

**CAMERON COUNTY, TEXAS
PARK SYSTEM
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEARS ENDED
SEPTEMBER 30, 2011 AND 2010**



**Cameron County Auditor
1100 E. Monroe St.
Brownsville, Texas 78520**

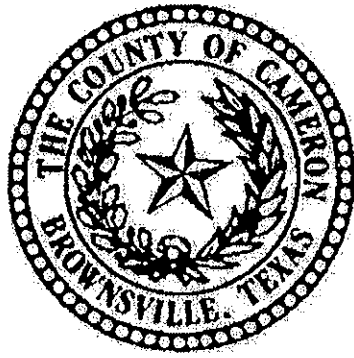
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FOR THE YEARS ENDED
SEPTEMBER 30, 2011 AND 2010



CAMERON COUNTY, TEXAS
PARK SYSTEM
SEPTEMBER 30, 2011 AND 2010

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CAMERON COUNTY PARK SYSTEM

P.O. BOX 2106
SOUTH PADRE ISLAND, TEXAS 78597

March 12, 2012

Hon. County Judge, Carlos H. Cascos.
Hon. Commissioner Pct. 1, Sofia C. Benavides
Hon. Commissioner Pct. 2, Ernie Hernandez
Hon. Commissioner Pct. 3, David Garza
Hon. Commissioner Pct. 4, Dan Sanchez
Cameron County Courthouse
Brownsville, Texas

Honorable County Judge and Commissioners:

The Cameron County Park and Recreation Department (Park) owns and operates fourteen park facilities that encompass approximately 812 acres throughout the County. The County Park and Recreation Department's mission is to provide safe, quality recreation opportunities to the citizens and visitors of Cameron County at an affordable price. The Cameron County Park and Recreation Department also seeks to develop and protect Cameron County Coastal resources and natural habitats.

Isla Blanca, Andy Bowie and Edwin K. Atwood County Parks provide beach access for day-use, as well as overnight camping, public parking, retail stores, restaurants, full service pavilions, beach equipment rental and covered shade areas. Other amenities such as fishing, surfing, bird watching and strolling along the edge of the shoreline are some of the nature activities enjoyed at Isla Blanca Park. Isla Blanca Park also boasts a full service marina, access to a water park and a boat launching facility. The Park accommodates over six hundred full-service recreational transient vehicle rental sites, and eight cabanas that sleep six persons comfortably. The cabanas are equipped with restrooms, showers, and small kitchenettes. Andy Bowie and E.K. Atwood Parks, are located approximately five miles north on South Padre Island. These parks are designed to provide public beach access. Both Andy Bowie and E.K. Atwood Parks contain full service pavilions, picnic areas and beach rentals. Andy Bowie Park also offers full service recreational transient vehicles rental sites, restroom facilities and access to a new hotel.

Located on the mainland within the Laguna Atascosa Refuge, Adolph Thomae Jr., Park is three miles from the Laguna Madre Bay. This facility caters to fishing, birding and camping enthusiasts by providing a boat launch facility, fish cleaning facilities, two lighted fishing piers, thirty five recreational transient vehicle rental sites, parking, picnic areas, and tent sites.

The Cameron County Park System also oversees eleven smaller community parks and park facilities that are nestled throughout the County within small underserved communities. The park facilities consist of La Esperanza, Santa Maria, Santa Rosa, Jose Esparza, Bejerano-McFarland Memorial, Rio Hondo, La Paloma, Laureles, Pedro "Pete" Benavides Park, Los Indios and State Highway 48 Boat Ramp. La Esperanza Park has a community center, a multi-use sports field, a lighted covered picnic/sports court, an open air basketball court, multi-use walking trail and a playground. At La Esperanza Park, educational services are provided at the Technology Center together with social services at the Centro Cultural. Santa Maria, Santa Rosa and Jose Esparza Parks all contain small swimming pools, playgrounds, and picnic areas and open space. Santa Rosa offers a softball field, and Santa Maria contains a community center, historical church and a Little League Baseball Field. The Bejerano-McFarland Memorial Park,

which is located in the Colonia of Laguna Heights, provides residence with a basketball court, pavilion, restrooms, multipurpose trail and a board walk/nature trail with a bird watch overlook. Pedro "Pete" Benavides Park, which is located in the Southmost area of Brownsville, offers two lighted baseball fields, two lighted soccer fields, lighted basketball courts, playgrounds, nature trail and walking trail and a Community Center. Browne Road Community Center also provides social services for community residents. La Paloma Park has one baseball field, one soccer field, a pavilion, a walking trail, restrooms, concession/storage room, multi age playground and basketball court. Laureles Community Park has two baseball fields, one soccer field, a pavilion, a walking trail, restrooms, concession/storage room, a multi age playground and basketball court. The Rio Hondo Park which maintenance and operation has been turned over to the City of Rio Hondo has two baseball fields, one soccer field, a pavilion, a walking trail, restrooms, concession/storage room, a multi age playground and basketball court.

As of March 2012, El Ranchito Park remains in the planning stage.

REVENUES

The Parks System experienced an overall 44.3% increase in operating revenues, from \$4.40 million to \$ 6.34 million. Of the 44.3% increase in operating revenues, Isla Blanca Park accounts for 72.8% of the increase. Public Beaches account for 17.2% increase in revenue. Andy Bowie Park, Adolph Thomae Jr. Park, and the Community Parks account for the remaining 10.0% increase in operating revenues.

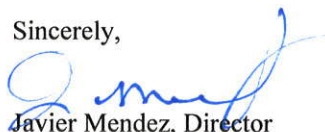
EXPENSES

The Parks System experienced an overall 7.6% increase in operating expenditures. Increases in depreciation, utilities, professional services and fuel expenditures contributed to the 7.6% increase in expenditures.


