

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BROWNFIELD, TEXAS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 1,878,714	\$ 2,065,906	\$ 187,192
Intergovernmental Revenues	242,500	256,151	13,651
Other Service Revenue	425,712	494,241	68,529
Miscellaneous and other Revenue	210,625	150,428	(60,197)
Total Revenues	<u>\$ 2,757,551</u>	<u>\$ 2,966,726</u>	<u>\$ 209,175</u>
Expenditures			
Financial Administration	\$ 280,825	\$ 283,905	\$ (3,080)
Judicial and Legal	168,008	140,434	27,574
Central Administration	881,542	761,513	120,029
Street and Highways	823,046	783,599	39,447
Public Safety - Police	1,623,998	1,592,595	31,403
Public Safety - Fire	542,000	507,926	34,074
Public Safety - Inspection & Emergency Management	121,960	119,399	2,561
Public Services	306,014	228,567	77,447
Parks and Recreation	664,345	634,001	30,344
All Other	171,358	163,993	7,365
Total Expenditures	<u>\$ 5,583,096</u>	<u>\$ 5,215,932</u>	<u>\$ 367,164</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	\$ (2,825,545)	\$ (2,249,206)	\$ 576,339
Other Sources (Uses)			
Operating Transfers In (Out) Net	2,738,141	2,336,594	(401,547)
Total Other Sources (uses)	<u>\$ 2,738,141</u>	<u>\$ 2,336,594</u>	<u>\$ (401,547)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under)			
Expenditures and Other Uses	<u>\$ (87,404)</u>	<u>\$ 87,388</u>	<u>\$ 174,792</u>
Fund Balance at Beginning of Year			
As Previously Reported	(220,898)	(64,930)	155,968
Fund Balance at End of Year	<u>\$ (308,302)</u>	<u>\$ 22,458</u>	<u>\$ 330,760</u>

CITY OF BROWNFIELD, TEXAS
STATEMENT OF REVENUES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Taxes			
Property Taxes	\$ 952,938	\$ 1,007,468	\$ 54,530
General Sales Tax	717,572	826,784	109,212
Franchise Tax	203,609	229,469	25,860
Mixed Drink Tax	3,845	1,681	(2,164)
Other Taxes			
Tax Certificates	750	504	(246)
Total Taxes	<u>\$ 1,878,714</u>	<u>\$ 2,065,906</u>	<u>\$ 187,192</u>
Intergovernmental			
County	\$ 242,500	\$ 256,151	\$ 13,651
Total Intergovernmental	<u>\$ 242,500</u>	<u>\$ 256,151</u>	<u>\$ 13,651</u>
Other Sales & Services			
Licenses & Permits	\$ 10,641	\$ 20,267	\$ 9,626
City/County Parks	283,429	332,090	48,661
Swimming Pool Revenue	67,192	77,201	10,009
Rents Of City Property	12,186	15,495	3,309
Service Charges	52,264	49,188	(3,076)
Total Other Sales and Services	<u>\$ 425,712</u>	<u>\$ 494,241</u>	<u>\$ 68,529</u>
Other Miscellaneous			
Fines	\$ 79,627	\$ 76,467	\$ (3,160)
Miscellaneous	29,248	22,040	(7,208)
State and Other Fees	101,750	51,921	(49,829)
Total Other Miscellaneous	<u>\$ 210,625</u>	<u>\$ 150,428</u>	<u>\$ (60,197)</u>
Total Revenues	<u>\$ 2,757,551</u>	<u>\$ 2,966,726</u>	<u>\$ 209,175</u>

