

CALHOUN COUNTY, TEXAS
Annual Financial Report
For the Fiscal Year Ended December 31, 2008

Prepared by

Cindy Mueller,
County Auditor

CALHOUN COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

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INTRODUCTORY SECTION

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CINDY MUELLER
COUNTY AUDITOR, CALHOUN COUNTY
COUNTY COURTHOUSE ANNEX - 201 W. AUSTIN
PORT LAVACA, TEXAS 77979
(361) 553-4610

Honorable Joseph P. Kelly
Judge, 24th Judicial District

Honorable Stephen Williams
Judge, 135th Judicial District

Honorable Skipper Koetter
Judge, 267th Judicial District

Honorable Members of Commissioners Court
Calhoun County, Texas

Gentlemen:

In compliance with the statutory duties of the County Auditor as prescribed by Vernon's Texas Codes Annotated – Local Government Code, Title 3, Subtitle B, Chapter 84, I submit herewith the annual financial report of the government of Calhoun County, Texas for the fiscal year ended December 31, 2008.

This report covers only the finances of the government of Calhoun County and does not include financial information or financial statements on various dependent agencies, boards or commissions which may utilize the prefix of "Calhoun County" in their corporate or assumed name.

ACCOUNTING SYSTEMS AND REPORTS

The accounts and financial records of Calhoun County, Texas, are maintained in conformance with Vernon's Texas Codes Annotated – Local Government Code. This report is prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board.

Additional details about the accounting system are provided in Note 1 of the "Notes to Financial Statements".

INDEPENDENT AUDIT


The Calhoun County Commissioners Court selected the firm of Rutledge Crain & Company, PC, Certified Public Accountants, to make an independent audit for the fiscal year 2008 and their report is included in this annual report.

GENERAL REMARKS

I wish to express my appreciation for the cooperation given me by the members of Commissioners Court and by all officials, department heads and employees in all matters related to the operation of this office.

I hereby state that, to the best of my knowledge, this report is a true and correct statement of the financial position of Calhoun County, Texas, as of December 31, 2008, and the results of the County's operations and transactions for the year then ended, in accordance with generally accepted accounting principles applicable to governmental entities, subject to the notes to the financial statements.

Respectfully submitted,


Cindy Mueller,
County Auditor

CALHOUN COUNTY, TEXAS
DIRECTORY OF OFFICIALS AND DEPARTMENT HEADS
December 31, 2008

District Courts

Judge, 24th Judicial District	Joseph P. Kelly Victoria County Courthouse Victoria, Texas
Judge, 135th Judicial District	Stephen Williams Victoria County Courthouse Victoria, Texas
Judge, 267th Judicial District	Skipper Koetter Victoria County Courthouse Victoria, Texas
Criminal District Attorney	Dan W. Heard Calhoun County Courthouse Port Lavaca, Texas
County Court-at-Law Judge	Alex R. Hernandez Calhoun County Courthouse Port Lavaca, Texas
County Auditor	Cindy Mueller Calhoun County Courthouse Annex Port Lavaca, Texas

Elected County Officials

County Judge	Michael J. Pfeifer Calhoun County Courthouse Port Lavaca, Texas
Commissioner, Precinct One	Roger C. Galvan 2213 Vail Port Lavaca, Texas
Commissioner, Precinct Two	Vernon Lyssy 680 Hengst Road Port Lavaca, Texas
Commissioner, Precinct Three	Neil E. Fritsch 701 Willowick Dr. Port Lavaca, Texas
Commissioner, Precinct Four	Kenneth Finster P.O. Box 640 Seadrift, Texas
Tax Assessor-Collector	Gloria Ochoa Calhoun County Courthouse Port Lavaca, Texas
District Clerk	Pamela Martin Hartgrove Calhoun County Courthouse Port Lavaca, Texas
County Clerk	Anita Fricke Calhoun County Courthouse Port Lavaca, Texas
County Sheriff	Burnard B. Browning Calhoun County Courthouse Port Lavaca, Texas
County Treasurer	Rhonda S. Kokena Calhoun County Courthouse Annex Port Lavaca, Texas

CALHOUN COUNTY, TEXAS
DIRECTORY OF OFFICIALS AND DEPARTMENT HEADS
December 31, 2008

Elected Precinct Officials

Justice of Peace, Precinct One	Hope D. Kurtz 113 Milwaukee Port Lavaca, Texas
Justice of Peace, Precinct Two	James W. Duckett P.O. Box 1307 Port Lavaca, Texas
Justice of Peace, Precinct Three	Gary W. Noska P.O. Box 543 Point Comfort, Texas
Justice of Peace, Precinct Four	James Dworaczyk P.O. Box 141 Seadrift, Texas
Justice of Peace, Precinct Five	Nancy J. Pomykal P.O. Box 454 Port O'Connor, Texas
Constable, Precinct One	Eugene Menchaca 218 Suncrest Drive Port Lavaca, Texas
Constable, Precinct Two	Kenneth W. Wenske 1521 W. Jackson Port Lavaca, Texas
Constable, Precinct Three	Bruce A. Blevins 826 Westwood Port Lavaca, Texas
Constable, Precinct Four	Fritz G. