Collin County, Texas

October 31, 2008

Monthly Interim Financial Report
(unaudited and unadjusted)

Prepared By:
County Auditor's Office

Donald W. Cozad CIO, RTA/C
County Auditor

Member of the Government Finance Officers Association
This report is available on the internet: http://www.co.collin.tx.us/auditor

Table of Contents

Description

County Auditor's Letter of Transmittal

Money Matters!!

Statistical Details

Financial Statements

- Balance Sheet
- Revenues, Expenditures and Changes in Fund Balance
- General Fund Revenue by Type and Expenditures by Category
- Road & Bridge Revenue by Type and Expenditures by Category
- General Fund Expenditures by Department
- Road and Bridge Expenditures by Department

Schedules

- Balances on Hand – Beginning of Month and End of Month
- Transfers To and From Each Fund
- Investments by Type and YTD Interest Earned
- Bond Indebtedness with Interest Rates

Note: Rounding of cents to whole dollars can cause a slight difference between sums of detail lines and totals.

COLLIN COUNTY

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April 27, 2009

Honorable District Judges of Collin County and
Honorable Members of the Collin County Commissioners Court

The unaudited and unadjusted Monthly Financial Report of Collin County ,Texas, as of October 31, 2008, and for the month ended October 31, 2008, is hereby submitted. This report, as required by Local Government Code §114.023 and §114.025, was prepared by the County Auditor and is intended for informational purposes only. The statements are reported on a budgetary basis, which is not in accordance with generally accepted accounting principles.

As County Auditor, I am not independent with regard to these financial reports. These reports have been prepared in accordance with the professional standards of the AICPA, the GFOA, and GASB. The general ledger has been maintained with due professional care.

This report includes Money Matters!!, a narrative with charts and tables, and statutorily required Financial Statements and Schedules, as well as selected statistical details.

This report is intended to be self-explanatory. However, if you need clarification or have questions, please do not hesitate to call the County Auditor's office for more information at 972/548-4641.

This report can be seen on the internet at: http://www.co.collin.tx.us/auditor.

Respectfully submitted,

/s/ Donald W. Cozad

Donald W. Cozad CIO, RTA/C
County Auditor

Money Matters!!

October 31, 2008 **Fiscal Period 1 of 12**

Interim Monthly Financial Report (unaudited)

As required by Local Government Code 114.023

The following report is presented by the County Auditor, as required by state statute, to the Commissioners Court of Collin County to inform the Court as to the financial status of the County. This report is presented monthly.

Revenues

The major operating revenue (approximately 71%) of the county is from ad valorem taxes. Additional revenue streams include fines and fees, charges for services, inter-governmental revenue, interest and other revenues. Ad valorem taxes, more popularly referred to as property taxes, are cyclical in nature, with the primary collection period of December through January of each fiscal year. Each year, the County must provide funding from reserves to meet expenditure demand during the first quarter of the fiscal year (Oct – Dec). For the 2009 budget year, the tax rate was set at $0.2425 per $100 property valuation. Ad valorem taxes are used to provide operating funds for the general fund, the general road and bridge fund, the jury fund, and the permanent improvement fund, as well as funding for debt service principal and interest payments.

Year to Date Total Revenue - Governmental Funds
With Comparative Totals for Fiscal Year 2009
For the One Month Period Through October 31

Revenue by Source	FY 2009 YTD	FY 2008 YTD	Change from 2008	Percent Change from 2008
Property taxes	$ 1,145,714	$ 1,305,820	$ (160,106)	-12.3%
Fees and permits	1,331,130	1,200,314	130,816	10.9%
Federal and state funds	3,195,023	1,887,215	1,307,808	69.3%
Charges for services	461,713	389,871	71,842	18.4%
Fines and forfeitures	296,768	172,030	124,738	72.5%
Other local gov't funds	-	-	-	0.0%
Rental revenues	92,831	103,994	(11,163)	-10.7%
Interest	608,411	637,922	(29,511)	-4.6%
Miscellaneous	173,436	148,749	24,687	16.6%
	$ 7,305,026	$ 5,845,915	$ 1,459,111	25.0%

Expenditures

Prior to the start of the current fiscal year, the Commissioners Court adopted the FY 2009 combined operating budget (except debt service) totaling $268.1 million. The General Fund is $149.9 million of the total. The table below is for all governmental funds.