CITY OF BROWNFIELD, TEXAS
STATEMENT OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES			
Financial Administration			
Salaries & Wages	\$ 189,320	194,864	\$ (5,544)
Retirement	29,061	24,298	4,763
Payroll Tax	14,483	15,214	(731)
Employee Insurance	25,200	25,686	(486)
Office Supplies	825	2,021	(1,196)
Dues	3,071	2,589	482
Miscellaneous Supplies	100	733	(633)
Business Travel	4,265	4,100	165
Miscellaneous	100	0	100
Car Allowance	14,400	14,400	0
Total Financial Administration	\$ 280,825	\$ 283,905	\$ (3,080)
Judicial and Legal			
Municipal Court			
Salaries & Wages	\$ 51,270	\$ 55,437	\$ (4,167)
Retirement	7,870	8,249	(379)
Payroll Tax	3,922	3,931	(9)
Employee Insurance	16,800	16,937	(137)
Office Supplies	2,000	1,506	494
Business Travel	425	50	375
Jury Duty	750	132	618
State and Other Costs	84,971	54,192	30,779
Total Municipal Court	\$ 168,008	\$ 140,434	\$ 27,574
Total Judicial and Legal	\$ 168,008	\$ 140,434	\$ 27,574
Central Administration			
City Council			
Salaries & Wages	\$ 5,478	\$ 4,847	\$ 631
Payroll Taxes	419	371	48
Election Supplies	5,000	2,763	2,237
Business Travel	8,152	7,404	748
Special Services	2,550	2,731	(181)
Incidentals	1,000	1,247	(247)
Total City Council	\$ 22,599	\$ 19,363	\$ 3,236

CITY OF BROWNFIELD, TEXAS
STATEMENT OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
City Secretary			
Salaries & Wages	\$ 148,753	\$ 148,043	\$ 710
Retirement	22,834	18,833	4,001
Payroll Taxes	11,380	11,113	267
Employee Insurance	50,400	50,755	(355)
Unemployment	5,000	840	4,160
Office Supplies	13,104	15,792	(2,688)
Advertising & Legal	6,100	2,982	3,118
Business Travel	4,100	5,010	(910)
Dues	350	0	350
Miscellaneous	250	362	(112)
Bad Debt Expense	4,385	1,677	2,708
Tax Suits	500	0	500
Tax Appraisal Board	20,325	19,864	461
Audit	25,400	28,400	(3,000)
Total City Secretary	<u>\$ 312,881</u>	<u>\$ 303,671</u>	<u>\$ 9,210</u>
Non-Departmental			
Salaries & Wages	\$ 113,237	\$ 132,212	\$ (18,975)
Retirement	7,834	7,846	(12)
Payroll Taxes	3,904	3,738	166
Employee Insurance	16,800	16,932	(132)
Office Supplies-Printing & Postage	22,250	22,063	187
Janitor and Miscellaneous Supplies	5,500	6,942	(1,442)
Building and Office Equipment			
Maintenance	158,604	74,515	84,089
Telephone	9,750	9,255	495
Insurance	106,757	94,489	12,268
Special Services	300	35	265
Utilities	90,479	59,802	30,677
Dues	4,047	4,980	(933)
Total Non-Departmental Before Capital Outlay & Transfers	<u>\$ 539,462</u>	<u>\$ 432,809</u>	<u>\$ 106,653</u>
Capital Outlay	6,600	5,670	930
Total Non-Departmental	<u>\$ 546,062</u>	<u>\$ 438,479</u>	<u>\$ 107,583</u>
Total Central Administration	<u>\$ 881,542</u>	<u>\$ 761,513</u>	<u>\$ 120,029</u>

CITY OF BROWNFIELD, TEXAS
STATEMENT OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Streets & Highways			
Salaries & Wages	\$ 244,662	\$ 233,428	\$ 11,234
Retirement	37,556	38,613	(1,057)
Payroll Taxes	18,717	18,197	520
Employee Insurance	67,200	57,295	9,905
Vehicle Supplies	45,873	44,481	1,392
Supplies & Chemicals	23,829	11,940	11,889
Uniforms	500	2,241	(1,741)
Street Maintenance	18,000	0	18,000
Vehicle & Machinery Maintenance	51,234	44,760	6,474
Garage Expense	15,000	10,853	4,147
Engineering Services	7,500	6,995	505
Street Light Utilities	44,000	34,589	9,411
Total Street & Highways Before Capital Outlay	\$ 574,071	\$ 503,392	\$ 70,679
Capitol Outlay	248,975	280,207	(31,232)
Total Streets & Highways	\$ 823,046	\$ 783,599	\$ 39,447
Public Safety - Police			
Salaries & Wages	\$ 870,343	\$ 833,773	\$ 36,570
Retirement	133,598	134,889	(1,291)
Payroll Taxes	66,581	63,837	2,744
Employee Insurance	201,600	192,930	8,670
Office Supplies	11,000	7,348	3,652
Vehicle Supplies	40,758	54,909	(14,151)
Supplies	25,000	15,868	9,132
Uniforms	10,000	10,004	(4)
Schools and Cont. Education	4,000	4,570	(570)
Building Maintenance	5,000	5,578	(578)
Equipment Maintenance	8,750	12,100	(3,350)
Vehicle Maintenance	29,200	41,254	(12,054)
Insurance	15,212	15,212	0
Business Travel	4,000	3,588	412
Grant Match	2,500	0	2,500
Law Enforcement Center	24,000	24,000	0
Dues	1,000	670	330
Miscellaneous	13,456	811	12,645
Total Public Safety - Police Before Capital Outlay	\$ 1,465,998	\$ 1,421,341	\$ 44,657
Capitol Outlay	158,000	171,254	(13,254)
Total Public Safety - Police	\$ 1,623,998	\$ 1,592,595	\$ 31,403

