

COUNTY of HIDALGO

COUNTY AUDITOR'S OFFICE
Hidalgo County Administration Building
2808 South Business Highway 281
Edinburg, Texas 78539-6243
PHONE: (956) 318-2511
FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

November 24, 2015

The Honorable Ramon Garcia
 Hidalgo County Judge
 302 W. University Drive
 Edinburg, Texas 78539

Dear Judge Garcia:

Pursuant to Local Government Code Section 114.044 and/or Local Government Code Section 115.0035 (c), we are submitting for your review the following monthly reports and/or letters:

Department	Fees/Costs	Description
The Hon. Joseph Palacios, Commissioner Precinct No. 4	\$ 26,850.00	Sept. 2015 Monthly Report/Letter Sanitation Program
The Hon. Atanacio Gaitan Jr., Constable Pct. No. 4	\$ 810.00	Sept. 2015 Monthly Report/Letter

Department	Description
The Hon. Pablo Villarreal, Jr., RTA Hidalgo County Tax Assessor/Collector	City of Donna TIRZ No. 2 Report No. 2015-29
Mr. Rolando Garza, Chief Appraiser, Hidalgo County Appraisal District	City of Donna TIRZ No. 2 (THCD2) Report No. 2015-29
Mr. Fernando Flores, City Manager, City of Donna	Reinvestment Zone No. 2, Donna, Texas, River Crossing Report No. 2015-29
Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department	Environmental Health Division - Restaurant Health Permit Section - Cash Count Audit No. 2015-65
Ms. Angie Chapa, Law Librarian	Cash Count Audit No. 2015-62
Mr. Eduardo Olivarez, Chief Administrator Officer Hidalgo County Health and Human Services Department	Environmental Health Division - On Site Sewage Facilities Edinburg - Cash Count Audit No. 2015-64

Respectfully,


 Ray Eulracio, CPA
 Hidalgo County Auditor

Attachments

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
 JUDGE, 92ND D.C.

RODOLFO DELGADO
 JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
 JUDGE, 139TH D.C.

ROSE GUERRA REYNA
 JUDGE, 206TH D.C.

JUAN R. PARTIDA
 JUDGE, 273RD D.C.

MARIO E. RAMIREZ, JR.
 JUDGE, 332ND D.C.

NOE GONZALEZ
 JUDGE, 370TH D.C.
 OVERSEER

LETICIA LOPEZ
 JUDGE, 389TH D.C.

AIDA SALINAS FLORES
 JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
 JUDGE, 430TH D.C.

JESSE CONTRERAS
 JUDGE, 449TH D.C.

COUNTY OF HIDALGO, TEXAS
SCHEDULE OF RECEIPTS AND DEPOSITS FOR THE MONTH OF:
PRECINCT 4, SANITATION PROGRAM

pbc

Sep-15

Receipt Date	Receipt # Sequence		Total Collected	Credit Card Amount (Direct Deposit)	LONE STAR NATIONAL BANK			COUNTY TREASURER			OVER/ (SHORT)			
	BEG #	END #			Deposit Amount	Date of Deposit	Deposit Slip Number	Receipt Date	Receipt Number	Diff on Dates				
1	1-Sep	242-09703	242-09748	\$ 1,250.00	\$ 225.00	\$ 1,025.00	9/1/2015	242	174	9/4/15	190183	42248	\$ -	
2	2-Sep	242-09749	242-09792	\$ 1,200.00	\$ 275.00	\$ 925.00	9/2/2015	242	175	9/4/15	190185	42249	\$ -	
3	3-Sep	242-09793	242-09838	\$ 1,250.00	\$ 100.00	\$ 1,150.00	9/3/2015	242	176	9/15/2015	190462	4	-12	\$ -
4	4-Sep	242-09839	242-09894	\$ 1,825.00	\$ 400.00	\$ 1,425.00	9/4/2015	242	177	9/15/2015	190464	9	-11	\$ -
5	5-Sep	SAT						242					0	\$ -
6	6-Sep	SUN						242					0	\$ -
7	7-Sep	HOLIDAY						242					0	\$ -
8	8-Sep	242-09895	242-09981	\$ 2,525.00	\$ 475.00	\$ 2,050.00	9/8/2015	242	178	9/16/2015	190533	4	-8	\$ -
9	9-Sep	242-09982	242-10035	\$ 1,550.00	\$ 325.00	\$ 1,235.00	9/9/2015	242	179	9/15/2015	190474	4	-6	\$ 10.00
10	10-Sep	242-10036	242-10082	\$ 1,250.00	\$ 225.00	\$ 1,025.00	9/10/2015	242	180	9/15/2015	190465	4	-5	\$ -
11	11-Sep	242-10083	242-10144	\$ 1,575.00	\$ 300.00	\$ 1,275.00	9/11/2015	242	181	9/15/2015	190466	4	-4	\$ -
12	12-Sep	SAT						242					0	\$ -
13	13-Sep	SUN						242					0	\$ -
14	14-Sep	242-10145	242-10176	\$ 850.00	\$ 100.00	\$ 750.00	9/14/2015	242	182	9/15/2015	190467	4	-1	\$ -
15	15-Sep	242-10177	242-10213	\$ 1,100.00	\$ 50.00	\$ 1,050.00	9/15/2015	242	183	9/16/2015	190534	4	-1	\$ -
16	16-Sep	242-10214	242-10252	\$ 1,025.00	\$ 125.00	\$ 900.00	9/16/2015	242	184	9/17/2015	190603	4	-1	\$ -
17	17-Sep	242-10253	242-10289	\$ 1,025.00	\$ 100.00	\$ 925.00	9/17/2015	242	185	9/23/2015	190741	4	-6	\$ -
18	18-Sep	242-10290	242-10331	\$ 1,225.00	\$ 200.00	\$ 1,025.00	9/18/2015	242	186	9/22/2015	190717	4	-4	\$ -
19	19-Sep	SAT						242					0	\$ -
20	20-Sep	SUN						242					0	\$ -
21	21-Sep	242-10332	242-10384	\$ 1,425.00	\$ 200.00	\$ 1,250.00	9/21/2015	242	187	9/22/2015	190718	4	-1	\$ 25.00
22	22-Sep	242-10385	242-10427	\$ 1,150.00	\$ 200.00	\$ 950.00	9/22/2015	242	188	9/23/2015	190771	4	-1	\$ 25.00
23	23-Sep	242-10428	242-10456	\$ 700.00	\$ 50.00	\$ 650.00	9/23/2015	242	189	9/25/2015	190855	4	-2	\$ -
24	24-Sep	242-10457	242-10489	\$ 925.00	\$ 200.00	\$ 725.00	9/24/2015	242	190	9/25/2015	190856	4	-1	\$ -
25	25-Sep	242-10490	242-10532	\$ 1,150.00	\$ 325.00	\$ 825.00	9/25/2015	242	191	9/28/2015	190895	4	-3	\$ -
26	26-Sep	SAT						242					0	\$ -
27	27-Sep	SUN						242					0	\$ -
28	28-Sep	242-10533	242-10585	\$ 1,625.00	\$ 250.00	\$ 1,375.00	9/28/2015	242	192	9/29/2015	190957	4	-1	\$ -
29	29-Sep	242-10586	242-10619	\$ 1,025.00	\$ 100.00	\$ 925.00	9/29/2015	242	193	9/30/2015	191051	4	-1	\$ -
30	30-Sep	242-10620	242-10658	\$ 1,200.00	\$ 100.00	\$ 1,100.00	9/30/2015	242	194	10/1/2015	191089	4	-1	\$ -
31	1-Oct	NEW	MONTH					242					0	\$ -

