

CAMERON COUNTY, TEXAS
PARK SYSTEM
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEARS ENDED
SEPTEMBER 30, 2012 AND 2011



CAMERON COUNTY, TEXAS
PARK SYSTEM
SEPTEMBER 30, 2012 AND 2011

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CAMERON COUNTY PARK SYSTEM

33174 State Park Road 100
SOUTH PADRE ISLAND, TEXAS 78597

March 20, 2013

Hon. County Judge, Carlos H. Cascos.
Hon. Commissioner Pct. 1, Sofia C. Benavides
Hon. Commissioner Pct. 2, Ernie Hernandez
Hon. Commissioner Pct. 3, David A. 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 these parks. 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 vehicle rental sites, restroom facilities and access to a new hotel.

Located on the mainland within the Laguna Atascosa, United States Fish and Wildlife 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, tents and a nature trail that extends approximately 0.8 a mile into the refuge property.

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. Browne Road Community Center also provides social services for community

Cameron County Park System
March 20, 2013

residents. 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 boardwalk/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 a walking trail. 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. The former Highway 48 Boat Ramp received a major renovation including the reconstruction of a boat launching ramp, courtesy docks, a new paved parking lot with solar powered lights, and two picnic pavilions. This facility was then dedicated as Jaime J. Zapata Memorial Boat Ramp which was in honor of fallen agent Jaime J. Zapata, Homeland Security Investigations Special Agent.

REVENUES

The Parks System experienced an overall 7.4% increase in operating revenues, from \$6.34 million to \$ 6.81 million. Of the 7.4% increase in operating revenues, Isla Blanca Park accounts for 60.76% of the increase. Public Beaches account for 24.93% increase in revenue. Andy Bowie Park, Adolph Thomae Jr. Park, Park Rangers, Beach Cleanup and the Community Parks account for the remaining 14.31% increase in operating revenues.

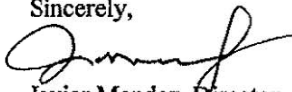
EXPENSES

The Parks System experienced an overall 8.51% increase in operating expenditures. Increases in depreciation, utilities, professional services, salaries, supplies, post employee benefits expense, repairs and maintenance, travel, and taxes contributed to the 8.51% 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 approved 2.3 million dollars towards an addition to the Browne Road Community Center and the construction of a community center in Olmito, Texas. Cameron County Parks recently received a grant from the Texas General Land Office to construct an addition to the Jaime J. Zapata Memorial Boat Ramp, which will include a new fishing pier and kayak launching facility.

Sincerely,



Javier Mendez, Director
Cameron County Parks and Recreation Department



Cameron County Auditor
Martha Galarza, CPA

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Parks System of Cameron County, Texas, as of and for the years ended September 30, 2012 and 2011, 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 Parks 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 Parks System and do not purport to, and do not present fairly the financial position of Cameron County, Texas as of September 30, 2012 and 2011, 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 Parks System of Cameron County, Texas, as of September 30, 2012 and 2011, 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 20, 2013

CAMERON COUNTY PARK SYSTEM
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2012

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, 2012. 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, 2012 by \$10,292,686.

Total assets increased from Fiscal Year 2011 to Fiscal Year 2012 by \$118,361.

Total liabilities decreased from Fiscal Year 2011 to Fiscal Year 2012 by \$617,439.

Total net assets increased by \$735,800.

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 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 position, 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 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 Flows* 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, 2012, the Park's assets exceeded liabilities by \$10,292,686.

The Parks have net assets of \$6,390,128 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, \$4,271,230, 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 \$368,672 of unrestricted net assets at the end of this year.