CITY OF BROWNFIELD, TEXAS
STATEMENT OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Public Safety - Fire			
Salaries & Wages	\$ 241,501	\$ 220,879	\$ 20,622
Retirement	37,070	35,331	1,739
Payroll Taxes	18,475	17,020	1,455
Employee Insurance	42,000	44,422	(2,422)
Vehicle Supplies	4,500	8,673	(4,173)
Supplies	42,400	47,014	(4,614)
Uniforms	2,000	2,171	(171)
Training	10,000	8,944	1,056
Vehicle Maintenance	8,000	25,948	(17,948)
Insurance	6,166	6,166	0
Volunteer Firemen	29,644	29,250	394
Firemens Pension	12,600	8,747	3,853
Fire Marshal	644	763	(119)
Total Public Safety - Fire Before Capital Outlay	\$ 455,000	\$ 455,328	\$ (328)
Capital Outlay	87,000	52,598	34,402
Total Public Safety - Fire	\$ 542,000	\$ 507,926	\$ 34,074
Public Safety - Inspection & Civil Defense			
Inspection			
Salaries & Wages	\$ 51,960	\$ 54,006	\$ (2,046)
Retirement	7,976	9,497	(1,521)
Payroll Tax	3,975	4,532	(557)
Employee Insurance	8,400	8,532	(132)
Vehicle Maintenance	2,613	4,166	(1,553)
Miscellaneous Supplies	2,500	2,864	(364)
Training	1,500	172	1,328
Business Travel	1,500	(22)	1,522
Dues	650	422	228
Total Public Safety - Inspection & Civil	\$ 81,074	\$ 84,169	\$ (3,095)

CITY OF BROWNFIELD, TEXAS
STATEMENT OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Emergency Management			
Salaries & Wages	\$ 9,750	\$ 9,750	\$ 0
Retirement	1,497	0	1,497
Payroll Tax	746	178	568
Miscellaneous Supplies	5,893	4,828	1,065
Radio Maintenance	4,000	2,929	1,071
Miscellaneous	3,000	2,045	955
Total Emergency Management Before Capital Outlay	\$ 24,886	\$ 19,730	\$ 5,156
Capital Outlay	16,000	15,500	500
Total Emergency Management	\$ 40,886	\$ 35,230	\$ 5,656
Total Public Safety - Inspection and Emergency Management	\$ 121,960	\$ 119,399	\$ 2,561
Parks & Recreation			
Salaries & Wages	\$ 194,987	\$ 210,273	\$ (15,286)
Retirement	22,256	21,571	685
Payroll Taxes	18,742	16,007	2,735
Employee Insurance	33,600	33,757	(157)
Vehicle & Machinery Maintenance	6,000	9,990	(3,990)
Recreation Board Expense	3,000	600	2,400
Supplies	25,000	39,973	(14,973)
Building & Machinery Maint.	17,000	14,819	2,181
Miscellaneous	4,400	8,774	(4,374)
Pool Maintenance & Supplies	13,000	26,100	(13,100)
Janitorial		202	(202)
Utilities	60,360	96,234	(35,874)
Total Parks & Recreation Before Capital Outlay	\$ 398,345	\$ 478,300	\$ (79,955)
Capital Outlay	266,000	155,701	110,299
Total Parks & Recreation	\$ 664,345	\$ 634,001	\$ 30,344
Drug Enforcement			
Salaries & Wages	\$ 46,922	\$ 54,248	\$ (7,326)
Retirement	7,203	6,334	869
Payroll Tax	3,590	3,714	(124)
Employee Insurance	8,400	8,495	(95)
Vehicle Maintenance	2,800	3,037	(237)
Miscellaneous Supplies	1,560	1,647	(87)
Training	2,500	0	2,500
Business Travel	1,500	633	867
Dues	250	300	(50)
Operations	20,000	19,814	186
Total Public Safety - Inspection & Civil	\$ 94,725	\$ 98,222	\$ (3,497)

