fund Balances	<u>(15,300)</u>	<u>(15,300)</u>	<u>(9,774)</u>	<u>5,526</u>
Fund balances - beginning	<u>16,313</u>	<u>16,313</u>	<u>16,313</u>	
Fund balances - ending	<u>\$1,013</u>	<u>\$1,013</u>	<u>\$6,539</u>	<u>\$5,526</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
San Elizario Placita Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest			\$79	\$79
Total revenues			79	79
EXPENDITURES				
Culture and recreation				
Operating	\$1,724	\$1,724		1,724
Total culture and recreation	1,724	1,724		1,724
Total expenditures	1,724	1,724		1,724
Excess (deficiency) of revenues over (under) expenditures	(1,724)	(1,724)	79	1,803
Fund balances - beginning	1,730	1,730	1,730	
Fund balances - ending	\$6	\$6	\$1,809	\$1,803

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Child Welfare Juror Donations Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest			\$660	\$660
Miscellaneous	\$2,000	\$2,000	2,210	210
Total revenues	2,000	2,000	2,870	870
EXPENDITURES				
Health and welfare				
Operating	14,000	14,000		14,000
Total health and welfare	14,000	14,000		14,000
Total expenditures	14,000	14,000		14,000
Excess (deficiency) of revenues over (under) expenditures	(12,000)	(12,000)	2,870	14,870
Fund balances - beginning	13,180	13,180	13,180	
Fund balances - ending	\$1,180	\$1,180	\$16,050	\$14,870

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Attorney Supplement Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$20,833	\$20,833	\$23,746	\$2,913
Interest	1,000	1,000	4,544	3,544
Total revenues	21,833	21,833	28,290	6,457
EXPENDITURES				
Administration of justice				
Operating	114,125	114,125		114,125
Total expenditures	114,125	114,125		114,125
Excess (deficiency) of revenues over (under) expenditures	(92,292)	(92,292)	28,290	120,582
Fund balances - beginning	95,850	95,850	95,850	
Fund balances - ending	\$3,558	\$3,558	\$124,140	\$120,582

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Probate Travel Account Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$7,500	\$7,500	\$8,210	\$710
Interest			97	97
Total revenues	7,500	7,500	8,307	807
EXPENDITURES				
Administration of justice				
Operating	10,000	10,000	9,718	282
Total administration of justice	10,000	10,000	9,718	282
Total expenditures	10,000	10,000	9,718	282
Excess (deficiency) of revenues over (under) expenditures	(2,500)	(2,500)	(1,411)	1,089
Fund balances - beginning	3,311	3,311	3,311	
Fund balances - ending	\$811	\$811	\$1,900	\$1,089

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Probate Judiciary Support Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$40,000	\$40,000	\$79,651	\$39,651
Interest	2,000	2,000	11,380	9,380
Total revenues	42,000	42,000	91,031	49,031
EXPENDITURES				
Administration of justice				
Personnel	21,999	55,407	59,066	(3,659)
Operating	220,001	186,593	16,021	170,572
Total administration of justice	242,000	242,000	75,087	166,913
Total expenditures	242,000	242,000	75,087	166,913
Excess (deficiency) of revenues over (under) expenditures	(200,000)	(200,000)	15,944	215,944
Fund balances - beginning	232,194	232,194	232,194	
Fund balances - ending	\$32,194	\$32,194	\$248,138	\$215,944

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Teen Court Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$1,500	\$1,500	\$3,388	\$1,888
Interest			205	205
Total revenues	1,500	1,500	3,593	2,093
EXPENDITURES				
Administration of justice				
Operating	4,010	4,010	2,486	1,524
Total administration of justice	4,010	4,010	2,486	1,524
Total expenditures	4,010	4,010	2,486	1,524
Excess (deficiency) of revenues over (under) expenditures	(2,510)	(2,510)	1,107	3,617
Fund balances - beginning	3,365	3,365	3,365	
Fund balances - ending	\$855	\$855	\$4,472	\$3,617

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
District Clerk Records Management and Preservation
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$59,405	\$59,405	\$75,608	\$16,203
Interest			1,688	1,688
Total revenues	<u>59,405</u>	<u>59,405</u>	<u>77,296</u>	<u>17,891</u>
EXPENDITURES				
General government				
Personnel	15,769	15,769	15,082	687
Operating	<u>22,759</u>	<u>31,961</u>	<u>11,472</u>	<u>20,489</u>
Total general government	<u>38,528</u>	<u>47,730</u>	<u>26,554</u>	<u>21,176</u>
Capital outlays	21,000	11,798	6,774	5,024
Total expenditures	<u>59,528</u>	<u>59,528</u>	<u>33,328</u>	<u>26,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(123)</u>	<u>(123)</u>	<u>43,968</u>	<u>44,091</u>
Fund balances - beginning	<u>13,447</u>	<u>13,447</u>	<u>13,447</u>	
Fund balances - ending	<u>\$13,324</u>	<u>\$13,324</u>	<u>\$57,415</u>	<u>\$44,091</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Juvenile Probation Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental			\$1,883	\$1,883
Charges for services	\$160,000	\$160,000	147,877	(12,123)
Interest	22,500	22,500	63,799	41,299
Miscellaneous	55,500	55,500	31,699	(23,801)
Total revenues	238,000	238,000	245,258	7,258
EXPENDITURES				
Public safety				
Personnel	8,974,872	8,493,901	8,546,563	(52,662)
Operating	1,307,728	1,537,458	1,241,848	295,610
Total public safety	10,282,600	10,031,359	9,788,411	242,948
Capital Outlays	122,657	193,056	105,694	87,362
Total expenditures	10,405,257	10,224,415	9,894,105	330,310
Excess (deficiency) of revenues over (under) expenditures	(10,167,257)	(9,986,415)	(9,648,847)	337,568
OTHER FINANCING SOURCES (USES)				
Transfers in	9,889,611	9,889,611	9,838,880	(50,731)
Transfers out	(19,898)	(200,740)	(200,740)	
Total other financing sources (uses)	9,869,713	9,688,871	9,638,140	(50,731)
Net Change in Fund Balances	(297,544)	(297,544)	(10,707)	286,837
Fund balances - beginning	416,840	416,840	416,840	
Fund balances - ending	\$119,296	\$119,296	\$406,133	\$286,837

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Tax Office Discretionary Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$50,000	\$50,000	\$139,922	\$89,922
Miscellaneous			46,796	46,796
Total revenues	50,000	50,000	186,718	136,718
EXPENDITURES				
General government				
Personnel	32,411	32,411	30,934	1,477
Operating	62,650	62,650	32,094	30,556
Total general government	95,061	95,061	63,028	32,033
Total expenditures	95,061	95,061	63,028	32,033
Excess (deficiency) of revenues over (under) expenditures	(45,061)	(45,061)	123,690	168,751
Fund balances - beginning	220,373	220,373	220,373	
Fund balances - ending	\$175,312	\$175,312	\$344,063	\$168,751

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Therapeutic Drug Court Program Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest			\$34	\$34
Miscellaneous	\$200	\$200	182	(18)
Total revenues	200	200	216	16
EXPENDITURES				
Administration of justice				
Operating	800	800		800
Total administration of justice	800	800		800
Total expenditures	800	800		800
Excess (deficiency) of revenues over (under) expenditures	(600)	(600)	216	816
Fund balances - beginning	648	648	648	648
Fund balances - ending	\$48	\$48	\$864	\$816

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Sheriff's Communications Improvement Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$29,049	\$29,049	\$18,954	(\$10,095)
Total revenues	29,049	29,049	18,954	(10,095)
EXPENDITURES				
Public safety				
Operating	10,000	11,414	1,354	10,060
Total public safety	10,000	11,414	1,354	10,060
Capital Outlays		17,635	17,600	35
Total expenditures	10,000	\$29,049	\$18,954	\$10,095
Excess (deficiency) of revenues over (under) expenditures	19,049			
Fund balances - beginning				
Fund balances - ending	\$19,049			

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Attorney Bad Check Operations Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services			\$258,206	\$258,206
Miscellaneous			11,902	11,902
Total revenues			<u>270,108</u>	<u>270,108</u>
EXPENDITURES				
Administration of justice				
Personnel			66,971	(66,971)
Operating	\$2,248	\$2,248	119,966	(117,718)
Total administration of justice	<u>2,248</u>	<u>2,248</u>	<u>186,937</u>	<u>(184,689)</u>
Capital Outlays			5,477	(5,477)
Total expenditures	<u>2,248</u>	<u>2,248</u>	<u>192,414</u>	<u>(190,166)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,248)</u>	<u>(2,248)</u>	<u>77,694</u>	<u>79,942</u>
Fund balances - beginning	<u>162,109</u>	<u>162,109</u>	<u>162,109</u>	
Fund balances - ending	<u>\$159,861</u>	<u>\$159,861</u>	<u>\$239,803</u>	<u>\$79,942</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
District Attorney Apportionment Supplement Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$39,885	\$39,885	\$41,073	\$1,188
Total revenues	<u>39,885</u>	<u>39,885</u>	<u>41,073</u>	<u>1,188</u>
EXPENDITURES				
Administration of justice				
Personnel	39,885	39,885	41,073	(1,188)
Total administration of justice	<u>39,885</u>	<u>39,885</u>	<u>41,073</u>	<u>(1,188)</u>
Total expenditures	<u>\$39,885</u>	<u>\$39,885</u>	<u>\$41,073</u>	<u>(\$1,188)</u>
Excess (deficiency) of revenues over (under) expenditures				
Fund balances - beginning				
Fund balances - ending				

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
District Attorney Food Stamp Fraud Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$45,000	\$45,000	\$34,953	(\$10,047)
Interest	1,000	1,000	3,570	2,570
Total revenues	46,000	46,000	38,523	(7,477)
EXPENDITURES				
Administration of justice				
Personnel	96,000	96,000	8,946	87,054
Total administration of justice	96,000	96,000	8,946	87,054
Total expenditures	96,000	96,000	8,946	87,054
Excess (deficiency) of revenues over (under) expenditures	(50,000)	(50,000)	29,577	79,577
Fund balances - beginning	65,725	65,725	65,725	
Fund balances - ending	\$15,725	\$15,725	\$95,302	\$79,577

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Clerk Records Archives Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$600,000	\$600,000	\$633,526	\$33,526
Interest			13,512	13,512
Total revenues	600,000	600,000	647,038	47,038
EXPENDITURES				
General government				
Operating	650,000	650,000	611,246	38,754
Total general government	650,000	650,000	611,246	38,754
Capital outlays				
Total expenditures	1,650	1,650	611,246	40,404
Excess (deficiency) of revenues over (under) expenditures	(51,650)	(51,650)	35,792	87,442
Fund balances - beginning	347,265	347,265	347,265	
Fund balances - ending	\$295,615	\$295,615	\$383,057	\$87,442

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Elections Contract Services Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$375,000	\$375,000	\$375,798	\$798
Interest			14,558	14,558
Miscellaneous			182	182
Total revenues	375,000	375,000	390,538	15,538
EXPENDITURES				
General government				
Personnel	39,500	39,332	20,065	19,267
Operating	438,555	438,723	370,204	68,519
Total general government	478,055	478,055	390,269	87,786
Total expenditures	478,055	478,055	390,269	87,786
Excess (deficiency) of revenues over (under) expenditures	(103,055)	(103,055)	269	103,324
Fund balances - beginning	376,520	376,520	376,520	
Fund balances - ending	\$273,465	\$273,465	\$376,789	\$103,324

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
El Paso Housing Finance Corporation Special Revenue Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total revenues				
EXPENDITURES				
Resource Development				
Operating	\$50,000	\$50,000		\$50,000
Total resource development	50,000	50,000		50,000
Total expenditures	50,000	50,000		50,000
Excess (deficiency) of revenues over (under) expenditures	(50,000)	(50,000)		50,000
Fund balances - beginning	52,624	52,624	\$52,624	
Fund balances - ending	<u>\$2,624</u>	<u>\$2,624</u>	<u>\$52,624</u>	<u>\$50,000</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Project Care Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$225,000	\$225,000	\$242,601	\$17,601
Miscellaneous	30,000	30,000		(30,000)
Total revenues	255,000	255,000	242,601	(12,399)
EXPENDITURES				
Health and welfare				
Operating	205,000	255,000	229,650	25,350
Total health and welfare	205,000	255,000	229,650	25,350
Total expenditures	205,000	255,000	229,650	25,350
Excess (deficiency) of revenues over (under) expenditures	50,000		12,951	12,951
Fund balances - beginning	5,212,230	5,212,230	5,212,230	
Fund balances - ending	\$5,262,230	\$5,212,230	\$5,225,181	\$12,951

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Clerk Vital Statistics Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$80,000	\$80,000	\$105,172	\$25,172
Interest			5,677	5,677
Total revenues	<u>80,000</u>	<u>80,000</u>	<u>110,849</u>	<u>30,849</u>
EXPENDITURES				
General government				
Operating	104,760	51,760	29,742	22,018
Total general government	<u>104,760</u>	<u>51,760</u>	<u>29,742</u>	<u>22,018</u>
Capital outlays	5,908	58,908	58,252	656
Total expenditures	<u>110,668</u>	<u>110,668</u>	<u>87,994</u>	<u>22,674</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,668)</u>	<u>(30,668)</u>	<u>22,855</u>	<u>53,523</u>
Fund balances - beginning	119,140	119,140	119,140	
Fund balances - ending	<u>\$88,472</u>	<u>\$88,472</u>	<u>\$141,995</u>	<u>\$53,523</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
District Attorney Special Account Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	\$377,000	\$377,000	\$255,615	(\$121,385)
Interest			35,897	35,897
Total revenues	377,000	377,000	291,512	(85,488)
EXPENDITURES				
Administration of justice				
Personnel	191,000	191,000	146,001	44,999
Operating	709,000	682,600	202,367	480,233
Total administration of justice	900,000	873,600	348,368	525,232
Capital outlays				
Total expenditures	900,000	900,000	348,368	551,632
Excess (deficiency) of revenues over (under) expenditures	(523,000)	(523,000)	(56,856)	466,144
Fund balances - beginning	847,062	847,062	847,062	
Fund balances - ending	\$324,062	\$324,062	\$790,206	\$466,144

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Sportspark Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$312,000	\$312,000	\$344,842	\$32,842
Interest			1,780	1,780
Miscellaneous			930	930
Total revenues	312,000	312,000	347,552	35,552
EXPENDITURES				
Culture and recreation				
Personnel	136,875	201,342	194,082	7,260
Operating	320,506	382,506	318,617	63,889
Total culture and recreation	457,381	583,848	512,699	71,149
Total expenditures	457,381	583,848	512,699	71,149
Excess (deficiency) of revenues over (under) expenditures	(145,381)	(271,848)	(165,147)	106,701
OTHER FINANCING SOURCES (USES)				
Transfers in	259,701	259,701	259,701	
Total other financing sources (uses)	259,701	259,701	259,701	
Net Change in Fund Balances	114,320	(12,147)	94,554	106,701
Fund balances - beginning	13,415	13,415	13,415	
Fund balances - ending	\$127,735	\$1,268	\$107,969	\$106,701

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Family Protection Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$45,000	\$45,000	\$50,286	\$5,286
Interest			977	977
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>51,263</u>	<u>6,263</u>
EXPENDITURES				
Health and Welfare				
Operating	90,801	90,801	59,676	31,125
Total health and welfare	<u>90,801</u>	<u>90,801</u>	<u>59,676</u>	<u>31,125</u>
Total expenditures	<u>90,801</u>	<u>90,801</u>	<u>59,676</u>	<u>31,125</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(45,801)</u>	<u>(45,801)</u>	<u>(8,413)</u>	<u>37,388</u>
Fund balances - beginning	30,955	30,955	30,955	
Fund balances - ending	<u>(\$14,846)</u>	<u>(\$14,846)</u>	<u>\$22,542</u>	<u>\$37,388</u>

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
County Attorney - Labor Disputes
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest			\$16	\$16
Total revenues			16	16
EXPENDITURES				
Administration of justice				
Operating	\$707	\$707	707	
Total administration of justice	707	707	707	
Total expenditures	707	707	707	
Excess (deficiency) of revenues over (under) expenditures	(707)	(707)	(691)	16
Fund balances - beginning	710	710	710	
Fund balances - ending	\$3	\$3	\$19	\$16

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Justice Court Technology
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$97,500	\$97,500	\$117,913	\$20,413
Interest			5,421	5,421
Total revenues	97,500	97,500	123,334	25,834
EXPENDITURES				
Administration of justice				
Operating	187,500	187,500	175,446	12,054
Total administration of justice	187,500	187,500	175,446	12,054
Capital outlays				
Total expenditures	187,500	187,500	175,446	12,054
Excess (deficiency) of revenues over (under) expenditures	(90,000)	(90,000)	(52,112)	37,888
Fund balances - beginning	125,772	125,772	125,772	
Fund balances - ending	\$35,772	\$35,772	\$73,660	\$37,888

County of El Paso, Texas
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 Juvenile Probation National School Lunch Special Revenue Fund
 For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$125,000	\$125,000	\$142,035	\$17,035
Interest			5,315	5,315
Total revenues	125,000	125,000	147,350	22,350
EXPENDITURES				
Public Safety				
Operating	181,963	181,963	59,665	122,298
Total Public Safety	181,963	181,963	59,665	122,298
Total expenditures	181,963	181,963	59,665	122,298
Excess (deficiency) of revenues over (under) expenditures	(56,963)	(56,963)	87,685	144,648
Fund balances - beginning	65,348	65,348	65,348	
Fund balances - ending	\$8,385	\$8,385	\$153,033	\$144,648

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Drug Enforcement Match Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental			\$1,511,756	\$1,511,756
Program Income			93,283	93,283
Interest			67,010	67,010
Total revenues			1,672,049	1,672,049
EXPENDITURES				
Public Safety				
Personnel		\$23,635	8,889	14,746
Operating		79,776	26,000	53,776
Total Public Safety		103,411	34,889	68,522
Capital outlays		157,883	155,972	1,911
Total expenditures		261,294	190,861	70,433
Excess (deficiency) of revenues over (under) expenditures		(261,294)	1,481,188	1,742,482
OTHER FINANCING SOURCES (USES)				
Transfers out	(\$754,598)	(493,304)		493,304
Total other financing sources (uses)	(754,598)	(493,304)		493,304
Net Change in Fund Balances	(754,598)	(754,598)	1,481,188	2,235,786
Fund balances - beginning	756,943	756,943	756,943	
Fund balances - ending	\$2,345	\$2,345	\$2,238,131	\$2,235,786

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Justice Court Security
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$25,000	\$25,000	\$13,390	(\$11,610)
Interest			148	148
Total revenues	25,000	25,000	13,538	(11,462)
EXPENDITURES				
Public Safety				
Operating	25,000	25,000		25,000
Total Public Safety	25,000	25,000		25,000
Capital outlays				
Total expenditures	25,000	\$25,000		25,000
Excess (deficiency) of revenues over (under) expenditures			13,538	13,538
Fund balances - beginning				
Fund balances - ending			\$13,538	\$13,538

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Juvenile Probation Federal Prisoner Special Revenue Fund
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$5,000	\$5,000	\$8,870	\$3,870
Interest			289	289
Total revenues	5,000	5,000	9,159	4,159
EXPENDITURES				
Public Safety				
Operating	5,000	5,000		5,000
Total Public Safety	5,000	5,000		5,000
Total expenditures	\$5,000	\$5,000		\$5,000
Excess (deficiency) of revenues over (under) expenditures			9,159	9,159
Fund balances - beginning				
Fund balances - ending			\$9,159	\$9,159

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

34th Judicial District Prosecution Initiative

This grant is awarded by the Office of National Drug Control Policy. These funds are used for the joint prosecution of drug cases with the U.S. Attorney of Western District of Texas.

65th District Family Drug Court Program

The Substance Abuse and Mental Health Services Administration, a division of the Department of Health and Human Services of the Federal Government, has issued a grant to enhance and expand the current Family Drug Court Programs. The funds are to be used to deliver effective comprehensive substance abuse treatment services to parents with drug and alcohol problems.

65th District Expanded Family Drug Court Program

This grant is awarded by the U.S. Department of Health and Human Services to help expand residential treatment capacity for the 65th District Court Family Drug Court clients and enhance the wraparound services available through the drug court with the assistance of the Integrated Treatment Coordinator. It also provides appropriate case management for the 65th District Court Family Drug Court clients.

65th District Family Drug Court Enhancement Program

The Drug Court Program is authorized under Title I, Part EE, of the Omnibus Crime Control and Safe Streets Act of 1968. Its objective is to support the establishment and development of drug courts. The Drug Court Grant Program is responsive to, and supportive of, developments in the field.

243rd District Drug Court

This grant is awarded by the Criminal Justice Division to address the lack of supervision and treatment sources available to effectively serve chemically addicted offenders in El Paso County.

409th District Drug Court

The El Paso Independent School District (EPISD) has awarded this grant for the purpose of reducing substance abuse and criminal activity amongst the juvenile population in El Paso County and also providing them with an opportunity to receive a quality education.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

A.C. Border Children's Mental Health

This grant was funded by the Anne Casey Foundation to supplement the Border Children's Mental Health Collaborative.