OTHER EVENTS

A new flagship convention style hotel was constructed and is in full operation at Andy Bowie Park as of July 2010. The Cameron County Parks 4 year Capital improvement plan has been presented to the Cameron County Commissioner Court for Isla Blanca, Andy Bowie, E.K. Atwood, Adolph Thomae Jr., Pedro "Pete" Benavides, Santa Maria, Santa Rosa, El Ranchito Parks, La Esperanza, and the State Highway 48 Boat Ramp. One other substantial improvement made in 2010 was the design and installation of a new toll collection system at Isla Blanca, Andy Bowie, E.K. Atwood, Adolph Thomae Jr. Parks and Beach Access 6. In 2011, Cameron County Commissioners' Court has approved 2.3 million dollars towards an addition to the Browne Road Community Center and the construction of a community center in Olmito, Texas.

Sincerely,



Javier Mendez, Director
Cameron County Parks and Recreation Department



Martha Galarza, CPA
Cameron County Auditor

INDEPENDENT AUDITOR'S REPORT

To the Honorable County Judge and
Commissioners' Court
Cameron County, Texas

We have audited the accompanying financial statements of the Park System of Cameron County, Texas, as of and for the years ended September 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of Cameron County, Texas' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Park System's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The financial statements present only the financial position of the Park System and do not purport to, and do not present fairly the financial position of Cameron County, Texas as of September 30, 2011 and 2010, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Park System of Cameron County, Texas, as of September 30, 2011 and 2010, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Brownsville, Texas
March 12, 2012
(except for Note 7, as to which the date is April 9, 2012)

CAMERON COUNTY PARK SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2011

This discussion and analysis of the Cameron County Park System (Park) financial performance provides an overview of the Park's financial activities for the fiscal year ended September 30, 2011. The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities and resulting changes. The MD&A should be considered in conjunction with the letter of transmittal, the accompanying basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

The Park's total assets exceeded its total liabilities at September 30, 2011 by \$9,556,886.

Total assets increased from Fiscal Year 2010 to Fiscal Year 2011 by \$2,551,335.

Total liabilities increased from Fiscal Year 2010 to Fiscal Year 2011 by \$1,557,750.

Total net assets increased by \$993,585.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Park's basic financial statements. The Park's basic financial statements are comprised of: 1) Statement of Net Assets, 2) Statement of Revenues, Expenses, and Changes in Fund Net Assets, 3) Statement of Cash Flows, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements.

Park's Basic Financial Statements

The *Basic Financial Statements* are designed to provide readers with a broad overview of the Park's finances in a manner similar to private sector business. They present the financial picture of the Park from an economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the Park as well as all liabilities.

The *Statement of Net Assets* presents information on all Park's assets and liabilities, with the difference between the two reported as *net assets*. Increases or decreases in net assets, contrasted with budgetary decisions, should serve as a useful indicator of whether the financial position of the Park is improving or deteriorating.

The *Statement of Revenues, Expenses, and Changes in Fund Net Assets* presents information showing how net assets changed during the most recent fiscal year using full accrual basis of accounting. 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 result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The *Statement of Cash Flow* presents information on all Park's sources of cash and cash equivalents and the uses of cash and cash equivalents. Specific information about *Operating* cash flows, *Investing* cash flows, and *Financing* cash flows are presented along with information about material non-cash events.

The *Notes to the Basic Financial Statements* present additional information that is essential to a full understanding of the data provided in the Basic Financial Statements.

PARK'S FINANCIAL ANALYSIS

Net assets serve as a useful indicator of the Park's financial position. As of September 30, 2011, the Park's assets exceeded liabilities by \$9,556,886.

The Parks have net assets of \$6,403,023 invested in capital assets (e.g. land, building, improvements, construction in progress, automotive machinery, and other structures) less any outstanding debt used to acquire those assets.

A portion of the Park's net assets, \$3,923,724, represents resources that are subject to external restrictions on how they may be used. These restricted net assets include net assets for debt service and amounts restricted for construction.

The Park has a deficit of \$769,861 of unrestricted net assets at the end of this year.

The Park's net assets for fiscal years ended September 30, 2011, 2010 and 2009 are summarized as follows:

Condensed Schedule of Net Assets September 30

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Current and other assets	\$7,427,671	\$4,381,643	\$6,457,443
Capital assets	13,140,879	13,635,572	10,821,826
Total assets	<u>20,568,550</u>	<u>18,017,215</u>	<u>17,279,269</u>
Current and other liabilities	1,618,056	1,643,897	1,284,741
Long-term liabilities	9,393,608	7,810,017	8,171,888
Total liabilities	<u>11,011,664</u>	<u>9,453,914</u>	<u>9,456,629</u>
Net assets:			
Invested in capital assets net of related debt	6,403,023	5,710,053	2,554,100
Restricted	3,923,724	2,815,648	3,649,770
Unrestricted	(769,861)	37,600	1,618,770
Total net assets	<u>\$9,556,886</u>	<u>\$8,563,301</u>	<u>\$7,822,640</u>

The following table provides a summary of the Park's revenues, expenses, and changes in fund net assets for the years ended September 30, 2011, 2010 and 2009. The Park experienced an overall increase of \$993,585 in net assets for the year ending September 30, 2011.

Condensed Schedule of Changes in Net Assets
For the Year ended September 30

	2011	2010	2009
Operating revenues	\$6,339,135	\$4,391,898	\$4,862,497
Operating expenses	(4,640,358)	(4,311,010)	(4,028,627)
Operating Income (loss)	1,698,777	80,888	833,870
Non-operating revenue (expenses)	(135,270)	(321,118)	12,134
Capital Grant Revenue (Expense)	-	1,626,254	459,149
Transfer in from other funds	80,609	-	-
Transfer to other funds	(650,531)	(645,363)	(654,537)
Increase (decrease) in net assets	993,585	740,661	650,616
Net assets – Beginning of year	8,563,301	7,822,640	7,172,024
Net assets – End of year	\$9,556,886	\$8,563,301	\$7,822,640

GENERAL FUND BUDGETARY HIGHLIGHTS

The budget is prepared in accordance with financial policies approved by the County Auditor and the Commissioners' Court following a public hearing. The County Auditor is required by policy to present the Commissioners' Court with a balanced budget that contains a no increase assumption as a starting point for budget discussions.