The Park's net assets for fiscal years ended September 30, 2012, 2011 and 2010 are summarized as follows:

Condensed Schedule of Net Assets September 30			
	2012	2011	2010
Current and other assets	\$8,066,620	\$7,427,671	\$4,381,643
Capital assets	12,620,291	13,140,879	13,635,572
Total assets	20,686,911	20,568,550	18,017,215
Current and other liabilities	1,307,247	1,618,056	1,643,897
Long-term liabilities	9,086,978	9,393,608	7,810,017
Total liabilities	10,394,225	11,011,664	9,453,914
Net assets:			
Invested in capital assets net of related debt	6,390,128	6,403,023	5,710,053
Restricted	4,271,230	3,923,724	2,815,648
Unrestricted	(368,672)	(769,861)	37,600
Total net assets	\$10,292,686	\$9,556,886	\$8,563,301

The following table provides a summary of the Park's revenues, expenses, and changes in net assets for the years ended September 30, 2012, 2011 and 2010. The Park experienced an overall increase of \$735,800 in net position for the year ending September 30, 2012.

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

	2012	2011	2010
Operating revenues	\$6,806,053	\$6,339,135	\$4,391,898
Operating expenses	(5,035,256)	(4,640,358)	(4,311,010)
Operating Income (loss)	1,770,797	1,698,777	80,888
Non-operating revenue (expenses)	(378,949)	(135,270)	(321,118)
Capital grant revenue (expense)	-	-	1,626,254
Transfer in from other funds	-	80,609	-
Transfer to other funds	(656,048)	(650,531)	(645,363)
Increase (decrease) in net assets	735,800	993,585	740,661
Net assets -- Beginning of year	9,556,886	8,563,301	7,822,640
Net assets -- End of year	\$10,292,686	\$9,556,886	\$8,563,301

GENERAL FUND BUDGETARY HIGHLIGHTS

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, and with financial policies 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 items 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 2012 budget was adopted on September 15, 2011 with total operating expenditures of \$3,934,491, a 7% decrease from Fiscal Year 2011 budgeted operating expenses.

CAPITAL ASSETS

The Parks has \$12,620,291 (net of accumulated depreciation) invested in capital assets. General capital assets include land, buildings, improvements, construction in progress, equipment, furniture and fixtures, other structures, automotive machinery and equipment.

Major capital asset events during fiscal year 2012 included improvements of roads, parking lot and restrooms for Isla Blanca.

Capital assets consisted of the following at September 30, 2012:

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	5,816,761	1,044,867	-	6,861,628
Equipment	611,983	62,561	-	674,544
Automotive machinery and equipment	1,217,617	-	(9,634)	1,207,983
Furniture and fixtures	997,816	16,506		1,014,322
Other structures	4,026,362	70,660	-	4,097,022
Assets not being depreciated:				
Construction in progress	1,384,704	-	(846,961)	537,743
Land	1,549,572	-	-	1,549,572
Less: Accumulated depreciation	<u>(12,903,660)</u>	<u>(858,587)</u>	<u>-</u>	<u>(13,762,247)</u>
TOTAL CAPITAL ASSETS	<u>\$ 13,140,879</u>	<u>\$ 336,007</u>	<u>\$(856,595)</u>	<u>\$ 12,620,291</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, 2012, the Park has certificates of obligation payable of \$9,032,600 of which \$362,092 is payable in fiscal year 2013.

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 2013, 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, 2012 and 2011

ASSETS

	<u>2012</u>	<u>2011</u>
<u>CURRENT ASSETS</u>		
Cash on deposit and on hand	\$3,729,000	\$3,366,549
Accounts receivable	-	69,882
Inventory	2,539	1,710
Due from other funds	-	5,300
Prepaid insurance	63,851	60,506
TOTAL CURRENT ASSETS	<u>3,795,390</u>	<u>3,503,947</u>
<u>NONCURRENT ASSETS</u>		
<u>Restricted Assets</u>		
Park Construction Fund:		
Cash on deposit 2007 Co's	904,014	925,055
Cash on deposit 2011 Co's	1,879,763	1,900,000
Park Donation Fund:		
Donations	8,414	
Public Beaches:		
Beach users fee	466,947	
Debt Reserve Fund:		
Cash on deposit	362,092	335,000
Operating Reserve Fund:		
Cash on deposit	650,000	763,669
TOTAL RESTRICTED ASSETS	<u>4,271,230</u>	<u>3,923,724</u>
<u>Capital Assets</u>		
Depreciable assets:		
Buildings	10,439,724	10,439,724
Improvements other than buildings	6,861,628	5,816,761
Equipment	674,544	611,983
Automotive machinery and equipment	1,207,983	1,217,617
Furniture and fixtures	1,014,322	997,816
Other structures	4,097,022	4,026,362
	<u>24,295,223</u>	<u>23,110,263</u>
Less: Accumulated depreciation	<u>(13,762,247)</u>	<u>(12,903,660)</u>
Net depreciable assets	10,532,976	10,206,603
Construction work in progress	537,743	1,384,704
Land	<u>1,549,572</u>	<u>1,549,572</u>
TOTAL CAPITAL ASSETS	<u>12,620,291</u>	<u>13,140,879</u>
TOTAL ASSETS	<u>\$ 20,686,911</u>	<u>\$ 20,568,550</u>