TOTALS \$ 26,850.00 \$ 4,325.00 \$ 22,525.00

\$ 10.00

TOTAL AMOUNT DUE TO GENERAL FUND-----1100-322-70-124-000-0-000-----	\$	26,850.00
LESS: TOTAL AMOUNT REMITTED TO GENERAL FUND (DIRECT DEPOSIT)-----	\$	4,325.00
TOTAL FUNDS DUE TO THE COUNTY TREASURER-----	\$	22,525.00

pbc

PREPARED BY: *David J. Cantel*

THIS REPORT HAS BEEN PERSONALLY REVIEWED BY ME AND I CERTIFY IT TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Maura W. Lucio
 APPROVED BY

10-9-15
 DATE

THIS REPORT IS DUE IN THE OFFICE OF THE COUNTY AUDITOR BEFORE THE FIFTH (5TH) WORKING DAY OF THE FOLLOWING MONTH.

AUDITOR'S FORM: RE-PCT.4-002 REVISED 12/2014

HIDALGO COUNTY AUDITOR'S OFFICE
 APPROVED BY: *Bmo*
 DATE: 10/21/15

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COUNTY *of* HIDALGO

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EDINBURG, TEXAS 78539

November 17, 2015

The Honorable Joseph Palacios
Hidalgo County Commissioner Precinct No. 4
1051 N. Doolittle Rd.
Edinburg, Texas 78542

Re: Review of the Precinct 4 Sanitation Program *Monthly Fees Report* and Supporting Documentation
For the month of September 2015

Dear Commissioner Palacios:

We conducted a limited scope review of the Precinct 4 Sanitation Program *Monthly Fees Report* and all supporting documentation for the month of September 2015 pursuant to Local Government Code §115.002 (a) and (b). The objective of the review was to determine if fees collected were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported on the *Monthly Fees Report* for the month of September 2015. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

Methodology:

In planning and performing our review, we reviewed applicable statutes, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal dates of the *Monthly Fees Report* to the County Auditor's Office to determine if the reports were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signatures on the *Monthly Fees Report* to ensure that the reports were signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.
- Verified that receipts and permits issued followed a sequential order.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 206TH D.C.

JUAN R. PARTIDA
JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

AIDA SALINAS FLORES
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 449TH D.C.

- Verified that procedures for voided receipts and voided permits were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms (Close-Out Report)* to determine whether fees collected were properly accounted and deposited with the County Treasurer on a daily basis.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Report/ Daily Remittance Forms, and Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of September 2015 were \$26,850.00. Based on the results of our review, we have concluded that fees collected were properly accounted and reported. In addition, the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

Observation No. 1:

We noticed during our review that permit number 00022934 was unaccounted. According to Precinct 4 Sanitation Program staff, the permit may have been issued; however, the permit number is not recorded on the sanitation program. The value of the permit ranges from \$25.00 to \$100.00.

The County Auditor's Office requires that permits be issued in sequential order. In addition, an employee should be designated the responsibility for maintaining custody of unissued permits in a secure place. Access to the secure place must be limited to as few employees as possible. A log must be used to record the sequence of official permits issued, date issued, and to whom issued. The log should be reviewed periodically to account for all official permits.

Failure to ensure that permits are properly accounted and safeguarded may result in the loss of County funds.

Recommendation:

Management should ensure that permits are properly accounted and safeguarded. In addition, management make attempts to locate the unaccounted permit.

If you should have any questions, please do not hesitate to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

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JUDGE, 131TH D.C.

ROSE GUERRA REYNA
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EDINBURG, TEXAS 78539

November 13, 2015

The Honorable Atanacio Gaitan Jr.
Hidalgo County Constable Precinct No. 4
2814 S. Business Highway 281
Edinburg, TX 78539

Re: Review of *Monthly Fees Report* and Supporting Documentation
For the month of September 2015

Dear Constable Gaitan:

We have conducted a limited scope review of the Constable Precinct 4 *Monthly Fees Report* and supporting documentation for the month of September 2015 pursuant to Local Government Code §115.002 (a) and (b) and Code of Criminal Procedure Article 103.011. The objective of the review was to determine if fees collected were properly accounted and reported.