The budget is prepared, in accordance with accounting principles generally accepted in the United States of America, by the County Auditor and approved by the Commissioners' Court following a public hearing. Appropriated budgets are approved and employed as a management control device during the year. The Park maintains strict budgetary controls and sets its appropriations at a line item level for each department. Appropriation transfers are allowable between line item or departments only with the approval of the Commissioners' Court. Reserves are established as a budget line item and may be transferred to other budget line items with approval of the Commissioners' Court.

The FY 2011 budget was adopted on September 16, 2011 with total Operating Expenditures of \$4,207,215, a 14.1% increase from Fiscal Year 2010 budgeted operating expenses.

CAPITAL ASSETS

The Parks has \$13,140,879 (net of accumulated depreciation) invested in Capital Assets. General capital assets include land, buildings, improvements, construction in process, equipment, furniture and fixtures, other structures, automotive machinery and equipment.

Major capital asset events during fiscal year 2011 included the following:

- Completion of Highway 48 boat ramp.
- The implementation of new toll software and equipment for Isla Blanca, Andy Bowie and Adolph Thomae Park.

Capital assets consisted of the following at September 30, 2011:

Assets being depreciated:	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
Buildings	\$ 10,439,724	\$ -	\$ -	\$ 10,439,724
Improvements other than buildings	5,767,296	49,465	-	5,816,761
Equipment	613,429	-	(1,446)	611,983
Automotive machinery and equipment	1,417,649	-	(200,032)	1,217,617
Furniture and fixtures	1,001,160	-	(3,344)	997,816
Other structures	3,544,430	481,932	-	4,026,362
Assets not being depreciated:				
Construction in progress	1,512,162	-	(127,458)	1,384,704
Land	1,549,572	-	-	1,549,572
Less: Accumulated depreciation	<u>(12,209,850)</u>	<u>(693,810)</u>	<u>-</u>	<u>(12,903,660)</u>
TOTAL CAPITAL ASSETS	<u><u>\$ 13,635,572</u></u>	<u><u>\$ (162,413)</u></u>	<u><u>\$(332,280)</u></u>	<u><u>\$ 13,140,879</u></u>

DEBT ADMINISTRATION

During the period in which the bonds are outstanding, the Park System Bond Order requires the County to create and maintain a Debt Service Reserve Fund to be funded (i) out of proceeds of Park System obligations which are secured by a parity pledge on the net revenues, as defined in the Bond Order, of the Park System, (ii) from periodic deposits of net revenues, or (iii) from other funds of the County which are lawfully available for such purpose. The County is obligated by the Bond Order to maintain an amount on deposit in the Debt Service Fund equal to the average annual debt service for all Park System obligations, as defined in the Bond Order.

At September 30, 2011, the Park has certificates of obligation payable of \$9,367,600 of which \$335,000 is payable in fiscal year 2012.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET RATES

The annual budget is developed to provide efficient, effective, and economic uses of the Park's resources as well as a means to accomplish the highest priority objectives. Through the budget, the Cameron County Commissioners set the direction of the Parks, allocates its resources, and establishes its priorities.

In developing the Park's budget for FY 2012, the Commissioners' Court and management considered the following factors:

- Recreational vehicle site rental rates.

- Implementation of new toll software.
- Additional lease income.
- Increase in daily entrance fees.
- Debt service commitments and capital lease obligations.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, taxpayers, and investors with a general overview of the Park's finances and to show the Park's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the appropriate financial officer at 1100 E. Monroe, Brownsville, Texas 78502.

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF NET ASSETS
September 30, 2011 and 2010

ASSETS

	2011	2010
<u>CURRENT ASSETS</u>		
Cash on deposit and on hand (Note 5)	\$3,366,549	\$961,389
Accounts receivable	69,882	215,097
Inventory	1,710	1,531
Due from other funds	5,300	326,845
Prepaid insurance	60,506	61,133
TOTAL CURRENT ASSETS	3,503,947	1,565,995
<u>NONCURRENT ASSETS</u>		
<u>Restricted Assets (Note 2)</u>		
Park Construction Fund:		
Cash on deposit	925,055	1,526,257
Due from other funds	1,900,000	-
Debt Reserve Fund:		
Cash on deposit	335,000	531,042
Operating Reserve Fund:		
Cash on deposit	763,669	758,349
TOTAL RESTRICTED ASSETS	3,923,724	2,815,648
<u>Capital Assets (Note 1C)</u>		
Depreciable assets:		
Buildings	10,439,724	10,439,724
Improvements other than buildings	5,816,761	5,767,296
Equipment	611,983	613,429
Automotive machinery and equipment	1,217,617	1,417,649
Furniture and fixtures	997,816	1,001,160
Other structures	4,026,362	3,544,430
	23,110,263	22,783,688
Less: Accumulated depreciation	(12,903,660)	(12,209,850)
Net depreciable assets	10,206,603	10,573,838
Construction work in progress	1,384,704	1,512,162
Land	1,549,572	1,549,572
TOTAL CAPITAL ASSETS	13,140,879	13,635,572
TOTAL ASSETS	\$ 20,568,550	\$ 18,017,215

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF NET ASSETS-continued
September 30, 2011 and 2010

LIABILITIES

	2011	2010
Current Liabilities (payable from Current Assets):		
Accounts payable	\$ 192,260	\$ 231,796
Due to other Funds	189,036	103,319
Capital Lease payable-current	82,566	78,912
Due to other Governments	-	-
Wages and fringe payable	35,847	51,746
Compensated Absences payable (Note 4)	13,825	9,344
Accrued Interest payable	38,126	43,347
Laguna Madre enhancement reserve	-	60,010
Education Reserve	5,947	5,947
Rental deposits	725,449	644,476
Total Current Liabilities (payable from Current Assets)	1,283,056	1,228,897
Current Liabilities (payable from Restricted Assets):		
Current maturities of Certificates of Obligation (Note 3)	335,000	175,000
Current maturities of revenue bonds	-	240,000
Total Current Liabilities (payable from Restricted Assets)	335,000	415,000
Noncurrent Liabilities:		
Certificates of Obligation	9,032,600	7,470,000
Less: Unamortized issuance costs	(209,398)	(196,219)
Less: Unamortized discount	(12,313)	-
Plus: Unamortized premium	42,493	-
Capital Lease Payable	82,566	157,825
Unfunded Actuarial Liability	457,660	378,411
Total Long-term Liabilities	9,393,608	7,810,017
 TOTAL LIABILITIES	 11,011,664	 9,453,914

NET ASSETS

Invested in capital assets, net of related debt	6,403,023	5,710,053
Restricted for:		
Debt Service	335,000	531,042
Operating Reserve	763,669	758,349
Restricted for Construction	2,825,055	1,526,257
Unrestricted	(769,861)	37,600
TOTAL NET ASSETS	\$ 9,556,886	\$ 8,563,301

The accompanying notes are an integral part of these financial statements.