(Continued)

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

CAMERON COUNTY, TEXAS
PARK SYSTEM
 STATEMENT OF NET ASSETS-continued
 September 30, 2012 and 2011

LIABILITIES

	2012	2011
Current Liabilities (payable from Current Assets):		
Accounts payable	\$ 94,373	\$ 192,260
Due to other funds	307,912	189,036
Capital lease payable-current	148,570	82,566
Due to other governments	-	-
Wages and fringe payable	34,274	35,847
Compensated absences payable	6,199	13,825
Accrued interest payable	46,162	38,126
Laguna Madre enhancement reserve	-	-
Education reserve	5,947	5,947
Rental deposits	301,718	725,449
Total Current Liabilities (payable from Current Assets)	<u>945,155</u>	<u>1,283,056</u>
Current Liabilities (payable from Restricted Assets):		
Current maturities of certificates of obligation	362,092	335,000
Total Current Liabilities (payable from Restricted Assets)	<u>362,092</u>	<u>335,000</u>
Noncurrent Liabilities:		
Certificates of Obligation	8,670,508	9,032,600
Less: Unamortized issuance costs	(195,901)	(209,398)
Less: Unamortized discount	(11,697)	(12,313)
Plus: Unamortized premium	40,368	42,493
Capital Lease Payable	-	82,566
Unfunded Actuarial Liability	583,700	457,660
Total Long-term Liabilities	<u>9,086,978</u>	<u>9,393,608</u>
 TOTAL LIABILITIES	 <u>10,394,225</u>	 <u>11,011,664</u>

NET ASSETS

Invested in capital assets, net of related debt	6,390,128	6,403,023
Restricted for:		
Debt service	362,092	335,000
Operating reserve	650,000	763,669
Construction	2,783,777	2,825,055
Beaches	466,947	-
Donations	8,414	-
Unrestricted	(368,672)	(769,861)
TOTAL NET POSITION	<u>\$ 10,292,686</u>	<u>\$ 9,556,886</u>

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

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years Ended September 30, 2012 and 2011

	2012	2011
<u>OPERATING REVENUES</u>		
Rental income	\$ 4,641,059	\$ 4,404,584
Trash Bag Program	168,435	132,450
Entrance fees	1,953,718	1,715,690
Others	42,841	86,411
TOTAL OPERATING REVENUES	6,806,053	6,339,135
<u>OPERATING EXPENSES</u>		
Salaries and employee benefits	2,068,400	1,834,906
Post employee benefits expense	126,039	79,249
Supplies	232,296	224,968
Repairs and maintenance	155,491	130,028
Audit and legal	6,400	6,400
Travel	5,393	2,688
Advertising	7,586	9,157
Insurance	104,809	115,045
Utilities	1,060,809	1,014,745
Taxes	9,352	5,840
Rental	6,832	11,156
Contractual	278,269	234,503
Miscellaneous	72,440	73,041
Depreciation	901,140	898,632
TOTAL OPERATING EXPENSES	5,035,256	4,640,358
OPERATING INCOME (LOSS)	1,770,797	1,698,777
<u>NON-OPERATING REVENUES (EXPENSES)</u>		
Interest on cash investments	15,820	11,084
Interest expense	(410,246)	(322,613)
Bond issuance costs	(13,497)	(14,600)
Fiscal agent fees	(450)	-
Gain on sale of capital assets	14,548	68,600
Grant & Program Revenues	179,863	178,691
Grant & Program Expenses	(164,987)	(192,695)
Insurance Proceeds - net of related losses	-	136,263
TOTAL NON-OPERATING REVENUES (EXPENSES)	(378,949)	(135,270)
Income (Loss) Before Capital Contributions and Transfers	1,391,848	1,563,507
Transfer in	-	80,609
Transfer out	(656,048)	(650,531)
Change in net assets	735,800	993,585
Total Net Assets - Beginning of year	9,556,886	8,563,301
Total Net Assets - End of year	\$ 10,292,686	\$ 9,556,886

