

# COUNTY of HIDALGO



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](http://www.co.hidalgo.tx.us/auditor)

EDINBURG, TEXAS 78539

September 1, 2017

The Honorable Ramon Garcia, Hidalgo County Judge  
The Honorable David Fuentes, Commissioner, Precinct No. 1  
The Honorable Eduardo "Eddie" Cantu, Commissioner, Precinct No. 2  
The Honorable Jose M. Flores, Commissioner, Precinct No. 3  
The Honorable Joseph Palacios, Commissioner, Precinct No. 4

## RE: Certification of Revenue

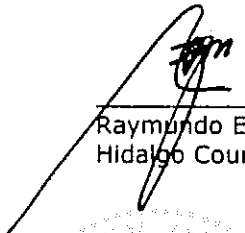
Dear Judge and Commissioners:

Pursuant to Local Government Code § 111.07075 SPECIAL BUDGET FOR REVENUE RECEIVED AFTER START OF FISCAL YEAR.

The county auditor shall certify to the commissioners court the receipt of revenue from a new source not anticipated before the adoption of the budget and not included in the budget for that fiscal year. On certification, the court may adopt a special budget for the limited purpose of spending the revenue for general purposes or for any of its intended purposes.

I, Ray Eufrazio, County Auditor of Hidalgo County, certify to the Hidalgo County Commissioners Court the revenue received from interest earnings on Certificates of Obligation, Series 2006 fund in the amount of \$285.91. These funds may now be made available by creating a new special budget or amending a current budget for its intended purposes.

CERTIFIED BY:

  
Raymundo Eufrazio, CPA  
Hidalgo County Auditor

9/1/17  
Date

### HIDALGO COUNTY DISTRICT JUDGES

LUE M. GNOLETERRY  
JUDGE, 12<sup>TH</sup> D.C.

RODOLFO DELGADO  
JUDGE, 17<sup>TH</sup> D.C.

J. R. "BOBBY" FLORES  
JUDGE, 13<sup>TH</sup> D.C.

ROSE GUERRA REYNA  
JUDGE, 24<sup>TH</sup> D.C.

JUAN R. PARTIDA  
JUDGE, 11<sup>TH</sup> D.C.

MARIO E. RAMIREZ, JR.  
JUDGE, 31<sup>ST</sup> D.C.

HOE GONZALEZ  
JUDGE, 17<sup>TH</sup> D.C.  
OVERSEER

LETICIA LOPEZ  
JUDGE, 34<sup>TH</sup> D.C.

L. KENO VASQUEZ  
JUDGE, 34<sup>TH</sup> D.C.

ISRAEL RAMON, JR.  
JUDGE, 43<sup>RD</sup> D.C.

RENZE R. BETANCOURT  
JUDGE, 44<sup>TH</sup> D.C.

# HIDALGO COUNTY texas

DEPARTMENT OF BUDGET & MANAGEMENT

2818 S. Business Hwy. 281

Edinburg, Texas 78539

Office: (956) 292-7025 • Fax: (956) 292-7034

www.co.hidalgo.tx.us/budget



---

## Memorandum

**To:** Ray Eufrazio, CPA, County Auditor

**From:** Sergio Cruz, Budget Officer *SC*

**Date:** Friday, September 01, 2017

**Subject:** Certification of Revenues interest earnings CO2006

**Cc:** Linda Fong, 1<sup>st</sup> Assistant County Auditor  
Becky Luna, Director of Accounting  
Nereyda Gonzalez, Financial Accounting Supervisor

---

Please let this memo serve as a request for a Certification of Revenues letter from your office in relation to the close out of retired Debt Service for CO2006, recently requested by your office.

We are requesting the certification of \$285.91 from Fund 1436. These monies are interest earnings for FY2017 under account# 7-1436-361-10-000-000-0-000.

Thank you for your prompt attention to this matter. If you have any questions, please do not hesitate to call me at (956) 292-7025 ext. 5424.