CITY OF BROWNFIELD, TEXAS
STATEMENT OF EXPENDITURES
COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2011

GENERAL FUND

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Public Services			
Brownfield Senior Citizens	\$ 7,400	\$ 7,400	\$ 0
Ambulance Contingency	164,000	169,617	(5,617)
Library	13,250	14,878	(1,628)
Cemetery Care	1,000	1,000	0
Museum	2,000	2,167	(167)
Health Unit	28,411	30,430	(2,019)
Texas State Guard	600	600	0
Community Service Volunteers	3,900	2,475	1,425
Hotel-Motel Tax	85,453	0	85,453
Total Public Services	<u>\$ 306,014</u>	<u>\$ 228,567</u>	<u>\$ 77,447</u>
Warehouse			
Salaries & Wages	\$ 39,405	\$ 35,533	\$ 3,872
Retirement	6,049	6,308	(259)
Payroll Tax	3,014	2,973	41
Employee Insurance	8,400	7,797	603
Supplies	4,140	1,860	2,280
Miscellaneous Supplies	50	0	50
Building Maintenance	500	367	133
Vehicle Maintenance	75	988	(913)
Total Warehouse Before	<u>\$ 61,633</u>	<u>\$ 55,826</u>	<u>\$ 5,807</u>
Capital Outlay			
Capital Outlay	15,000	9,945	5,055
Total Warehouse	<u>\$ 76,633</u>	<u>\$ 65,771</u>	<u>\$ 10,862</u>
Total Expenditures	<u>\$ 5,583,096</u>	<u>\$ 5,215,932</u>	<u>\$ 367,164</u>

CITY OF BROWNFIELD, TEXAS
EMPLOYEE PENSION INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Employee Pension Information

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

Texas Municipal Retirement System

Schedule of Funding Progress:

(unaudited)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
	(1)	(2)	(3)	(4)	(5)	(6)
			(1)/(2)	(2)-(1)		(4)/(5)
12/31/2008	\$ 5,625,544	\$ 9,028,344	62.3%	\$ 3,402,800	\$ 2,737,330	124.3%
12/31/2009	\$ 5,548,424	\$ 8,982,122	61.8%	\$ 3,433,698	\$ 2,760,865	124.4%
*12/31/2010	\$ 12,328,793	\$ 14,262,768	86.4%	\$ 1,933,975	\$ 2,918,122	66.3%

*For the year ended December 31, 2010 the plan was restructured during the year.

COMBINING STATEMENTS FOR
NON-MAJOR GOVERNMENTAL &
PROPRIETARY FUNDS

CITY OF BROWNFIELD, TEXAS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2011

	Municipal Court Security Fund	Hamilton Park Fund	Seized Drug Fund	Hotel Motel Fund	Total Non-Major Governmental Funds
Assets					
Cash in Bank(Restricted)	\$ 61,327	\$ 5,727	\$ 16,824	\$ 107,364	\$ 191,242
Accounts Receivable	0	0	0	45,521	45,521
Total Assets	<u>\$ 61,327</u>	<u>\$ 5,727</u>	<u>\$ 16,824</u>	<u>\$ 152,885</u>	<u>\$ 236,763</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 841	\$ 0	\$ 0	\$ 0	\$ 841
Total Liabilities	<u>\$ 841</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 841</u>
Restricted Fund Balances					
Prior Period Adjustment	\$ 0	\$ 0	\$ 0	\$ 11,331	\$ 11,331
Total Restricted Fund Balance	<u>\$ 60,486</u>	<u>\$ 5,727</u>	<u>\$ 16,824</u>	<u>\$ 152,885</u>	<u>\$ 235,922</u>
Total Liabilities and Fund Balances	<u>\$ 61,327</u>	<u>\$ 5,727</u>	<u>\$ 16,824</u>	<u>\$ 152,885</u>	<u>\$ 236,763</u>