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
Years Ended September 30, 201 and 2011

<u>OPERATING REVENUES</u>	<u>2011</u>	<u>2010</u>
Rental income	\$ 4,404,584	\$ 3,323,195
Trash Bag Program	132,450	-
Entrance fees	1,715,690	937,586
Others	86,411	131,117
TOTAL OPERATING REVENUES	<u>6,339,135</u>	<u>4,391,898</u>
<u>OPERATING EXPENSES</u>		
Salaries and employee benefits	1,834,906	1,813,402
Post Employee Benefit Expense	79,249	79,249
Supplies	224,968	154,493
Repairs and maintenance	130,028	118,296
Audit and legal	6,400	5,000
Travel	2,688	1,083
Advertising	9,157	7,366
Insurance	115,045	218,305
Utilities	1,014,745	937,804
Taxes	5,840	11,768
Rental	11,156	10,417
Contractual	234,503	137,451
Miscellaneous	73,041	84,834
Amortization	-	21,890
Depreciation	898,632	709,652
TOTAL OPERATING EXPENSES	<u>4,640,358</u>	<u>4,311,010</u>
OPERATING INCOME (LOSS)	<u>1,698,777</u>	<u>80,888</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>		
Interest on cash investments	11,084	10,232
Interest expense	(322,613)	(333,919)
Bond issuance costs	(14,600)	-
Fiscal agent fees	-	(477)
Gain on sale of capital assets	68,600	-
Grant & Program Revenues	178,691	-
Grant & Program Expenses	(192,695)	-
Insurance Proceeds - net of related losses	136,263	3,046
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(135,270)</u>	<u>(321,118)</u>
Income (Loss) Before Capital Contributions and Transfers	1,563,507	(240,230)
Grant & Program Revenue	-	1,626,254
Transfer in	80,609	-
Transfer out	(650,531)	(645,363)
Change in net assets	993,585	740,661
Total Net Assets - Beginning of year	<u>8,563,301</u>	<u>7,822,640</u>
Total Net Assets - End of year	<u>\$ 9,556,886</u>	<u>\$ 8,563,301</u>

The accompanying notes are an integral part of these financial statements.

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF CASH FLOWS
Years Ended September 30, 2011 and 2010

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	2011	2010
Cash Flows From Operating Activities:		
Cash received from customers	\$ 6,367,891	\$ 5,016,408
Cash payments for goods and services	(1,866,659)	(1,905,575)
Cash payments to employees	(1,846,325)	(1,804,664)
Net Cash Provided by Operating Activities	2,654,907	1,306,169
Cash Flows From Non-Capital Financing Activities:		
Transfer to other funds	(753,850)	(645,363)
Transfer from other funds	80,609	-
Grant-net	118,260	-
Insurance Proceeds	136,263	3,046
Net Cash Provided (Used) by Non-Capital Financing Activities:	(418,718)	(642,317)
Cash Flows From Capital and Related Financing Activities:		
Payments for capital acquisitions, net	(403,937)	(3,286,661)
Capital contributions-grants	-	1,426,182
Principal payments	(240,000)	(395,000)
Lease Payments	(46,919)	-
Interest paid	(11,781)	(339,681)
Proceeds from sale of capital assets	68,600	-
Fiscal agent fees paid	-	(477)
Net Cash Used for Capital and Related Financing Activities	(634,037)	(2,595,637)
Cash Flows From Investing Activities:		
Receipts of interest	11,084	10,232
Net Cash Provided by Investing Activities	11,084	10,232
Net increase (decrease) in cash and cash equivalents	1,613,236	(1,921,553)
Cash and cash equivalents at beginning of year	3,777,037	5,698,590
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 5,390,273	\$ 3,777,037
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income	\$ 1,698,777	\$ 80,888
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	898,632	709,652
Amortization	-	21,890
Post employment benefit expense	79,249	79,249
Changes in Current Assets and Liabilities:		
Decrease (Increase) in accounts receivable	7,792	98,091
Decrease (Increase) in prepaids	627	33,913
Decrease (Increase) in due from other governments	-	348,897
Decrease (Increase) in due from other funds	-	(326,845)
Decrease (Increase) in inventory	(179)	190
Increase (Decrease) in accounts payable	(39,536)	(397,903)
Increase (Decrease) in due to other funds	-	103,319
Increase (Decrease) in deposit payable	80,973	551,852
Increase (Decrease) in accrued interest payable	-	(5,762)
Increase (Decrease) in enhancement reserve	(60,010)	-
Increase (Decrease) in compensated absences	(15,899)	8,289
Increase (Decrease) in wages and fringe payable	4,481	449
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 2,654,907	\$ 1,306,169
Noncash investing, capital and related financing activities:		
Purchase of equipment on account	-	236,737

The accompanying notes are an integral part of these financial statements.

COUNTY, TEXAS
PARK SYSTEM
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011 AND 2010

Note 1 – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. Operations

Cameron County, Texas, (County) through its Park System, owns and operates 1) Isla Blanca Park located in the southernmost tip of South Padre Island, 2) Andy Bowie Park on the north end of South Padre Island, 3) Public Beach access road further north of Andy Bowie Park, 4) E. K. Atwood Park further north of Andy Bowie Park and Public Beaches on South Padre Island, 5) Adolph Thomae Park located in Arroyo City on the Arroyo Colorado, and eleven community parks located throughout Cameron County. The island parks provide transient and long-term rentals of trailer spaces and long-term leases of boat slips at the County's marina facilities. Additionally, the County has several concession leases with various food and entertainment establishments. Such concession leases generally require payment of a monthly lease amount and/or a fixed percentage of gross revenues.