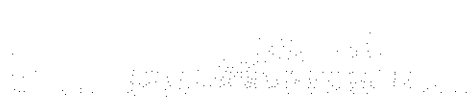
**Nereyda Gonzalez**

---

**From:** Alfredo Esparza [alfredo.esparza@co.hidalgo.tx.us]  
**Sent:** Friday, September 01, 2017 9:15 AM  
**To:** ray.eufracio@auditor.co.hidalgo.tx.us  
**Cc:** linda fong; becky.luna@auditor.co.hidalgo.tx.us; nereyda gonzalez  
**Subject:** Certification of Revenues interest earnings CO2006  
**Attachments:** Certification of Revenues interest earnings CO2006.pdf

# HIDALGO COUNTY texas

DEPARTMENT OF BUDGET & MANAGEMENT  
2818 S. Business Hwy. 281  
Edinburg, Texas 78539  
Office: (956) 292-7025 • Fax: (956) 292-7034  
[www.co.hidalgo.tx.us/budget](http://www.co.hidalgo.tx.us/budget)



---

## Memorandum

**To:** Ray Eufrazio, CPA, County Auditor  
**From:** Sergio Cruz, Budget Officer *SC*  
**Date:** Friday, September 01, 2017  
**Subject:** Certification of Revenues interest earnings CO2006  
**Cc:** Linda Fong, 1<sup>st</sup> Assistant County Auditor  
Becky Luna, Director of Accounting  
Nereyda Gonzalez, Financial Accounting Supervisor

---

Please let this memo serve as a request for a Certification of Revenues letter from your office in relation to the close out of retired Debt Service for CO2006, recently requested by your office.

We are requesting the certification of \$285.91 from Fund 1436. These monies are interest earnings for FY2017 under account# 7-1436-361-10-000-000-0-000.

Thank you for your prompt attention to this matter. If you have any questions, please do not hesitate to call me at (956) 292-7025 ext. 5424.

--

---

Alfredo Esparza  
Budget Clerk II  
County of Hidalgo Texas  
Department of Budget & Management  
2818 S. Bus. Hwy 281  
Edinburg ,TX 78539  
Phone: 956-292-7025 Ext: 5409  
[alfredo.esparza@co.hidalgo.tx.us](mailto:alfredo.esparza@co.hidalgo.tx.us)

AI-61445

Budget and Management 9. C. 1.

CC CONSENT

Interfund transfers

Meeting Date: 09/05/2017

Submitted For: Sergio Cruz, BUDGET & MANAGEMENT

Submitted By: Merlen P. Munoz, BUDGET & MANAGEMENT

Department: BUDGET & MANAGEMENT

Information

CAPTION

- A. Certification of revenues for interest earned in 2017 for Certificates of Obligation, Series 2006 (Fund 1436).
- B. Approval of 2017 interfund transfer in the amount of \$215,437.60 from Certificates of Obligation, Series 2006 (Fund 1436) to Refunding Bonds, Series 2014C (Fund 1446) to close out retired debt service fund 1436.
- C. Approval of 2017 interfund transfer in the amount of \$5,669.16 from Refunding Bonds, Series 2007 (Fund 1438) to Refunding Bonds, Series 2015C (Fund 1449) to close out retired debt service fund 1438.

BACKGROUND

All bond principal and interest related to Certificates of Obligation, Series 2006 (Fund 1436) and Refunding Bonds, Series 2007 (Fund 1438) have been paid.

Fiscal Impact

CALENDAR YEAR: 2017

ACCT. #: 7-14XX-XX1-XX-000-XXX-0-XXX

FUNDS AVAILABLE Y/N?: Y    MATCHING FUNDS Y/N?: N

BUDGETARY IMPACT:

Funds available as of 9/1/17, pending certification of revenues by the Auditor's Office for CO2006 interest earnings. Remaining amounts will be taken from the unassigned fund balance for each fund.