Bootstrap Program

The purpose of this grant is to promote and enhance home ownership for very low income Texans by providing loan funds to purchase or refinance real property on which to build new residential housing, or to improve their existing residential housing.

Border Children's Mental Health Collaborative

The Substance Abuse and Mental Health Services Administration, a division of the U. S. Department of Health and Human Services, has awarded this grant to make mental health treatment available in El Paso, Texas. The ultimate goal of the grant is to provide a more positive environment for the children by bringing them back to the area for treatment.

Bosque Bonito & San Elizario

This grant is awarded by the Office of Rural and Community Affairs to provide first-time sewer service in the Bosque Bonito units 1 & 2 subdivisions located in the San Elizario area.

Bullet Proof Vest Partnership

Administered by the U. S. Department of Justice, its purpose is to protect the lives of law enforcement officers by helping states and units of local and tribal governments equip their law enforcement officers with armor vests by paying half of the cost of each vest.

Byrne Justice Assistance Grant

Edward Byrne Memorial Justice Assistance Grant (JAG) program allows states, tribes and local governments to support a broad range of activities to prevent and control crime based on their local needs and conditions. The County of El Paso will use JAG funds to upgrade a broad range of communication equipment, software, technology, and hardware. The County will also use JAG funds to purchase furniture, computers and peripherals to maximize the effectiveness of four new Victim's Assistance Advocates.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Child Protective Services

The Texas Department of Family and Protective Services funds this grant. This grant allows for expenses related to the preparation for and participation in judicial determinations for cases filed by the Department.

City SAMSHA

The City of El Paso, Texas has awarded this grant. The purpose is to address older mental health services through screening of the El Paso City-County Homebound Nutrition participants age 65 and over, and make referrals to area agencies when necessary.

Colonia Plumbing Loan Program

The Texas Water Development Board and the County of El Paso have contracted to provide loans to qualified individuals from the areas commonly known as San Elizario, Socorro, Tornillo and Westway. The loans made to these individuals will only be for the eligible plumbing improvements identified in Chapter 31 of the *Texas Administrative Code*.

Colonia Road Projects

This grant is awarded by the Texas Department of Transportation for colonia road construction.

Colonia Self Help Center

The Colonia Self Help grant was awarded by the Office of Rural and Community Development to provide 48 households in the Horizon and El Paso Hills area with assistance in rehabilitation, repair and reconstruction of housing.

COPS in Schools

This grant is awarded by the U.S. Department of Justice for the hiring of seven officers to be engaged in community school policing.

COUNTY OF EI PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

COPS Training and Technical Assistance

The El Paso County Sheriff's Office "Creating a Culture of Integrity" Program will focus on ensuring accountability to the El Paso community. The funding will assist the El Paso County Sheriff's Office in developing a proactive organizational accountability system to engage the El Paso community in defining law enforcement services.

County Attorney Juvenile Information Systems

The Juvenile Information System sponsored by the Criminal Justice Division is an internet-based application that provides the capability to share offense and criminal history information and make informed decisions regarding the early identification, control, supervision, and treatment of juvenile offenders

County Attorney Protective Orders

This grant is awarded by the Criminal Justice Division of the Governor's office to help enforce protective orders.

Criminal Enterprise Unit

This grant is awarded by the Criminal Justice Division to disrupt organized criminal groups involved in violent crime, gangs, human trafficking, money laundering and drug trafficking.

Cruz Salcido Project

This grant is awarded by the Office of Rural and Community Affairs to construct first time water system improvements in the Cruz and Salcido Roads in the San Elizario area using STEP self-help methods, benefiting approximately 24 families.

DIMS Project

This grant is awarded by the Texas Criminal Justice Division to establish the District Attorney's 24-hour intake and screening process for criminal cases with the objective of decreasing the time it takes to arrest and arraign a suspect in El Paso County.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

District Attorney Intern Program

Cooperative Agreement between the Office of the Attorney General of Texas and the Office of the District Attorney of El Paso County, Texas to fund three interns to assist in gathering data in a survey to study how adult victims/survivors in Texas have been affected by the crimes committed against them.

District Attorney Project Safe Neighborhoods

Funds awarded by the Attorney General of Texas for a community gun violence prosecution initiative program.

District Attorney Victim Information Notification Everyday (VINE)

This grant was awarded by the Attorney General's Office to inform victims of crime of the status and location of the person who committed the offense against them.

Domestic Violence Unit (VAWA)

This grant is awarded by the Criminal Justice Division to increase the conviction rate of domestic violence cases set for trial and to increase the number of family violence cases disposed of through pretrial diversion programs.

DWI Court Program

Grant awarded by the State of Texas Office of the Governor Criminal Justice Division. The goal of the DWI Drug Court Intervention and Treatment Program is to enhance public safety, strive to reduce recidivism of alcohol and drug offenders through a cost effective integrated continuum of care and a judicially supervised regime of treatment for chemically addicted offenders in El Paso County.

El Paso Can

This grant is awarded by the El Paso Del Norte Health Foundation to improve the health and well being of older adults through education, good nutrition and fitness activities.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

El Paso County Individual Development Account

This grant was awarded by the U.S. Department of Health and Human Services to allow county employees to set up savings accounts to purchase their first home or for secondary education. The savings accounts are matched by \$2 for every \$1 by federal and county funds.

Emergency Food and Shelter

The funds are provided by the Federal Emergency Management Agency. The purpose of this funding is to assist in providing housing for families and individuals who, for various reasons, can no longer stay at designated emergency shelters. Rent and mortgage assistance is also provided for those eligible residents who are facing imminent eviction.

Enforcement of Protective Orders (VAWA)

This grant is awarded by the Criminal Justice Division to employ an additional attorney and secretary to establish a referral network with all affected agencies and entities. An educational process is initiated to advise present and former victims of the expansion of these services (protective orders).

Explorer Post

The funds for this program are provided by the El Paso County Metro Narcotics Task Force Program income. This is a new and innovative concept which targets and recruits youths, male and female, between fourteen and twenty-one years of age. This program provides an opportunity for these youths to work with full time deputies in three areas: Crime Prevention, Drug Education and Drug Abuse Resistance Education. In addition, the Explorers learn the fundamental concepts of police work through the ride along program, as well as, participate in presentations, displays and safety programs throughout the community.

Fabens Airport Construction

The Texas Department of Transportation has awarded this grant to improve the runways at the Fabens Airport. These funds are pass-through from the Federal Aviation Administration.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Fabens Library

This mini-grant will help the collection development efforts of the County Library and is intended to assist the grantee in its literacy initiatives through the acquisition of Spanish, English and Bilingual library materials.

Family Court Project

The Texas Department of Protective and Regulatory Services awarded this grant to begin implementation of a Unified Family Court.

FEMA Flood

El Paso County experienced severe flooding in July through September of 2006. The President issued a declaration of disaster on August 15, 2006 and provided FEMA funds as reimbursement for damages and expenses incurred during the incident starting July 31, 2006 and continuing through the end of September 2006.

Financial Disruption Unit

This grant is awarded by the Office of National Drug Control Policy. The funds are used to target individuals with the objective of identifying drug related assets and resources subject to forfeiture in accordance with state and federal laws.

First Thanksgiving Pageant

This grant is awarded by the Texas Department of Agriculture and the County Tourist Promotion to promote the 2005 First Thanksgiving Pageant and Historical Conference.

Gallegos Park

This grant is to rehabilitate Gallegos Park. The U.S. Department of the Interior, National Park Services, provides the major funding along with Texas Parks and Wildlife, and the County of El Paso, Texas.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Help America Vote Act

Help America Vote grants are designed to help local elections offices upgrade from the punch voting system to a computerized statewide voter system. It also provides funds for education and training of voters as well as poll workers. The funds are provided to the county by the Election Assistance Commission of the Federal Government through the Secretary of the State of Texas.

HIDTA Overtime

The funds for this grant are provided by Treasury and Justice Federal Asset Sharing Funds, which have been awarded to agencies that participated in a seizure and forfeiture action. These funds are used to support and assist each task force in continuing their ongoing investigations after hours.

HIDTA Vehicle Purchase

The funds for this grant were provided by Treasury and Justice Federal Asset Sharing funds, which have been awarded to agencies that participated in a seizure and forfeiture action. Funds were used for the purchase of three unmarked vehicles for the El Paso Sheriff's Department.

Hispanic Nutrition Program

The National Hispanic Council on Aging awards this grant to help ensure the successful implementation of the Senior Medicare Fraud Patrol project and the Integration-Extension Project for Rural Hispanic communities.

Hogg Foundation BCMHC

This grant was funded by the HOGG Foundation to supplement Border Children's Mental Health Collaborative.

Homeland Security

U.S. Department of Homeland Security, Office of Domestic Preparedness awarded this grant through the Governor's Division of Emergency Management to purchase equipment to aid in the improvement of the County's ability to prevent, respond to and recover from acts of terrorist and natural disasters.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Home Program Deed Conversion

This grant is awarded by the Texas Department of Housing and Community Affairs to provide contract for deed conversions and housing rehabilitation for families that reside in a colonia and earn 60 percent or less of the applicable Area Median Family Income (AMFI).

Intelligent Transportation System

This grant is awarded by the Texas Department of Transportation to provide funds for the installation of an Intelligent Transportation System, which consists of automatic vehicle location, real-time voice and data systems, integrated billing and passenger information, on a "Smart Bus" and on other transit/social service vehicles. This will assist transit and social service agencies operating fixed-route and demand responsive services in reducing costs while improving operational efficiencies, emergency response and passenger service.

JPD Youth Offender Demonstration

The Department of Labor, through the Upper Rio Grande Workforce Development Board, awarded this grant to provide funds for the operation of the Pre-employment Academic Vocational Empowerment (PAVE) program, which targets at-risk youth through the Juvenile Probation Department.

Juvenile Accountability Incentive Block Grants

This grant was provided by the Texas Criminal Justice Division to Juvenile Probation Department to aid in the establishing and maintaining accountability based programs that work with juvenile offenders who are referred by law enforcement agencies, to protect students and school personnel from drug, gang and youth violence.

Juvenile Board State Aid

This grant is funded by the Texas Juvenile Probation Commission for the provision of juvenile probation services, and provides funding for transportation of juveniles, residential placements, salaries of probation officers, and for payment of the yearly external audit required by the Texas Juvenile Probation Commission.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Juvenile Board State Aid Discretionary

This grant is funded by the Texas Juvenile Probation Commission and provides funds for the provision of psychological evaluations, treatment, and medication to detained juveniles. It also employs two liaisons that work with the parents of these juveniles in Mexico to schedule hearings and juvenile transportation dates.

Juvenile Board State Aid Imprest

Interest earned on funds received from the Texas Juvenile Probation Commission is used to operate this grant. Funds are utilized to pay for operating and travel expenses at the discretion of the Juvenile Board.

Juvenile Justice Alternative Education Program

This grant was funded since 1997 by the Texas Education Agency for which monies are intended to be used for program operation and maintenance purposes for the juvenile justice program.

Juvenile Services

This grant is funded by the Texas Juvenile Probation Commission and provides funds for miscellaneous expenses of juveniles on probation or in residential treatment centers as determined by their probation officer, as well as for other operating expenses at the discretion of the Juvenile Board.

Local Law Enforcement Block Grant (LLEBG)

This grant is awarded by the Bureau of Justice Assistance (BJA) to help reduce crime and improve public safety by supporting purchase of equipment for the El Paso County Sheriff's Department.

National Park Service Ground Work

The U. S. Department of the Interior, National Park Services awarded this grant to El Paso County to upgrade and beautify the community.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Neighborhood Asset Building

Funded by the Annie Casey Foundation, this grant is utilized to train representatives from each of the existing local neighborhood associations located within the Empowerment Zone and out in the colonias on asset development strategies and tax preparation.

Nutrition

In accordance with the provisions of this grant, the Texas Department of Aging through the Rio Grande Council of Governments, the Texas Department of Human Services, the Community Development Program through the City of El Paso and the County of El Paso provides congregate meals, homebound meals, and transportation for the eligible elderly population.

ONDCP Multiple Initiatives

The Office of National Drug Control Policy awards the funds for this grant to the El Paso Sheriff's Department. Funds will be used to support a total of eight programs that investigate drug trafficking, drug organizations and other suspects associated with money laundering.

O'Donnell Park

O'Donnell Park is a community park in the town of Fabens, Texas. The County of El Paso, Texas, Fabens School District and the El Paso County Water Control and Improvement District #4 have joined together to develop the park.

Operation Linebacker

Grant award from the State of Texas Governor's Criminal Justice Division. Its primary goal is to serve as a second line defense in supporting U.S. Customs and Border Protection officers as they manage and protect the border between Texas and Mexico.

Organized Crime Drug Enforcement Task Force

Grant funds awarded by the U.S. Department of Justice Office. The main purpose is to assist in organized crime drug enforcement task force investigations and prosecutions.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Ponderosa Western Village

This grant is awarded by the Office of Rural and Community Affairs to provide first-time water service in the Ponderosa Western Village area and first-time sewer service in the Bosque Bonito Units 1 and 2.

Post Adjudication Facility

The Texas Juvenile Probation Commission has provided funding for the construction of secure post-adjudication facilities for juvenile offenders.

Public Defender Forensic Project

This grant provides funds for forensic resources for the Public Defender's Office. These resources include funding to consult with experts in scientific fields as cases are prepared for trial. In addition, the grant also provides for the purchase of reference materials, new digital cameras, and a video camera.

Public Defender Mental Health

The Texas Task Force on Indigent Defense awarded this grant to help develop new and innovative indigent defense programs for the County of El Paso.

Regional Public Transportation Plan

This grant is awarded by the Texas Department of Transportation to deliver a regional coordinated transportation service plan.

Rural Transit Assistance Program

This grant is awarded by the State of Texas through the Texas Department of Transportation for the purchase and operation of public transportation to be used on rural and small urban areas in order to enhance the access to persons in those areas for purposes such as health care, shopping, education, recreation, public services and employment.

Rural Transit Bus

These funds resulted from an insurance claim in the Rural Transit Program and were used to purchase a replacement bus.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Safe Routes to School

The Texas Department of Transportation has awarded this grant to enhance safety in and around school areas through a construction program designed to improve the bicycle and pedestrian safety of school aged children in San Elizario and Fabens.

San Elizario Jail Preservation

The Texas Historical Commission and the National Trust for Historic Preservation funded this grant to restore the San Elizario Jail.

San Elizario Bicycle/Sidewalk Path

This grant is awarded by the Texas Department of Transportations for the extension of the bicycle path under the Safe Routes to School Program in the area serving the students and general population surrounding Borrego Elementary School.

San Felipe OHV Park

The Texas Parks and Wildlife Recreational Trails Program and the County of El Paso, Texas are funding this grant to develop a motorized trail with parking, restrooms, water fountains and various other safety necessities for use by all terrain vehicles.

Sheriff's Crime Victim Services

This grant is awarded by the Office of the Attorney General to the Sheriff's Department to assist the victims of crime.

Sheriff's Region VIII Training Academy

This grant is funded by the Texas Criminal Justice Division through the Rio Grande Council of Governments to provide law enforcement training in six counties in the Upper Rio Grande Planning Area. This area includes El Paso, Hudspeth, Culbertson, Fort Davis, Presidio and Brewster counties.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Southwest Border CPOT Initiatives

Funded by the Office of National Drug Control Policy, the Southwest Border HIDTA was awarded \$5 million under its umbrella initiative as part of the Consolidated Priority Organizational Targets Project. \$1 million of these funds were allocated to each of the five regional partnerships which target major drug trafficking organizations.

Southwest Border HIDTA Management

This grant is awarded by the Office of National Drug Control Policy (ONDCP) and was formed to serve as a coordinating office for the five regions in the southwest border. Grant funds will be used to support the Southwest Border Management, Special Project and the South West Border Training initiatives.

Strong Family Strong Future

Various donations and foundations fund these grants. They are used to strength families through education and provide assistance when needed.

Texas Book Festival

This grant was awarded by the Texas Book Festival to the County Library to enhance its print collection and to encourage reading throughout the County.

Texas Capital Project Fund

This fund has been established to provide an economic boost to business in the County of El Paso through a revolving loan fund (RLF). This will increase low to moderate income jobs by providing businesses with gap financing.

Title IV-E Enhanced Billing/Foster Care

This grant is funded by the Texas Juvenile Probation Commission to allow the County to participate in the Title IV-E Federal Enhanced Billing and Foster Care Reimbursement Program. It allows the Juvenile Board to recoup federal monies for time spent by the El Paso County Juvenile Probation Department in providing removal prevention services to Title IV-E eligible youth.

COUNTY OF EI PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

TJPC Community Corrections

This grant is awarded by the Texas Juvenile Probation Commission for the provision of juvenile probation services, and provides funding for salaries of probation officers and payment of residential placements for juveniles.

TJPC Progressive Sanctions

Funds are provided by the Texas Juvenile Probation Commission and are used to support three progressive sanctions programs through the hiring of additional probation officers, the enhancement of current programs, and the provision of services to juveniles.

TJPC Salary Adjustment

This grant is funded by the Texas Juvenile Probation Commission to provide funding for the salary adjustment for certified juvenile probation officers and certified juvenile detention and certified correctional officers.

TJPC Secure Post Adjudication

This Texas Juvenile Probation Commission grants provides funds for the operation of the secure post-adjudication facility for juvenile offenders in El Paso County

TJPC Special Needs Diversionary Program

This grant is funded by the Texas Juvenile Probation Commission for the provision of probation services (staff, operating, and travel) to juvenile offenders with serious mental health needs in order to positively impact recidivism.

Tobacco Compliance

This grant was awarded by the Texas Comptroller of Public Accounts. Officers are required to conduct inspection to establishments that sell tobacco products, and insure they are in compliance with the conditions established by the Texas Comptroller's Office.

COUNTY OF EL PASO, TEXAS
Purposes of Special Revenue Funds
September 30, 2006

GRANTS

Transit Bus Project

The Texas Commission on Environmental Quality awarded this grant. The objective is to develop and install an innovative Hydraulic Launch Assist (HLA) system onto a new low-floor transit bus for testing and use by the El Paso County Rural Transit Program.

USTA Tennis 123

This grant is awarded by the U.S. Tennis Association to serve as start-up funding for tennis programs at Ascarate Park.

Vehicle Registration Abuse

This grant is awarded by the Texas Automobile Theft Prevention Authority to assist the County Tax Assessor Vehicle Registration Enforcement Division to stop vehicle registration abuse in El Paso County.

Victim Coordinator and Liaison

This grant is awarded by the Attorney General of Texas to provide funding for a Victim Assistance Coordinator and Liaison in the local prosecutor's office. The purpose of this coordinator is to provide information and assistance to victims of crime.

Victim Witness Service

This grant is awarded by the Texas Criminal Justice Division. The grant provides for counseling of victims and witnesses of criminal acts and referral of such victims to the appropriate social service agencies for shelter and specialized long-term counseling.

West Texas Multi County Task Force

This grant is funded by the Texas Criminal Justice Division. The program will coordinate the apprehension and prosecution of major drug traffickers along the Rio Grande River and the Texas international border with Mexico. The task force fills a void for narcotics interdiction and investigation in the vast remote areas along the border.