Scope:

The scope of our review was limited to collections reported by the Constable Precinct 4 Office on the *Monthly Fees Report* for the month of September 2015. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvement could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

The purpose of this report is to furnish management independent, objective analyses, recommendations, and information concerning the area reviewed. The report should serve as a tool to help management discern and implement specific improvements.

Methodology:

In planning and performing our review, we reviewed applicable statutes, the *Monthly Fees Report*, and fee schedules. The following procedures were performed:

- Reviewed the submittal date of the *Monthly Fees Report* to the County Auditor's Office to determine if the report and supporting documentation were received within five days after the last day of the month pursuant to Local Government Code §114.001 (b).
- Verified the signature on the *Monthly Fees Report* to ensure that the report was signed by an authorized signatory as documented on the "Authorized Signatories Form."
- Verified the mathematical accuracy of the *Monthly Fees Report* by footing and cross-footing the report.
- Reviewed receipts issued to determine if proper fee amounts were collected and reported.

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 95TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 139TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

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JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 449TH D.C.

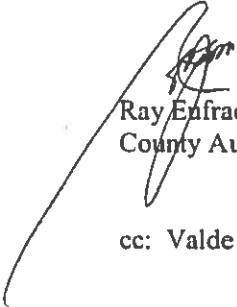
- Verified receipts issued followed a sequential order.
- Verified that procedures for voided receipts were properly followed.
- Reviewed *Cashier's Daily Close-Out Reports/Daily Remittance Forms* to determine whether fees collected were properly accounted and deposited with the County Treasurer on or before the fifth day after the day on which the funds were received.
- Verified that the collections per the *Monthly Fees Report* agreed to total receipts issued and the deposits made with the County Treasurer.
- Reviewed receipts issued, *Cashier's Daily Close-Out Reports/Daily Remittance Forms*, and *Monthly Fees Report* to verify proper completion.

Conclusion:

Total collections for the month of September 2015 were \$810.00. Based on the results of our review, we have concluded that fees collected were generally properly accounted and reported.

If you should have any questions, please do not hesitate to contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,



Ray Efracio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

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JUDGE, 93RD D.C.

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JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 370TH D.C.
RESERVED

LETICIA LOPEZ
JUDGE, 389TH D.C.

ADA SALINAS FLORES
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 448TH D.C.

COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

November 3, 2015

The Honorable Pablo Villarreal, Tax Assessor/Collector
Hidalgo County Tax Office
2804 S. Business Hwy 281
Edinburg, Texas 78539

Re: City of Donna TIRZ No. 2
Report No. 2015-29

Dear Mr. Villarreal:

We conducted a limited scope review of collections for the City of Donna Tax Increment Reinvestment Zone No. 2 (TIRZ). The objective of the review was to determine whether TIRZ collection reports prepared by the Tax Office included collections received for all tax accounts located within the TIRZ.

The scope of the review was limited to tax accounts located within the TIRZ for tax rolls 2009, 2010, 2011, 2012, 2013, and 2014. The review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

As part of the review, we examined applicable sections of Tax Code Chapter 311, the agreement amongst the City of Donna, Hidalgo County, and the TIRZ, TIRZ collection reports provided by the Tax Office, and the list of tax accounts coded THCD2 by Hidalgo County Appraisal District (HCAD).

The results of the review revealed the following:

1. Four tax accounts (L0800-00-062-0003-01; L0800-00-062-0004-02; L0800-00-066-0001-01; and C2500-00-057-0000-83) were coded THCD2 by the HCAD for tax years 2009 and included in the TIRZ collection reports. The tax accounts should be removed from the TIRZ collection reports since the tax accounts are not located within the TIRZ boundaries.
2. We adjusted the collection report amounts to include 2009 through 2013 collections for tax account number C2500-00-057-0000-65 since the tax account is located within the TIRZ boundaries. The tax account was not coded THCD2 by the HCAD. The tax account should be added to the TIRZ collection report since the tax account is located within the TIRZ boundaries.

A letter was sent to the HCAD notifying them of the discrepancies. We recommend that copies of the revised TIRZ collections reports be submitted to the County Auditor's Office once the revisions listed above are made by the HCAD.

If you have any questions, feel free to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,


Ray Enfracio, CPA
Hidalgo County Auditor

cc: The Honorable Ramon Garcia, Hidalgo County Judge

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
JUDGE, 13TH D.C.

J. R. "BOBBY" FLORES
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AIDA SALINAS FLORES
JUDGE, 39TH D.C.

ISRAEL RAMON, JR.
JUDGE, 43RD D.C.

JESSE CONTRERAS
JUDGE, 44TH D.C.

OVERSEER

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EDINBURG, TEXAS 78539

November 3, 2015

Rolando Garza, Chief Appraiser
Hidalgo County Appraisal District
4405 S. Professional Dr.
Edinburg, Texas 78540

Re: City of Donna TIRZ No. 2 (THCD2)
Report No. 2015-29

Dear Mr. Garza:

We conducted a limited scope review of the City of Donna Tax Increment Reinvestment Zone No. 2 (TIRZ). The objective of our review was to determine whether TIRZ collections reports prepared by the Tax Office only included collections for the tax accounts located within the TIRZ.

The scope of our review was limited to the TIRZ tax accounts for tax roll 2009, 2010, 2011, 2012, 2013 and 2014. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

As part of the review, we examined applicable sections of Tax Code Chapter 311, the agreement between Hidalgo County and the TIRZ, TIRZ collections reports provided by the Tax Office, and the list of tax accounts coded THCD2 by Hidalgo County Appraisal District (HCAD).

The results of the review revealed the following:

- Four tax accounts (L0800-00-062-0003-01; L0800-00-062-0004-02; L0800-00-066-0001-01; and C2500-00-057-0000-83) are coded THCD2; however, the tax accounts are not located within the TIRZ boundaries. The THCD2 code should be removed for these tax accounts.
- One tax account (C2500-00-057-0000-65) located within the TIRZ boundaries, was not coded THCD2. The THCD2 code should be added to this tax account.