Attachments

Interfund

Back-up

Form Review

<b>Inbox</b>	<b>Reviewed By</b>	<b>Date</b>
Merlen P. Munoz (Originator)	Merlen P. Munoz	09/01/2017 08:45 AM
Budget & Management	Veronica Ortiz	09/01/2017 08:47 AM
Final Approval		
Form Started By: Merlen P. Munoz		Started On: 09/01/2017 08:01 AM

DATE: September 5, 2017

DEPARTMENT HEAD: Sergio Cruz, Budget Officer

DEPARTMENT NAME: Department of Budget & Management for  
Various Debt Service

ACCOUNT NUMBER: 7-14XX-XX1-XX-000-XXX-0-XXX

CONTACT PERSON: Merlen Munoz

**2017**  
Interfund Transfer  
**AI-61445**



PHONE: (956) 292-7025 ext. 5403

SUBJECT: **Interfund & BA - Transfer/s (transfer in/out) (increase/decrease) in Accordance with Local Government Code Chapter 111, Subchapter C.**

Honorable Commissioner's Court of Hidalgo County:

I would like to request the following amendments (increases) to my departmental budget in accordance with Local Government Code, Chapter 111 Subchapter C.

INCREASE/DECREASE ACCOUNT NUMBER	ACCOUNT (OBJECT) NAME	AMOUNT
7-1436-361-10-000-000-0-000	CO2006 INTEREST EARNINGS	285.91
7-1436-491-01-000-446-0-891	TRANSFER OUT- REF BONDS 2014C	215,437.60
7-1446-391-01-000-436-0-000	TRANSFER IN- CO2006	215,437.60
7-1438-491-01-000-449-0-891	TRANSFER OUT- REF BONDS 2015C	5,669.16
7-1449-391-01-000-438-0-000	TRANSFER IN- CO2007	5,669.16
<b>TOTAL BUDGET INCREASE (DECREASE) - 1436</b>		<b>(215,437.60)</b>
<b>TOTAL BUDGET INCREASE (DECREASE) - 1438</b>		<b>(5,669.16)</b>
<b>TOTAL BUDGET INCREASE (DECREASE) - 1446</b>		<b>215,437.60</b>
<b>TOTAL BUDGET INCREASE (DECREASE) - 1449</b>		<b>5,669.16</b>

REASON: Transfer fund balance of \$215,437.60 from retired Debt Service Fund 1436 (CO2006) to Debt Service Fund 1446 (Ref Bonds 2014C) pending certification of revenues from the Auditor's Office in the amount of \$285.91 and cc approval of AI-61429 and transfer fund balance of \$5,669.16 from retired Debt Service Fund 1438 (Ref Bond 2007) to Debt Service Fund 1449 (Ref Bonds 2015C).

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

\_\_\_\_\_  
DATE

ATTEST COUNTY CLERK

Period Ending 08/31/17

Fund Range 1436-1436

Account Period 08 Year 17

Balance Sheet Summary

FJBRAS01A

Account No/Description	Beginning Balance	Current Balance	YTD Balance	Ending Balance
<b>Fund 1436</b>				
<b>CERTIFICATES OF OBLIGATION, SERIES 2006</b>				
7-1436-101-00-000-0-000 CO 2006-CASH	75,393.73	214,285.91	139,043.87	215,437.60
7-1436-103-00-000-0-000 CO 2006-TIME DEPOSITS	.00	.00	.00	.00
7-1436-103-10-000-0-000 CO 2006-TIME DEP/FLEXICASH	100,000.00	-214,000.00	-100,000.00	.00
7-1436-104-00-000-0-000 CO 2006-INTEREST RECEIVABLE	75.02	.00	-75.02	.00
7-1436-105-00-000-0-000 CO 2006-TAXES RECV-CURRENT	40,885.30	.00	-40,885.30	.00
7-1436-105-10-000-0-000 CO 2006-RSV UNCOLL TAXES-CURRENT	-8,385.16	.00	8,385.16	.00
7-1436-107-00-000-0-000 CO 2006-TAXES RECV-DELINQUENT	662,208.91	.00	-662,208.91	.00
7-1436-107-10-000-0-000 CO 2006-RSV UNCOLL TAXES-DELINQUENT	-480,212.07	.00	480,212.07	.00
7-1436-115-00-000-0-000 CO 2006-ACCOUNTS RECEIVABLE	.00	.00	.00	.00
7-1436-130-01-000-100-0-000 DUE FROM/TO GENERAL FUND	37,841.80	.00	-37,841.80	.00
7-1436-130-01-000-438-0-000 DUE FROM/TO REF BONDS 2007	.00	.00	.00	.00
7-1436-130-01-000-445-0-000 DUE FROM/TO CERT OF OBLIG, 2014	.00	.00	.00	.00
7-1436-130-01-000-446-0-000 DUE FROM/TO REF BONDS 2014C	.00	.00	.00	.00
<b>Total Assets</b>	<b>428,807.53</b>	<b>285.91</b>	<b>-213,369.93</b>	<b>215,437.60</b>