B. Basis of Accounting

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Government Accounting Standards Board (GASB). For the year ended September 30, 2003, the Parks System of Cameron County, Texas adopted GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments (GASB 34) as amended by GASB Statement No. 37 and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following four net asset categories:

- Invested in capital assets, net of related debt: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

- Restricted:

- Nonexpendable – Net assets subject to externally imposed stipulations that the Park System maintains them permanently. For the fiscal year end 2011 and 2010, the Park System does not have nonexpendable net assets.

- Expendable – Net assets whose use by the Park System is subject to externally imposed stipulations that can be fulfilled by actions of the Park System pursuant to those stipulations or that expire by the passage of time. Such assets included the Park System's debt service restrictions and bond construction funds on hand.

- Unrestricted: Net assets that are not subject to externally imposed stipulations.

COUNTY, TEXAS
PARK SYSTEM
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2011 AND 2010

Note 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

B. Basis of Accounting (continued)

The accompanying financial statements have been prepared on the accrual basis. The Park System reports as a Business Type Activity, as defined by GASB Statement No. 34. Business Type Activities are those that are financed in whole or in part by fees charged to external parties for goods and services.

The provisions of GASB Statement No. 45 have been applied as of fiscal year ended September 30, 2009. GASB 45 created accounting standards for Other Post Employment Benefits (OPEB) provided by governmental entities separately from a pension plan. This Statement establishes standards for measurement, recognition and display of OPEB expenditures and related liabilities/assets disclosure.

C. Capital Assets and Depreciation

Purchased assets are recorded at historical cost. Depreciation is provided over the estimated useful lives on a straight-line basis over the following estimated useful lives:

<u>ASSETS</u>	<u>YEARS</u>
Buildings	40
Furniture and Fixtures	5
General Equipment	5
Vehicles	5
Computer hardware	3
Infrastructure	30

Depreciation expense for all activities totaled \$898,632.

D. Retirement Plan

All employees who work in excess of 900 hours per year are members of the Texas County and District Retirement System under which the employees contribute 7% and the Park System contributes 8.76% of the qualified employees' earnings. Retirement plan expense is funded as accrued, and includes amortization of prior service cost over a 20-year period. Information concerning the actuarially computed value of vested benefits is not available. Retirement plan expense for the years ended September 30, 2011 and 2010 totaled \$79,249 and \$79,249, respectively.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

F. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Park System considers cash on hand and deposits at banks as well as all highly liquid investments purchased with a maturity of three (3) months or less or with no stated maturity to be cash equivalents.

COUNTY, TEXAS
PARK SYSTEM
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2011 AND 2010

Note 1 – SUMMARY OF ACCOUNTING POLICIES (continued)

G. Net Assets

Net assets represent the residual interest in the Park System's assets after liabilities are deducted and consist of three sections: Invested in capital assets, net of related debt; restricted and unrestricted. Net assets invested in capital assets, net of debt includes capital assets, restricted and unrestricted, net of accumulated depreciation, reduced by outstanding debt. Net assets are reported as restricted when constraints are imposed by third parties or enabling legislation. The Park System's restricted assets are expendable. All other net assets are unrestricted.

H. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of the changes in the system's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

I. Subsequent Events

Management has evaluated subsequent events through March 12, 2012, which is the date the financial statements were available to be issued.

Note 2 - BOND INDENTURE REQUIREMENTS

During the period in which the bonds are outstanding, the Park System Bond Order requires the County to create and maintain a Debt Service Reserve Fund to be funded (i) out of proceeds of Park System obligations which are secured by a parity pledge on the net revenues, as defined in the Bond Order, of the Park System, (ii) from periodic deposits of net revenues, or (iii) from other funds of the County which are lawfully available for such purpose. The County is obligated by the Bond Order to maintain an amount on deposit in the Debt Service Fund equal to the average annual debt service for all Park System obligations, as defined in the Bond Order.

The Bond Order also obligates the County to fund an Operating Reserve Fund in the amount of \$650,000. The Operating Reserve will be used to pay items of extraordinary maintenance or extraordinary repairs and replacements of the Park System and minor capital improvements to the Park System. Amounts on deposit in the Operating Reserve may be used to pay debt service on Park Obligations in the event that amounts on deposit in the respective interest and sinking fund and the Debt Service Reserve are insufficient for such purpose.

Monies held as restricted assets in the fund established by the revenue bond indenture are invested in securities guaranteed by the U. S. Government. At September 30, 2011, the County's depository had pledged sufficient U.S. Government obligations to meet this requirement.

CAMERON COUNTY, TEXAS
PARK SYSTEM
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2011 AND 2010

Note 3 – LONG-TERM DEBT

B. Certificates of Obligation

The County issued Certificates of Obligation, Series 2007 in the amount of \$8,000,000 on February 15, 2007. The purpose of the Certificates of Obligation are to provide for the payment of contractual obligations to be incurred in connection with the design, planning, acquisition, construction, equipping, expansion, and/or renovation of certain public property, specifically being improvements and additions to, and/or acquisition of, various public parks and other public recreation facilities located throughout the County; and to pay costs of issuance of the Certificates. The Park System raised the R.V. rental space rates and will use the funds formally designated for payment of the Refunding Bonds, Series 1996C, which final payment will be December 1, 2027, to pay the General Funds I & S Fund to make payments on these bonds.

The annual requirements to amortize the entire Note outstanding as of September 30, 2011 including interest payments of \$2,805,983 are as follows:

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2012	\$ 335,000	\$ 303,391	\$ 638,391
2013	350,000	289,691	639,691
2014	365,000	275,391	640,391
2015	380,000	260,491	640,491
2016	395,000	244,991	639,991
2017-2027	<u>5,645,000</u>	<u>1,432,028</u>	<u>7,077,028</u>
TOTAL	<u>\$ 7,470,000</u>	<u>\$2,805,983</u>	<u>\$10,275,983</u>

The County issued Certificates of Obligation, Series 2011 in the amount of \$23,570,000 on June 01, 2011. The County Parks are liable for \$1,897,600 of the Certificate of Obligation, Series 2011. The purposes of the Certificates of Obligation are to provide for the payment of contractual obligations to be incurred in connection with the construction of a Community center in Olmito and for improvements to Benavides County Park and Browne Road Social Service Center.