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

CAMERON COUNTY, TEXAS
PARK SYSTEM
STATEMENT OF CASH FLOWS
Years Ended September 30, 2012 and 2011

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash Flows From Operating Activities:	2012	2011
Cash received from customers	\$ 6,390,177	\$ 6,367,891
Cash payments for goods and services	(2,041,738)	(1,866,659)
Cash payments to employees	(2,077,598)	(1,846,325)
Net Cash Provided by Operating Activities	<u>2,270,841</u>	<u>2,654,907</u>
Cash Flows From Non-Capital Financing Activities:		
Transfer to other funds	(537,172)	(753,850)
Transfer from other funds	-	80,609
Grant-net	83,147	118,260
Insurance Proceeds	-	136,263
Net Cash Provided (Used) by Non-Capital Financing Activities:	<u>(454,025)</u>	<u>(418,718)</u>
Cash Flows From Capital and Related Financing Activities:		
Proceeds from capital debt	1,900,000	
Acquisition and construction of capital assets	(329,439)	(403,937)
Capital contributions-grants	-	-
Principal payments	(335,000)	(240,000)
Lease payments	(82,566)	(46,919)
Interest paid	(390,222)	(11,781)
Proceeds from sale of capital assets	14,548	68,600
Fiscal agent fees paid	-	-
Net Cash Used for Capital and Related Financing Activities	<u>777,321</u>	<u>(634,037)</u>
Cash Flows From Investing Activities:		
Receipts of interest	15,820	11,084
Net Cash Provided by Investing Activities	<u>15,820</u>	<u>11,084</u>
Net increase (decrease) in cash and cash equivalents	2,609,957	1,613,236
Cash and cash equivalents at beginning of year	5,390,273	3,777,037
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 8,000,230</u>	<u>\$ 5,390,273</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 1,770,797	\$ 1,698,777
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	901,140	898,632
Amortization	-	-
Post-employment benefits expense	126,039	79,249
Changes in Current Assets and Liabilities:		
Decrease (Increase) in accounts receivable	7,856	7,792
Decrease (Increase) in prepaids	(3,345)	627
Decrease (Increase) in due from other governments	-	-
Decrease (Increase) in due from other funds	-	-
Decrease (Increase) in inventory	(829)	(179)
Increase (Decrease) in accounts payable	(97,887)	(39,536)
Increase (Decrease) in due to other funds	-	-
Increase (Decrease) in deposit payable	(423,731)	80,973
Increase (Decrease) in accrued interest payable	-	-
Increase (Decrease) in enhancement reserve	0	(60,010)
Increase (Decrease) in compensated absences	(7,626)	(15,899)
Increase (Decrease) in wages and fringe payable	(1,573)	4,481
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 2,270,841</u>	<u>\$ 2,654,907</u>
Noncash investing, capital and related financing activities:		
Purchase of equipment on account	-	0

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

CAMERON COUNTY, TEXAS
PARK SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012 AND 2011

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 position subject to externally imposed stipulations that the Park System maintains them permanently. For the fiscal year end 2012 and 2011, the Park System does not have nonexpendable net position.
 - Expendable – Net position 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 position that is not subject to externally imposed stipulations.

CAMERON COUNTY, TEXAS
PARK SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012 AND 2011

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, 2012. 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 \$901,140.

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, 2012 and 2011 totaled \$126,039 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.