A revised list of property accounts coded THCD2 should be provided to the County Auditor's Office at your earliest convenience.

If you have any questions, feel free to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,


Ray Eufrazio, CPA
Hidalgo County Auditor

cc: The Honorable Ramon Garcia, Hidalgo County Judge
The Honorable Pablo Villarreal, Hidalgo County Tax Assessor-Collector

HIDALGO COUNTY DISTRICT JUDGES

LARS M. SINGLETERRY
JUDGE, 82nd D.C.

RODOLFO DELGADO
JUDGE, 10th D.C.

J. R. "BOBBY" FLORES
JUDGE, 139th D.C.

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EDINBURG, TEXAS 78539

November 3, 2015

Fernando Flores, City Manager
City of Donna
307 S. 12th St.
Donna, Texas 78537

Re: Reinvestment Zone No. 2, Donna, Texas, River Crossing
Report No. 2015-29

Dear Mr. Flores:

We conducted a limited scope review of the interlocal agreement between the City of Donna, Texas, Hidalgo County, Texas and Reinvestment Zone (TIRZ) Number 2, City of Donna, Texas. The objectives of the review were to determine the accuracy of the TIRZ payment amount and compliance with Section IV (B)(2) and Section VIII (J) of the interlocal agreement.

The scope of our review was limited to the Donna TIRZ property accounts as of January 31, 2015. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made. The responsibility for sound internal controls rests with management.

The results of the review revealed the following:

1. A payment request in the amount of \$23,845.37 for tax years 2009, 2010, 2011, 2012, 2013, and 2014 was received from the City of Donna on behalf of the Donna TIRZ; however, it was determined that the payment amount should be \$16,390.05 (see Exhibit A). A payment in the amount of \$16,390.05 will be processed once Commissioners Court approves the payment.
2. The annual report, fact sheet, and annual financial review were submitted in compliance with Section IV (B)(2), Section VIII (J) of the interlocal agreement and Tax Code §311.016. According to the Donna TIRZ, they did not have any contracts with disadvantaged businesses; therefore, the applicable report was not provided.

If you have any questions, feel free to call Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, or me at ext. 4604.

Respectfully,


Ray Eufrazio, CPA
Hidalgo County Auditor

cc: The Honorable Ramon Garcia, Hidalgo County Judge

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 52ND D.C.

RODOLFO DELGADO
JUDGE, 93RD D.C.

J. R. "BOBBY" FLORES
JUDGE, 136TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

JUAN R. PARTIDA
JUDGE, 275TH D.C.

MARCO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOE GONZALEZ
JUDGE, 379TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

AIDA SALINAS FLORES
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 449TH D.C.

EXHIBIT A

2009-2010 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Donna TIRZ Calculation for Tax Year 2013	Donna TIRZ Calculation for Tax Year 2012	Donna TIRZ Calculation for Tax Year 2011	Donna TIRZ Calculation for Tax Year 2010	Donna TIRZ Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)					\$ 651,391.00 0.005107	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ -	\$ -	\$ -	\$ -	\$ 3,326.65	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value	\$ -	\$ -	\$ -	\$ -	\$ 651,391.00 \$ 582,429.00 \$ 68,962.00	
Captured Appraised Value (Multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) Tax Levy Due to TIRZ	\$ -	\$ -	\$ -	\$ -	\$ 68,962.00 0.002564 \$ 176.78	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy		\$ -	\$ -	\$ -	\$ 4,850.44 \$ 3,339.68 145.2400%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy					\$ 176.78 145.2%	
(Less) Administrative Cost					\$ 176.78	\$ 176.78
(Less) Adjustments **						\$ -
2009-2010 TIRZ PAYMENT AMOUNT						\$ 176.78

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	County Auditor's Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)					\$ 658,586.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ -	\$ -	\$ -	\$ -	\$ 3,885.68	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value	\$ -	\$ -	\$ -	\$ -	\$ 658,586.00 \$ 704,742.00 \$(46,156.00)	
Captured Appraised Value (Multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) M&O rate / 2 Tax Levy Due to TIRZ	\$ -	\$ -	\$ -	\$ -	\$ (46,156.00) 0.005107 0.25535% \$ (117.86)	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy					\$ 3,274.91 \$ 3,718.50 89.0707%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ -	\$ -	\$ -	\$ -	\$ (117.86) 89.0707%	
(Less) Administrative Cost					\$ -	\$ -
(Less) Adjustments **						\$ -
2009-2010 TIRZ PAYMENT AMOUNT						\$ -

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

EXHIBIT A

2010-2011 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Donna TIRZ Calculation for Tax Year 2014	Donna TIRZ Calculation for Tax Year 2013	Donna TIRZ Calculation for Tax Year 2012	Donna TIRZ Calculation for Tax Year 2011	Donna TIRZ Calculation for Tax Year 2010	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)					\$ 634,367.00 0.005107	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ -	\$ -	\$ -	\$ -	\$ 3,239.71	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value				\$ -	\$ 634,367.00 \$ 582,429.00	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) Tax Levy Due to TIRZ	\$ -	\$ -	\$ -	\$ -	\$ 51,938.00 0.002554 \$ 132.62	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy		\$ -	\$ -	\$ -	\$ 4,656.53 \$ 32,39.71 143.7300%	
Tax Levy Due to TIRZ (As Reported by) Percent Collected of Actual Levy					\$ 1,352.14 143.7%	
(Less) Administrative Cost (Less) Adjustments **					\$ 132.62	\$ 132.62
2010-2011 TIRZ PAYMENT AMOUNT					\$	\$