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Municipal Court Security Fund	Hamilton Park Fund	Seized Drug Fund	Hotel Motel Fund	Total Non-Major Governmental Funds
Revenues					
Charges for service	\$ 10,130	\$ 0	\$ 11,018	\$ 0	\$ 21,148
Hotel/Motel Tax Collections	0	0	0	158,457	158,457
Investment earnings	0	215	0	1,247	1,462
Total Revenues	<u>\$ 10,130</u>	<u>\$ 215</u>	<u>\$ 11,018</u>	<u>\$ 159,704</u>	<u>\$ 181,067</u>
Expenditures					
Supplies & Maintenance	\$ 5,878	\$ 8,447	\$ 4,061	\$ 0	\$ 18,386
Event Funding	0	0	0	69,307	69,307
Total Expenditures	<u>\$ 5,878</u>	<u>\$ 8,447</u>	<u>\$ 4,061</u>	<u>\$ 69,307</u>	<u>\$ 87,693</u>
Excess deficiency) of revenues over expenditures	<u>\$ 4,252</u>	<u>\$ (8,232)</u>	<u>\$ 6,957</u>	<u>\$ 90,396</u>	<u>\$ 93,374</u>
Other Financing Sources(Uses)					
Contributions	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Other Financing Sources(Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Changes in Fund Balances	<u>\$ 4,252</u>	<u>\$ (8,232)</u>	<u>\$ 6,957</u>	<u>\$ 90,396</u>	<u>\$ 93,374</u>
Restricted Fund Balances Beginning	56,233	13,959	9,867	51,158	131,217
Restricted Fund Balances Ending	<u>\$ 60,485</u>	<u>\$ 5,727</u>	<u>\$ 16,824</u>	<u>\$ 152,885</u>	<u>\$ 235,922</u>

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF NET ASSETS
 POWER & LIGHT FUNDS
 SEPTEMBER 30, 2011

	Power and Light Funds	Light Meter Fund	Combined Totals 2011
ASSETS			
Cash in Bank	\$ 1,678,401	\$ 602,508	\$ 2,280,909
Cash in Savings	2,843,253	0	2,843,253
Receivables			
Accounts and Rents	530,109	0	530,109
Due From Other Funds	109,221	0	109,221
Inventories	74,439	0	74,439
Property and Equipment			
Land	15,697	0	15,697
Buildings and Equipment	10,059,715	0	10,059,715
Accumulated Depreciation	(8,876,170)	0	(8,876,170)
Total Assets	<u>\$ 6,434,665</u>	<u>\$ 602,508</u>	<u>\$ 7,037,173</u>
LIABILITIES AND NET ASSETS			
Liabilities			
Current			
Accounts Payable	\$ 415,636	\$ 0	\$ 415,636
Accrued Expenses	52,666	0	52,666
Deposits	0	472,270	472,270
Total Liabilities	<u>\$ 468,302</u>	<u>\$ 472,270</u>	<u>\$ 940,572</u>
Net Assets			
Invested in Capital Assets			
Net of Related Debt	\$ 1,199,242	\$ 0	\$ 1,199,242
Unrestricted	4,767,121	0	4,767,121
Restricted	0	130,238	130,238
Total Net Assets	<u>\$ 5,966,363</u>	<u>\$ 130,238</u>	<u>\$ 6,096,601</u>
Total Liabilities and Net Assets	<u>\$ 6,434,665</u>	<u>\$ 602,508</u>	<u>\$ 7,037,173</u>

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 POWER AND LIGHT FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Power & Light Fund	Light Meter Fund	Combined Totals 2011
Revenues			
Charges for Services	\$ 8,099,234	\$ 0	\$ 8,099,234
Penalties	18,612	0	18,612
License and Permits	1,887	0	1,887
Rents	23,782	0	23,782
Sales Tax Collected	303,429	0	303,429
Miscellaneous and Other Revenues	1,149	0	1,149
Total Revenues	\$ 8,448,093	\$ 0	\$ 8,448,093
Operating Expenses			
Personnel Services	\$ 432,412	\$ 0	\$ 432,412
Supplies and Maintenance	292,440	0	292,440
Contractual Purchases	4,333,867	0	4,333,867
Other Charges	13,529	0	13,529
Bad Debt Expense	26,431	0	26,431
Sales Tax Paid to State	303,438	0	303,438
Depreciation and Amortization	102,052	0	102,052
Total Operation Expenses	\$ 5,504,169	\$ 0	\$ 5,504,169
Total Operation Income(Loss)	\$ 2,943,924	\$ 0	\$ 2,943,924
Nonoperating Revenues(Expenses)			
Interest Income	83,253	0	83,253
Income(Loss) Before Operating Transfers	\$ 3,027,177	\$ 0	\$ 3,027,177
Operating Transfers			
Operating Transfers In	0	0	0
Operating Transfers Out	(2,182,425)	0	(2,182,425)
Net Income (Loss)	\$ 844,752	\$ 0	\$ 844,752
Net Assets, October 1, 2010	5,121,611	130,238	5,251,849
Net Assets, September 30, 2011	\$ 5,966,363	\$ 130,238	\$ 6,096,601