CAMERON COUNTY, TEXAS
PARK SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012 AND 2011

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 position is 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, 2013, 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, 2012, the County's depository had pledged sufficient U.S. Government obligations to meet this requirement.

CAMERON COUNTY, TEXAS
PARK SYSTEM
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2012 AND 2011

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, 2012 including interest payments of \$2,502,591 are as follows:

<u>YEAR ENDING SEPTEMBER 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
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	410,000	228,891	638,891
2018-2027	<u>5,235,000</u>	<u>1,203,136</u>	<u>6,438,136</u>
TOTAL	<u>\$ 7,135,000</u>	<u>\$2,502,591</u>	<u>\$9,637,591</u>

The County issued Certificates of Obligation, Series 2011 in the amount of \$23,570,000 on June 1, 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, 2012 including estimated interest payments of \$932,129 are as follows:

<u>YEAR ENDING SEPTEMBER 30,</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
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	106,003	71,151	177,154
2018-2027	<u>1,573,545</u>	<u>552,806</u>	<u>2,126,351</u>
TOTAL	<u>\$ 1,897,600</u>	<u>\$ 932,129</u>	<u>\$ 2,829,729</u>

CAMERON COUNTY, TEXAS
PARK SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012 AND 2011

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 \$6,199 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, 2012, the Park System's carrying amount of deposits and investments was \$8,000,230 and the bank balance was \$7,598,330.

<u>Current Assets:</u>	<u>Fair Value</u>
Cash and equivalents	\$3,729,000
<u>Restricted Assets:</u>	
Park Construction Fund	
Cash and cash equivalents	2,783,777
Revenue Bond Debt Reserve Fund	
Cash and cash equivalents	362,092
Park Donations	
Cash and cash equivalents	8,414
Public Beaches	
Cash and cash equivalents	466,947
Operating Reserve Fund	
Cash and cash equivalents	<u>650,000</u>
TOTAL	<u>\$8,000,230</u>

CAMERON COUNTY, TEXAS
PARK SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2012 AND 2011

Note 6 – CAPITAL ASSETS

	<u>Beginning</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u>
Assets being depreciated:				
Buildings	\$ 10,439,724	\$ -	\$ -	\$ 10,439,724
Improvements other than buildings	5,816,761	1,044,867	-	6,861,628
Equipment	611,983	62,561	-	674,544
Automotive machinery and equipment	1,217,617	-	(9,634)	1,207,983
Furniture and fixtures	997,816	16,506	-	1,014,322
Other structures	4,026,362	70,660	-	4,097,022
Assets not being depreciated:				
Construction in progress	1,384,704	-	(846,961)	537,743
Land	1,549,572	-	-	1,549,572
Less: Accumulated depreciation	<u>(12,903,660)</u>	<u>(858,587)</u>	<u>-</u>	<u>(13,762,247)</u>
TOTAL CAPITAL ASSETS	<u>\$ 13,140,879</u>	<u>\$ 336,007</u>	<u>\$(856,595)</u>	<u>\$ 12,620,291</u>

**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 Parks System of Cameron County, Texas as of and for the years ended September 30, 2012 and 2011, which is presented in the preceding section of this report. The accompanying supplementary information as of and for the years ended September 30, 2012 and 2011, 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 20, 2013