County of El Paso, Texas
Special Revenue Funds
Combining Balance Sheet - Grant Funds
As of September 30, 2006
(With comparative totals for September 30, 2005)

Funds	Assets				Total Assets
	Cash- Demand Deposits	Accounts Receivable	Notes Receivable	Due from Other Funds	
Administration of Justice					
34th Judicial District Prosecution Initiative		\$104,879			\$104,879
65th District Expanded Family Drug Court Program		45,902			45,902
65th District Family Drug Court Program		24,139			24,139
65th District Family Drug Court Enhance Program	\$24,146				24,146
243rd District Drug Court		6,913			6,913
409th District Drug Court		98,741			98,741
County Attorney Juvenile Information Systems		61,368			61,368
District Attorney Project Safe Neighborhoods		13,344			13,344
DIMS Project		67,317			67,317
Domestic Violence Unit		30,621			30,621
Enforcement of Protective Orders		19,314			19,314
Explorer Post Task Force	866				866
Financial Disruption Unit	12,288				12,288
Juvenile Accountability Incentive		22,633			22,633
Public Defender Mental Health	24,633	25,691			50,324
Southwest Border CPOI Initiatives		175,330			175,330
Southwest Border HIDTA Management		38,193			38,193
Vehicle Registration Abuse Program		18,674			18,674
Victim Coordinator and Liaison		12,968			12,968
Victim Witness Services		25,030			25,030
Balances September 30, 2006	\$61,933	\$791,057			\$852,990
Public Safety					
Byrne Justice Assistance Grant		\$12,769			\$12,769
Criminal Enterprise Unit		417,728			417,728
DA Victim Info Notification Everyday		63,416			63,416
HIDTA Overtime	\$22,152				22,152
HIDTA Vehicle Purchase	1,265				1,265
Homeland Security		505			505
JPD Youth Offender Demonstration	755				755
Juvenile Board State Aid	36,384				36,384
Juvenile Board State Aid Discretionary	89				89
Juvenile Board State Aid Imprest Fund	238,490				238,490
Juvenile Justice Alternative Education	196,135				196,135
Juvenile Services	4,590				4,590
Local Law Enforcement	1,323				1,323
ONDCCP Multiple Initiatives		746,499			746,499
Operation Linebacker		103,158			103,158
Organized Crime Drug Enforce Task Force		2,791			2,791
Sheriff's Crime Victim Services		21,045			21,045
Sheriff's Training Academy		50,960			50,960
TJPC Community Corrections	187,207				187,207
TJPC Progressive Sanctions	69,493				69,493
TJPC Salary Adjustment	53,412	93			53,505
TJPC Secure Post-Adjudication	372,402				372,402
TJPC Special Needs Diversionary Program	4,988				4,988
TJPC Title IV-E Enhanced Billing	1,630,032			\$2,227,147	3,857,179
Tobacco Compliance	19,035				19,035
Victim Services Liaison		11,941			11,941
Balances September 30, 2006	\$2,837,752	\$1,430,905		\$2,227,147	\$6,495,804

(Continued)

County of El Paso, Texas
Special Revenue Funds
Combining Balance Sheet - Grant Funds
As of September 30, 2006
(With comparative totals for September 30, 2005)

Funds	Assets				Total Assets
	Cash-Demand Deposits	Accounts Receivable	Notes Receivable	Due from Other Funds	
Health and Welfare					
A.C. Border Children's Mental Health	\$25,000				\$25,000
Border Children's Mental Health Collaborative	147,741	\$256,992			404,733
Child Protective Services	160,266	43,778			204,044
El Paso Can	4,180				4,180
El Paso County Individual Development Account	473,631				473,631
Emergency Food and Shelter	787				787
Hispanic Nutrition Program		2,100			2,100
Hogg Foundation BCMHC	12,024				12,024
Nutrition	221,729	199,031			420,760
Strong Family Strong Future	1,365				1,365
Balances September 30, 2006	\$1,046,723	\$501,901			\$1,548,624
Resource Development					
Texas Capital Project	\$1,060,018		\$228,426		\$1,288,444
Balances September 30, 2006	\$1,060,018		\$228,426		\$1,288,444
Community Services					
Bootstrap Program		\$9,600			\$9,600
Home Program Deed Conversions		6,816			6,816
Intelligent Transportation System		88,278			88,278
Neighborhood Asset Building	\$20,138				20,138
Regional Public Transportation Plan		26,093			26,093
Rural Transit Assistance Program		116,005			116,005
Transit Bus Project		83,250			83,250
Balances September 30, 2006	\$20,138	\$330,042			\$350,180
Culture and Recreation					
Fabens Library	\$14				\$14
NPS Ground Work	25,000				25,000
San Elizario Jail Preservation	33,250				33,250
USTA Tennis 123	1,865				1,865
Balances September 30, 2006	\$60,129				\$60,129
Public Works					
Bosque Bonito & San Elizario	\$52,237				\$52,237
Colonia Plumbing Program	83,939		\$33,480		117,419
Colonia Road Projects		\$154,600			154,600
Colonia Self-Help Center		303,161			303,161
Cruz Salcido Project		51,160			51,160
FEMA Flood	75,300	6,972			82,272
Ponderosa Western Village	190,892				190,892
San Elizario Bicycle/Sidewalk Path	50,894				50,894
Balances September 30, 2006	\$453,262	\$515,893	\$33,480		\$1,002,635
Total Balance September 30, 2006	\$5,539,955	\$3,569,798	\$261,906	\$2,227,147	\$11,598,806
Total Balance September 30, 2005	\$1,540,131	\$5,953,998	\$336,714	\$3,867,192	\$11,698,035

(Continued)

County of El Paso, Texas
Special Revenue Funds
Combining Balance Sheet - Grant Funds
As of September 30, 2006
(With comparative totals for September 30, 2005)

Funds	Liabilities and Fund Balance						Fund Balance	Total Liabilities and Fund Balance
	Vouchers Payable	Payroll Liabilities	Due to Other Funds	Due to Other Governments	Deferred Revenues	Total Liabilities		
Administration of Justice								
34th Judicial District Prosecution Initiative	\$3,778	\$8,458	\$92,643			\$104,879		\$104,879
65th District Expanded Family Drug Court Program	34,580	2,194	9,128			45,902		45,902
65th District Family Drug Court Program	6,955	777	16,407			24,139		24,139
65th District Family Drug Court Enhance Program	3,002					3,002	\$21,144	24,146
243rd District Drug Court	6,913					6,913		6,913
409th District Drug Court	10,103	2,667	75,440			88,210	10,531	98,741
County Attorney Juvenile Information Systems			61,368			61,368		61,368
District Attorney Project Safe Neighborhoods			13,344			13,344		13,344
DIMS Project	246	9,192	57,879			67,317		67,317
Domestic Violence Unit	1,506	3,087	26,028			30,621		30,621
Enforcement of Protective Orders	38	2,743	16,533			19,314		19,314
Explorer Post Task Force					\$866	866		866
Financial Disruption Unit					12,288	12,288		12,288
Juvenile Accountability Incentive	9,660		12,973			22,633		22,633
Public Defender Mental Health	13,638	4,996			31,690	50,324		50,324
Southwest Border CPOT Initiatives	138,847		36,483			175,330		175,330
Southwest Border HIDTA Management	9,585		28,608			38,193		38,193
Vehicle Registration Abuse Program	5,224	479	11,548		1,423	18,674		18,674
Victim Coordinator and Liaison	1,311	720	10,937			12,968		12,968
Victim Witness Services	65	2,371	22,594			25,030		25,030
Balances September 30, 2006	\$245,451	\$37,684	\$491,913		\$46,267	\$821,315	\$31,675	\$852,990
Public Safety								
Byrne Justice Assistance Grant			\$12,769			\$12,769		\$12,769
Criminal Enterprise Unit	\$36,827	\$30,342	350,559			417,728		417,728
DA Victim Info Notification Everyday	63,416					63,416		63,416
HIDTA Overtime					\$22,152	22,152		22,152
HIDTA Vehicle Purchase							\$1,265	1,265
Homeland Security			271		234	505		505
JPD Youth Offender Demonstration	755					755		755
Juvenile Board State Aid	35	9,818			26,531	36,384		36,384
Juvenile Board State Aid Discretionary	89					89		89
Juvenile Board State Aid Imprest Fund					238,490	238,490		238,490
Juvenile Justice Alternative Education	23	939			195,173	196,135		196,135
Juvenile Services	500				4,090	4,590		4,590
Local Law Enforcement	1,323					1,323		1,323
ONDPC Multiple Initiatives	140,013	64,809	541,677			746,499		746,499
Operation Linebacker	3,474		99,684			103,158		103,158
Organized Crime Drug Enforce Task Force			2,791			2,791		2,791
Sheriff's Crime Victim Services			21,045			21,045		21,045
Sheriff's Training Academy	4,545	3,252	43,163			50,960		50,960
TJPC Community Corrections	104,052	4,830			78,325	187,207		187,207
TJPC Progressive Sanctions	14,589	24,850			30,054	69,493		69,493
TJPC Salary Adjustment		27,803			25,702	53,505		53,505
TJPC Secure Post-Adjudication	29,474	888			342,040	372,402		372,402
TJPC Special Needs Diversionary Program	4	1,054			3,930	4,988		4,988
TJPC Title IV-E Enhanced Billing	202,150	6,455			3,648,574	3,857,179		3,857,179
Tobacco Compliance					19,035	19,035		19,035
Victim Services Liaison	12	659	11,270			11,941		11,941
Balances September 30, 2006	\$601,281	\$175,699	\$1,083,229		\$4,634,330	\$6,494,539	\$1,265	\$6,495,804

(Continued)

County of El Paso, Texas
Special Revenue Funds
Combining Balance Sheet - Grant Funds
As of September 30, 2006
(With comparative totals for September 30, 2005)

Funds	Liabilities and Fund Balance						Fund Balance	Total Liabilities and Fund Balance
	Vouchers Payable	Payroll Liabilities	Due to Other Funds	Due to Other Governments	Deferred Revenues	Total Liabilities		
Health and Welfare								
A.C. Border Children's Mental Health					\$25,000	\$25,000		\$25,000
Border Children's Mental Health Collaborative	\$106,003	\$6,959				112,962	\$291,771	404,733
Child Protective Services	1,963	7,754				9,717	194,327	204,044
El Paso Can	1,005	274			2,901	4,180		4,180
El Paso County Individual Development Account					256,542	256,542	217,089	473,631
Emergency Food and Shelter	527				260	787		787
Hispanic Nutrition Program	313		\$925		862	2,100		2,100
Hogg Foundation BCMHC	92	838			11,094	12,024		12,024
Nutrition	141,826	8,617				150,443	270,317	420,760
Strong Family Strong Future					1,365	1,365		1,365
Balances September 30, 2006	\$251,729	\$24,442	\$925		\$298,024	\$575,120	\$973,504	\$1,548,624
Resource Development								
Texas Capital Project					\$1,288,444	\$1,288,444		\$1,288,444
Balances September 30, 2006					\$1,288,444	\$1,288,444		\$1,288,444
Community Services								
Bootstrap Program			\$1,589		\$8,011	\$9,600		\$9,600
Home Program Deed Conversions			6,816			6,816		6,816
Intelligent Transportation System	\$63,949		24,329			88,278		88,278
Neighborhood Asset Building					20,138	20,138		20,138
Regional Public Transportation Plan	62	\$2,086	23,945			26,093		26,093
Rural Transit Assistance Program	51,740	1,544	62,721			116,005		116,005
Transit Bus Project	14,375		68,875			83,250		83,250
Balances September 30, 2006	130,126	\$3,630	\$188,275		\$28,149	\$350,180		\$350,180
Culture and Recreation								
Fabens Library					\$14	\$14		\$14
NPS Ground Work							\$25,000	25,000
San Elizario Jail Preservation							33,250	33,250
USTA Tennis 123					1,865	1,865		1,865
Balances September 30, 2006					\$1,879	\$1,879	\$58,250	\$60,129
Public Works								
Bosque Bonito & San Elizario					\$32,237	\$32,237	\$20,000	\$52,237
Colonia Plumbing Program				\$117,419		117,419		117,419
Colonia Road Projects	\$45,689		\$108,911			154,600		154,600
Colonia Self-Help Center			303,161			303,161		303,161
Cruz Salcido Project	427		50,733			51,160		51,160
FEMA Flood	6,110				76,162	82,272		82,272
Ponderosa Western Village							190,892	190,892
San Elizario Bicycle/Sidewalk Path							50,894	50,894
Balances September 30, 2006	\$52,226		\$462,805	\$117,419	\$108,399	\$740,849	\$261,786	\$1,002,635
Total Balance September 30, 2006	\$1,280,813	\$241,455	\$2,227,147	\$1,405,863	\$5,117,048	\$10,272,326	\$1,326,480	\$11,598,806
Total Balance September 30, 2005	\$1,849,846	\$193,666	\$3,867,192	\$1,355,310	\$4,432,021	\$11,698,035		\$11,698,035

(Concluded)

County of El Paso, Texas
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended September 30, 2006
(With comparative totals for the year ended September 30, 2005)

Funds	Beginning Balance	Prior Period Adjustments	Adjusted Balance	Revenues	Expenditures (Current)	Net Change in Fund Balance During the Year	Ending Balance
General Government							
Help America Vote Act		(\$1,906,026)	(\$1,906,026)	\$1,929,340	\$23,314	\$1,906,026	
Balances September 30, 2006		(\$1,906,026)	(\$1,906,026)	\$1,929,340	\$23,314	\$1,906,026	
Administration of Justice							
34th Judicial District Prosecution Initiative				\$501,865	\$501,865		
65th District Expanded Family Drug Court Program				112,786	112,786		
65th District Family Drug Court Program				202,458	202,458		
65th District Family Drug Court Enhance Program				52,027	30,883	\$21,144	\$21,144
243rd District Drug Court				6,913	6,913		
409th District EPSD Drug Court				369,737	359,206	10,531	10,531
COPS in School				192,354	192,354		
COPS Training and Technical Assistance				174,332	174,332		
County Attorney Juvenile Information Systems				61,630	61,630		
County Attorney Protective Orders		\$2,025	\$2,025		2,025	(2,025)	
District Attorney Intern Program				4,074	4,074		
District Attorney Project Safe Neighborhoods				47,232	47,232		
DIMS Project				481,104	481,104		
Domestic Violence Unit		1,263	1,263	164,511	165,774	(1,263)	
DWI Court Program				16,000	16,000		
Enforcement of Protective Orders		3,183	3,183	78,266	81,449	(3,183)	
Explorer Post Task Force				759	759		
Family Court Project				30,537	30,537		
Financial Disruption Unit				4,213	4,213		
Juvenile Accountability Incentive		916	916	67,162	68,078	(916)	
Public Defender Forensic Project				15,664	15,664		
Public Defender Mental Health				284,453	284,453		
Southwest Border CPOT Initiatives				1,613,006	1,613,006		
Southwest Border HIDTA Management				565,041	565,041		
Vehicle Registration Abuse Program				37,218	37,218		
Victim Coordinator and Liaison		1,232	1,232	39,795	41,027	(1,232)	
Victim Witness Services				170,706	170,706		
Balances September 30, 2006		\$8,619	\$8,619	\$5,293,843	\$5,270,787	\$23,056	\$31,675
Public Safety							
Byrne Justice Assistance Grant				\$123,125	\$123,125		
Bullet Proof Vest Partnership				2,545	2,545		
Criminal Enterprise Unit				1,025,076	1,025,076		
DA Victim Info Notification Everyday				98,629	98,629		
HIDTA Vehicle Purchase		\$1,265	\$1,265				\$1,265
Homeland Security				71,787	71,787		
JPD Youth Offender Demonstration				(1,755)	(1,755)		
Juvenile Board State Aid				395,121	395,121		
Juvenile Board State Aid Imprest Fund				18,784	18,784		
Juvenile Justice Alternative Education				143,076	143,076		
Juvenile Services				5,749	5,749		
Local Law Enforcement				193,554	193,554		
ONDCP Multiple Initiatives				3,117,869	3,117,869		
Operation Linebacker				343,114	343,114		
Organized Crime Drug Enforce Task Force				10,387	10,387		
Post-Adjudication Facility				8,479	8,479		
Sheriff's Crime Victim Services				41,323	41,323		
Sheriff's Training Academy				203,859	203,859		
TJPC Community Corrections				857,621	857,621		
TJPC Progressive Sanctions				728,048	728,048		
TJPC Salary Adjustment				289,714	289,714		
TJPC Secure Post-Adjudication				488,395	488,395		
TJPC Special Needs Diversionary Program				50,355	50,355		
TJPC Title IV-E Enhanced Billing				2,829,344	2,829,344		
Tobacco Compliance				20,965	20,965		
Victim Services Liaison		2,702	2,702	42,855	45,557	(\$2,702)	
West Texas Multi-County Task Force				980,438	980,438		
Balances September 30, 2006		\$3,967	\$3,967	\$12,088,457	\$12,091,159	(\$2,702)	\$1,265

(Continued)

County of El Paso, Texas
Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended September 30, 2006
(With comparative totals for the year ended September 30, 2005)

Funds	Beginning Balance	Prior Period Adjustments	Adjusted Balance	Revenues	Expenditures (Current)	Net Change in Fund Balance During the Year	Ending Balance
Health and Welfare							
Border Children's Mental Health Collaborative		\$123,781	\$123,781	\$1,478,479	\$1,310,489	\$167,990	\$291,771
Child Protective Services				628,532	434,205	194,327	194,327
City SAMSHA				808	808		
El Paso Can				22,099	22,099		
El Paso County Individual Development Account		227,117	227,117	10,028	20,056	(10,028)	217,089
Emergency Food and Shelter				119,635	119,635		
Hispanic Nutrition Program				29,427	29,427		
Hogg Foundation BCMHC				40,406	40,406		
Nutrition		289	289	2,768,618	2,498,590	270,028	270,317
Balances September 30, 2006		\$351,187	\$351,187	\$5,098,032	\$4,475,715	\$622,317	\$973,504
Community Services							
Bootstrap Program				\$1,589	\$1,589		
Home Program Deed Conversions				7,748	7,748		
Intelligent Transportation System				142,039	142,039		
Neighborhood Asset Building				1,999	1,999		
Regional Public Transportation Plan				53,633	53,633		
Rural Transit Assistance Program				444,754	444,754		
Rural Transit Bus		\$864	\$864	(639)	225	(\$864)	
Transit Bus Project				263,951	263,951		
Balances September 30, 2006		\$864	\$864	\$915,074	\$915,938	(\$864)	
Culture and Recreation							
Fabens Library				\$986	\$986		
First Thanksgiving Program		\$1,159	\$1,159		1,159	(\$1,159)	
Gallegos Park		11,520	11,520		11,520	(11,520)	
NPS Groundwork		50,098	50,098	40,000	65,098	(25,098)	\$25,000
O Donnell Park		395	395	3,143	3,538	(395)	
San Elizario Jail Preservation				85,000	51,750	33,250	33,250
San Felipe OHV Park		80,701	80,701		80,701	(80,701)	
Texas Book Festival				323	323		
Balances September 30, 2006		\$143,873	\$143,873	\$129,452	\$215,075	(\$85,623)	\$58,250
Public Works							
Bosque Bonito & San Elizario				\$28,263	\$8,263	\$20,000	\$20,000
Colonia Road Projects				1,040,334	1,040,334		
Colonia Self-Help Center				1,894	1,894		
Cruz Salcido Project				83,876	83,876		
Fabens Airport Construction		\$23,676	\$23,676		23,676	(23,676)	
FEMA Flood				6,110	6,110		
Ponderosa Western Village				204,000	13,108	190,892	190,892
San Elizario Bicycle/Sidewalk Path		50,894	50,894				50,894
Safe Routes to School		55,958	55,958		55,958	(55,958)	
Balances September 30, 2006		\$130,528	\$130,528	\$1,364,477	\$1,233,219	\$131,258	\$261,786
Total Balance September 30, 2006		(\$1,266,988)	(\$1,266,988)	\$26,818,675	\$24,225,207	\$2,593,468	\$1,326,480
Total Balance September 30, 2005				\$29,053,098	\$29,053,098		

(Concluded)

County of El Paso, Texas
Special Revenue Fund - Grant Funds
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$19,681,691	\$44,704,790	\$20,325,769	(\$24,379,021)
Interest	(5,618)	5,243	294,829	289,586
Miscellaneous	649,314	2,063,712	2,089,091	25,379
Total revenues	<u>20,325,387</u>	<u>46,773,745</u>	<u>22,709,689</u>	<u>(24,064,056)</u>
Expenditures:				
General government:				
Personnel		10,000	2	9,998
Operating	2,996	2,996	8,311	(5,315)
Total general government	<u>2,996</u>	<u>12,996</u>	<u>8,313</u>	<u>4,683</u>
Administration of justice:				
Personnel	1,830,663	3,868,444	2,206,907	1,661,537
Operating	6,464,946	7,290,953	2,816,473	4,474,480
Total administration of justice	<u>8,295,609</u>	<u>11,159,397</u>	<u>5,023,380</u>	<u>6,136,017</u>
Public safety:				
Personnel	3,084,307	11,649,865	6,168,866	5,480,999
Operating	3,163,709	8,487,700	3,758,976	4,728,724
Total public safety	<u>6,248,016</u>	<u>20,137,565</u>	<u>9,927,842</u>	<u>10,209,723</u>
Health and welfare:				
Personnel	965,915	1,744,407	1,152,600	591,807
Operating	1,574,801	4,687,190	3,263,420	1,423,770
Total health and welfare	<u>2,540,716</u>	<u>6,431,597</u>	<u>4,416,020</u>	<u>2,015,577</u>
Resource development:				
Operating	1,210,580	1,210,580		1,210,580
Total resource development	<u>1,210,580</u>	<u>1,210,580</u>		<u>1,210,580</u>
Community services:				
Personnel	100,671	295,549	135,088	160,461
Operating	1,062,855	1,938,487	751,084	1,187,403
Total community services	<u>1,163,526</u>	<u>2,234,036</u>	<u>886,172</u>	<u>1,347,864</u>
Culture and recreation:				
Personnel				
Operating	93,737	93,737	66,407	27,330
Total culture and recreation	<u>93,737</u>	<u>93,737</u>	<u>66,407</u>	<u>27,330</u>
Public works:				
Personnel	46,794	383,712	34,970	348,742
Operating	399,596	2,630,650	73,281	2,557,369
Total public works	<u>446,390</u>	<u>3,014,362</u>	<u>108,251</u>	<u>2,906,111</u>
Capital outlays	<u>6,179,282</u>	<u>11,529,196</u>	<u>2,018,493</u>	<u>9,510,703</u>
Total expenditures	<u>26,180,852</u>	<u>55,823,466</u>	<u>22,454,878</u>	<u>33,368,588</u>
Excess (deficiency) of revenues over (under) expenditures	(5,855,465)	(9,049,721)	254,811	9,304,532
Other financing sources (uses):				
Transfers in	738,544	3,279,069	4,108,986	829,917
Transfers out	28,474	(1,886,184)	(1,770,329)	115,855
Total other financing sources (uses)	<u>767,018</u>	<u>1,392,885</u>	<u>2,338,657</u>	<u>945,772</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(5,088,447)	(7,656,836)	2,593,468	10,250,304
Fund balance - beginning				
Prior period adjustments			(1,266,988)	(1,266,988)
Fund balance - ending	<u>(\$5,088,447)</u>	<u>(\$7,656,836)</u>	<u>\$1,326,480</u>	<u>\$8,983,316</u>

County of El Paso, Texas
 Special Revenue Funds
 Schedule of Revenues - Grant Funds
 For the year ended September 30, 2006
 (With comparative totals for the year ended September 30, 2005)

Funds	Intergovernmental				Total Revenues	Transfers In	Revenues and Other Financing Sources
	Federal/State	Other	Interest	Other			
General Government							
Help America Vote Act	\$1,929,340				\$1,929,340		\$1,929,340
Balances September 30, 2006	\$1,929,340				\$1,929,340		\$1,929,340
Administration of Justice							
34th Judicial District Prosecution Initiative	\$501,865				\$501,865		\$501,865
65th District Expanded Family Drug Court Program	112,786				112,786		112,786
65th District Family Drug Court Program	202,458				202,458		202,458
65th District Family Drug Court Enhance Program	13,018				13,018	\$39,009	52,027
243rd District Drug Court	6,913				6,913		6,913
409th District Drug Court	252,088			\$99,610	351,698	18,039	369,737
COPS in School	192,354				192,354		192,354
COPS Training and Technical Assistance	174,332				174,332		174,332
County Attorney Juvenile Information Systems	61,630				61,630		61,630
District Attorney Intern Program	4,074				4,074		4,074
District Attorney Project Safe Neighborhoods	47,232				47,232		47,232
DIMS Project		\$389,218		313	389,531	91,573	481,104
Domestic Violence Unit	84,573				84,573	79,938	164,511
DWI Court Program				16,000	16,000		16,000
Enforcement of Protective Orders	62,593				62,593	15,673	78,266
Explorer Post Task Force				759	759		759
Family Court Project	30,537				30,537		30,537
Financial Disruption Unit	4,213				4,213		4,213
Juvenile Accountability Incentive	62,288				62,288	4,874	67,162
Public Defender Forensic Project	15,664				15,664		15,664
Public Defender Mental Health	138,016			146,437	284,453		284,453
Southwest Border CPOT Initiatives	1,613,006				1,613,006		1,613,006
Southwest Border HIDTA Management	565,041				565,041		565,041
Vehicle Registration Abuse Program	37,218				37,218		37,218
Victim Coordinator and Liason	39,795				39,795		39,795
Victim Witness Services	49,577				49,577	121,129	170,706
Balances September 30, 2006	\$4,271,271	\$389,218		\$263,119	\$4,923,608	\$370,235	\$5,293,843
Public Safety							
Byrne Justice Assistance Grant	\$123,125				\$123,125		\$123,125
Bullet Proof Vest Partnership	2,545				2,545		2,545
Criminal Enterprise Unit	1,025,076				1,025,076		1,025,076
DA Victim Info Notification Everyday	98,629				98,629		98,629
Homeland Security	71,787				71,787		71,787
JPD Youth Offender Demonstration	(1,755)				(1,755)		(1,755)
Juvenile Board State Aid	395,121				395,121		395,121
Juvenile Board State Aid Federal Foster Care	1,763			(\$1,763)			
Juvenile Board State Aid Imprest Fund				18,784	18,784		18,784
Juvenile Justice Alternative Education	143,076				143,076		143,076
Juvenile Services	5,749				5,749		5,749
Local Law Enforcement	187,605			5,949	193,554		193,554
ONDCCP Multiple Initiatives	3,117,869				3,117,869		3,117,869
Operation Linebacker	343,114				343,114		343,114
Organized Crime Drug Enforce Task Force	10,387				10,387		10,387
Post-Adjudication Facility	8,479				8,479		8,479
Sheriff's Crime Victim Services	41,323				41,323		41,323
Sheriff's Training Academy	203,859				203,859		203,859
TJPC Community Corrections	857,621				857,621		857,621
TJPC Progressive Sanctions	728,048				728,048		728,048
TJPC Salary Adjustment	289,714				289,714		289,714
TJPC Secure Post-Adjudication	(253,290)			\$523,685	270,395	\$218,000	488,395
TJPC Special Needs Diversionary Program	50,355				50,355		50,355
TJPC Title IV-E Enhanced Billing	1,270,237			168,366	1,438,603	1,390,741	2,829,344
Tobacco Compliance	20,965				20,965		20,965
Victim Services Liaison	36,141				36,141	6,714	42,855
West Texas Multi-County Task Force	(44,453)			1,024,891	980,438		980,438
Balances September 30, 2006	\$8,733,090		\$191,336	\$1,548,576	\$10,473,002	\$1,615,455	\$12,088,457

(Continued)

County of El Paso, Texas
Special Revenue Funds
Schedule of Revenues - Grant Funds
For the year ended September 30, 2006
(With comparative totals for the year ended September 30, 2005)

Funds	Intergovernmental				Total Revenues	Transfers In	Revenues and Other Financing Sources
	Federal/State	Other	Interest	Other			
Health and Welfare							
Border Children's Mental Health Collaborative	\$1,244,876			\$2,500	\$1,247,376	\$231,103	\$1,478,479
Child Protective Services	192,030		\$102,376		294,406	334,126	628,532
City SAMSHA		\$808			808		808
El Paso Can				22,099	22,099		22,099
El Paso County Individual Development Account	10,028				10,028		10,028
Emergency Food and Shelter	119,635				119,635		119,635
Hispanic Nutrition Program	27,227			2,200	29,427		29,427
Hogg Foundation BCMHC				40,406	40,406		40,406
Nutrition	856,481	819,518	1,117	143,702	1,820,818	947,800	2,768,618
Balances September 30, 2006	\$2,450,277	\$820,326	\$103,493	\$210,907	\$3,585,003	\$1,513,029	\$5,098,032
Community Services							
Bootstrap Program	\$1,589				\$1,589		\$1,589
Home Program Deed Conversions	7,748				7,748		7,748
Intelligent Transportation System	142,039				142,039		142,039
Neighborhood Asset Building				\$1,999	1,999		1,999
Regional Public Transportation Plan	53,633				53,633		53,633
Rural Transit Assistance Program	392,656			52,098	444,754		444,754
Rural Transit Bus	(639)				(639)		(639)
Transit Bus Project	263,951				263,951		263,951
Balances September 30, 2006	\$860,977			\$54,097	\$915,074		\$915,074
Culture and Recreation							
Fabens Library				\$986	\$986		\$986
NPS Ground Work	\$40,000				40,000		40,000
O Donnel Park				3,143	3,143		3,143
San Elizario Jail Preservation						\$85,000	85,000
Texas Book Festival	323				323		323
Balances September 30, 2006	\$40,323			\$4,129	\$44,452	\$85,000	\$129,452
Public Works							
Bosque Bonito & San Elizario				\$8,263	\$8,263	\$20,000	\$28,263
Colonia Road Projects	\$1,040,334				1,040,334		1,040,334
Colonia Self-Help Center	(299,373)				(299,373)	301,267	1,894
Cruz Salcido Project	83,876				83,876		83,876
FEMA Flood	6,110				6,110		6,110
Ponderosa Western Village						204,000	204,000
Balances September 30, 2006	\$830,947			\$8,263	\$839,210	\$525,267	\$1,364,477
Total Balance September 30, 2006	\$19,116,225	\$1,209,544	\$294,829	\$2,089,091	\$22,709,689	\$4,108,986	\$26,818,675
Total Balance September 30, 2005	\$23,787,056	\$1,197,659	\$93,130	\$1,643,005	\$26,720,850	\$2,332,248	\$29,053,098

(Concluded)

County of El Paso, Texas
Special Revenue Funds
Schedule of Expenditures - Grant Funds
For the year ended September 30, 2006
(With comparative totals for the year ended September 30, 2005)

Funds	Personnel Expenditures	Operating Expenditures	Capital Outlays	Total Expenditures	Transfers Out	Total Expenditures and Other Financing Uses
General Government						
Help America Vote Act	\$2	\$8,311	\$15,001	\$23,314		\$23,314
Balances September 30, 2006	\$2	\$8,311	\$15,001	\$23,314		\$23,314
Administration of Justice						
34th Judicial District Prosecution Initiative	\$450,124	\$51,741		\$501,865		\$501,865
65th District Expanded Family Drug Court Program	60,180	51,136	\$1,470	112,786		112,786
65th District Family Drug Court Program	82,355	120,103		202,458		202,458
65th District Family Drug Court Enhance Program		30,883		30,883		30,883
243rd District Drug Court	6,684	229		6,913		6,913
409th District Drug Court	162,223	187,821	6,989	357,033	\$2,173	359,206
COPS in School	192,354			192,354		192,354
COPS Training and Technical Assistance		1,470	172,862	174,332		174,332
County Attorney Juvenile Information Systems		61,630		61,630		61,630
County Attorney Protective Orders					2,025	2,025
District Attorney Intern Program	4,074			4,074		4,074
District Attorney Project Safe Neighborhoods	47,232			47,232		47,232
DIMS Project	481,104			481,104		481,104
Domestic Violence Unit	155,512	7,962	2,300	165,774		165,774
DWI Court Program		16,000		16,000		16,000
Enforcement of Protective Orders	81,449			81,449		81,449
Explorer Post Task Force		759		759		759
Family Court Project	24,722	5,815		30,537		30,537
Financial Disruption Unit		4,213		4,213		4,213
Juvenile Accountability Incentive		67,705		67,705	373	68,078
Public Defender Forensic Project		15,664		15,664		15,664
Public Defender Mental Health	231,189	53,264		284,453		284,453
Southwest Border CPOT Initiatives	22,877	1,536,394	53,735	1,613,006		1,613,006
Southwest Border HIDTA Management		565,041		565,041		565,041
Vehicle Registration Abuse Program	1,774	35,444		37,218		37,218
Victim Coordinator and Liaison	35,977	799	4,167	40,943	84	41,027
Victim Witness Services	167,077	2,400		169,477	1,229	170,706
Balances September 30, 2006	\$2,206,907	\$2,816,473	\$241,523	\$5,264,903	\$5,884	\$5,270,787
Public Safety						
Byrne Justice Assistance Grant		\$7,573	\$115,552	\$123,125		\$123,125
Bullet Proof Vest Partnership		2,545		2,545		2,545
Criminal Enterprise Unit	\$798,069	222,391	4,616	1,025,076		1,025,076
DA Victim Info Notification Everyday		98,629		98,629		98,629
Homeland Security			71,787	71,787		71,787
JPD Youth Offender Demonstration		(1,755)		(1,755)		(1,755)
Juvenile Board State Aid	390,871	4,250		395,121		395,121
Juvenile Board State Aid Imprest Fund	99	18,685		18,784		18,784
Juvenile Justice Alternative Education	48,849	94,227		143,076		143,076
Juvenile Services		5,749		5,749		5,749
Local Law Enforcement		5,410	188,144	193,554		193,554
ONDCP Multiple Initiatives	2,116,781	981,252	19,836	3,117,869		3,117,869
Operation Linebacker	241,692	22,771	78,651	343,114		343,114
Organized Crime Drug Enforce Task Force	10,387			10,387		10,387
Post-Adjudication Facility		1,536	6,943	8,479		8,479
Sheriff's Crime Victim Services	41,323			41,323		41,323
Sheriff's Training Academy	161,773	42,086		203,859		203,859
TJPC Community Corrections	209,792	647,829		857,621		857,621
TJPC Progressive Sanctions	728,048			728,048		728,048
TJPC Salary Adjustment	289,714			289,714		289,714
TJPC Secure Post-Adjudication	42,489	227,906		270,395	\$218,000	488,395
TJPC Special Needs Diversionary Program	50,355			50,355		50,355
TJPC Title IV-E Enhanced Billing	281,801	1,156,802		1,438,603	1,390,741	2,829,344
Tobacco Compliance	18,394	2,571		20,965		20,965
Victim Services Liaison	39,722	3,431		43,153	2,404	45,557
West Texas Multi-County Task Force	698,707	215,088	66,643	980,438		980,438
Balances September 30, 2006	\$6,168,866	\$3,758,976	\$552,172	\$10,480,014	\$1,611,145	\$12,091,159

(Continued)

County of El Paso, Texas
Special Revenue Funds
Schedule of Expenditures - Grant Funds
For the year ended September 30, 2006
(With comparative totals for the year ended September 30, 2005)

Funds	Personnel Expenditures	Operating Expenditures	Capital Outlays	Total Expenditures	Transfers Out	Total Expenditures and Other Financing Uses
<u>Health and Welfare</u>						
Border Children's Mental Health Collaborative	\$284,941	\$1,025,548		\$1,310,489		\$1,310,489
Child Protective Services	398,848	35,357		434,205		434,205
City SAMSHA	808			808		808
El Paso Can	5,878	16,221		22,099		22,099
El Paso County Individual Development Account		20,056		20,056		20,056
Emergency Food and Shelter		119,635		119,635		119,635
Hispanic Nutrition Program		29,427		29,427		29,427
Hogg Foundation BCMHC	36,763	3,643		40,406		40,406
Nutrition	425,362	2,013,533		2,438,895	\$59,695	2,498,590
Balances September 30, 2006	<u>\$1,152,600</u>	<u>\$3,263,420</u>		<u>\$4,416,020</u>	<u>\$59,695</u>	<u>\$4,475,715</u>
<u>Community Services</u>						
Bootstrap Program	\$1,589			\$1,589		\$1,589
Home Program Deed Conversions	6,850	\$898		7,748		7,748
Intelligent Transportation System		142,039		142,039		142,039
Neighborhood Asset Building	499	1,500		1,999		1,999
Regional Public Transportation Plan	47,546	6,087		53,633		53,633
Rural Transit Assistance Program	78,604	366,150		444,754		444,754
Rural Transit Bus					\$225	225
Transit Bus Project		234,410	\$29,541	263,951		263,951
Balances September 30, 2006	<u>\$135,088</u>	<u>\$751,084</u>	<u>\$29,541</u>	<u>\$915,713</u>	<u>\$225</u>	<u>\$915,938</u>
<u>Culture and Recreation</u>						
Fabens Library		\$986		\$986		\$986
First Thanksgiving Pagent					\$1,159	1,159
Gallegos Park					11,520	11,520
NPS Ground Work		65,098		65,098		65,098
O Donnell Park			\$3,538	3,538		3,538
San Elizario Jail Preservation			51,750	51,750		51,750
San Felipe OHV Park					80,701	80,701
Texas Book Festival		323		323		323
Balances September 30, 2006		<u>\$66,407</u>	<u>\$55,288</u>	<u>\$121,695</u>	<u>\$93,380</u>	<u>\$215,075</u>
<u>Public Works</u>						
Bosque Bonito & San Elizario	\$8,263			\$8,263		\$8,263
Colonia Road Projects			\$1,040,334	1,040,334		1,040,334
Colonia Self-Help Center	1,894			1,894		1,894
Cruz Salcido Project	11,705	\$72,171		83,876		83,876
Fabens Airport Construction			23,676	23,676		23,676
FEMA Flood		6,110		6,110		6,110
Ponderosa Western Village	13,108			13,108		13,108
Safe Routes to School		(5,000)	60,958	55,958		55,958
Balances September 30, 2006	<u>\$34,970</u>	<u>\$73,281</u>	<u>\$1,124,968</u>	<u>\$1,233,219</u>		<u>\$1,233,219</u>
Total Balance September 30, 2006	<u>\$9,698,433</u>	<u>\$10,737,952</u>	<u>\$2,018,493</u>	<u>\$22,454,878</u>	<u>\$1,770,329</u>	<u>\$24,225,207</u>
Total Balance September 30, 2005	<u>\$9,620,587</u>	<u>\$11,272,865</u>	<u>\$7,936,281</u>	<u>\$28,829,733</u>	<u>\$223,365</u>	<u>\$29,053,098</u>

(Concluded)



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 and interest.

COUNTY OF EL PASO, TEXAS
Purposes of Debt Service Funds
September 30, 2006

Certificate of Obligation, Series 1997

This fund is used for the payment of principal and interest on bonds issued to pay contractual obligations incurred for the construction and equipping of the addition to the County's Jail Annex, juvenile administration building, public works, an automatic sprinkler system for Ascarate Park, improvements to the County's parks and the purchase of materials, supplies, equipment and machinery relating to the park system.

Certificate of Obligation, Series 1998

This fund is used for the payment of principal and interest on bonds issued to pay contractual obligations to be incurred for additions, renovations and equipment for the County Courthouse and other County facilities, for additions and improvements to the County's computer and data processing system, for improvements and furnishings for the County's computer center.

General Obligation Refunding Bonds, Series 1998

This fund is used for the payment of principal and interest on bonds issued to advance refund portions of Certificates of Obligation, Series 1990, Series 1992-A, Series 1994 and General Obligation Jail Bonds, Series 1993-A.

General Obligation Refunding Bonds, Series 2001

This fund is used for the payment of principal and interest on bonds issued to current refund General Obligation Refunding Bonds, Series 1992, on Certificates of Obligation, Series 1992A, and on General Obligation Refunding Bonds, Series 1992B.

Certificates of Obligation, Series 2001

This fund is used for the payment of principal and interest on bonds issued to pay contractual obligations incurred for the construction or improvement of a courthouse expansion, a courthouse parking, Ascarate park improvements, courthouse capital needs, an east side regional park, rural parks, an animal shelter, Fabens port of entry, coliseum and other county facilities renovations, purchase of land and of election equipment, and for paying costs of issuance.

COUNTY OF EL PASO, TEXAS
Purposes of Debt Service Funds
September 30, 2006

Limited Tax Refunding Bonds, Series 2002

This fund is used for the payment of principal and interest on bonds issued to advance refund a portion of the principal and interest on Texas Limited Tax and Revenue Certificates of Obligation, Series 1998.

Certificates of Obligation, Series 2002

This fund is used for the payment of principal and interest on bonds issued to pay contractual obligations incurred for the purpose of constructing and/or improving an expansion of the County courthouse, courthouse parking, courthouse capital needs, and the acquisition of and improvements to the County's water infrastructure, as well as for paying costs of issuance.

Limited Tax Refunding Bonds, Series 2002A

This fund is used for the payment of principal and interest on bonds issued to current refund General Obligation Refunding Bonds, Series 1993B and General Obligation Refunding Bonds, Series 1993C.