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 POWER & LIGHT FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Power & Light Fund	Light Meter Fund	Combined Totals 2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 7,911,532	\$ 0	\$ 7,911,532
Payments to Suppliers	(4,605,414)	0	(4,605,414)
Payments to Employees	(432,412)	0	(432,412)
Other payments	(343,398)	0	(343,398)
Other receipts	328,360	0	328,360
Net Cash Provided by operating activities	<u>\$ 2,858,668</u>	<u>\$ 0</u>	<u>\$ 2,858,668</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Interest Income	\$ 83,253	\$ 0	\$ 83,253
Customer Deposits	0	78,968	78,968
Transfers from and (to) other funds-net	(2,182,425)	0	(2,182,425)
Net Cash provided by financing activities	<u>\$ (2,099,172)</u>	<u>\$ 78,968</u>	<u>\$ (2,020,204)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	\$ (244,351)	\$ 0	\$ (244,351)
Net Cash used by capital and related financing activities	<u>\$ (244,351)</u>	<u>\$ 0</u>	<u>\$ (244,351)</u>
Net increase(decrease) in cash and cash equivalents	\$ 515,145	\$ 78,968	\$ 594,113
Balances - beginning of the year	4,006,509	523,540	4,530,049
Balances - end of the year	<u>\$ 4,521,654</u>	<u>\$ 602,508</u>	<u>\$ 5,124,162</u>
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES			
Operating income(loss)	\$ 2,943,924	\$ 0	\$ 2,943,924
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	102,052	0	102,052
Accrued Payroll/Vacation & Sick Leave	(5,022)	0	(5,022)
Change in assets and liabilities:			
Receivables, net	(208,201)	0	(208,201)
Inventories	13,765	0	13,765
Accounts and other payables	12,150	0	12,150
Net cash provided by operating activities	<u>\$ 2,858,668</u>	<u>\$ 0</u>	<u>\$ 2,858,668</u>

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF NET ASSETS
 WATER & SEWER FUNDS
 SEPTEMBER 30, 2011

	Water & Sewer Funds	Water Meter Funds	Water & Sewer Pro-Rata Fund	Combined Totals 2011
ASSETS				
Cash in Bank	\$ 254,951	\$ 118,664	\$ 9,984	\$ 383,599
Cash in Savings	82,413	0	0	82,413
Receivables				
Accounts and Rents	156,987	0	0	156,987
Due from Other Funds	186,142			186,142
Inventories	41,073	0	0	41,073
Property and Equipment				
Land	390,679	0	0	390,679
Buildings and Equipment	10,804,965	0	0	10,804,965
Construction in Progress	580,923	0	0	580,923
Accumulated Depreciation	(7,470,064)	0	0	(7,470,064)
Total Assets	\$ 5,028,069	\$ 118,664	\$ 9,984	\$ 5,156,717
LIABILITIES AND NET ASSETS				
Liabilities				
Current				
Accounts Payable	\$ 61,253	\$ 0	\$ 0	\$ 61,253
Accrued Expenses	40,074	0	0	40,074
Deposits	0	57,863	0	57,863
Total Liabilities	\$ 101,327	\$ 57,863	\$ 0	\$ 159,190
Net Assets				
Invested in Capital Assets				
Net of Related Debt	\$ 4,306,503	\$ 0	\$ 0	\$ 4,306,503
Unrestricted	620,239	2,938	9,984	633,161
Restricted	0	57,863	0	57,863
Total Net Assets	\$ 4,926,742	\$ 60,801	\$ 9,984	\$ 4,997,527
Total Liabilities and Net Assets	\$ 5,028,069	\$ 118,664	\$ 9,984	\$ 5,156,717