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)					\$ 630,254.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ -	\$ -	\$ -	\$ -	\$ 3,718.50	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value	\$ -	\$ -	\$ -	\$ -	\$ 630,254.00 \$ 704,742.00 \$ (74,488.00)	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) M&O rate / 2 Tax Levy Due to TIRZ	\$ -	\$ -	\$ -	\$ -	\$ (74,488.00) 0.005107 0.25535% \$ (190.21)	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy					\$ 3,274.91 \$ 3,718.50 88.0707%	
Tax Levy Due to TIRZ (As Reported by) Percent Collected of Actual Levy	\$ -	\$ -	\$ -	\$ -	\$ (190.21) 88.0707%	
(Less) Administrative Cost (Less) Adjustments **					\$	\$ -
2010-2011 TIRZ PAYMENT AMOUNT					\$	\$ -

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

EXHIBIT A

2011-2012 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Donna TIRZ Calculation for Tax Year 2014	Donna TIRZ Calculation for Tax Year 2013	Donna TIRZ Calculation for Tax Year 2012	Donna TIRZ Calculation for Tax Year 2011	Donna TIRZ Calculation for Tax Year 2010	Donna TIRZ Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)				\$ 1,108,397.00 0.005225			
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ				\$ 5,791.37			
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value				\$ 1,108,397.00 \$ 582,429.00 \$ 525,968.00			
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) Tax Levy Due to TIRZ				\$ 525,968.00 0.002600 \$ 1,367.25			
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy				\$ 7,431.01 \$ 5,791.37 128.3100%			
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy				\$ 1,367.25 128.3%			
(Less) Administrative Cost (Less) Adjustments ** 2011-2012 TIRZ PAYMENT AMOUNT				\$ 1,367.25			\$ 1,367.25 \$ - \$ 1,367.25

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	County Auditor's Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)				\$ 1,104,315.00 0.0059	\$ 630,254.00 0.0059	\$ 658,586.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ				\$ 6,515.46	\$ 3,718.50	\$ 3,885.66	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value				\$ 1,104,315.00 \$ 704,742.00 \$ 399,573.00	\$ 630,254.00 \$ 704,742.00 \$ (74,488.00)	\$ 658,586.00 \$ 704,742.00 \$ (46,156.00)	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) M&O rate / 2 Tax Levy Due to TIRZ	\$ -	\$ -	\$ -	\$ 399,573.00 \$ 0.005191 0.25955% \$ 1,037.09	\$ (74,488.00) \$ 0.005107 0.25535% \$ (193.33)	\$ (46,156.00) \$ 0.005107 0.25535% \$ (119.80)	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy				\$ 3,088.81 \$ 6,515.46 47.3767%	\$ 416.30 \$ 3,718.50 11.1954%	\$ 11.14 \$ 3,718.50 0.2867%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy				\$ 1,037.09 47.3767%	\$ (193.33) 11.1954%	\$ (119.80) 0.2867%	
(Less) Administrative Cost (Less) Adjustments ** 2011-2012 TIRZ PAYMENT AMOUNT				\$ 491.34	\$ -	\$ -	\$ 491.34 \$ - \$ 491.34

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

EXHIBIT A

2012-2013 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Donna TIRZ Calculation for Tax Year 2014	Donna TIRZ Calculation for Tax Year 2013	Donna TIRZ Calculation for Tax Year 2012	Donna TIRZ Calculation for Tax Year 2011	Donna TIRZ Calculation for Tax Year 2010	Donna TIRZ Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)			\$ 2,024,494.00 0.005235				
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ			\$ 10,598.23				
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value			\$ 2,024,494.00 \$ 582,429.00 \$ 1,442,065.00				
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) Tax Levy Due to TIRZ			\$ 1,442,065.00 0.002600 \$ 3,748.65				
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy			\$ 12,821.56 \$ 10,598.23 120.8800%				
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy			\$ 3,748.65 121.09%				
			\$ 3,748.65				\$ 3,748.65
(Less) Administrative Cost							\$ -
(Less) Adjustments **							\$ -
2012-2013 TIRZ PAYMENT AMOUNT							\$ 3,748.65

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	County Auditor's Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)			\$ 2,034,355.00 0.0059	\$ 1,104,315.00 0.0059	\$ 630,254.00 0.0059	\$ 658,586.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ			\$ 12,002.58	\$ 6,515.46	\$ 3,718.50	\$ 3,885.66	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value			\$ 2,034,335.00 \$ 704,742.00 \$ 1,329,593.00	\$ 1,104,315.00 \$ 704,742.00 \$ 399,573.00	\$ 630,254.00 \$ 704,742.00 \$ (74,488.00)	\$ 658,586.00 \$ 704,742.00 \$ (46,156.00)	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b the 50% of the max M&O rate .5191) ((.5191/100)/2) if M&O rate is less than .5191 then contribution = 50% of actual M&O rate. M&O rate / 2 Tax Levy Due to TIRZ			\$ 1,329,593.00 \$ 0.005191 0.25955% \$ 3,450.96	\$ 399,573.00 \$ 0.005191 0.25955% \$ 1,037.09	\$ (74,488.00) 0.005107 0.25535% \$ (190.21)	\$ (46,156.00) 0.005107 0.25535% \$ (118.32)	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy			\$ 1,308.22 \$ 12,002.58 10.8995%	\$ 121.59 \$ 6,515.46 1.8662%	\$ 66.22 \$ 3,718.50 2.3187%	\$ 57.77 \$ 3,885.66 1.4867%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy			\$ 3,450.96 10.8995%	\$ 1,037.09 1.8662%	\$ (190.21) 2.3187%	\$ (118.32) 1.4867%	
			\$ 376.14	\$ 19.35	\$ -	\$ -	\$ 395.49
(Less) Administrative Cost							\$ -
(Less) Adjustments **							\$ -
2012-2013 TIRZ PAYMENT AMOUNT							\$ 395.49