Report Date 08/30/17 03:40 PM  
 Period Ending 08/31/17  
 Fund Range 1436-1436  
 Account Period 08 Year 17

Hidalgo County

Balance Sheet Summary

FJBAS01A

Account No/Description	Beginning Balance	Current Balance	YTD Balance	Ending Balance
<b>Fund 1436</b>				
7-1436-202-00-000-000-0-000 CO 2006-ACCOUNTS PAYABLE	.00	.00	.00	.00
7-1436-241-00-000-000-0-000 CO 2006-UNAVAILABLE REVENUE	214,496.98	.00	-214,496.98	.00
<b>Total Liabilities</b>	214,496.98	.00	-214,496.98	.00
7-1436-270-00-000-000-0-000 CO 2006-BUDGETED FUND BALANCE	.00	.00	.00	.00
7-1436-258-00-000-000-0-000 CO 2006-UNASSIGNED FUND BALANCE	214,310.55	.00	77.72	214,388.27
<b>Total Equity</b>	214,310.55	.00	77.72	214,388.27
7-1436-275-00-000-000-0-000 CO 2006-ESTIMATED REVENUES	.00	.00	.00	.00
7-1436-276-00-000-000-0-000 CO 2006-REVENUE CONTROL	.00	285.91	1,049.33	1,049.33
7-1436-271-00-000-000-0-000 CO 2006-APPROPRIATIONS	.00	.00	.00	.00
7-1436-272-00-000-000-0-000 CO 2006-EXPENDITURE CONTROL	.00	.00	.00	.00
7-1436-273-00-000-000-0-000 CO 2006-ENCUMBRANCE CONTROL	.00	.00	.00	.00
7-1436-274-00-000-000-0-000 CO 2006-RESERVED FOR ENCUMBRANCES	.00	.00	.00	.00
<b>Total Controls</b>	.00	285.91	1,049.33	1,049.33
<b>Total Equity and Controls</b>	214,310.55	285.91	1,127.05	215,437.60
<b>Total Liabilities, Equity and Controls</b>	428,807.53	285.91	-213,369.93	215,437.60
<b>Total Other Sources/Uses</b>	.00	.00	.00	.00

\*Fund is in Balance .00

Period Ending 08/31/17

Fund Range 1438-1438

Account Period 08 Year 17

Balance Sheet Summary

FJBAS01A

Account No/Description	Beginning Balance	Current Balance	YTD Balance	Ending Balance
<b>Fund 1438</b>				
7-1438-101-00-000-000-0-000 REF BONDS 2007-CASH	-10,272.15	.00	15,941.31	5,669.16
7-1438-103-00-000-000-0-000 REF BONDS 2007-TIME DEPOSITS	.00	.00	.00	.00
7-1438-103-10-000-000-0-000 REF BONDS 2007-TIME DEP/FLEXICASH	.00	.00	.00	.00
7-1438-104-00-000-000-0-000 REF BONDS 2007-INTEREST RECEIVABLE	.00	.00	.00	.00
7-1438-105-00-000-000-0-000 REF BONDS 2007-TAXES RCV-CURRE	25,699.33	.00	-25,699.33	.00
7-1438-105-10-000-000-0-000 REF BONDS 2007-RSRV UNCOLL TAXES-DELIN	-5,270.67	.00	5,270.67	.00
7-1438-107-00-000-000-0-000 REF BONDS 2007-TAXES RCV-DELINQVNT	226,394.19	.00	-226,394.19	.00
7-1438-107-10-000-000-0-000 REF BONDS 2007-RSRV UNCOLL TAXES-DELIN	-163,074.27	.00	163,074.27	.00
7-1438-115-00-000-000-0-000 REF BONDS 2007-ACCOUNTS RECEIVABLE	.00	.00	.00	.00
7-1438-130-01-000-100-0-000 DUE FROM/TO GENERAL FUND	15,920.74	.00	-15,920.74	.00
7-1438-130-01-000-435-0-000 DUE FROM/TO REFUNDING BONDS,2005	.00	.00	.00	.00
7-1438-130-01-000-436-0-000 DUE FROM/TO CERT OF OBLIG,2006	.00	.00	.00	.00
7-1438-130-01-000-449-0-000 DUE FROM/TO REF BONDS, 2015C	.00	.00	.00	.00
<b>Total Assets</b>	<b>89,397.17</b>	<b>.00</b>	<b>-83,728.01</b>	<b>5,669.16</b>