The annual requirements to amortize the entire Note outstanding as of September 30, 2011 including estimated interest payments of \$1,027,079 are as follows:

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2012	\$ -	\$ 94,951	\$ 94,951
2013	12,092	78,579	90,671
2014	46,754	77,931	124,685
2015	58,443	76,879	135,322
2016	100,763	74,783	175,546
2017-2027	<u>1,679,548</u>	<u>623,956</u>	<u>2,303,504</u>
TOTAL	<u>\$ 1,897,600</u>	<u>\$ 1,027,079</u>	<u>\$ 2,924,679</u>

CAMERON COUNTY, TEXAS
PARK SYSTEM
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2011 AND 2010

Note 4 - COMPENSATED ABSENCES

The Cameron County Personnel Policy provides employees with vacation leave and non-vesting accumulating rights to sick pay benefits. The policy requires all employees to take vacation time prior to the end of each fiscal year; however, it allows vacation carryover for three months. Vacation pay is recognized as a part of salary compensation. Salary and wages earned, yet unpaid is recognized as accrued compensation time. Although sick leave does not vest and unused balances are not paid at the time of employee termination, current employees can accrue up to sixty days of paid sick leave. The System is reserving \$13,825 to recognize the earned, yet uncompensated leave accumulated as of fiscal year end.

Note 5 – CASH AND INVESTMENT

Custodial Credit Risk-Deposits:

Park System deposits at year end were covered either by Federal depository insurance or collateral held by the Cameron County Treasurer in the Park System's name. Cameron County adopted an investment policy in January 1997, which reinforces the County's investment practices of remaining in compliance with V.T.C.A, Title 10, Government Code, Section 2256.

Concentration Risk:

Cameron County has investments with Lone Star, an investment pool sponsored by the Texas Association of School Boards. It is policy that the County may not invest more than 65% of available cash with no more than 35% of available cash balances invested in any one investment pool. Due to interest rates these pools were not used other than minimum amounts to hold open the accounts.

As of September 30, 2011, the Park System's carrying amount of deposits and investments was \$5,390,273 and the bank balance was \$4,984,097.

<u>Current Assets:</u>	<u>Fair Value</u>
Cash and equivalents	\$3,366,549
 <u>Restricted Assets:</u>	
Park Construction Fund	
Cash and cash equivalents	925,055
Revenue Bond Debt Reserve Fund	
Cash and cash equivalents	335,000
Operating Reserve Fund	
Cash and cash equivalents	<u>763,669</u>
TOTAL	<u>\$5,390,273</u>

CAMERON COUNTY, TEXAS
PARK SYSTEM
 NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2011 AND 2010

Note 6 – CAPITAL ASSETS

Capital assets consisted of the following at September 30, 2011:

Assets being depreciated:	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
Buildings	\$ 10,439,724	\$ -	\$ -	\$ 10,439,724
Improvements other than buildings	5,767,296	49,465	-	5,816,761
Equipment	613,429	-	(1,446)	611,983
Automotive machinery and equipment	1,417,649	-	(200,032)	1,217,617
Furniture and fixtures	1,001,160	-	(3,344)	997,816
Other structures	3,544,430	481,932	-	4,026,362
Assets not being depreciated:				
Construction in progress	1,512,162	-	(127,458)	1,384,704
Land	1,549,572	-	-	1,549,572
Less: Accumulated depreciation	<u>(12,209,850)</u>	<u>(693,810)</u>	<u>-</u>	<u>(12,903,660)</u>
TOTAL CAPITAL ASSETS	<u><u>\$ 13,635,572</u></u>	<u><u>\$ (162,413)</u></u>	<u><u>\$(332,280)</u></u>	<u><u>\$ 13,140,879</u></u>

NOTE 7 – EVENT SUBSEQUENT TO THE DATE OF THE REPORT OF INDEPENDENT AUDITOR

Subsequent to the issuance of the audit report dated March 12, 2012, the *Invested in Capital Assets, net of related debt* the Park System on page 2 was recalculated to be \$6,403,023. This change resulted in a reclassification that decreased the *Unrestricted net assets* account by \$4,748,669, increased the *Restricted for Construction* account by 2,175,504, and increased the *Capital Assets, net of related debt* by \$2,573,165.

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

To the Honorable County Judge and
Commissioners' Court
Cameron County, Texas

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole of the Park System of Cameron County, Texas as of and for the years ended September 30, 2011 and 2010, which is presented in the preceding section of this report. The accompanying supplementary information as of and for the years ended September 30, 2011 and 2010, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Brownsville, Texas
March 12, 2012
(except for Note 7, as to which the date is April 9, 2012)

CAMERON COUNTY, TEXAS
PARKS REVENUE SYSTEM
 SCHEDULE OF INSURANCE COVERAGE
 SEPTEMBER 30, 2011

INSURER	COVERAGE	AMOUNT OF COVERAGE	LATEST POLICY EXPIRATION DATE	ASSETS COVERED	PREMIUM	DEDUCTIBLE
Delta Lloyds Insurance Company	Parks Buildings Flood Insurance Standard NFIP Policy	\$1,967,900 buildings \$121,600 content	10/1/2011	Buildings/Content	\$25,431.00	\$1,000
Harleysville Mutual insurance Co	Parks Building & Content qualifying for preferred coverage under NFIP	\$550,000 bldg \$200,000 content	10/1/2011	Buildings/Content	\$3,459.00	\$1,000
Great American Insurance Group	Employee Crime Policy	\$500,000 Form 'O'	7/1/2012	Employee dishonesty - crime	\$275.33	\$1,000
Great American Insurance Group	Employee Crime Policy	\$200,000 Form 'B'	7/1/2012	Employee dishonesty - crime	-	\$1,000
Great American Insurance Group	Employee Crime Policy	\$150,000 Form 'C'	7/1/2012	Employee dishonesty - crime	-	\$1,000
Great American Insurance Group	Employee Crime Policy	\$500,000 Form 'F'	7/1/2012	Employee dishonesty - crime	-	\$1,000
Great American Insurance Group	Employee Crime Policy	\$250,000 Form 'F' money orders & counterfeit currency	7/1/2012	Employee dishonesty - crime	-	\$1,000
Great American Insurance Group	Employee Crime Policy	\$500,000 Form 'F' wire funds	7/1/2012	Employee dishonesty - crime	-	\$1,000
Diamond State Insurance Co	Parks buildings, extended coverage, malicious mischief, excess flood, named storm	\$8,289,293.00	7/1/2012	Building	\$65,934.00	\$10,000
Diamond State Insurance Co	Parks Buildings Fire, extended coverage, malicious mischief, excess flood, named storm	\$191,446.00	7/1/2012	Contents	-	\$10,000