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

EXHIBIT A

2013-2014 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Donna TIRZ Calculation for Tax Year 2014	Donna TIRZ Calculation for Tax Year 2013	Donna TIRZ Calculation for Tax Year 2012	Donna TIRZ Calculation for Tax Year 2011	Donna TIRZ Calculation for Tax Year 2010	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)		\$ 4,091,222.00 0.005208				
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ		\$ 21,307.08				
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value		\$ 4,091,222.00 \$ 582,429.00 \$ 3,508,793.00				
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100) Tax Levy Due to TIRZ		\$ 3,508,793.00 0.002600 \$ 9,121.11				
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy		\$ 22,161.28 \$ 21,307.08 104.0%				
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy		\$ 9,121.11 104.0%				
(Less) Administrative Cost (Less) Adjustments **		\$ 9,121.11				\$ 9,121.11
2013-2014 TIRZ PAYMENT AMOUNT						\$ 9,121.11

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2014	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)		\$ 4,085,028.00 0.0059	\$ 2,034,355.00 0.0059	\$ 1,104,315.00 0.0059	\$ 630,254.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ		\$ 24,101.67	\$ 12,002.69	\$ 8,515.46	\$ 3,718.50	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD) Captured Appraised Value		\$ 4,085,028.00 \$ 704,742.00 \$ 3,380,286.00	\$ 2,034,355.00 \$ 704,742.00 \$ 1,329,613.00	\$ 1,104,315.00 \$ 704,742.00 \$ 399,573.00	\$ 630,254.00 \$ 704,742.00 \$ (74,488.00)	
Captured Appraised Value (multiplied by) Contribution Rate (Per agreement s/b the 50% of the max M&O rate .5191) ((.5191/100)/2) If M&O rate is less than .5191 then contribution = 50% of actual M&O rate. M&O rate / 2 Tax Levy Due to TIRZ		\$ 3,380,286.00 \$ 0.005191 0.25955% \$ 8,773.53	\$ 1,329,613.00 \$ 0.005191 0.25955% \$ 3,450.96	\$ 399,573.00 \$ 0.005191 0.25955% \$ 1,037.09	\$ (74,488.00) \$ 0.005107 0.25535% \$ (190.21)	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ Percent Collected of Actual Levy		\$ 12,688.67 \$ 24,101.67 52.6464%	\$ 10,559.38 \$ 12,002.58 87.9759%	\$ - \$ 8,515.46 0.0000%	\$ - \$ 3,718.50 0.0000%	
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy		\$ 8,773.53 52.6464%	\$ 3,450.96 87.9759%	\$ 1,037.09 0.0000%	\$ (190.21) 0.0000%	
(Less) Administrative Cost (Less) Adjustments **		\$ 4,618.96	\$ 3,036.01		\$ -	\$ 7,654.97
2013-2014 TIRZ PAYMENT AMOUNT						\$ 7,654.97

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

EXHIBIT A

2014-2015 Alton TIRZ Payment

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	Donna TIRZ Calculation for Tax Year 2014	Donna TIRZ Calculation for Tax Year 2013	Donna TIRZ Calculation for Tax Year 2012	Donna TIRZ Calculation for Tax Year 2011	Donna TIRZ Calculation for Tax Year 2010	Donna TIRZ Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)	\$ 4,159,640.00 0.005308						
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 22,079.37						
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 4,159,640.00						
(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 582,429.00						
Captured Appraised Value	\$ 3,577,211.00						
Captured Appraised Value (Multiplied by) Contribution Rate (Per agreement s/b 50% of M&O .25955%) (.25955/100)	\$ 3,577,211.00 0.002600						
Tax Levy Due to TIRZ	\$ 9,298.96						
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 22,298.22 \$ 22,079.37						
Percent Collected of Actual Levy	100.99%						
Tax Levy Due to TIRZ (Multiplied by) Percent Collected of Actual Levy	\$ 9,298.96 101.0%						
	\$ 9,298.96						\$ 9,298.96
(Less) Administrative Cost							\$ -
(Less) Adjustments **							\$ -
2014-2015 TIRZ PAYMENT AMOUNT							\$ 9,298.96

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

Tax Increment Reinvestment Zone (TIRZ) Payment Calculation	County Auditor's Calculation for Tax Year 2014	County Auditor's Calculation for Tax Year 2013	County Auditor's Calculation for Tax Year 2012	County Auditor's Calculation for Tax Year 2011	County Auditor's Calculation for Tax Year 2010	County Auditor's Calculation for Tax Year 2009	Total
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD)) (Multiplied by) Hidalgo County Current (GHD) Tax Rate (.59/100)	\$ 4,145,269.00 0.0059	\$ 4,085,028.00 0.0059	\$ 2,034,355.00 0.0059	\$ 1,104,315.00 0.0059	\$ 630,254.00 0.0059	\$ 658,586.00 0.0059	
GHD Actual Tax Levy for all real property tax accounts located within the TIRZ	\$ 24,457.09	\$ 24,101.67	\$ 12,002.69	\$ 6,515.46	\$ 3,718.50	\$ 3,885.66	
TIRZ Real Property Certified Taxable Value as of January 31 (Provided by Hidalgo County Appraisal District (HCAD))	\$ 4,145,269.00	\$ 4,085,028.00	\$ 2,034,355.00	\$ 1,104,315.00	\$ 630,254.00	\$ 658,586.00	
(Less) Base Year Real Property Certified Appraised Value for Tax Accounts located within the TIRZ (Provided by HCAD)	\$ 704,742.00	\$ 704,742.00	\$ 704,742.00	\$ 704,742.00	\$ 704,742.00	\$ 704,742.00	
Captured Appraised Value	\$ 3,440,527.00	\$ 3,380,286.00	\$ 1,329,613.00	\$ 399,573.00	\$ (74,488.00)	\$ (46,156.00)	
Captured Appraised Value (Multiplied by) Contribution Rate (Per agreement s/b the 50% of the max M&O rate .5191) ((.5191/100)/2) if M&O rate is less than .5191 then contribution = 50% of actual M&O rate. M&O rate / 2	\$ 3,440,527.00 0.005191	\$ 3,380,286.00 0.005191	\$ 1,329,613.00 0.005191	\$ 399,573.00 0.005191	\$ (74,488.00) 0.005107	\$ (46,156.00) 0.005107	
Tax Levy Due to TIRZ	\$ 8,929.89	\$ 8,773.53	\$ 3,450.96	\$ 1,037.09	\$ (190.21)	\$ (118.32)	
TIRZ Collections (for February 1 through January 31) as per Collections Reports provided by Hidalgo County Tax Office (divided) GHD Actual Tax Levy for all Real Property tax accounts located within the TIRZ	\$ 16,830.55 \$ 24,457.09	\$ 4,666.93 \$ 24,101.67	\$ 14.35 \$ 12,002.58	\$ - \$ 6,515.46	\$ - \$ 3,718.50	\$ 34.57 \$ 3,718.50	
Percent Collected of Actual Levy	68.8167%	19.3635%	0.1196%	0.0000%	0.0000%	0.9297%	
Tax Levy Due to TIRZ (Adjusted by) Percent Collected of Actual Levy	\$ 8,929.89 68.8167%	\$ 8,773.53 19.3635%	\$ 3,450.96 0.1196%	\$ 1,037.09 0.0000%	\$ (190.21) 0.0000%	\$ (118.32) 0.9297%	
	\$ 6,145.26	\$ 1,698.86	\$ 4.13	\$ -	\$ -	\$ -	\$ 7,848.25
(Less) Administrative Cost							\$ -
(Less) Adjustments **							\$ -
2014-2015 TIRZ PAYMENT AMOUNT							\$ 7,848.25