CAMERON COUNTY, TEXAS
PARKS SYSTEM
SCHEDULE OF INSURANCE COVERAGE
SEPTEMBER 30, 2012

INSURER	COVERAGE	AMOUNT OF COVERAGE	LATEST POLICY EXPIRATION DATE	ASSETS COVERED	PREMIUM	DEDUCTIBLE
Harleysville Mutual Insurance Co	Parks Building & Content qualifying for preferred coverage under NFIP	\$2,517,900 bldg \$321,600 content	10/1/2013	Buildings/Content	\$28,890.00	\$1,000
Great American Insurance Group	Employee Crime Policy	\$500,000.00	7/1/2013	Employee dishonesty - crime	\$0.00	\$7,500
Great American Insurance Group	Employee Crime Policy	\$500,000.00	7/1/2013	Employee dishonesty - crime	-	\$7,500
National Union Fire Insurance	Employee Crime Policy	\$150,000.00	7/1/2013	Employee dishonesty - crime	-	\$1,500
National Union Fire Insurance	Employee Crime Policy	\$150,000.00	7/1/2013	Employee dishonesty - crime	-	\$1,500
National Union Fire Insurance	Employee Crime Policy	\$150,000.00	7/1/2013	Employee dishonesty - crime	-	\$1,500
National Union Fire Insurance	Employee Crime Policy	\$500,000.00	7/1/2013	Employee dishonesty - crime	-	\$7,500
National Union Fire Insurance	Employee Crime Policy	\$500,000.00	7/1/2013	Employee dishonesty - crime	0.00	\$7,500
National Union Fire Insurance	Employee Crime Policy	\$500,000.00	7/1/2013	Employee dishonesty - crime	0.00	\$0
Diamond State Insurance Co	Parks buildings, extended coverage, malicious mischief, excess flood, named storm	\$8,289,293.00	7/1/2013	Building	\$52,649.00	\$10,000
Diamond State Insurance Co	Parks Buildings Fire, extended coverage, malicious mischief, excess flood, named storm	\$191,446.00	7/1/2013	Contents	-	\$10,000

CAMERON COUNTY, TEXAS
PARKS SYSTEM
SCHEDULE OF INSURANCE COVERAGE- Continued
SEPTEMBER 30, 2012

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	7/1/2013	EDP	-	\$10,000
Texas Association of Counties	Auto Liability	\$100,000/\$300,000	7/1/2013	Bodily Injury per person/per occurrence	\$7,325.00	\$1,000
Texas Association of Counties	Auto Liability	\$100,000.00	7/1/2013	Property Damage	-	\$1,000
Texas Association of Counties	Auto Liability	\$20,000 per person	7/1/2013	Bodily Injury	-	\$1,000
Texas Association of Counties	Auto Liability	\$40,000 per accident	7/1/2013	Uninsured/underinsured Bodily Injury	-	\$1,000
Texas Association of Counties	Auto Liability	\$15,000 per accident	7/1/2013	Uninsured/underinsured Property damage	-	\$1,000
Texas Association of Counties	Auto Liability	\$5,000.00	7/1/2013	Uninsured/underinsured Personal Injury	-	\$1,000
Texas Association of Counties	Auto physical damage comprehensive	Cash value or cost of repair	7/1/2013	Vehicles	\$1,445.00	\$1,000
Texas Association of Counties	General Liability	\$100,000/\$300,000	7/1/2013	Bodily Injury per person/per occurrence	\$6,105.99	\$5,000
Texas Association of Counties	General Liability	\$100,000/\$100,000	7/1/2013	Property damage per occurrence/aggregate	-	\$5,000
Texas Association of Counties	General Liability	\$100,000/\$100,000	7/1/2013	Employee benefit per claim/aggregate	-	\$5,000
Texas Association of Counties	Workers Compensation	Unlimited	12/31/2012	On the job injuries	-	-

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING REVENUES
Years Ended September 30, 2012 and 2011