CAMERON COUNTY, TEXAS
PARKS REVENUE SYSTEM
 SCHEDULE OF INSURANCE COVERAGE- Continued
 SEPTEMBER 30, 2011

INSURER	COVERAGE	AMOUNT OF COVERAGE	LATEST POLICY EXPIRATION DATE	ASSETS COVERED	PREMIUM	DEDUCTIBLE
Diamond State Insurance Co	Parks Buildings Fire, extended coverage, malicious mischief, excess flood, named storm	\$70,000.00	7/1/2012	EDP	-	\$10,000
Texas Association of Counties	Auto Liability	\$100,000/\$300,000	7/1/2012	Bodily Injury per person/per occurrence Property Damage	\$7,092.72	\$1,000
Texas Association of Counties	Auto Liability	\$100,000.00	7/1/2012	Property Damage	-	\$1,000
Texas Association of Counties	Auto Liability	\$20,000 per person	7/1/2012	Bodily Injury	-	\$1,000
Texas Association of Counties	Auto Liability	\$40,000 per accident	7/1/2012	Uninsured/underinsured Bodily Injury	-	\$1,000
Texas Association of Counties	Auto Liability	\$15,000 per accident	7/1/2012	Uninsured/underinsured property damage	-	\$1,000
Texas Association of Counties	Auto Liability	\$5,000.00	7/1/2012	uninsured/underinsured Personal Injury	-	\$1,000
Texas Association of Counties	Auto physical damage comprehensive	Cash value or cost of repair	7/1/2012	Vehicles	\$1,608.00	\$1,000
Texas Association of Counties	General Liability	\$100,000/\$300,000	7/1/2012	Bodily Injury per person/per occurrence	\$8,401.79	\$5,000
Texas Association of Counties	General Liability	\$100,000/\$300,000	7/1/2012	Property damage per occurrence/aggregate	-	\$5,000
Texas Association of Counties	General Liability	\$100,000/\$300,000	7/1/2012	Employee benefit per claim/aggregate	-	\$5,000
Texas Association of Counties	Workers Compensation	Unlimited	12/31/2011	On the job injuries	-	-

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING REVENUES
 Years Ended September 30, 2011 and 2010

	2011	2010
<u>ISLA BLANCA PARK</u>		
Rental Income	\$ 2,410,487	\$ 1,652,877
Concession leases	1,473,936	1,227,091
Miscellaneous income	12,237	117,845
Electricity	107,534	160,670
Water	2,352	2,919
Entrance fees	896,973	393,516
Tents	18,968	16,329
Boat slips/launch fees	2,640	-
Park tag fee	6,916	-
Over/(short)	(1,902)	-
Beach Fee Reimbursement	59,268	-
Donations	-	2,500
Commercial services permits	2,445	-
TOTAL ISLA BLANCA PARK	4,991,854	3,573,747
<u>ADOLPH THOMAE PARK</u>		
Rental Income	67,878	55,558
Entrance fees	172,855	127,215
Boat slips/launch fees	20,755	8,213
Apartment rental	1,925	175
Park tag fees	2,107	-
Miscellaneous revenue	4	265
Electricity	1,101	2,391
Over/(short)	1,636	-
Tents	3,720	1,841
TOTAL ADOLPH THOMAE PARK	271,981	195,658
<u>PUBLIC BEACHES</u>		
Entrance fees	525,522	324,613
Trash Bag program	132,450	-
Commercial services permits	1,325	-
Over/(short)	152	-
TOTAL PUBLIC BEACHES	659,449	324,613
<u>ANDY BOWIE PARK</u>		
RV full service rentals	89,801	73,647
Apartment rental	3,900	3,900
Concession leases	211,118	115,817
Tents	1,815	3,954
Miscellaneous revenue	1,913	4,210
Electricity	5,578	5,759
Park tag fees	610	-
Over/(short)	1,743	-
Entrance fees	82,840	84,030
TOTAL ANDY BOWIE PARK	399,318	291,317
<u>PARK RANGERS</u>		
Miscellaneous fines and fees	475	968
TOTAL PARK RANGERS	475	968

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING REVENUES-continued
 Years Ended September 30, 2011 and 2010

	2011	2010
<u>BEACH CLEANUP</u>		
Donations	2,370	-
TOTAL PARK RANGERS	2,370	-
<u>COMMUNITY PARKS</u>		
Miscellaneous Revenue	6,652	-
Swimming Pools	4,474	-
Community Center Rentals	2,563	-
Donations for Learning Centers	-	5,595
TOTAL COMMUNITY PARKS	13,689	5,595
TOTAL OPERATING REVENUES	\$ 6,339,136	\$ 4,391,898

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING EXPENSES
 Years Ended September 30, 2011 and 2010