** Adjustments are made in order to prevent an overpayment; the adjustment limits payments to 100% allowable TIRZ levy

COUNTY of HIDALGO

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FAX: (956) 318-2577
WEBSITE: www.co.hidalgo.tx.us/auditor



EDINBURG, TEXAS 78539

November 19, 2015

Mr. Eduardo Olivarez, Chief Administrative Officer
Hidalgo County Health and Human Services Department
1304 S. 25th Street
Edinburg, Texas 78539

Re: Cash Count
Audit No. 2015-65

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Environmental Health Division-Restaurant Health Permit Section on November 12, 2015 as required by Local Government Code § 115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included, but were not limited to, the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$230.00. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

Observation No. 1:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERY
JUDGE, 92ND D.C.

RODOLFO DELGADO
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JUDGE, 138TH D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

JUAN R. PARTIDA
JUDGE, 275TH D.C.

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OVERSEER

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AIDA SALINAS FLORES
JUDGE, 394TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 449TH D.C.

must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored. Failure to utilize security cameras increases the risk of loss or misuse of County funds.

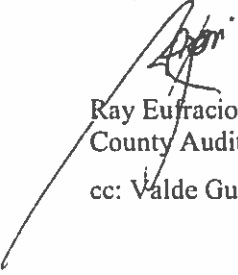
Recommendation:

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. In addition, management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

Please provide written management responses to the observations noted above by December 18, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant County Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 92ND D.C.

RODOLFO DELGADO
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JUDGE, 121ST D.C.

ROSE GUERRA REYNA
JUDGE, 208TH D.C.

AJAH R. PARTIDA
JUDGE, 273RD D.C.

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COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

November 19, 2015

Ms. Angie Z. Chapa, Law Librarian
Hidalgo County Law Library
100 N. Closner Blvd.
Edinburg, Texas 78539

Re: Cash Count
Audit No. 2015-62

Dear Ms. Chapa:

We conducted a surprise cash count of the cash held at your office on October 20, 2015, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$334.50. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$300.00; however, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observations.

Observation No. 1:

We noted during our review that segregation of duties over the collection and recording of cash requires improvement. In addition, compensating controls to cover the lack of basic internal controls have not been implemented. The Law Librarian performs the following incompatible duties:

- Custody: Receives collections, issues receipts, balances receipts issued to cash on hand, maintains a cash drawer, and has access to inventory of unused receipts
- Recording: Accounts for numerical sequence of cash receipts and prepares monthly reports
- Authorization: Approves the monthly report, verifies that voided original receipts are kept and reviewed

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 97TH D.C.

J. R. "BOBBY" FLORES
JUDGE, 131ST D.C.

ROSE GUERRA REYNA
JUDGE, 204TH D.C.

JUAN R. PARTIDA
JUDGE, 275TH D.C.

MARIO E. RAMIREZ, JR.
JUDGE, 317TH D.C.

HOE GONZALEZ
JUDGE, 377TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 389TH D.C.

AIDA EALINAS FLORES
JUDGE, 398TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 449TH D.C.

The responsibility for sound internal controls rests with management. Segregation of duties is a basic, key internal control in any organization. Segregation of duties prevents one individual from performing a transaction from beginning to end. In addition, it provides an individual with the opportunity to catch an error before a transaction is fully executed. Duties that should be segregated include: custody of assets, recording transactions, and authorization. The individual responsible for receiving collections, issuing receipts, balancing receipts issued to cash on hand, maintaining the cash drawer, and having access to the inventory of unused receipts should be different from the individual responsible for accounting for numerical sequence of cash receipts and preparing the monthly report. In addition, the individual responsible for the responsibilities previously noted should be different than the individual responsible for approving the monthly report and verifying that voided original receipts are kept and reviewed.

Maintaining segregation of duties is especially challenging for units with a small number of employees. In these cases, it is important that management institute compensating controls to cover for the lack of a basic control. In an environment with limited numbers of clerical and administrative personnel, management needs to be involved in documenting, reviewing, and approving transactions, reports, and reconciliations. Adequate and timely supervision is especially important in small departments, where limited personnel may inhibit a thorough segregation of duties.

Formal monitoring procedures have not been developed and implemented to ensure that incompatible duties are adequately segregated or that compensating controls are implemented. Failure to have adequate segregation of duties increases the risk of loss or misuse of County revenues.