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Debt Service Funds
September 30, 2006**

	<u>Certificates of Obligation Series 1997</u>	<u>Certificates of Obligation Series 1998</u>	<u>General Obligation Refunding Bonds Series 1998</u>	<u>Certificates of Obligation Series 2001</u>
ASSETS				
Cash and cash equivalents	\$8,028	\$16,870	\$51,482	\$34,027
Due from other funds				
Total assets	<u>\$8,028</u>	<u>\$16,870</u>	<u>\$51,482</u>	<u>\$34,027</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Total liabilities				
Fund balances:				
Reserved for debt service	\$8,028	\$16,870	\$51,482	\$34,027
Total fund balances	<u>8,028</u>	<u>16,870</u>	<u>51,482</u>	<u>34,027</u>
Total liabilities and fund balances	<u>\$8,028</u>	<u>\$16,870</u>	<u>\$51,482</u>	<u>\$34,027</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Debt Service Funds
September 30, 2006**

	General Obligation Refunding Bonds Series 2001	Certificates of Obligation Series 2002	General Obligation Refunding Bonds Series 2002	General Obligation Refunding Bonds Series 2002A	Total Nonmajor Debt Service Funds
ASSETS					
Cash and cash equivalents	\$633,754	\$27,276	\$935	\$12,277	\$784,649
Due from other funds	1,642,922				1,642,922
Total assets	<u>\$2,276,676</u>	<u>\$27,276</u>	<u>\$935</u>	<u>\$12,277</u>	<u>\$2,427,571</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Total liabilities					
Fund balances:					
Reserved for debt service	\$2,276,676	\$27,276	\$935	\$12,277	\$2,427,571
Total fund balances	<u>2,276,676</u>	<u>27,276</u>	<u>935</u>	<u>12,277</u>	<u>2,427,571</u>
Total liabilities and fund balances	<u>\$2,276,676</u>	<u>\$27,276</u>	<u>\$935</u>	<u>\$12,277</u>	<u>\$2,427,571</u>

(Concluded)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended September 30, 2006

	<u>Certificates of Obligation Series 1997</u>	<u>Certificates of Obligation Series 1998</u>	<u>General Obligation Refunding Bonds Series 1998</u>	<u>Certificates of Obligation Series 2001</u>
REVENUES				
Taxes:				
Property Taxes	\$738,476	\$1,868,321	\$3,847,920	\$2,724,667
Miscellaneous:				
Interest	7,363	15,913	35,434	30,991
Unclassified revenues				
Total revenues	<u>745,839</u>	<u>1,884,234</u>	<u>3,883,354</u>	<u>2,755,658</u>
EXPENDITURES				
Debt Service:				
Principal	420,000	1,435,000	2,790,000	1,220,000
Interest	322,500	441,373	1,069,050	1,521,314
Total expenditures	<u>742,500</u>	<u>1,876,373</u>	<u>3,859,050</u>	<u>2,741,314</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,339</u>	<u>7,861</u>	<u>24,304</u>	<u>14,344</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Total other financing sources (uses)				
Net Change in Fund Balances	<u>3,339</u>	<u>7,861</u>	<u>24,304</u>	<u>14,344</u>
Fund balances - beginning	4,689	9,009	27,178	19,683
Fund balances - ending	<u>\$8,028</u>	<u>\$16,870</u>	<u>\$51,482</u>	<u>\$34,027</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended September 30, 2006

	General Obligation Refunding Bonds Series 2001	Certificates of Obligation Series 2002	General Obligation Refunding Bonds Series 2002	General Obligation Refunding Bonds Series 2002A	Total Nonmajor Debt Service Funds
REVENUES					
Taxes:					
Property Taxes	\$3,043,715	\$1,412,552	\$49,523	\$1,695,900	\$15,381,074
Miscellaneous:					
Interest	56,308	24,497	837	11,607	182,950
Unclassified revenues				5	5
Total revenues	<u>3,100,023</u>	<u>1,437,049</u>	<u>50,360</u>	<u>1,707,512</u>	<u>15,564,029</u>
EXPENDITURES					
Debt Service:					
Principal	3,305,000			1,400,000	10,570,000
Interest	387,794	1,425,191	49,963	301,513	5,518,698
Total expenditures	<u>3,692,794</u>	<u>1,425,191</u>	<u>49,963</u>	<u>1,701,513</u>	<u>16,088,698</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(592,771)</u>	<u>11,858</u>	<u>397</u>	<u>5,999</u>	<u>(524,669)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,642,922				1,642,922
Total other financing sources (uses)	<u>1,642,922</u>				<u>1,642,922</u>
Net Change in Fund Balances	<u>1,050,151</u>	<u>11,858</u>	<u>397</u>	<u>5,999</u>	<u>1,118,253</u>
Fund balances - beginning	1,226,525	15,418	538	6,278	1,309,318
Fund balances - ending	<u>\$2,276,676</u>	<u>\$27,276</u>	<u>\$935</u>	<u>\$12,277</u>	<u>\$2,427,571</u>

(Concluded)

County of El Paso, Texas
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
Debt Service Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Ad valorem property taxes	\$15,381,074	\$15,381,074	\$15,381,074	
Miscellaneous:				
Interest			182,950	\$182,950
Unclassified revenues			5	5
Total revenues	<u>15,381,074</u>	<u>15,381,074</u>	<u>15,564,029</u>	<u>182,955</u>
EXPENDITURES				
Debt Service:				
Principal	10,570,000	10,570,000	10,570,000	
Interest	<u>5,518,699</u>	<u>5,518,699</u>	<u>5,518,698</u>	<u>1</u>
Total expenditures	<u>16,088,699</u>	<u>16,088,699</u>	<u>16,088,698</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(707,625)</u>	<u>(707,625)</u>	<u>(524,669)</u>	<u>182,956</u>
OTHER FINANCING SOURCES (USES)				
Transfers in			1,642,922	1,642,922
Total other financing sources (uses)			<u>1,642,922</u>	<u>1,642,922</u>
Net Change in Fund Balances	<u>(707,625)</u>	<u>(707,625)</u>	<u>1,118,253</u>	<u>1,825,878</u>
Fund balances - beginning	1,309,318	1,309,318	1,309,318	
Fund balances - ending	<u>\$601,693</u>	<u>\$601,693</u>	<u>\$2,427,571</u>	<u>\$1,825,878</u>



CAPITAL PROJECT FUNDS

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major projects (other than those financed with trust and proprietary funds).

COUNTY OF EL PASO, TEXAS
Purposes of Capital Projects Funds
September 30, 2006

County Courthouse 1995 Capital Projects Fund

This fund is used to account for renovations at the existing El Paso County Courthouse building. Proceeds from Certificates of Obligation 1994A are used to finance this project.

Juvenile Justice Administration Capital Project Fund

This fund is used to account for the construction of an Administration Building for the Juvenile Probation Department. Proceeds from Certificates of Obligation 1997 are used to finance this project.

Ascarate Park Sprinkler System Capital Projects Fund

This fund is used to account for the construction of an automatic sprinkler system at the Ascarate Park Golf Course. Proceeds from Certificates of Obligation 1997 are used to finance this project.

Park Improvement Capital Projects Fund

This fund is used to account for the improvements to all County Parks. Proceeds from Certificates of Obligation 1997 are used to finance this project.

Data Processing Upgrade Capital Projects Funds

This fund is used to account for the purchase of hardware and software to upgrade the County's computer systems. Proceeds from Certificates of Obligation 1998 are used to finance this project.

Courthouse 98 Capital Projects Fund

This fund is used to account for renovations and build out of vacant floors in the County Courthouse Building. Proceeds from Certificates of Obligation 1998 are used to finance this project.

COUNTY OF EL PASO, TEXAS
Purposes of Capital Projects Funds
September 30, 2006

County Capital Projects 2001

This fund is used to account for the purchase of land, various park improvements, courthouse capital needs, the construction of an animal shelter, the Fabens port of entry, and county facilities renovations. Proceeds from Certificates of Obligation 2001 are used to finance this project.

County Capital Projects 2002

This fund is used to account for the construction of the new County annex, parking garage, courthouse capital needs, and improvements to the County's water infrastructure. Proceeds from Certificates of Obligation 2002 are used to finance this project.

County Capital Improvements 2001

This fund is used to account for the purchase of equipment for various County departments and for renovations to existing County facilities. This fund has been financed through a transfer from the General Fund.

County Capital Improvements 2004

This fund is used to account for projects relating to construction and/or the purchase of equipment that will be used to meet future capital needs of the County. Proceeds from the sale of County owned land are used to finance this project.

Capital Projects River Park

This fund is used to account for proceeds from the sale of a parcel of land known as the landmark property, which is to be used for the construction of a running and biking trail system along the banks of the Rio Grande River.

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2006**

	<u>County Courthouse 95</u>	<u>Juvenile Administration Building</u>	<u>Ascarate Sprinkler System</u>	<u>Park Improvements</u>
ASSETS				
Cash and cash equivalents	\$172,485	\$20,830	\$14,600	\$83,841
Total assets	<u>\$172,485</u>	<u>\$20,830</u>	<u>\$14,600</u>	<u>\$83,841</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Vouchers payable				
Total liabilities				
Fund balances				
Reserved for encumbrances				
Designated	\$172,485	\$20,830	\$14,600	\$83,841
Total fund balances	<u>172,485</u>	<u>20,830</u>	<u>14,600</u>	<u>83,841</u>
Total liabilities and fund balances	<u>\$172,485</u>	<u>\$20,830</u>	<u>\$14,600</u>	<u>\$83,841</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2006**

	Data Processing Upgrade	Courthouse 98	County Capital Improvements 2001
ASSETS			
Cash and cash equivalents	\$24,300	\$20,861	\$1,302,022
Total assets	<u>\$24,300</u>	<u>\$20,861</u>	<u>\$1,302,022</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Vouchers payable			
Total liabilities			
Fund balances			
Reserved for encumbrances	\$24,300		
Designated		\$20,861	\$1,302,022
Total fund balances	<u>24,300</u>	<u>20,861</u>	<u>1,302,022</u>
Total liabilities and fund balances	<u>\$24,300</u>	<u>\$20,861</u>	<u>\$1,302,022</u>

(Continued)

**County of El Paso, Texas
Combining Balance Sheet
Nonmajor Capital Projects Funds
September 30, 2006**

	County Capital Improvements 2004	Capital Projects River Park	Total
ASSETS			
Cash and cash equivalents	\$1,448,542	\$392,436	\$3,479,917
Total assets	<u>\$1,448,542</u>	<u>\$392,436</u>	<u>\$3,479,917</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Vouchers payable	\$173,727		173,727
Total liabilities	<u>173,727</u>		<u>173,727</u>
Fund balances			
Reserved for encumbrances	216,246		240,546
Designated	1,058,569	\$392,436	\$3,065,644
Total fund balances	<u>1,274,815</u>	<u>392,436</u>	<u>3,306,190</u>
Total liabilities and fund balances	<u>\$1,448,542</u>	<u>\$392,436</u>	<u>\$3,479,917</u>

(Concluded)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended September 30, 2006

	<u>County Courthouse 95</u>	<u>Juvenile Administration Building</u>	<u>Ascarate Sprinkler System</u>	<u>Park Improvements</u>
REVENUES				
Interest	\$8,327		\$1,727	\$3,791
Intergovernmental				
Miscellaneous				
Total revenues	<u>8,327</u>		<u>1,727</u>	<u>3,791</u>
EXPENDITURES				
Capital Outlays:				
Construction				
Renovations	29,412			
Furniture, fixtures, and equipment			116,759	
Park improvement				
Total expenditures	<u>29,412</u>		<u>116,759</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(21,085)</u>		<u>(115,032)</u>	<u>3,791</u>
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out				
Realized Gain				
Sale of capital assets				
Total other financing sources (uses)				
Net Change in Fund Balances	(21,085)		(115,032)	3,791
Fund balances - beginning	193,570	\$20,830	129,632	80,050
Prior year adjustment				
Fund balances - ending	<u>\$172,485</u>	<u>\$20,830</u>	<u>\$14,600</u>	<u>\$83,841</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended September 30, 2006

	Data Processing Upgrade	Courthouse 98	County Capital Improvements 2001
REVENUES			
Interest	\$1,098	\$1,023	\$7,637
Intergovernmental			
Miscellaneous			
Total revenues	<u>1,098</u>	<u>1,023</u>	<u>7,637</u>
EXPENDITURES			
Capital Outlays:			
Construction			
Renovations			
Furniture, fixtures, and equipment			
Park improvement			
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>1,098</u>	<u>1,023</u>	<u>7,637</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			1,012,178
Transfers out		(12,178)	
Realized Gain			15,254
Sale of capital assets			160,740
Total other financing sources (uses)		<u>(12,178)</u>	<u>1,188,172</u>
Net Change in Fund Balances	1,098	(11,155)	1,195,809
Fund balances - beginning	23,202	32,016	106,213
Prior year adjustment			
Fund balances - ending	<u>\$24,300</u>	<u>\$20,861</u>	<u>\$1,302,022</u>

(Continued)

County of El Paso, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended September 30, 2006

	County Capital Improvements 2004	Capital Projects River Park	Total
REVENUES			
Interest	\$88,467	\$17,698	\$129,768
Intergovernmental			
Miscellaneous			
Total revenues	<u>88,467</u>	<u>17,698</u>	<u>129,768</u>
EXPENDITURES			
Capital Outlays:			
Construction	10,113		\$10,113
Renovations	923,999		\$953,411
Furniture, fixtures, and equipment	651,348		\$768,107
Park improvement			
Total expenditures	<u>1,585,460</u>	<u></u>	<u>1,731,631</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,496,993)</u>	<u>17,698</u>	<u>(1,601,863)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			\$1,012,178
Transfers out			(\$12,178)
Realized Gain			\$15,254
Sale of capital assets			\$160,740
Total other financing sources (uses)	<u></u>	<u></u>	<u>1,175,994</u>
Net Change in Fund Balances	(1,496,993)	17,698	(425,869)
Fund balances - beginning	2,771,808	374,738	\$3,732,059
Prior year adjustment			
Fund balances - ending	<u>\$1,274,815</u>	<u>\$392,436</u>	<u>\$3,306,190</u>

(Concluded)

County of El Paso, Texas
Schedule of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
Capital Projects Fund
For the Year Ended September 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Interest	\$746,556	\$746,556	\$1,309,006	\$562,450
Total revenues	<u>746,556</u>	<u>746,556</u>	<u>1,309,006</u>	<u>562,450</u>
EXPENDITURES:				
Bond Issuance Costs	34,767	34,767		34,767
Capital Outlays:				
Construction	21,241,702	18,081,193	4,255,923	13,825,270
Building		375,307		375,307
Contracted Services	304,795	449,795		449,795
Furniture, fixtures, and equipment	4,112,700	4,771,985	1,896,903	2,875,082
Renovations	1,195,681	3,642,181	1,232,397	2,409,784
Park Improvement	1,960,838	1,980,122	103,292	1,876,830
Land	2,089,424	2,089,424		2,089,424
Bridges and Culverts		236,250		236,250
Total expenditures	<u>30,939,907</u>	<u>31,661,024</u>	<u>7,488,515</u>	<u>24,172,509</u>
Excess (Deficiency) of Revenues				
Over (Under) expenditures	<u>(30,193,351)</u>	<u>(30,914,468)</u>	<u>(6,179,509)</u>	<u>24,734,959</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	(500,000)	(500,000)	1,012,178	1,512,178
Transfer out			(12,178)	(12,178)
Realized Gain			15,254	15,254
Sale of capital assets			160,740	160,740
Total other financing sources (uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>1,175,994</u>	<u>1,675,994</u>
Net Change in Fund Balances	<u>(30,693,351)</u>	<u>(31,414,468)</u>	<u>(5,003,515)</u>	<u>26,410,953</u>
Fund balances - beginning	30,723,498	30,723,498	30,723,498	
Prior year adjustment			1,906,026	\$1,906,026
Fund balances - ending	<u>\$30,147</u>	<u>(\$690,970)</u>	<u>\$27,626,009</u>	<u>\$28,316,979</u>



INTERNAL SERVICE FUNDS

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 government and to other government units, on a cost reimbursement basis.

COUNTY OF EL PASO, TEXAS
Purposes of Internal Service Funds
September 30, 2006

Health and Life Fund

This fund is used to account for the health benefits provided to County employees, retirees, and their dependents. Contributions to the fund are made as charges to the department for all full-time employees and contributions from employees and retirees.

Workers' Compensation Fund

This fund is used to account for employer contributions set aside to cover claims resulting from a certifiable on-the-job injury sustained by a County employee.

El Paso Sheriff's Officers Association

This fund is used to account for the County's portion of the supplemental dental and optical insurance benefits provided to members of the El Paso Sheriff's Officers Association as per the Combined Law Enforcement Association of Texas agreement.

County of El Paso, Texas
Internal Service Fund
Combining Statement of Net Assets
September 30, 2006

	Health and Life Benefits	Workers Compensation	El Paso Sheriff's Officers Association Benefits	Total
ASSETS				
Cash and cash equivalents	\$5,806,463	\$144,281	(\$9,500)	\$5,941,244
Accounts receivable	31,760	9		31,769
Total assets	<u>5,838,223</u>	<u>144,290</u>	<u>(9,500)</u>	<u>5,973,013</u>
LIABILITIES				
Current liabilities:				
Claims payable	514,767	745	122	515,634
Payroll liability	2,095			2,095
Due to others	11,023			11,023
Total current liabilities	<u>527,885</u>	<u>745</u>	<u>122</u>	<u>528,752</u>
Total liabilities	<u>527,885</u>	<u>745</u>	<u>122</u>	<u>528,752</u>
NET ASSETS				
Unrestricted	5,310,338	143,545	(9,622)	5,444,261
Total net assets	<u>\$5,310,338</u>	<u>\$143,545</u>	<u>(\$9,622)</u>	<u>\$5,444,261</u>

County of El Paso, Texas
Internal Service Fund
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Year Ended September 30, 2006

	Health and Life Benefits	Workers Compensation	El Paso Sheriff's Officers Association Benefits	Total
OPERATING REVENUES				
Employee premiums	\$4,121,586			\$4,121,586
Employer premiums	7,451,588	\$2,131,039	\$602,280	10,184,907
Other agencies	46,427			46,427
Retiree premiums	769,058			769,058
Cobra	69,623			69,623
Stop loss reimbursements	448,708			448,708
Other	8,274	11,416		19,690
Total operating revenues	<u>12,915,264</u>	<u>2,142,455</u>	<u>602,280</u>	<u>15,659,999</u>
OPERATING EXPENSES				
Claims	8,256,919	2,007,405	680,915	10,945,239
Administrative	996,123	184,164	11,843	1,192,130
Total operating expenses	<u>9,253,042</u>	<u>2,191,569</u>	<u>692,758</u>	<u>12,137,369</u>
Operating income (loss)	<u>3,662,222</u>	<u>(49,114)</u>	<u>(90,478)</u>	<u>3,522,630</u>
NONOPERATING REVENUES (EXPENSES)				
Interest	192,390			192,390
Total nonoperating revenues (expenses)	<u>192,390</u>			<u>192,390</u>
Income before contributions and transfers	<u>3,854,612</u>	<u>(49,114)</u>	<u>(90,478)</u>	<u>3,715,020</u>
Change in net assets	3,854,612	(49,114)	(90,478)	3,715,020
Total net assets - beginning	<u>1,455,726</u>	<u>192,659</u>	<u>80,856</u>	<u>1,729,241</u>
Total net assets - ending	<u>\$5,310,338</u>	<u>\$143,545</u>	<u>(\$9,622)</u>	<u>\$5,444,261</u>

County of El Paso, Texas
Internal Service Fund
Combining Statement of Cash Flows
Increase (Decrease) in Cash and Cash Equivalents
For the Year Ended September 30, 2006

	Health and Life Benefits	Workers Compensation	El Paso Sheriff's Officers Association Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from employee premiums	\$4,089,956			\$4,089,956
Receipts from employer premiums	7,451,588	\$2,131,760	\$602,280	10,185,628
Receipts from other agencies premiums	46,427			46,427
Receipts from retiree premiums	769,058			769,058
Receipts from cobra premiums	69,623			69,623
Receipts from stop loss reimbursements	448,708			448,708
Receipts from miscellaneous services	8,274	11,416		19,690
Receipts for payroll liability	(392,849)			(392,849)
Payments for claims	(8,420,878)	(2,007,430)	(681,425)	(11,109,733)
Payments for administrative expenses	(996,123)	(184,164)	(11,843)	(1,192,130)
Net cash provided by operating activities	<u>3,073,784</u>	<u>(48,418)</u>	<u>(90,988)</u>	<u>2,934,378</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipt of interest	192,390			192,390
Net cash provided from investing activities	<u>192,390</u>			<u>192,390</u>
Net increase (decrease) in cash and cash equivalents	3,266,174	(48,418)	(90,988)	3,126,768
Balances - beginning of the year	2,540,289	192,699	81,488	2,814,476
Balances - end of the year	<u>\$5,806,463</u>	<u>\$144,281</u>	<u>(\$9,500)</u>	<u>\$5,941,244</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$3,662,222	(\$49,114)	(\$90,478)	\$3,522,630
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
(Increase) decrease in accounts receivable	(31,630)	721		(30,909)
Increase (decrease) in claims liability	(163,959)	(25)	(510)	(164,494)
Increase (decrease) in payroll liability	(392,849)			(392,849)
Total adjustments	<u>(588,438)</u>	<u>696</u>	<u>(510)</u>	<u>(588,252)</u>
Net cash provided (used) by operating activities	<u>\$3,073,784</u>	<u>(\$48,418)</u>	<u>(\$90,988)</u>	<u>\$2,934,378</u>

FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agent capacity for others and cannot be used to support the government's own programs.

COUNTY OF EL PASO, TEXAS
Purposes of Agency Funds
September 30, 2006

AGENCY FUNDS

County Payroll Fund

This fund is a clearing account for the bi-weekly employee payroll.

IRS Section 125 Health Fund

This fund is used to account for employees' contributions to a cafeteria plan under provisions of the *Internal Revenue Code Section 125*.

County Employees' Retirement Fund

This is a clearing account for the County's and employees' retirement contributions forwarded to the Texas County and District Retirement System (TCDRS).

Social Security Fund

This is a clearing account for F.I.T. and F.I.C.A. withholdings.

Child Support Fund

This is a clearing account for County employees' deductions for court ordered child support payments.

West Texas Community Supervision and Corrections Program Fund

This fund is used to account for the activities of the State Adult Probation Department funded through the State Probation Commission.

County Attorney Bad Check Trust Fund

This fund is used to account for the collection of insufficient funds checks and the reimbursement of funds to the victims.

High Intensity Drug Trafficking Area Imprest Fund

This fund is used to account for the drug related seizures by the Financial Disruption Unit of the El Paso County Sheriff's Office pending disposition by the courts.

COUNTY OF EL PASO, TEXAS
Purposes of Agency Funds
September 30, 2006

AGENCY FUNDS

Narcotics Detection and Apprehension Imprest Fund

This fund is used to account for the drug related seizures by the Metro Narcotics Task Force pending disposition by the courts.

District Attorney Real Estate Fund

This fund is used for the District Attorney's seizures of real property pending disposition by the courts.

District Attorney Seized Funds

This fund is used to account for the District Attorney's seizures of assets pending disposition by the courts.

Self Help Escrow

This fund was established to account for insurance and property taxes held in escrow for individuals who received state loans to improve their homes.