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 WATER AND SEWER FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Water & Sewer Fund	Water Meter Fund	Water & Sewer Pro-Rata Fund	Combined Totals 2011
Revenues				
Charges for Services	\$ 2,548,030	\$ 0	\$ 0	\$ 2,548,030
Penalties	2,311	0	0	2,311
License and Permits	5,820	0	0	5,820
Rents	1,000	0	0	1,000
Miscellaneous and Other Revenues	(205)	0	0	(205)
Total Revenues	\$ 2,556,956	\$ 0	\$ 0	\$ 2,556,956
Operating Expenses				
Personnel Services	\$ 413,592	\$ 0	\$ 0	\$ 413,592
Supplies and Maintenance	421,488	0	0	421,488
Contractual Purchases	947,480	0	0	947,480
Other Charges	13,533	0	0	13,533
Bad Debt Expense	10,273	0	0	10,273
Depreciation and Amortization	270,280	0	0	270,280
Total Operation Expenses	\$ 2,076,646	\$ 0	\$ 0	\$ 2,076,646
Total Operation Income(Loss)	\$ 480,310	\$ 0	\$ 0	\$ 480,310
Nonoperating Revenues (Expenses)				
Interest Income	\$ 2,413	\$ 0	\$ 0	\$ 2,413
Income (Loss) Before Operating Transfers	\$ 482,723	\$ 0	\$ 0	\$ 482,723
Operating Transfers				
Operating Transfers In	224,537	0	0	224,537
Operating Transfers Out	(351,800)	0	0	(351,800)
Net Income (Loss)	\$ 355,460	\$ 0	\$ 0	\$ 355,460
Net Assets, October 1, 2010	4,571,282	60,801	9,984	4,642,067
Net Assets, September 30, 2011	\$ 4,926,742	\$ 60,801	\$ 9,984	\$ 4,997,527

CITY OF BROWNFIELD, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 WATER & SEWER FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Water & Sewer Fund	Water Meter Fund	Water & Sewer Pro-Rata Fund	Combined Totals 2011
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 2,334,634	\$ 0	\$ 0	\$ 2,334,634
Payments to Suppliers	(1,422,537)	0	0	(1,422,537)
Payments to Employees	(413,592)	0	0	(413,592)
Other payments	(23,806)	0	0	(23,806)
Other receipts	795	0	0	795
Net Cash Provided by operating activities	<u>\$ 475,494</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 475,494</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Interest Income	\$ 2,413	\$ 0	\$ 0	\$ 2,413
Customer Deposits	0	(1,868)	0	(1,868)
Transfers from and (to) other funds-net	(127,263)	0	0	(127,263)
Net Cash provided by financing activities	<u>(124,850)</u>	<u>(1,868)</u>	<u>0</u>	<u>(126,718)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	\$ (95,552)	\$ 0	\$ 0	\$ (95,552)
Net Cash used by capital and related financing activities	<u>\$ (95,552)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (95,552)</u>
Net increase(decrease) in cash and cash equivalents	\$ 255,092	\$ (1,868)	\$ 0	\$ 253,224
Balances - beginning of the year	82,272	120,532	9,984	212,788
Balances - end of the year	<u>\$ 337,364</u>	<u>\$ 118,664</u>	<u>\$ 9,984</u>	<u>\$ 466,012</u>
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES				
Operating income(loss)	\$ 480,310	\$ 0	\$ 0	\$ 480,310
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	270,280	0	0	270,280
Accrued Payroll/Vacation & Sick Leave	(21,246)	0	0	(21,246)
Change in assets and liabilities:				
Receivables, net	(221,469)	0	0	(221,469)
Inventories	(937)	0	0	(937)
Accounts and other payables	(31,444)	0	0	(31,444)
Net cash provided by operating activities	<u>\$ 475,494</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 475,494</u>

OTHER SUPPLEMENTARY INFORMATION

JFH

CITY OF BROWNFIELD, TEXAS
 SCHEDULE OF TAX COLLECTIONS & RECEIVABLES
 SEPTEMBER 30, 2011

Assessed Valuation	\$ 188,444,550
Tax Rate per \$100	0.0052166
Late Rendition Penalty Gain	<u>3,905</u>
Tax Levy	<u>\$ 986,945</u>