Year to Date Total Expenditures - Governmental Funds
With Comparative Totals for Fiscal Year 2009
For the One Month Period Through October 31

Expenditures by Function	FY 2009 YTD	FY 2008 YTD	Change from 2008	Percent Change from 2008
General administration	$ 1,526,357	$ 612,245	$ 914,112	149.3%
Judicial	698,510	272,227	426,283	156.6%
Financial administration	353,448	172,380	181,068	105.0%
Legal	436,483	191,316	245,167	128.1%
Public facilities	327,133	177,636	149,497	84.2%
Equipment services	93,302	68,702	24,600	35.8%
Public safety	2,725,749	1,225,963	1,499,786	122.3%
Public transportation	710,821	235,056	475,765	202.4%
Health and welfare	576,907	495,088	81,819	16.5%
Culture and recreation	21,276	47,031	(25,755)	-54.8%
Conservation	12,589	(6,339)	18,928	-298.6%
Capital outlay	3,582,993	296,645	3,286,348	1107.8%
Debt service:				
Principal	-	-	-	0
Interest	-	-	-	0
Bond issuance costs	-	-	-	0
	$ 11,065,568	$ 3,787,950	$ 7,277,618	192.1%

Year to Date Revenue and Expenditures Summary
Governmental Funds
With Comparative Totals for Fiscal Year 2009
For the One Month Period Through October 31

Expenditures by Function	FY 2009 YTD	FY 2008 YTD	Change from 2008	Percent Change from 2008
Total Revenues	$ 7,305,026	$ 5,845,915	$ 1,459,111	25.0%
Total Expenditures	11,065,568	3,787,950	7,277,618	192.1%
	$ (3,760,542)	$ 2,057,965	8,736,729	424.5%

As the year continues, the emphasis will be on monthly activity more and less on the prior fiscal year. The primary amounts reported for the October through December reports will be prior year; this will permit a better analysis of the revenues and expenditures going forward each year.

Variances and Trends

General Fund Revenues and Expenditures

- At the end of FY 2008, the unreserved, undesignated fund balance of the General Fund was $110.7 million, an increase of $9.6 million or 9.6% from the prior year.
- The total fund balance in the General Fund was $129.5 million, an increase of $7.3 million or 5.9% from the prior year.
- Unreserved fund balance represents 89.1% of total General Fund expenditures and transfers out for the fiscal year ended September 30, 2008.
- In FY 2008, property tax revenues increased by $8.3 million.
- The combined charges for services and fees and permits for FY 2008 decreased by $1.0 million, as detailed below:
    - Tax Assessor/Collector fees lower than 2007 - $0.4 million;
    - Federal inmate housing revenue greater than prior year by $0.6 million;
    - County Clerk fees lower than prior year by $0.9 million;
    - District Clerk passport fees lower than prior year - $0.2 million;
    - Sheriff's Office fees and charges lower than prior year - $0.3 million;
    - District Clerk civil fees higher than prior year - $0.3 million;
    - Constable 4 civil fees higher than prior year - $0.2 million;
    - Other fees and charges lower than prior year - $0.3 million.
- Investment earnings decreased by $5.1 million due to lower interest rates.
- Tax Rate for FY 2009 decreased over last year from $0.245/$100 to $0.2435/$100
- General administrative expenses increased in FY 2008 by $0.9 million, due primarily to Tax Increment Financing Zone participation expense increases.
- Public facilities increased by $0.9 million, due to increase in operating costs of $0.5 million in the new pod at the jail and $0.4 million net increase primarily due to operating costs from a full year of operation at the new courthouse vs. the old courthouse.

Outlook

The Office of the County Auditor will meet its statutory responsibilities in providing the Commissioners Court, County departments, elected officials, and the public with the information needed to make the financial decisions to guide the County in the future. Items that will need considering in the future include:

- Update the financial trends to include year six after conversion to GASB 34 financial statements
- Implement the financial system under consideration
- Implement control self-assessments for departments to pre-audit and improve their internal controls

- Implement the internal control audit software to provide assurance as to safety of financial data
- Implement a County Auditor financial policy and procedure manual