Criminal Enterprise Services

This fund was set up for the funds that are seized by the Criminal Enterprise Unit. The funds remain there until a court disposition is rendered. The funds are returned to defendant or forfeited. When funds are forfeited, the Criminal Enterprise Unit can use the funds with approval from the Criminal Justice Division of the Governor's Office.

Domestic Relations Fund

This fund is used for the collection and disbursement of child support funds.

Other Elected Officials Funds

This group of funds accounts for monies collected by various county elected officials pending the allocation to other governmental entities, individuals or the county treasury.

County of El Paso, Texas
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
September 30, 2006

	County Payroll	IRS Section 125 Health	County Employees' Retirement	Social Security	District Clerk Child Support
ASSETS					
Cash and cash equivalents	\$46,074	\$72,838	\$1,706,222	\$328	\$2,033
Total assets	<u>\$46,074</u>	<u>\$72,838</u>	<u>\$1,706,222</u>	<u>\$328</u>	<u>\$2,033</u>
LIABILITIES					
Vouchers payable	\$1,339		\$5,753	\$328	
Payroll liabilities	44,735		1,537,591		
Due to others					\$1,756
Due to other governmental agencies		\$72,838	162,878		277
Total liabilities	<u>\$46,074</u>	<u>\$72,838</u>	<u>\$1,706,222</u>	<u>\$328</u>	<u>\$2,033</u>

(Continued)

County of El Paso, Texas
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
September 30, 2006

	West Texas Community Supervision & Corrections Program	County Attorney Bad Check Trust	High Intensity Drug Trafficking Area	Narcotics Detection Apprehension	District Attorney Seized Funds
ASSETS					
Cash and cash equivalents	\$5,090,571	\$132,633	\$62,118	\$36,349	\$231,573
Accounts receivable	101,711				
Total assets	<u>\$5,192,282</u>	<u>\$132,633</u>	<u>\$62,118</u>	<u>\$36,349</u>	<u>\$231,573</u>
LIABILITIES					
Vouchers payable	\$209,673	\$8,099		\$300	
Payroll liabilities	237,477				
Due to others					\$231,573
Due to other governmental agencies	4,745,132	124,534	\$62,118	36,049	
Total liabilities	<u>\$5,192,282</u>	<u>\$132,633</u>	<u>\$62,118</u>	<u>\$36,349</u>	<u>\$231,573</u>

(Continued)

County of El Paso, Texas
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
September 30, 2006

	Criminal Enterprise Services	Domestic Relations Office	Other Elected Officials	Totals
ASSETS				
Cash and cash equivalents	\$34,692	\$5,877	\$17,941,592	\$25,362,900
Accounts receivable			111,020	212,731
Restricted-funds held in trust cash equivalents			586,438	586,438
Total assets	<u>\$34,692</u>	<u>\$5,877</u>	<u>\$18,639,050</u>	<u>\$26,162,069</u>
LIABILITIES				
Vouchers payable				\$225,492
Payroll liabilities				1,819,803
Due to others	\$34,692	\$5,877	\$11,668,289	11,942,187
Due to other governmental agencies			6,970,761	12,174,587
Total liabilities	<u>\$34,692</u>	<u>\$5,877</u>	<u>\$18,639,050</u>	<u>\$26,162,069</u>

(Concluded)

County of El Paso, Texas
Combining Statement of Fiduciary Assets and Liabilities
Other Elected Officials
September 30, 2006

	County Clerk	District Clerk	Sheriff's Department	Tax Assessor Collector	Totals
ASSETS					
Cash and cash equivalents	\$4,125,161	\$2,581,476	\$3,150,863	\$8,084,092	\$17,941,592
Accounts receivable	15,813	402		94,805	111,020
Restricted-funds held in trust cash equivalents	586,438				586,438
Total Assets	<u>\$4,727,412</u>	<u>\$2,581,878</u>	<u>\$3,150,863</u>	<u>\$8,178,897</u>	<u>\$18,639,050</u>
LIABILITIES					
Due to others	\$4,720,246	\$2,581,878	\$3,150,863	\$1,215,302	\$11,668,289
Due to other govern- mental agencies	7,166			6,963,595	6,970,761
Total liabilities	<u>\$4,727,412</u>	<u>\$2,581,878</u>	<u>\$3,150,863</u>	<u>\$8,178,897</u>	<u>\$18,639,050</u>

County of El Paso, Texas
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended September 30, 2006

	Balance Sept. 30, 2005	Additions	Deletions	Balance Sept. 30, 2006
<u>Payroll Fund</u>				
Assets				
Cash and cash equivalents	\$2,181	\$82,277,256	\$82,233,363	\$46,074
Total assets	\$2,181	\$82,277,256	\$82,233,363	\$46,074
Liabilities				
Vouchers payable	\$1,238	\$1,340	\$1,239	\$1,339
Payroll liabilities		82,232,150	82,187,415	44,735
Due to other funds		30,000	30,000	
Due to other governmental agencies	943	(562)	381	
Total liabilities	\$2,181	\$82,262,928	\$82,219,035	\$46,074
<u>IRS Section 125 Health Fund</u>				
Assets				
Cash and cash equivalents	\$68,085	\$541,051	\$536,298	\$72,838
Total assets	\$68,085	\$541,051	\$536,298	\$72,838
Liabilities				
Due to other governmental agencies	\$68,085	\$541,051	\$536,298	\$72,838
Total liabilities	\$68,085	\$541,051	\$536,298	\$72,838
<u>Employees' Retirement Fund</u>				
Assets				
Cash and cash equivalents	\$1,551,643	\$19,718,428	\$19,563,849	\$1,706,222
Receivables:				
Interest		4,485	4,485	
Total assets	\$1,551,643	\$19,722,913	\$19,568,334	\$1,706,222
Liabilities				
Vouchers payable	\$3,108	\$5,753	\$3,108	\$5,753
Payroll liabilities	1,386,837	19,340,663	19,189,909	1,537,591
Due to other governmental agencies	161,698	156,978	155,798	162,878
Total liabilities	\$1,551,643	\$19,503,394	\$19,348,815	\$1,706,222

(Continued)

County of El Paso
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended September 30, 2006

	Balance Sept. 30, 2005	Additions	Deletions	Balance Sept. 30, 2006
<u>Social Security Fund</u>				
Assets				
Cash and cash equivalents	\$9,454	\$28,568,204	\$28,577,330	\$328
Total assets	\$9,454	\$28,568,204	\$28,577,330	\$328
Liabilities				
Vouchers payable	\$329	\$328	\$329	\$328
Due to other governmental agencies	9,125	28,564,349	28,573,474	
Total liabilities	\$9,454	\$28,564,677	\$28,573,803	\$328
<u>District Clerk Child Support Fund</u>				
Assets				
Cash and cash equivalents	\$669	\$758,265	\$756,901	\$2,033
Total assets	\$669	\$758,265	\$756,901	\$2,033
Liabilities				
Due to others	\$669	\$1,515,809	\$1,514,722	\$1,756
Due to other governmental agencies			(277)	277
Total liabilities	\$669	\$1,515,809	\$1,514,445	\$2,033
<u>West Texas Community Supervision and Corrections Fund</u>				
Assets				
Cash and cash equivalents	\$4,027,886	\$62,766,515	\$61,703,830	\$5,090,571
Receivables:				
Interest		105,223	105,223	
Accounts	81,710	102,677	82,676	101,711
Total assets	\$4,109,596	\$62,974,415	\$61,891,729	\$5,192,282
Liabilities				
Vouchers payable	\$216,314	\$3,451,950	\$3,458,591	\$209,673
Payroll liabilities		237,477		237,477
Due to other governmental agencies	3,893,282	50,242,935	49,391,085	4,745,132
Total liabilities	\$4,109,596	\$53,932,362	\$52,849,676	\$5,192,282

(Continued)

County of El Paso
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended September 30, 2006

	Balance Sept. 30, 2005	Additions	Deletions	Balance Sept. 30, 2006
<u>County Attorney Bad Check - Trust Fund</u>				
Assets				
Cash and cash equivalents	\$143,922	\$1,890,452	\$1,901,741	\$132,633
Accounts receivable	7,002		7,002	
Total assets	\$150,924	\$1,890,452	\$1,908,743	\$132,633
Liabilities				
Vouchers payable	\$11,965	\$1,920,130	\$1,923,996	\$8,099
Due to other governmental agencies	138,959	1,886,812	1,901,237	124,534
Total liabilities	\$150,924	\$3,806,942	\$3,825,233	\$132,633
<u>High Intensity Drug Trafficking Area Imprest Fund</u>				
Assets				
Cash and cash equivalents	\$59,383	\$2,735		\$62,118
Total assets	\$59,383	\$2,735		\$62,118
Liabilities				
Due to other governmental agencies	\$59,383	\$2,735		\$62,118
Total liabilities	\$59,383	\$2,735		\$62,118
<u>Narcotics, Detection and Apprehension Imprest Fund</u>				
Assets				
Cash and cash equivalents	\$882,287	\$270,545	\$1,116,483	\$36,349
Total assets	\$882,287	\$270,545	\$1,116,483	\$36,349
Liabilities				
Vouchers payable	\$301	\$12,305	\$12,306	\$300
Due to other governmental agencies	881,986	20,446	866,383	36,049
Total liabilities	\$882,287	\$32,751	\$878,689	\$36,349

(Continued)

County of El Paso
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended September 30, 2006

	Balance Sept. 30, 2005	Additions	Deletions	Balance Sept. 30, 2006
<u>District Attorney Real Estate Fund</u>				
Assets				
Cash and cash equivalents	\$908	\$23	\$931	
Total assets	\$908	\$23	\$931	
Liabilities				
Due to other govern- mental agencies	\$908	\$23	\$931	
Total liabilities	\$908	\$23	\$931	
<u>District Attorney Seizures Fund</u>				
Assets				
Cash and cash equivalents	\$544,903	\$341,908	\$655,238	\$231,573
Total assets	\$544,903	\$341,908	\$655,238	\$231,573
Liabilities				
Due to others	\$544,903	\$341,908	\$655,238	\$231,573
Total liabilities	\$544,903	\$341,908	\$655,238	\$231,573
<u>Self Help Escrow</u>				
Assets				
Cash and cash equivalents	\$13,387	\$532	\$13,919	
Total assets	\$13,387	\$532	\$13,919	
Liabilities				
Vouchers payable		\$14,184	\$14,184	
Due to others	\$13,387	532	13,919	
Total liabilities	\$13,387	\$14,716	\$28,103	
<u>Criminal Enterprise Services</u>				
Assets				
Cash		\$34,692		\$34,692
Total assets		\$34,692		\$34,692
Liabilities				
Due to others		\$34,692		\$34,692
Total liabilities		\$34,692		\$34,692

(Continued)

County of El Paso
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended September 30, 2006

	Balance Sept. 30, 2005	Additions	Deletions	Balance Sept. 30, 2006
<u>Domestic Relations Fund</u>				
Assets				
Cash and cash equivalents	\$12,064	\$343,076	\$349,263	\$5,877
Total assets	\$12,064	\$343,076	\$349,263	\$5,877
Liabilities				
Due to others	\$12,064	\$12,982	\$19,169	\$5,877
Due to other funds		105	105	
Total liabilities	\$12,064	\$13,087	\$19,274	\$5,877
<u>County Clerk Fund</u>				
Assets				
Cash and cash equivalents	\$4,766,533	\$11,005,802	\$11,647,174	\$4,125,161
Accounts receivable	127,255	234,203	345,645	15,813
Restricted-funds held in trust cash equivalents	586,438	673,470	673,470	586,438
Total assets	\$5,480,226	\$11,913,475	\$12,666,289	\$4,727,412
Liabilities				
Vouchers payable				
Due to others	\$5,365,406	\$1,175,789	\$1,820,949	\$4,720,246
Due to other funds		353,686	353,686	
Due to other govern- mental agencies	114,820	9,280	116,934	7,166
Total liabilities	\$5,480,226	\$1,538,755	\$2,291,569	\$4,727,412
<u>District Clerk Fund</u>				
Assets				
Cash and cash equivalents	\$1,955,940	\$12,835,282	\$12,209,746	\$2,581,476
Accounts receivable	96	3,800	3,494	402
Total assets	\$1,956,036	\$12,839,082	\$12,213,240	\$2,581,878
Liabilities				
Vouchers payable				
Due to other funds		\$273,272	\$273,272	
Due to others	\$1,860,576	1,357,198	635,896	\$2,581,878
Due to other govern- mental agencies	95,460		95,460	
Total liabilities	\$1,956,036	\$1,630,470	\$1,004,628	\$2,581,878

(Continued)

County of El Paso
Combining Statement of Changes in Assets and Liabilities - All Agency Funds
For the Year Ended September 30, 2006

	Balance Sept. 30, 2005	Additions	Deletions	Balance Sept. 30, 2006
<u>Sheriff's Department Funds</u>				
Cash and cash equivalents	\$1,279,350	\$10,031,587	\$8,160,074	\$3,150,863
Total assets	\$1,279,350	\$10,031,587	\$8,160,074	\$3,150,863
Liabilities				
Due to other funds		\$27,210	\$27,210	
Due to others	\$1,279,350	10,004,377	8,132,864	\$3,150,863
Total liabilities	\$1,279,350	\$10,031,587	\$8,160,074	\$3,150,863
<u>Tax Assessor Collector Fund</u>				
Assets				
Cash and cash equivalents	\$7,544,186	\$287,524,762	\$286,984,856	\$8,084,092
Accounts receivable	1,774,268	285,359,961	287,039,424	94,805
Total assets	\$9,318,454	\$572,884,723	\$574,024,280	\$8,178,897
Liabilities				
Due to other funds		\$181,787,435	\$181,787,435	
Due to others	\$2,560,164	961,415	2,306,277	\$1,215,302
Due to other governmental agencies	6,758,290	102,877,698	102,672,393	6,963,595
Total liabilities	\$9,318,454	\$285,626,548	\$286,766,105	\$8,178,897
<u>Total - All Funds</u>				
Cash and cash equivalents	\$22,862,781	\$518,911,115	\$516,410,996	\$25,362,900
Receivables:				
Interest		109,708	109,708	
Accounts	1,990,331	285,700,641	287,478,241	212,731
Restricted-funds held in trust cash equivalents	586,438	673,470	673,470	586,438
Total assets	\$25,439,550	\$805,394,934	\$804,672,415	\$26,162,069
Liabilities				
Vouchers payable	\$233,255	\$5,405,990	\$5,413,753	\$225,492
Payroll liabilities	1,386,837	101,810,290	101,377,324	1,819,803
Due to others	11,636,519	15,404,702	15,099,034	11,942,187
Due to other funds		182,471,708	182,471,708	
Due to other governmental agencies	12,182,939	184,301,745	184,310,097	12,174,587
Total liabilities	\$25,439,550	\$489,394,435	\$488,671,916	\$26,162,069

(Concluded)

CAPITAL ASSETS USED IN
THE OPERATION OF
GOVERNMENTAL FUNDS

County of El Paso, Texas
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
September 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Governmental funds capital assets:		
Bridges & Culverts	\$3,570,308	\$3,570,308
Buildings	204,627,243	194,062,750
Construction in progress	5,466,089	9,958,997
Equipment	21,920,018	20,334,061
Furniture & Fixtures	863,300	862,179
Improvements	9,051,771	8,967,670
Land	12,878,258	11,914,365
Leased Equipment	318,809	250,911
Roads	21,400,710	20,079,136
Vehicles	10,931,321	9,913,202
Total governmental funds capital assets	<u><u>\$291,027,827</u></u>	<u><u>\$279,913,579</u></u>
Investment in governmental funds capital assets by source:		
Capital projects funds	\$225,490,801	\$218,998,443
General fund	20,036,460	19,069,901
Special revenue funds	45,500,566	41,845,235
Total governmental funds capital assets	<u><u>\$291,027,827</u></u>	<u><u>\$279,913,579</u></u>

County of El Paso, Texas
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 September 30, 2006

Function and Activity	Bridges	Buildings	Construction in Progress	Equipment	Furniture	Improvements	Land	Leased Equipment	Roads	Vehicles	Total
General government:											
Commissioners court services				\$21,641							\$21,641
County auditor and treasurer				891,753	\$20,418						912,171
County cafeteria				22,562	197,837						22,562
County clerk & archives		\$6,987,446		676,736						\$14,995	7,877,014
County communications				140,084						33,674	173,758
County elections				4,938,969	5,394					42,995	4,987,358
County holdings				33,263	43,626						76,889
County judge				38,628	22,643						61,271
County purchasing agent		3,650		240,861	13,453		\$1,587,021	\$206,315		90,162	2,141,462
County tax assessor-collector				26,286	27,489			10,902		41,385	95,160
Data processing				4,966,995	29,599			8,864		46,686	5,054,182
District clerk				227,917							236,781
Domestic relations				8,700	23,504						32,204
Equestrian center		1,870,395		39,784	28,752					49,518	1,870,395
Facilities Management				8,399	6,395						14,794
Human Resources							1,481,444				1,481,444
Landmark											471,434
Mission Valley Annex		471,434									471,434
New county courthouse		53,687,564					1,000,000				54,687,564
Northeast annex		970,559					448,000				1,418,559
Parking Garage		6,394,988		6,655			1,007,361				7,409,004
Parking Garage Annex		8,341,328					1,643,924				9,985,252
Total general government		\$78,727,364		12,289,233	419,110		\$7,167,750	\$226,081		319,415	99,148,953
Administration of justice:											
8th court of civil appeals					10,788						10,788
34th district court					5,156						5,156
41st district court				9,441							14,597
120th district court					5,156						5,156
168th district court					5,156						5,156
171st district court					5,156						5,156
205th district court					5,156						5,156
210th district court					5,156						5,156
243rd district court				28,181						24,948	58,285
327th district court											5,156
346th district court				6,579							6,579
384th district court											5,156
Associate CPS court											10,976
Council of judges administration				973,929	10,686						984,615
County attorney				42,806	11,035					46,036	99,877
County court-at-law no. 1					5,156						5,156
County court-at-law no. 2					5,156						5,156
County court-at-law no. 3					5,156						5,156
County court-at-law no. 4					5,156						5,156
County court-at-law no. 5					5,156						5,156
County court-at-law no. 7					5,156						5,156
Court master no. II				6,129							6,129
District attorney				\$98,882	\$26,557					\$239,346	\$364,785

(Continued)

County of El Paso, Texas
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 September 30, 2006

Function and Activity	Bridges	Buildings	Construction in Progress	Equipment	Furniture	Improvements	Land	Leased Equipment	Roads	Vehicles	Total
Justice of the Peace no. 2				\$13,036	\$8,847						\$8,847
Justice of the Peace no. 3				8,315							13,036
Probate Court I				13,036							13,036
Probate Court II				5,800							5,800
Public defender administration				23,338	10,000						33,338
Southwest border HIDTA management				21,424							21,424
West Texas HIDTA				17,000	49,967					\$121,801	188,768
West Texas HIDTA (Financial)					227,481					432,131	1,939,664
Total administration of justice				1,280,052	227,481					432,131	1,939,664
Public safety:											
Constable no. 1		\$90,514,622		1,943,372	98,667		\$2,472,952	\$50,673		5,001,913	100,082,199
Constable no. 2				93,156							93,156
Constable no. 3		11,471,638		254,490	33,659	\$61,445	374,150			226,463	12,421,845
Constable no. 4				98,681						291,253	389,934
Constable no. 5				212,818	16,887						229,705
Constable no. 6				2,602,517	149,213	61,445	2,847,102	\$50,673		5,832,000	113,529,210
Constable no. 7											
County sheriff and jails											
Courthouse Security											
Juvenile detention/probation											
Narcotics detection & apprehension											
Regional Intelligence											
Total public safety		101,986,260		2,602,517	149,213	61,445	2,847,102	\$50,673		5,832,000	113,529,210
Health and welfare:											
Animal shelter		1,300,000		30,243	17,767						1,300,000
Border children's mental health							290,806				48,010
Lower valley health clinic											290,806
Medical examiner		3,474,664		57,116	27,333					116,522	3,675,635
Nutrition				22,384						264,404	286,788
Tillman Health Center		366,808									366,808
Total health and welfare		5,141,472		109,743	45,100		290,806			380,926	5,968,047
Resource and Community development:											
Agricultural co-op extension				14,764							14,764
Community Development										241,353	241,353
Community Services										15,999	15,999
Total resource and community development				14,764						257,352	272,116
Culture and recreation:											
Agua Dulce Community Center		7,863									7,863
Aquatic center		5,775,589									5,775,589
Ascarate golf course		230,199		522,711	5,100	2,070,431				63,908	2,892,349
Ascarate park		40,953		445,143	\$10,496	2,549,026	62,358			245,874	3,353,850
Bracero Center, Rio Vista		204,909									204,909
Coliseum		10,220,365		\$335,344			\$146,000			\$106,654	12,109,938
East Montana Park						1,301,575					1,301,575
Fabens Community Center		\$485,441				159,408					159,408
						\$20,726					\$506,167

(Continued)

County of El Paso, Texas
Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 September 30, 2006