Period Ending 08/31/17

Fund Range 1438-1438

Account Period 08 Year 17

Balance Sheet Summary

FJBAS01A

Account No/Description	Beginning Balance	Current Balance	YTD Balance	Ending Balance
<b>Fund 1438 REFUNDING BONDS, SERIES 2007</b>				
7-1438-202-00-000-000-0-000 REF BONDS 2007-ACCOUNTS PAYABLE	.00	.00	.00	.00
7-1438-241-00-000-000-0-000 REF BONDS 2007-UNAVAILABLE REVENUE	83,748.58	.00	-83,748.58	.00
<b>Total Liabilities</b>	83,748.58	.00	-83,748.58	.00
7-1438-270-00-000-000-0-000 REF BONDS 2007-BUDGETED FUND BALANCE	.00	.00	.00	.00
7-1438-258-00-000-000-0-000 REF BONDS 2007-UNASSIGNED FUND BALANCE	5,648.59	.00	20.57	5,669.16
<b>Total Equity</b>	5,648.59	.00	20.57	5,669.16
7-1438-275-00-000-000-0-000 REF BONDS 2007-ESTIMATED REVENUES	.00	.00	.00	.00
7-1438-276-00-000-000-0-000 REF BONDS 2007-REVENUE CONTROL	.00	.00	.00	.00
7-1438-271-00-000-000-0-000 REF BONDS 2007-APPROPRIATIONS	.00	.00	.00	.00
7-1438-272-00-000-000-0-000 REF BONDS 2007-EXPENDITURE CONTROL	.00	.00	.00	.00
7-1438-273-00-000-000-0-000 REF BONDS 2007-ENCUMBRANCE CONTROL	.00	.00	.00	.00
7-1438-274-00-000-000-0-000 REF BONDS 2007-RESERVED FOR ENCUMBRANC	.00	.00	.00	.00
<b>Total Controls</b>				
<b>Total Equity and Controls</b>	5,648.59	.00	20.57	5,669.16
<b>Total Liabilities, Equity and Controls</b>	89,397.17	.00	-83,728.01	5,669.16
<b>Total Other Sources/Uses</b>	.00	.00	.00	.00

\*Fund is in Balance .00

*Jesus Ramirez*

**RAMIREZ & GUERRERO, L.L.P.**

*Attorneys at Law*

Ebony Park, Suite B

700 N. Veterans Blvd.

San Juan, Texas 78589

Phone: (956) 502-5424 Fax: (956) 502-5007

Writer's e-mail address: [jramirez@rrg-legal.com](mailto:jramirez@rrg-legal.com)

*Jose R. Guerrero  
Robert Schell*

February 23, 2012

Ms. Linda Fong  
First Assistant Auditor  
County Auditor's Office  
Hidalgo County

Ms. Fong:

Generally, the answer is yes. The only cautions typically applicable are these:

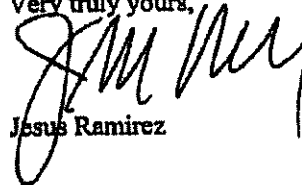
1. Make sure none of the money that you are transferring constitutes bond sales proceeds (sometimes we deposit accrued interest to the I & S fund. But under our documents, that money is out FIFO to pay interest within no later than one year from issuance. So, you typically will not have this problem.