	2011	2010
<u>ISLA BLANCA PARK</u>		
Salaries and employee benefits	\$ 462,522	\$ 480,121
Supplies	57,909	50,795
Postage	911	-
Repairs and maintenance	39,649	48,448
Fuel	15,642	-
Audit and legal	6,400	5,000
Travel	464	-
Advertising	3,000	2,605
Phone	17,661	12,926
Insurance	32,971	119,164
Utilities	670,047	627,769
Taxes	5,840	11,768
Rental	2,645	-
Contractual	61,179	47,073
Education & Training	117	-
Dues & Subscriptions	655	-
Professional services	-	11,469
Credit Card Service Fees	61,837	50,665
Miscellaneous	403	17,547
Amortization	-	9,782
Depreciation	204,368	206,627
TOTAL ISLA BLANCA PARK	<u>1,644,220</u>	<u>1,701,759</u>
<u>ADOLPH THOMAE PARK</u>		
Salaries and employee benefits	118,349	113,930
Credit Card Service Fees	4,415	-
Postage	69	-
Supplies	9,136	12,473
Fuel	4,893	-
Repairs and maintenance	9,265	7,659
Advertising	2,000	2,000
Insurance	1,534	7,985
Phone	2,024	2,930
Utilities	46,479	46,566
Credit Card Fees	-	2,730
Rental	474	100
Contractual	1,590	663
Miscellaneous	40	-
Depreciation	73,704	23,268
TOTAL ADOLPH THOMAE PARK	<u>273,972</u>	<u>220,304</u>

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING EXPENSES-continued
 Years Ended September 30, 2011 and 2010

	2011	2010
<u>PUBLIC BEACHES</u>		
Salaries and employee benefits	117,821	96,899
Supplies	13,069	5,407
Repairs and maintenance	4,337	3,845
Utilities	50,152	40,034
Contractual	7,410	-
Miscellaneous	-	2,850
Insurance	624	15,357
Professional services	14,364	-
Depreciation	10,696	10,696
TOTAL PUBLIC BEACHES	218,473	175,088
<u>ANDY BOWIE PARK</u>		
Salaries and employee benefits	117,263	118,902
Postage	50	-
Supplies	14,081	8,600
Repairs and maintenance	14,579	15,382
Fuel	6,039	-
Advertising	1,000	800
Insurance	2,764	35,459
Phone	2,178	7,310
Utilities	29,922	29,653
Credit Card Service Fees	2,378	1,741
Miscellaneous	10	62
Rental	-	84
Contractual	3,572	1,985
Depreciation	79,130	77,361
TOTAL ANDY BOWIE PARK	272,966	297,339
<u>COMMUNITY PARKS</u>		
Salaries and employee benefits	161,295	153,614
Supplies	13,802	11,340
Fuel	9,804	7,266
Repairs and maintenance	13,906	8,964
Insurance	5,315	6,278
Phone	2,515	2,698
Utilities	82,106	93,093
Rental	2,038	943
Education and training	615	-
Contractual	6,320	467
Depreciation	181,835	196,203
TOTAL COMMUNITY PARKS	479,551	480,866

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES-continued
Years Ended September 30, 2011 and 2010

	2011	2010
<u>BROWNE PARK</u>		
Salaries and employee benefits	81,668	76,357
Supplies	9,177	11,610
Repairs and maintenance	6,174	5,831
Fuel	1,371	-
Insurance	2,400	5,889
Utilities	31,083	12,618
Communications	12,982	10,863
Contractual	485	1,056
Miscellaneous	-	9,726
Depreciation	76,939	75,325
TOTAL BROWNE PARK	222,279	209,275
<u>FAMILY LEARNING CENTERS - LA PALOMA</u>		
Salaries and employee benefits	14,442	18,277
Supplies	6,661	6,551
Utilities	22,058	35,828
Insurance	53	-
Depreciation	105,162	105,161
Repairs and maintenance	2,898	380
TOTAL FAMILY LEARNING CENTERS-LA PALOMA	151,274	166,197
<u>FAMILY LEARNING CENTERS - SANTA ROSA</u>		
Utilities	9,621	9,689
TOTAL FAMILY LEARNING CENTERS-OTHER	9,621	9,689
<u>LAURELES PARK</u>		
Salaries and employee benefits	10,316	-
Supplies	9,947	3,705
Insurance	53	-
Repairs and maintenance	4,300	-
Depreciation	114,210	-
Utilities	31,445	4,289
TOTAL LAURELES PARK	170,271	7,994
<u>FAMILY LEARNING CENTERS - LOS INDIOS</u>		
Depreciation	5,948	-
TOTAL FAMILY LEARNING CENTERS-LOS INDIOS	5,948	-
<u>CAMERON / LA ESPERANZA</u>		
Depreciation	30,706	-
TOTAL CAMERON / LA ESPERANZA	30,706	-
<u>PARK RANGERS</u>		
Salaries and employee benefits	-	511
Insurance	-	30
Depreciation	-	14,128
TOTAL PARK RANGERS	-	14,669

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING EXPENSES-continued
 Years Ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>BEACH CLEANUP</u>		
Supplies	1,036	-
Clothing	499	-
TOTAL PARK RANGERS	<u>1,535</u>	<u>-</u>
<u>CODE ENFORCEMENT</u>		
Salaries and employee benefits	22,958	17,017
Supplies	1,633	352
Fuel	828	-
Repairs and maintenance	922	693
TOTAL CODE ENFORCEMENT	<u>26,341</u>	<u>18,062</u>
<u>GREENS DIVISION</u>		
Salaries and employee benefits	141,920	137,376
Supplies	6,382	2,758
Fuel	9,308	4,060
Repairs and maintenance	6,719	5,977
Phone	282	107
Insurance	312	298
TOTAL GREENS DIVISION	<u>164,923</u>	<u>150,576</u>
<u>ADMINISTRATION</u>		
Salaries and employee benefits	586,353	600,399
Post employment benefits	79,249	79,249
Postage	312	-
Supplies	10,037	5,708
Fuel	33,300	29,612
Repairs and maintenance	16,546	17,324
Phones	4,190	2,301
Utilities	-	9
Travel	2,224	1,083
Professional Services	135,848	74,739
Advertising	3,157	1,961
Bind Issue Cost Amortization	-	12,108
Insurance	69,018	27,846
Education and Training	1,425	
Depreciation	15,934	
Rental	5,999	6,853
Miscellaneous expense	951	
Contractual	3,735	
TOTAL ADMINISTRATION PARKS	<u>968,278</u>	<u>859,192</u>
TOTAL OPERATING EXPENSES	<u>\$4,640,358</u>	<u>\$4,311,010</u>