Function and Activity	Bridges	Buildings	Construction in Progress	Equipment	Furniture	Improvements	Land	Leased Equipment	Roads	Vehicles	Total
Fabens Park						\$218,973					\$218,973
Gallegos Park						474,465					474,465
Gallegos Pavilion		\$107,002									107,002
Gallegos Pool						93,457					93,457
Huaco Tanks Park Site						363,530	\$71,972	\$42,055			435,502
Law Library											42,055
Montana Vista Community Center		30,011									30,011
Odonell Park						180,279					180,279
San Elizario Park						15,600					15,600
San Elizario Plaza						116,367	10,269				126,636
San Felipe Park						24,299					24,299
Sparks Community Center		5,082				81,583					86,665
Sportspark		247,079		\$160,263		1,145,197	1,568,166			\$83,495	3,204,200
Total culture and recreation		<u>17,354,493</u>		<u>1,463,461</u>	<u>\$15,596</u>	<u>8,814,916</u>	<u>1,858,765</u>	<u>42,055</u>		<u>499,931</u>	<u>30,049,217</u>
Community Service:											
Rural Transit Authority										489,347	489,347
Community Service										489,347	489,347
Public Works:											
Roads & bridges	\$3,570,308	1,417,654		4,160,248	6,800	175,410	713,835		\$21,400,710	2,720,219	34,165,184
Total Public Works	<u>3,570,308</u>	<u>1,417,654</u>		<u>4,160,248</u>	<u>6,800</u>	<u>175,410</u>	<u>713,835</u>		<u>21,400,710</u>	<u>2,720,219</u>	<u>34,165,184</u>
Construction in progress:											
Canutillo Drainage Project			\$597,601								597,601
Fabens Airport			172,802								172,802
Fabens port of entry			4,188,726								4,188,726
Safe School Routes			79,960								79,960
Sparks Arroyo			427,000								427,000
Total Construction in progress			<u>5,466,089</u>								<u>5,466,089</u>
Total governmental funds capital assets	<u>\$3,570,308</u>	<u>\$204,627,243</u>	<u>\$5,466,089</u>	<u>\$21,920,018</u>	<u>\$863,300</u>	<u>\$9,051,771</u>	<u>\$12,878,258</u>	<u>\$318,809</u>	<u>\$21,400,710</u>	<u>\$10,931,321</u>	<u>\$291,027,827</u>

(Concluded)

County of El Paso, Texas
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Fiscal Year Ended September 30, 2006

Function and activity	Governmental Funds Capital Assets			Deductions	Governmental Funds Capital Assets		
	October 1, 2005	Positive Adjustments	Negative Adjustments		September 30, 2006		
General government:							
Commissioners court services	\$21,641						\$21,641
County auditor and treasurer	901,801		\$10,370				912,171
County cafeteria	22,562						22,562
County clerk & archives	7,841,009		51,658	\$15,653			7,877,014
County communications	173,758						173,758
County elections	4,224,678		762,680				4,987,358
County holdings	76,889						76,889
County judge	61,271						61,271
County purchasing agent	1,155,595	\$3,350		231,914			2,141,462
County tax assessor-collector	45,582		49,578				95,160
Data processing	4,859,066		832,699	637,583			5,054,182
District clerk	245,757		8,864	17,840			236,781
Domestic relations	32,204						32,204
Equestrian center	1,870,395						1,870,395
Facilities Management	118,054						118,054
Human Resources			14,794				14,794
Landmark	1,611,145						1,611,145
Mission Valley Annex			\$129,701				471,434
New county courthouse	54,183,770	503,793					54,687,563
Northeast annex	1,395,503	23,056					1,418,559
Parking Garage	7,293,546	115,458					7,409,004
Parking Garage Annex	1,643,924						1,643,924
Total general government	87,778,150	\$645,657	\$129,701	902,990	8,341,328	11,757,836	99,148,952
Administration of justice:							
8th court of civil appeals	10,788						10,788
34th district court	18,192						18,192
41st district court	14,597						14,597
120th district court	5,156						5,156
168th district court	5,156						5,156
171st district court	5,156						5,156
205th district court	5,156						5,156
210th district court	5,156						5,156
243rd district court	58,285						58,285
327th district court	5,156						5,156
346th district court	6,579						6,579
384th district court	5,156						5,156
Associate CPS court	10,976						10,976
Council of judges administration	992,931						992,931
County attorney	94,791						94,791
County court-at-law no. 1	5,156						5,156
County court-at-law no. 2	14,000						14,000
County court-at-law no. 3	5,156						5,156
County court-at-law no. 4	5,156						5,156
County court-at-law no. 5	14,597						14,597
County court-at-law no. 7	5,156						5,156
Court master no. II	\$6,129						\$6,129
Total administration of justice	1,078,836	\$0	\$0	\$8,315	\$0	\$0	1,078,836
Total	88,856,306	\$645,657	\$129,701	911,305	8,341,328	11,757,836	100,223,788

(Continued)

County of El Paso, Texas
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Fiscal Year Ended September 30, 2006

Function and activity	Governmental Funds Capital Assets October 1, 2005	Positive Adjustments	Negative Adjustments	Additions	Deductions	Governmental Funds Capital Assets September 30, 2006
Justice						
District attorney	\$286,249			\$95,124	\$16,588	\$364,785
Justice of the Peace no. 2	8,847					8,847
Justice of the Peace no. 3	13,036					13,036
Probate Court I				8,315		8,315
Probate Court II				13,036		13,036
Public defender administration	5,800					5,800
Southwest border HIDTA management	33,338					33,338
West Texas HIDTA	21,424					21,424
West Texas HIDTA (Financial)	188,768					188,768
Total administration of justice	1,856,043			121,561	37,939	1,939,665
Public safety						
Constable no. 1	58,440					58,440
Constable no. 2	42,400					42,400
Constable no. 3	42,465					42,465
Constable no. 4	42,465					42,465
Constable no. 5	22,434					22,434
Constable no. 6	62,204					62,204
Constable no. 7	41,963					41,963
County sheriff and jail	98,487,693	\$1,065,282		766,073	236,850	100,082,198
Courthouse Security	87,656			5,500		93,156
Juvenile detention/probation	12,377,585			44,260		12,421,845
Narcotic detection & apprehension	225,697			170,105	5,868	389,934
Regional Intelligence	204,173			25,532		229,705
Total public safety	111,695,175	1,065,282		1,011,470	242,718	113,529,209
Health and welfare						
Animal Shelter	1,300,000					1,300,000
Border children's mental health	48,010					48,010
Lower Valley Health Clinic	290,806					290,806
Medical examiner	3,639,950			35,685		3,675,635
Nutrition	286,788					286,788
Tillman Health Center	366,808					366,808
Total health and welfare	5,932,362			35,685		5,968,047
Resource and Community development						
Agricultural co-op extension	14,764					14,764
Community Development	221,834			19,519		241,353
Community Services				15,999		15,999
County planning & management	19,519				19,519	
Total resource and community development	256,117			\$35,518	19,519	272,116
Culture and recreation						
Agua Dulce Community Center	7,863					7,863
Aquatic center	5,775,589					5,775,589
Ascarate golf course	2,843,656	48,693				2,892,349
Ascarate park	3,359,443	\$9,260			\$14,853	3,353,850
Bracero center, Rio Vista	\$204,909					\$204,909

(Continued)

County of El Paso, Texas
Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Fiscal Year Ended September 30, 2006

Function and activity	Governmental Funds Capital Assets October 1, 2005	Positive Adjustments	Negative Adjustments	Additions	Deductions	Governmental Funds Capital Assets September 30, 2006
Coliseum	\$12,117,138				\$7,200	\$12,109,938
County library	86,824				86,824	
East Montana Park	159,408					159,408
Fabens Community Center	485,441			\$20,726		506,167
Fabens Park	218,973					218,973
Gallegos Park	474,465					474,465
Gallegos Pavillion	107,002					107,002
Gallegos Pool	93,457					93,457
Huaco Tanks Park Site	435,502					435,502
Law Library	42,055					42,055
Montana Vista Community Center	30,011					30,011
Odonell Park	174,857	\$5,422				180,279
San Elizario Park	15,600					15,600
San Elizario Plaza	116,367	10,269				126,636
San Felipe Park	24,299					24,299
Sparks Community Center	86,664					86,664
Sportspark	3,223,802				31,974	3,204,200
Total culture and recreation	30,083,325	73,644		12,372	140,851	30,049,216
Community Service:						
Rural Transit Authority	489,347					489,347
Total Community Service	489,347					489,347
Public Works:						
Roads & bridges	31,864,063			1,363,452	49,993	34,165,186
Total Public Works	31,864,063	987,664		1,363,452	49,993	34,165,186
Construction in progress	9,958,997	1,175,757		79,960		5,466,089
Total governmental funds capital assets	\$279,913,579	\$3,948,004		\$14,438,580	\$1,394,010	\$291,027,827

(Concluded)



STATISTICAL SECTION

County of El Paso, Texas
Statistical Section
For the Year Ended September 30, 2006

This part of the County of El Paso’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County’s overall financial health.

Contents

	<u>Table No.</u>
<p>Financial Trends These tables contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</p>	1-4
<p>Revenue Capacity These tables contain information to help the reader assess the County’s most significant local revenue source, the property tax.</p>	5-8
<p>Debt Capacity These tables 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.</p>	9-12
<p>Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.</p>	13-14
<p>Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.</p>	15-17

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; tables presenting government-wide information include information beginning in that year.

Table 1

**County of El Paso, Texas
Net Assets by Component,
Last Five Fiscal Years
(Accrual Basis of Accounting)**

	Fiscal Year				
	2002	2003	2004	2005	2006
Governmental activities					
Invested in capital assets, net of related debt	(\$1,048,244)	\$20,521,773	\$33,976,723	\$49,130,945	\$58,935,550
Restricted	77,595,115	64,586,987	56,870,512	53,167,004	57,326,500
Unrestricted	46,072,805	28,087,306	24,678,507	31,970,062	41,379,380
Total governmental activities net assets	<u>\$122,619,676</u>	<u>\$113,196,066</u>	<u>\$115,525,742</u>	<u>\$134,268,011</u>	<u>\$157,641,430</u>
Business-type activities					
Invested in capital assets, net of related debt	\$11,129,558	11698321	\$11,490,456	\$11,150,669	\$10,804,554
Restricted	1,162,054	1,025,209	895,864	1,036,145	1,053,947
Unrestricted					
Total business-type activities net assets	<u>\$12,291,612</u>	<u>\$12,723,530</u>	<u>\$12,386,320</u>	<u>\$12,186,814</u>	<u>\$11,858,501</u>
Primary government					
Invested in capital assets, net of related debt	\$10,081,314	\$32,220,094	\$45,467,179	\$60,281,614	\$69,740,104
Restricted	78,757,169	65,612,196	57,766,376	54,203,149	58,380,447
Unrestricted	46,072,805	28,087,306	24,678,507	31,970,062	41,379,380
Total primary government net assets	<u>\$134,911,288</u>	<u>\$125,919,596</u>	<u>\$127,912,062</u>	<u>\$146,454,825</u>	<u>\$169,499,931</u>

Note: Accrual-basis financial information for the County as a whole is only available back to 2002, the year GASB Statement 34 was implemented.

Table 2

County of El Paso, Texas
Changes in Net Assets, Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses					
Governmental Activities:					
General government	\$38,216,521	\$38,666,912	\$34,677,434	\$32,854,646	\$31,024,457
Administration of justice	32,998,333	36,691,619	36,013,307	40,078,545	40,958,490
Public safety	74,747,126	93,192,024	91,094,808	93,719,995	96,474,144
Health and welfare	10,379,713	10,690,626	11,816,570	10,934,879	10,854,470
Community services	670,085	695,141	554,213	647,389	976,811
Resource development	1,596,865	1,210,006	779,761	479,709	599,712
Culture and recreation	8,038,509	7,653,557	8,169,256	7,578,177	11,264,459
Public works	7,246,981	957,731	6,402,679	4,309,741	5,697,541
Interest on long-term debt	7,484,405	6,915,376	6,395,014	5,921,486	5,461,343
Total governmental activities expenses	<u>181,378,538</u>	<u>196,672,992</u>	<u>195,903,042</u>	<u>196,524,567</u>	<u>203,311,427</u>
Business-type activities:					
East Montana water project	477,564	613,285	1,049,406	994,806	1,131,195
County Solid waste				90,354	192,427
Total business-type activities	<u>477,564</u>	<u>613,285</u>	<u>1,049,406</u>	<u>1,085,160</u>	<u>1,323,622</u>
Total primary government expenses	<u>\$181,856,102</u>	<u>\$197,286,277</u>	<u>\$196,952,448</u>	<u>\$197,609,727</u>	<u>\$204,635,049</u>
Program Revenues					
Governmental Activities:					
Fees, Fines, and Charges for Services:					
General government	\$6,949,222	\$7,472,070	\$8,010,555	\$8,457,910	\$10,524,799
Administration of justice	9,998,231	10,379,290	10,085,348	11,214,927	11,907,547
Public safety	22,061,160	21,086,233	21,516,764	20,166,032	19,829,064
Health and welfare	132,134	134,842	102,866	91,698	111,748
Culture and recreation	2,106,785	2,616,934	2,866,155	2,187,213	2,321,172
Public works	7,734,440	8,278,274	8,151,674	8,396,679	8,436,041
Operating grants and contributions	17,720,142	26,799,935	26,879,949	28,546,281	27,218,156
Total governmental activities program revenues	<u>66,702,114</u>	<u>76,767,578</u>	<u>77,613,311</u>	<u>79,060,740</u>	<u>80,348,527</u>
Business-type activities:					
Fees, Fines, and Charges for Services:					
East Montana water project	638,779	695,995	730,374	757,244	767,416
County Solid waste				95,087	165,430
Capital grants and contributions	3,978,339	297,246	(33,463)		
Total business-type activities program revenues	<u>4,617,118</u>	<u>993,241</u>	<u>696,911</u>	<u>852,331</u>	<u>932,846</u>
Total primary government program revenues	<u>\$71,319,232</u>	<u>\$77,760,819</u>	<u>\$78,310,222</u>	<u>\$79,913,071</u>	<u>\$81,281,373</u>
Net (Expense)/Revenue					
Governmental activities	(\$114,676,424)	(\$119,905,414)	(\$118,289,731)	(\$117,463,827)	(\$122,962,900)
Business-type activities	4,139,554	379,956	(352,495)	(232,829)	(390,776)
Total primary government net expenses	<u>(\$110,536,870)</u>	<u>(\$119,525,458)</u>	<u>(\$118,642,226)</u>	<u>(\$117,696,656)</u>	<u>(\$123,353,676)</u>

(continued)

Table 2

County of El Paso, Texas
Changes in Net Assets, Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes:					
Property	\$68,048,131	\$82,155,871	\$88,512,228	\$100,438,307	\$97,968,047
Hotel/Motel	1,894,990	1,965,159	2,106,516	2,285,353	2,602,025
Sales	24,956,675	25,292,428	26,568,977	27,704,322	31,117,468
Bingo	56,642	46,691	62,716	64,113	67,503
State mixed beverage	986,630	982,608	1,306,889	1,116,650	1,253,605
Interest	2,295,874	1,888,887	1,595,789	3,513,505	6,550,788
Miscellaneous	4,379,955	4,768,900	6,485,949	10,008,007	4,447,345
Realized gain					15,254
Gain on sale of capital assets	27,950	88,348	3,751,704	28,306	160,740
Transfers	795,720	(2,759,575)	63,732	765,195	
Total governmental activities	<u>103,442,567</u>	<u>114,429,317</u>	<u>130,454,500</u>	<u>145,923,758</u>	<u>144,182,775</u>
Business-type activities:					
Interest	23,187	13,933	15,285	33,323	62,463
Total business-type activities program revenues	<u>23,187</u>	<u>13,933</u>	<u>15,285</u>	<u>33,323</u>	<u>62,463</u>
Total primary government	<u>\$103,465,754</u>	<u>\$114,443,250</u>	<u>\$130,469,785</u>	<u>\$145,957,081</u>	<u>\$144,245,238</u>
Change in Net Assets					
Governmental activities	(\$11,233,857)	(\$5,476,097)	\$12,164,769	\$28,459,931	\$21,219,875
Business-type activities	4,162,741	393,889	(337,210)	(199,506)	(328,313)
Total primary government	<u>(\$7,071,116)</u>	<u>(\$5,082,208)</u>	<u>\$11,827,559</u>	<u>\$28,260,425</u>	<u>\$20,891,562</u>

Note: Accrual-basis financial information for the County as a whole is only available back to 2002, the year GASB Statement 34 was implemented.

(concluded)

Table 3

County of El Paso, Texas
Fund Balances, Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund					
Reserved	\$2,032,617	\$1,488,877	\$1,445,968	\$1,078,409	\$1,161,744
Unreserved	37,774,055	32,365,718	32,409,401	41,552,058	48,007,614
Total general fund	<u>\$39,806,672</u>	<u>\$33,854,595</u>	<u>\$33,855,369</u>	<u>\$42,630,467</u>	<u>\$49,169,358</u>
All Other Governmental Funds					
Reserved	\$2,478,942	\$2,682,648	\$1,918,505	\$5,386,741	\$6,375,607
Unreserved, reported in:					
Special revenue funds	14,960,621	17,058,742	14,653,264	20,062,531	24,722,664
Capital projects funds	61,025,247	45,652,044	41,046,121	28,407,569	26,860,711
Total all other governmental funds	<u>\$78,464,810</u>	<u>\$65,393,434</u>	<u>\$57,617,890</u>	<u>\$53,856,841</u>	<u>\$57,958,982</u>

Note: Due to changes connected with the implementation of GASB Statement 34, fund balance information is available back to 2002 only.

Table 4

County of El Paso, Texas
Changes in Fund Balances, Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues					
Taxes	\$95,206,013	\$103,103,226	\$109,784,442	\$122,748,291	\$133,466,777
Licenses and permits	160,781	179,036	192,744	216,113	208,535
Intergovernmental revenues	17,720,142	26,799,935	26,879,949	28,546,281	27,218,156
Charges for services	41,589,640	41,973,116	43,410,144	43,065,852	44,749,887
Fines and Forfeitures	4,868,073	7,048,049	6,170,461	6,833,924	6,202,519
Interest	2,266,543	1,865,792	1,562,071	3,444,593	6,358,398
Miscellaneous	4,379,955	4,768,900	6,485,949	10,008,007	4,447,345
Total Revenues	166,191,147	185,738,054	194,485,760	214,863,061	222,651,617
Expenditures					
Current:					
General Government	29,504,130	33,475,512	30,090,583	24,862,140	30,002,528
Administration of justice	32,666,127	35,844,249	35,690,488	39,226,539	41,069,401
Public safety	70,997,594	77,036,106	83,016,631	88,322,196	92,398,593
Health and welfare	9,985,220	10,422,486	12,007,363	10,782,223	10,761,045
Community services	632,913	575,306	425,812	543,934	886,172
Resource development	1,604,774	1,192,257	907,881	524,783	572,953
Culture and recreation	5,175,414	5,774,269	6,238,146	5,050,335	5,538,883
Public works	5,581,647	5,397,567	5,500,592	4,492,192	4,180,960
Debt Service:					
Principal	9,268,284	8,690,000	9,545,000	10,265,000	10,570,000
Interest	7,338,989	6,908,888	6,454,083	5,979,027	5,518,698
Bond call costs			30,569		
Bond issuance costs	1,492,464	204,648			
Capital outlays	10,197,442	20,545,649	16,082,160	20,693,835	11,786,588
Total expenditures	184,444,998	206,066,937	205,989,308	210,742,204	213,285,821
Excess of revenues over (under) expenditures	(18,253,851)	(20,328,883)	(11,503,548)	4,120,857	9,365,796
Other Financing Sources (Uses)					
Transfers in	5,094,379	3,437,487	20,639,982	17,522,020	18,228,136
Transfers out	(4,298,659)	(6,197,062)	(20,576,250)	(16,756,825)	(18,228,136)
Premium (discount) on bonds issued	814,599	342,733			
Proceeds of bonds sold	64,839,839				
Refunding bonds issued	22,375,624	9,823,573			
Payment to refunded bond escrow agent	(22,191,965)	(10,138,760)			
Capital leases	45,591			128,704	78,803
Realized gain					15,254
Sale of capital assets	27,950	88,348	3,751,704	28,306	160,740
Total other financing sources (uses)	66,707,358	(2,643,681)	3,815,436	922,205	254,797
Net change in fund balances	\$48,453,507	(\$22,972,564)	(\$7,688,112)	\$5,043,062	\$9,620,593
 Debt service as a percentage of noncapital expenditures	 10.4%	 8.5%	 8.4%	 8.5%	 8.0%

Note: Changes in fund balances are presented back to 2002 only, in connection with the implementation of GASB Statement 34.