2. The other caution is record-keeping. As you know, you have the 5 year arbitrage review. You want to make certain that you formally record that certain monies in the I & S Fund are no longer allocable to Series X, but are no allocable to Series Y. Since you advise that the bonds have been paid off, then the disallocation has already occurred by virtue of the final defeasance of that series.

3. Overabundance of caution: assure yourself that the monies constitute entirely local taxes, penalties and interest.

Let me know if I can be of further service.

Very truly yours,



Jesus Ramirez

**Linda Fong**

---

**From:** Linda Fong (linda.fong@auditor.co.hidalgo.tx.us)  
**Sent:** Friday, February 17, 2012 4:37 PM  
**To:** Jesus Ramirez (jramirez@rg-legal.com)  
**Cc:** David Cepeda (dcepeda@rg-legal.com)  
**Subject:** Transfer of Surplus in Debt Service Fund

**Follow Up Flag:** Follow up  
**Due By:** Wednesday, February 22, 2012 1:00 PM  
**Flag Status:** Completed

Good Afternoon Chuy,

Is it permissible to transfer the surplus in a debt service fund for COs and/or Refunding Bonds for which all principal and interest has been paid in full to other debt service funds of outstanding COs and/or Refunding Bonds? If you have previously opined on this matter, I would greatly appreciate a copy of the opinion. If not, could you give me your thoughts on this matter. I requested an opinion from Atlas & Hall but they referred me to bond counsel.

Thank you for your time and attention to this matter. If you have any questions please call me at 318-2511 ext. 4668.

Linda Fong  
First Assistant Auditor  
Hidalgo County Auditor's Office

**COUNTY OF HIDALGO  
COUNTY AUDITOR'S OFFICE  
COMMISSIONERS' COURT AGENDA REQUEST FORM**

No: \_\_\_\_\_

---

---

DATE: August 30, 2017 MEETING DATE REQUEST: September 5, 2017  
DEADLINE FOR ACTION: A.S.A.P. CONTACT PERSON: RAYMUNDO EUFRACIO  
DEPARTMENT: AUDITOR'S OFFICE PHONE: (956) 318-2511 FAX: (956) 318-2577  
RAYMUNDO EUFRACIO, COUNTY AUDITOR

---

---

**CAPTION: REGULAR AGENDA**

1. Certification of revenues for Interest earned in 2017 for Certificates of Obligation, Series 2006 (Fund 1436).
  2. Approval of 2017 interfund transfer in the amount of \$215,437.60 from Certificates of Obligation, Series 2006 (Fund 1436) to Refunding Bonds, Series 2014C (Fund 1446) to close out retired debt service fund 1436.
  3. Approval of 2017 interfund transfer in the amount of \$5,669.16 from Refunding Bonds, Series 2007 (Fund 1438) to Refunding Bonds, Series 2015C (Fund 1449) to close out retired debt service fund 1438.
- 
- 

**BACKGROUND:** (Briefly summarize your request, if needed use separate sheets or attach supporting documentation.)

All bond principal and interest related to Certificates of Obligation, Series 2006 (Fund 1436) and Refunding Bonds, Series 2007 (Fund 1438) have been paid.

---

---

**BUDGETARY IMPACT:**

---

---

**PLEASE INITIAL FOR APPROVAL:**

LEGAL COUNCIL: \_\_\_\_\_ BUDGET: \_\_\_\_\_ HUMAN RESOURCES: \_\_\_\_\_  
DEPT/FUND NO: \_\_\_\_\_ AMT EXPENDED: \$ \_\_\_\_\_ FUNDS/STAFFING BUDGETED: Yes \_\_\_\_\_ No \_\_\_\_\_  
ACCOUNT CODE: \_\_\_\_\_ IMPACT ON FUTURE BUDGET: YES \_\_\_\_\_ No \_\_\_\_\_

---

---

**COMMENTS:**

---

---

---

---

**ACTION TAKEN BY COMMISSIONERS' COURT:**

APPROVED ON: \_\_\_\_\_ TABLED ON: \_\_\_\_\_ DENIED ON: \_\_\_\_\_  
(DATE) (DATE) (DATE)

MOTION MADE BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_ VOTE: \_\_\_\_\_