	2012	2011
<u>ISLA BLANCA PARK</u>		
Rental Income	\$ 2,584,913	\$ 2,410,487
Concession leases	1,475,777	1,473,936
Miscellaneous income	9,896	12,236
Electricity	128,706	107,534
Water	1,656	2,352
Entrance fees	1,024,057	896,973
Tents	29,796	18,968
Boat slips/launch fees	2,444	2,640
Park tag fee	12,094	6,916
Over/(short)	4,796	(1,902)
Beach fee reimbursement	0	59,268
Donations	-	-
Commercial services permits	1,434	2,445
TOTAL ISLA BLANCA PARK	5,275,569	4,991,853
<u>ADOLPH THOMAE PARK</u>		
Rental Income	73,047	67,878
Entrance fees	194,365	172,855
Boat slips/launch fees	16,762	20,755
Apartment rental	2,100	1,925
Park tag fees	2,015	2,107
Miscellaneous revenue	61	4
Electricity	694	1,101
Over/(short)	231	1,636
Tents	3,120	3,720
TOTAL ADOLPH THOMAE PARK	292,395	271,981
<u>PUBLIC BEACHES</u>		
Entrance fees	598,803	525,522
Trash Bag program	168,435	132,450
Commercial services permits	3,075	1,325
Over/(short)	5,315	152
Miscellaneous income	226	
TOTAL PUBLIC BEACHES	775,854	659,449
<u>ANDY BOWIE PARK</u>		
RV full service rentals	83,669	89,801
Apartment rental	3,925	3,900
Concession leases	240,519	211,118
Tents	4,565	1,815
Miscellaneous revenue	259	1,913
Electricity	5,130	5,578
Park tag fees	1,000	610
Over/(short)	1,799	1,743
Entrance fees	96,177	82,840
TOTAL ANDY BOWIE PARK	437,043	399,318
<u>PARK RANGERS</u>		
Miscellaneous fines and fees	470	475
TOTAL PARK RANGERS	470	475

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING REVENUES-continued
 Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>BEACH CLEANUP</u>		
Donations	12,250	2,370
TOTAL BEACH CLEANUP	<u>12,250</u>	<u>2,370</u>
 <u>COMMUNITY PARKS</u>		
Miscellaneous Revenue	0	6,652
Swimming Pools	6,001	4,474
Community Center Rentals	3,442	2,563
Donations for Learning Centers	489	-
Donations Park summer program	2,540	
TOTAL COMMUNITY PARKS	<u>12,472</u>	<u>13,689</u>
TOTAL OPERATING REVENUES	<u>\$ 6,806,053</u>	<u>\$ 6,339,135</u>

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES
Years Ended September 30, 2012 and 2011

	2012	2011
<u>ISLA BLANCA PARK</u>		
Advertising	2,565	3,000
Amortization		-
Audit and legal	6,400	6,400
Contractual	197,618	61,179
Credit card service fees		61,837
Depreciation	185,424	204,368
Dues & subscriptions		655
Education & training		117
Fuel		15,642
Insurance	39,558	32,971
Miscellaneous	58,666	403
Phone		17,661
Postage		911
Rental	862	2,645
Repairs and maintenance	67,569	39,649
Salaries and employee benefits	\$ 505,130	\$ 462,522
Supplies	80,588	57,909
Taxes	9,352	5,840
Travel	995	464
Utilities	721,831	670,047
TOTAL ISLA BLANCA PARK	1,876,558	1,644,220
<u>ADOLPH THOMAE PARK</u>		
Salaries and employee benefits	123,965	118,349
Credit card service fees		4,415
Postage		69
Supplies	14,623	9,136
Fuel		4,893
Repairs and maintenance	9,147	9,265
Advertising	1,067	2,000
Insurance	1,605	1,534
Phone		2,024
Utilities	48,658	46,479
Rental	89	474
Contractual	3,908	1,590
Miscellaneous	5,427	40
Depreciation	72,933	73,704
TOTAL ADOLPH THOMAE PARK	281,422	273,972

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
SCHEDULE OF OPERATING EXPENSES-continued
Years Ended September 30, 2012 and 2011

	2012	2011
<u>PUBLIC BEACHES</u>		
Salaries and employee benefits	311,243	117,821
Supplies	24,380	13,069
Repairs and maintenance	7,383	4,337
Utilities	71,702	50,152
Contractual	33,780	7,410
Insurance	461	624
Professional services		14,364
Depreciation	10,696	10,696
TOTAL PUBLIC BEACHES	459,645	218,473
<u>ANDY BOWIE PARK</u>		
Salaries and employee benefits	129,081	117,263
Postage		50
Supplies	18,929	14,081
Repairs and maintenance	13,868	14,579
Fuel		6,039
Advertising	1,000	1,000
Insurance	2,688	2,764
Phone		2,178
Utilities	33,778	29,922
Credit card service fees		2,378
Miscellaneous	3,087	10
Contractual	6,679	3,572
Depreciation	78,896	79,130
TOTAL ANDY BOWIE PARK	288,006	272,966
<u>COMMUNITY PARKS</u>		
Salaries and employee benefits	164,838	161,295
Supplies	30,382	13,802
Fuel		9,804
Repairs and maintenance	11,269	13,906
Insurance	7,007	5,315
Phone		2,515
Utilities	79,016	82,106
Rental	231	2,038
Education and training		615
Contractual	431	6,320
Depreciation	204,293	181,835
TOTAL COMMUNITY PARKS	497,467	479,551