**County of El Paso
Assessed Value and Actual Value of Taxable Property,
Last Five Fiscal Years**

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Industrial Property	Other	Less: Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate
2002	\$12,069,844,351	\$5,815,761,869	\$2,234,875,072	\$1,729,083,903	\$2,912,448,403	\$18,937,116,792	\$0.582080
2003	12,541,589,829	5,917,451,891	2,061,182,452	1,716,861,117	2,892,451,156	19,344,634,133	0.597950
2004	13,990,117,590	6,414,518,263	1,910,224,581	1,781,022,216	2,996,482,631	21,099,400,019	0.619390
2005	15,217,825,995	6,703,110,115	1,829,662,160	1,916,348,411	3,107,689,767	22,559,256,914	0.619390
2006	18,467,343,154	7,537,945,966	1,962,037,998	2,021,708,667	4,044,012,753	25,945,023,032	0.577390

Source: Central Appraisal District.

Note: Property in the County is reassessed every third year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value. The table prior to the implementation required in this schedule presented information by class, real, and personal property, rather than by major component. Also, the assessed value was presented as a ratio of total estimated actual value.

**County of El Paso, Texas
Property Tax Rates (1)
Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)**

Name of Government	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
County Direct Rates										
General and Debt Service	\$0.315000	\$0.361430	\$0.361430	\$0.361430	\$0.361430	\$0.396610	\$0.410820	\$0.432260	\$0.432259	\$0.391390
R. E. Thomason General Hospital	0.191300	0.185070	0.185070	0.185470	0.185470	0.185470	0.187130	0.187130	0.187128	0.186000
Total direct rate	0.506300	0.546500	0.546500	0.546900	0.546900	0.582080	0.597950	0.619390	0.619387	0.577390
City and Town Rates										
City of Anthony	0.250740	0.256250	0.256250	0.273580	0.279090	0.308320	0.457700	0.457700	0.474686	0.433112
City of El Paso	0.635920	0.660230	0.660230	0.660210	0.719830	0.719830	0.719830	0.696680	0.696677	0.672326
City of Horizon	0.169550	0.194230	0.190390	0.203660	0.229670	0.258900	0.287500	0.287500	0.310000	0.310000
City of Socorro	0.383550	0.380050	0.397130	0.397130	0.420670	0.443140	0.475940	0.497420	0.491594	0.482182
Town of Clint	0.363940	0.342550	0.342550	0.342550	0.342550	0.343350	0.375500	0.398030	0.413773	0.416914
School District Rates										
Anthony Ind. School District	1.350000	1.580000	1.431680	1.631110	1.674100	1.692300	1.700690	1.720071	1.700000	1.545050
Canutillo Ind. School District	1.670000	1.670000	1.536600	1.700720	1.606870	1.710000	1.700000	1.741537	1.734946	1.664996
Clint Ind. School District	1.642400	1.642400	1.400000	1.451540	1.714800	1.794000	1.725460	1.710000	1.710000	1.685100
El Paso Ind. School District	1.515230	1.653880	1.560150	1.551580	1.171580	1.171579	1.571100	1.653500	1.673500	1.523500
Fabens Ind. School District	1.370000	1.460000	1.460000	1.500000	1.500000	1.578496	1.578500	1.578500	1.576781	1.512250
San Elizario Ind. School District	1.475160	1.500000	1.500000	1.500000	1.500000	1.577326	1.577330	1.571700	1.572600	1.447800
Socorro Ind. School District	1.380000	1.550000	1.472830	1.530590	1.558770	1.615500	1.602500	1.637700	1.627582	1.493689
Tornillo Ind. School District	1.231740	1.480000	1.268400	1.498040	1.599950	1.718100	1.515000	1.708200	1.699000	1.635300
Ysleta Ind. School District	1.580250	1.630000	1.551480	1.549580	1.549580	1.555755	1.570480	1.757438	1.735903	1.540000
Special District Rates										
EPCO Emergency Service District No. 1	0.083320	0.082860	0.081570	0.087160	0.092570	0.095000	0.098870	0.097910	0.097310	0.093009
EPCO Emergency Service District No. 2	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.100000	0.095969	0.089363
EPCO Tornillo Water Improvement Dist.	0.071010	0.065070	0.061000	0.062700	0.062700	0.062700	0.062700	0.066340	0.066343	0.066343
EPCO Water Authority (Horizon)	0.478750	0.478760	0.478760	0.468690	0.468690	0.468690	0.468690	0.468690	0.468693	0.468693
El Paso Community College	0.103640	0.110750	0.110750	0.127500	0.127500	0.131390	0.136360	0.136640	0.132844	0.120998
Hacienda Del Norte Water Imp. Dist.	0.124840	0.495000	0.400000	0.400000	0.440000	0.440000	0.455000	0.390000	0.373053	0.337532
Homestead Municipal Util. Dist. (2)	0.720000	0.679500	0.540000	0.540000	0.500000	0.440000	0.430000	0.420290	0.415386	
Lower Valley Water Authority	0.120000	0.120000	0.120000	0.120000	0.280000	0.280000	0.270440	0.256780	0.244392	0.227266
Westway Water Imp. District (2)	0.272650	0.256090	0.256090	0.191930						
Downtown Management District	0.120000	0.120000	0.120000	0.120000	0.120000	0.120000	0.120000	0.120000	0.120000	0.120000

Source: City of El Paso Consolidated Tax Office.

Notes: Overlapping rates are those that apply to property owners within the County of El Paso. Not all overlapping rates apply to all County property owners; for example, although the County property tax rates apply to all County property owners, the City of El Paso rates apply only to those whose property is located within the City's geographic boundaries.

(1) These property tax rates are expressed in dollars per \$100 assessed valuation.

(2) These districts have been absorbed by the Public Service Board (PSB)

Table 7

**County of El Paso
Principal Property Taxpayers
Current Year and Nine Years Ago
(Amounts Expressed in Thousands)**

Taxpayer	2006			1997		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Western Refining Company L.P.	\$316,643	1	1.22%			
El Paso Electric Company	170,657	2	0.66%	\$174,510	2	1.09%
Simon Property Group	164,602	3	0.63%	49,838	9	0.31%
Southwestern Bell Telephone Co	148,508	4	0.57%	184,232	1	1.15%
River Oaks Properties, LTD	95,677	5	0.37%			
Tenet Hospitals Limited	70,640	6	0.27%	44,112	10	0.28%
Phelps Dodge Refining Corp	61,055	7	0.24%	93,489	5	0.58%
Hoover Co	59,999	8	0.23%			
Texas & Kansas City Cable PTNRS	50,512	9	0.19%			
Texas Gas Service	48,837	10	0.19%			
Refinery Holding Co. L.P.				109,477	4	0.68%
Chevron U.S.A., Inc.				109,691	3	0.68%
Asarco, Inc.				66,181	6	0.41%
El Paso Natural Gas Company				55,468	7	0.35%
Property Trust of America				54,469	8	0.34%
	<u>\$1,187,130</u>		<u>4.58%</u>	<u>\$941,467</u>		<u>5.87%</u>

Source: Central Appraisal District.

Table 8

**County of El Paso
Property Tax Levies and Collections
Last Ten Fiscal Years
(Amounts Expressed in Thousands)**

Fiscal Year	Original Tax Levy	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
1997	\$47,678	(\$467)	\$47,211	\$45,481	95.39%	\$1,501	\$46,982	99.51%
1998	50,483	(551)	49,932	48,379	95.83	1,326	49,705	99.55
1999	58,987	(190)	58,797	56,975	96.59	1,551	58,526	99.54
2000	60,879	(399)	60,480	58,448	96.01	1,702	60,150	99.45
2001	62,970	(482)	62,488	59,949	95.20	2,137	62,086	99.36
2002	66,263	(513)	65,750	63,217	95.40	2,048	65,265	99.26
2003	75,101	(1,173)	73,928	71,164	94.76	2,117	73,281	99.12
2004	79,471	(347)	79,124	76,113	95.77	2,191	78,304	98.96
2005	91,198	(657)	90,541	87,435	95.87	1,774	89,209	98.53
2006	97,536	(360)	97,176	93,985	96.36	N/A	93,985	96.72

Source: City of El Paso Consolidated Tax Office and El Paso County Auditor's Office.

County of El Paso, Texas
Ratios of Outstanding Net Debt by Type
Last Ten Fiscal Years
(Unaudited)

Year	General Bonded Debt			Percentage of Actual Property Value (3)	Per Capita (4)	Business-Type Activities	Revenue Bonds (1)(5)	Total Primary Government (1)	Percentage of Personal Income (4)	Per Capita (4)
	General Obligation Bonds (1)	Certificates of Obligation (1)	Less: Funds Available in Debt Service Fund (1)(2)							
1997	\$84,628	\$24,035	\$1,132	\$107,531	\$157.67			\$107,531	1.23%	\$157.67
1998	87,424	38,550	1,392	124,582	179.73		\$1,150	125,732	1.42%	181.39
1999	81,968	35,075	1,251	115,792	164.15		1,090	116,882	1.21%	165.70
2000	74,788	31,070	877	104,981	154.47		1,225	106,206	1.14%	156.27
2001	66,788	27,905	845	93,848	135.59		1,215	95,063	0.80%	137.34
2002	63,210	86,875	870	149,215	213.91		1,199	150,414	1.61%	215.63
2003	57,720	83,590	903	140,407	199.25		1,183	141,590	1.50%	200.93
2004	51,145	80,620	964	130,801	183.18		1,167	131,968	1.39%	184.82
2005	44,360	77,140	1,309	120,191	164.69		1,150	121,341	1.18%	166.27
2006	36,865	74,065	2,070	108,860	144.17		1,133	109,993	1.02%	145.67

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Amounts expressed in thousands.

(2) Amounts available for repayment of general obligation bonds.

(3) See Table 5 For taxable property value data.

(4) Population and personal income data can be found in table 13.

(5) The 1998-2005 amounts include state issued bonds for which the county is paying back with user assessed fees.

Table 10

County of El Paso, Texas
Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds
September 30, 2006
(Unaudited)
(Amounts Expressed in Thousands)

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to County of El Paso	Amount Applicable to County of El Paso
Direct:			
County of El Paso	\$110,930	100%	\$110,930
Total direct debt	<u>110,930</u>	<u>100</u>	<u>110,930</u>
Overlapping:			
Anthony Independent School District	4,676	100	4,676
Canutillo Independent School District	52,037	100	52,037
City of Anthony	576	100	576
City of El Paso	352,504	100	352,504
City of Socorro	3,199	100	3,199
Clint Independent School District	66,663	100	66,663
El Paso County Water Authority (Horizon)	13,150	100	13,150
El Paso Independent School District	301,822	100	301,822
Fabens Independent School District	8,239	100	8,239
Homestead Municipal Utility District	1,150	100	1,150
R. E. Thomason General Hospital	157,453	100	157,453
San Elizario Independent School District	6,840	100	6,840
Socorro Independent School District	306,370	100	306,370
Tornillo Independent School District	9,016	100	9,016
Town of Horizon City	69	100	69
Ysleta Independent School District	169,866	100	169,866
Total overlapping debt	<u>1,453,630</u>	<u>100</u>	<u>1,453,630</u>
Totals	<u>\$1,564,560</u>	<u>100%</u>	<u>\$1,564,560</u>

Source: County Auditor's Office and Municipal Advisory Council of Texas, *Texas Municipal Reports*.

**County of El Paso, Texas
Pledged-Revenue Coverage
Last Five Fiscal Years
(Unaudited)**

Water Revenue Bonds									
Plus:									
Intergovernmental									
Fiscal Year	Service Charges	Less: Operating Expenses	Net Operating Revenue	Interest Revenue	Revenue (Expenses)	Net Available Revenue	Debt Service		Coverage
							Principal	Interest	
2002	\$638,779	\$416,828	\$221,951	\$23,187	\$3,978,339	\$4,223,477	\$16,000	\$60,736	55.04
2003	695,995	553,335	142,660	13,933	297,246	453,839	16,000	59,950	5.98
2004	730,374	990,249	(259,875)	15,285	(33,463)	(278,053)	16,000	59,157	(3.70)
2005	757,244	936,453	(179,209)	33,225		(145,984)	17,000	58,353	(1.94)
2006	767,416	1,072,284	(304,868)	62,435		(242,433)	17,000	57,497	(3.25)

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Operating expenses exclude interest and depreciation expenses. The coverage ratio is calculated by dividing net pledged revenue by the sum of principal and interest. This schedule prepared from fiscal year 2002, the year GASB Statement 34 was implemented.

Table 13

County of El Paso, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Income	Median Age	Education Level in Years of Formal Schooling	Enrollment	Unemployment Rate
1997	682,000	\$8,722,780	\$12,790	28.7	12.6	188,175	11.7%
1998	693,177	8,865,734	12,790	27.6	12.6	190,778	11.1
1999	705,393	9,665,295	13,702	28.0	12.6	186,440	10.5
2000	679,622	9,312,181	13,702	28.0	12.6	188,130	9.0
2001	692,152	11,916,089	17,216	30.0	12.6	191,620	8.7
2002	697,562	9,361,980	13,421	30.0	12.6	198,813	8.4
2003	704,671	9,457,389	13,421	30.0	12.6	199,849	9.7
2004	714,040	9,516,011	13,327	30.4	12.6	205,974	7.2
2005	729,791	10,301,730	14,116	30.5	12.6	224,087	6.2
2006	755,085	10,749,390	14,236	30.9	12.6	240,251	6.8

Sources: Population by the City Planning Department. Unemployment data provided by the Texas Workforce Commission. Per capita income, personal income, median age information and enrollment provided by the U.S. Census Bureau's American Community Survey.

Note: Updated data not available for Education level in years of formal schooling.

Table 14

**County of El Paso, Texas
Principal Employers
Last Two Fiscal Years**

Employer	2006			2005		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
El Paso Independent School District	8,663	1	3.1%	8,663	1	3.2%
Fort Bliss Civilian	6,620	2	2.3%	6,620	2	2.5%
Ysleta Independent School District	6,500	3	2.3%	6,500	3	2.4%
City of El Paso	6,264	4	2.2%	6,264	4	2.3%
University of Texas at El Paso	4,836	5	1.7%	4,841	5	1.8%
Socorro Independent School District	3,995	6	1.4%	3,995	6	1.5%
Sierra Providence Health Network	3,761	7	1.3%	3,761	7	1.4%
El Paso Community College	3,728	8	1.3%	3,728	8	1.4%
Wal-Mart	3,677	9	1.3%	3,706	9	1.4%
Echostar Satellite Corp.	3,000	10	1.1%			
County of El Paso				2,657	10	1.0%
	<u>51,044</u>		<u>18.00%</u>	<u>50,735</u>		<u>18.94%</u>

Source: Real Estate Center and the City of El Paso Office of Economic Development.

Note: Total employment is 283,600. Table should reflect comparison data from nine years ago; however, data was unavailable.

County of El Paso, Texas
Full-time Equivalent County Government Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government (1)	366.5	366.0	369.0	400.5	413.0	434.0	440.0	459.5	452.5	458.5
Administration of justice (2)	323.5	336.0	333.5	382.5	411.5	457.0	470.5	479.0	486.0	516.5
Public safety (3)	737.5	960.0	996.5	1,124.5	1,145.5	1,154.0	1,161.5	1,196.5	1,216.5	1,220.5
Health and welfare	13.5	14.5	23.5	24.0	26.5	26.5	27.5	26.5	22.0	23.5
Community services				2.0						
Resource development	29.0	29.5	29.5	37.5	45.5	28.5	31.5	25.5	16.0	16.0
Culture and recreation	46.5	42.0	41.0	42.0	48.0	81.5	77.5	70.0	48.0	45.0
Public works	61.0	64.0	64.0	74.0	72.0	63.0	67.0	67.0	69.0	70.5
Grants	66.0	116.5	112.5	123.0	159.5	136.5	161.5	163.5	163.5	175.0
Total	1,643.5	1,928.5	1,989.5	2,210.0	2,321.5	2,381.0	2,437.0	2,487.5	2,473.5	2,525.5

Source: County Auditor's Office.

Notes:

- (1) Over the years, the County has added personnel to staff the demands of understaffed departments and for the administrative support of additional courts.
- (2) Personnel has been added to staff new courts and for the judicial support offices.
- (3) Public safety personnel has been added in connection with the completion of a new jail annex.

Table 16

County of El Paso, Texas
Operating Indicators by Function/Program
Last Five Fiscal Years

<u>Function/Program</u>	<u>Fiscal Years</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government					
County Auditor					
Accounts Payable checks issued	35,583	36,811	36,783	35,693	33,713
Deposit warrants issued	11,424	11,619	11,353	11,037	10,527
Internal audit months completed	276	425	474	480	507
Domestic Relations Office					
Cases monitored	N/A	888	627	435	650
Cases referred to enforcement	N/A	138	266	193	123
Human Resources					
Tests administered	980	1,412	1,134	1,267	1,238
Tax Office (2)					
Auto titles issued	142,545	151,401	146,978	150,206	154,440
Auto registrations	483,799	490,956	498,868	524,849	565,175
Administration of justice					
District court level					
Civil cases filed	20,238	24,505	14,657	22,572	27,557
Civil case dispositions	19,609	22,257	15,396	18,855	19,354
Criminal cases filed	9,134	8,182	8,027	4,728	6,612
Criminal case dispositions	9,032	7,294	7,719	5,304	4,036
Juvenile cases filed	2,205	2,294	1,977		1,243
Juvenile case dispositions	2,233	2,135	2,839		1,276
County court level					
Civil cases filed	850	867	939	1,005	1,310
Civil case dispositions	1,009	801	745	572	929
Criminal cases filed	21,281	20,994	19,979	19,499	17,135
Criminal case dispositions	19,852	22,218	20,423	18,166	17,119
Probate and Mental Health cases filed	2,493	2,487	3,861	2,576	2,614
Probate and Mental Health hearings	4,625	5,288	5,682	5,754	4,152
Justice of the Peace court level					
Civil cases filed	6,365	5,921	5,557	4,454	4,876
Civil case dispositions	3,124	3,061	2,991	2,457	1,615
Criminal cases filed	65,695	68,527	68,891	65,662	66,761
Criminal case dispositions	61,794	53,615	50,713	53,310	64,922
Public safety					
Jail Facilities					
Total prisoner days	880,184	905,778	922,938	887,460	841,266
Cost per prisoner day	\$47.22	\$52.21	\$56.04	\$57.59	\$58.98
Law Enforcement					
Citations filed	6,786	7,883	7,534	8,700	10,273
Health and welfare					
General Assistance					
Number of pauper burials/cremations	173	178	177	191	185
Applications approved for assistance	6,437	5,799	5,262	4,169	4,825
Medical Examiner					
Number of autopsies	508	534	515	545	655
Number of investigations	2,694	2,441	2,660	2,542	2,137

(continued)

Table 16

County of El Paso, Texas
Operating Indicators by Function/Program
Last Five Fiscal Years

<u>Function/Program</u>	<u>Fiscal Years</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Resource development					
Agricultural co-op extension					
Number of educational presentations	671	2,167	3,711	1,597	N/A
Number of participants in educational presentations	16,038	26,625	38,524	29,676	N/A
Culture and recreation					
Parks and recreation					
Golf memberships sold	1,407	455	616	625	681
Number of golf tournaments	85	82	80	77	69
Pool rentals	58	66	73	46	29
County library (3)					
Materials circulated	56,296	48,552	44,825	36,816	N/A
Patrons	40,713	39,917	39,576	N/A	N/A
Public works					
Road and Bridge					
Miles of roadways chip sealed	23.7	35.8	20.6	16.3	19.0
Miles of roads reconstructed	11.3	6.7	3.4	6.8	0.8
Miles of road shoulders paved		11.0	2.4	4.6	
Miles of road overlaid	14.6	9.5	8.4	8.2	8.6

(concluded)

Source: Various County departments. Case data is as reported to the Texas Office of Court Administration.

Notes: Resource development indicators are estimates. The County Library was transferred to the Fabens Independent School District in December 2005. Indicators are not available for the community services function. Data not available for some functions in some years.

(1) The drastic change in payroll checks and advices issued resulted from mandating that employees sign up for direct deposit and making advices available electronically rather than printing them. Checks are still printed for 100 or so employees who have refused direct deposit and for new hires.

(2) Tax office data is reported in the State's fiscal year, which is September through August, for 2002 through 2005. 2006 tax office data is reported based on a calendar year.

(3) The County Library was transferred to the Fabens Independent School District in December 2005.

Table 17

County of El Paso, Texas
Capital Asset Statistics by Function/Program
Last Five Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General government					
Touchscreen voting machines	143	143	143	143	143
Administration of justice					
Courtroom video projection systems	12	14	26	26	26
Public safety					
Sheriff stations	3	3	3	3	3
Sheriff patrol vehicles	103	103	95	110	122
Constable vehicles	16	16	14	15	14
Community services					
Transit buses and vans	5	5	4	7	7
Culture and recreation					
County parks	6	6	8	8	8
Golf courses	1	1	1	1	1
Swimming pools	3	3	3	3	3
County libraries	1	1	1	1	0
Coliseum	1	1	1	1	1
Equestrian center	1	1	1	1	1
Public works					
Bridges	23	23	23	23	23
Roads	597	657	633	699	727

Source: Various County departments and County fixed asset reports.

Notes: Capital asset indicators are not available for the health and welfare or the resource development function.