	<u>Balance</u> 10-01-2010	<u>Current</u> <u>Year's</u> <u>Levy</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Balance</u> 09-30-2011
2001 & PRIOR	\$ 46,672	\$	\$ (4,209)	\$ 651	\$ 41,812
2002	4,632		(203)	272	4,157
2003	5,225		(192)	497	4,536
2004	4,821		(173)	482	4,166
2005	6,657		(182)	1,019	5,456
2006	7,450		(56)	1,255	6,139
2007	11,445		(29)	3,165	8,251
2008	15,969		(1)	6,111	9,857
2009	33,954		(39)	20,372	13,543
2010		986,945	2,892	955,901	33,936
Total	<u>\$ 136,825</u>	<u>\$ 986,945</u>	<u>\$ (2,192)</u>	<u>\$ 989,725</u>	<u>\$ 131,853</u>
Add: Penalty & Interest Collected				<u>19,935</u>	
Net Tax Revenues				<u>\$ 1,009,660</u>	

CITY OF BROWNFIELD, TEXAS
 SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

Tax Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Percentage of Levy Collected	Outstanding Delinquent Taxes	Percentage of Levy Delinquent
2001	764,580	727,951	95.2%	4,544	732,495	95.8%	18,625	2.4%
2002	764,548	728,788	95.3%	31,717	760,505	99.5%	32,034	4.2%
2003	762,389	729,573	95.7%	22,988	752,561	98.7%	37,791	5.0%
2004	781,591	753,014	96.3%	34,033	787,047	100.7%	34,032	4.4%
2005	793,402	757,938	95.5%	32,599	790,537	99.6%	32,653	4.1%
2006	806,908	774,395	96.0%	31,988	806,383	99.9%	33,614	4.2%
2007	870,372	838,263	96.3%	32,835	871,099	100.1%	31,398	3.6%
2008	893,034	865,685	96.9%	19,057	884,742	99.1%	27,699	3.1%
2009	963,648	926,292	96.1%	26,688	952,980	98.9%	33,955	3.5%
2010	986,945	953,009	96.6%	33,824	986,833	100.0%	33,936	3.4%

Handwritten initials

CITY OF BROWNFIELD, TEXAS
 REPAYMENT SCHEDULE
 CANADIAN RIVER MUNICIPAL WATER AUTHORITY
 SEPTEMBER 30, 2011

<u>Due Date</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Total Payment</u>
02-15-12		\$ 4,529	\$ 4,529
08-15-12		4,529	4,529
02-15-13		4,529	4,529
08-15-13		4,529	4,529
02-15-14		4,529	4,529
08-15-14		4,529	4,529
02-15-15		4,529	4,529
08-15-15		7,032	7,032
02-15-16	\$ 30,031	7,032	37,063
08-15-16		7,046	7,046
02-15-17	31,777	7,046	38,823
08-15-17		7,052	7,052
02-15-18	33,523	7,052	40,575
08-15-18		7,051	7,051
02-15-19	35,269	7,051	42,320
08-15-19		7,042	7,042
02-15-20	37,015	7,042	44,057
08-15-20		17,065	17,065
02-15-21	159,235	17,065	176,300
08-15-21		17,081	17,081
02-15-22	167,791	17,081	184,872
08-15-22		17,104	17,104
02-15-23	176,870	17,104	193,974
08-15-23		17,101	17,101
02-15-24	186,124	17,101	203,225
08-15-24		17,126	17,126
02-15-25	195,727	17,126	212,853
Total	<u>\$ 1,053,362</u>	<u>\$ 273,102</u>	<u>\$ 1,326,464</u>

Note: The above payments are considered as part of the cost of water purchases from the Canadian River Municipal Water Authority.



JOE F. HAYS, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

December 08, 2011

Honorable Bob Simpson, Mayor
And City Council
City of Brownfield
201 West Broadway
Brownfield, Texas 79316

I have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Brownfield, Texas as of and for the year ended September 30, 2011, which collectively comprise the City of Brownfield, Texas basic financial statements and have issued my report thereon dated December 08, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the City of Brownfield, Texas internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Brownfield, Texas's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City of Brownfield, Texas's internal control over financial reporting

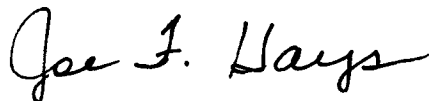
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of the obtaining reasonable assurance about whether the City of Brownfield, Texas financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion or compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instance of noncompliance that I have reported under *Government Auditing Standards*.

This report is intended for the information of the city council, administration and is not intended to be and should not be used by anyone other than these specified parties.



Joe F. Hays, CPA