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING EXPENSES-continued
 Years Ended September 30, 2012 and 2011

	2012	2011
<u>BROWNE PARK</u>		
Salaries and employee benefits	76,816	81,668
Supplies	9,031	9,177
Repairs and maintenance	6,929	6,174
Fuel		1,371
Insurance		2,400
Utilities	52,859	31,083
Communications		12,982
Contractual	1,128	485
Depreciation	76,939	76,939
TOTAL BROWNE PARK	223,702	222,279
<u>FAMILY LEARNING CENTERS - LA PALOMA</u>		
Salaries and employee benefits	16,034	14,442
Supplies	5,842	6,661
Utilities	21,594	22,058
Insurance	217	53
Depreciation	105,162	105,162
Repairs and maintenance	1,589	2,898
TOTAL FAMILY LEARNING CENTERS-LA PALOMA	150,438	151,274
<u>FAMILY LEARNING CENTERS - SANTA ROSA</u>		
Utilities	-	9,621
TOTAL FAMILY LEARNING CENTERS- SANTA ROSA	0	9,621
<u>LAURELES PARK</u>		
Salaries and employee benefits	15,461	10,316
Supplies	5,425	9,947
Insurance	217	53
Repairs and maintenance	1,347	4,300
Depreciation	114,210	114,210
Utilities	21,220	31,445
Contractual	2,000	
TOTAL LAURELES PARK	159,880	170,271
<u>FAMILY LEARNING CENTERS - LOS INDIOS</u>		
Depreciation	5,948	5,948
TOTAL FAMILY LEARNING CENTERS-LOS INDIOS	5,948	5,948
<u>CAMERON / LA ESPERANZA</u>		
Depreciation	30,706	30,706
TOTAL CAMERON / LA ESPERANZA	30,706	30,706

(Continued)

CAMERON COUNTY, TEXAS
PARK SYSTEM
 SCHEDULE OF OPERATING EXPENSES-continued
 Years Ended September 30, 2012 and 2011

	2012	2011
<u>BEACH CLEANUP</u>		
Supplies	-	1,036
Clothing	-	499
TOTAL BEACH CLEANUP	<u>0</u>	<u>1,535</u>
<u>CODE ENFORCEMENT</u>		
Salaries and employee benefits	23,824	22,958
Supplies	2,224	1,633
Fuel		828
Repairs and maintenance	4,675	922
TOTAL CODE ENFORCEMENT	<u>30,723</u>	<u>26,341</u>
<u>GREENS DIVISION</u>		
Salaries and employee benefits	142,931	141,920
Supplies	12,738	6,382
Fuel		9,308
Repairs and maintenance	8,380	6,719
Phone		282
Insurance	307	312
TOTAL GREENS DIVISION	<u>164,356</u>	<u>164,923</u>
<u>ADMINISTRATION</u>		
Salaries and employee benefits	559,077	586,353
Post employment benefits	126,039	79,249
Postage		312
Supplies	28,135	10,037
Fuel		33,300
Repairs and maintenance	23,335	16,546
Phones		4,190
Utilities	10,150	-
Travel	4,398	2,224
Professional Services		135,848
Advertising	2,954	3,157
Insurance	52,749	69,018
Education and Training		1,425
Depreciation	15,934	15,934
Rental	5,649	5,999
Miscellaneous expense	5,260	951
Contractual	32,725	3,735
TOTAL ADMINISTRATION	<u>866,405</u>	<u>968,278</u>
TOTAL OPERATING EXPENSES	<u>\$5,035,256</u>	<u>\$4,640,358</u>