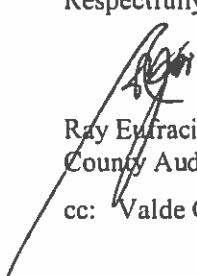
Recommendation:

Management should develop and implement formal monitoring procedures to ensure that incompatible duties are adequately segregated such as those noted above. If incompatible duties cannot be adequately segregated, management should ensure that compensating controls are implemented.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count.

If you have any questions or would like to schedule a meeting to discuss this surprise cash count, please contact Letty Chavez, Compliance Audit Supervisor, at 318-2511 ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant County Auditor, at ext. 4668 or me at ext. 4604.

Respectfully,



Ray E. Fracacio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 12TH D.C.

RODOLFO DELGADO
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JUAN R. PARTIDA
JUDGE, 275TH D.C.

MARIO E. RAHREZ, JR.
JUDGE, 312TH D.C.

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JUDGE, 379TH D.C.
OVERSEER

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JUDGE, 381TH D.C.

ADA SALINAS FLORES
JUDGE, 381TH D.C.

ISRAEL RAMON, JR.
JUDGE, 430TH D.C.

JESSE CONTRERAS
JUDGE, 443TH D.C.

COUNTY of HIDALGO

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EDINBURG, TEXAS 78539

November 19, 2015

Mr. Eduardo Olivarez, Chief Administrative Officer
Hidalgo County Health and Human Services Department
1304 S. 25th Street
Edinburg, Texas 78539

Re: Cash Count
Audit No. 2015-64

Dear Mr. Olivarez:

We conducted a surprise cash count of the cash held at the Environmental Health Division - On-Site Sewage Facilities - Edinburg location on November 12, 2015, as required by Local Government Code §115.0035. The objective of the cash count was to determine whether total cash on hand reconciled to the total receipts issued for the day up to the time of the cash count and the approved change fund.

Scope:

The scope of our review was limited to a count of the cash on hand as of the time of the cash count. Our review was not designed nor intended to be a detailed study of every relevant control system, procedure, or transaction. Accordingly, the opportunities for improvement presented in this report may not be all-inclusive of areas where improvements could be made.

The responsibility for establishing and maintaining a sound internal control system rests with management. The objectives of an internal control system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or theft, and that transactions are executed in accordance with management's authorization and recorded properly.

As part of our procedures, we verified that cash on hand agreed to the total receipts issued up to the time of the cash count and the approved change fund. We also reviewed the internal control structure in order to verify that cash on hand was safeguarded against loss from unauthorized use and that only authorized transactions were executed, recorded, and reported in accordance with applicable laws and procedures. The internal controls reviewed during our walkthrough included but were not limited to the following: custody of cash, use of locked cash drawers, proper authorization of voided transactions, and segregation of duties.

Conclusion:

Total cash on hand at the time of the cash count was \$460.00. Based on the results of our review, we have concluded that total cash on hand did reconcile to the total receipts issued for the day up to the time of the cash count and the approved change fund of \$25.00. However, we noted that the system of internal controls for the collection and safeguarding of cash requires improvement as noted in the following observation.

Observation No. 1:

We noted that security cameras were not utilized where cash is receipted and safeguarded. According to staff, security cameras have not been purchased due to budgetary constraints. In addition, they have contacted IT for assistance but a response has not been received.

The County Auditor's Office recommends that security alarms and/or security cameras be installed in areas where cash collections and receipts are received and safeguarded. Camera images must be stored on the type of media (e.g., digital recording box, tape, DVD, etc.) and retained for the period of time recommended by the Information Technology Department. If, however, the camera images are part of an ongoing investigation, they

HIDALGO COUNTY DISTRICT JUDGES

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JUDGE, 92ND D.C.

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JUDGE, 121ST D.C.

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JUDGE, 201ST D.C.

JUAN R. PARTIDA
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MARIO E. RAMIREZ, JR.
JUDGE, 332ND D.C.

NOÉ GONZALEZ
JUDGE, 376TH D.C.
OVERSEER

LETICIA LOPEZ
JUDGE, 385TH D.C.

ADA SALINAS FLORES
JUDGE, 381ST D.C.

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JUDGE, 438TH D.C.

JESSE CONTRERAS
JUDGE, 449TH D.C.

must be retained for the period of time determined by the investigating agency. Furthermore, a notice stating that an area is being monitored by a security camera must be posted at the entrance to the area being monitored. Failure to utilize security cameras increases the risk of loss or misuse of County funds.

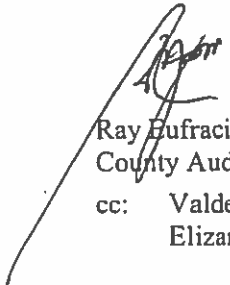
Recommendation:

Management should ensure that security cameras are utilized where cash is receipted and safeguarded. Management should contact the Department of Budget and Management to request their assistance in obtaining funding for the purchase of security cameras.

Please provide written management responses to the observation noted above by December 18, 2015.

We would like to express our sincere appreciation to you and your staff for the courtesy, cooperation, and assistance provided to us during the cash count. If you have any questions or would like to schedule a meeting to discuss this cash count, please contact Letty Chavez, Compliance Audit Supervisor at (956) 318-2511, ext. 4651, Arcy B. Duran, CPA, Director of Audit, at ext. 4645, Linda Fong, First Assistant County Auditor, at ext. 4668, or me at ext. 4604.

Respectfully,



Ray Eufrazio, CPA
County Auditor

cc: Valde Guerra, County Executive Officer
Elizardo Ramos, Environmental Health Services Division Manager

HIDALGO COUNTY DISTRICT JUDGES

LUIS M. SINGLETERRY
JUDGE, 82ND D.C.

RODOLFO DELGADO
JUDGE, 83RD D.C.

J. R. "BOBBY" FLORES
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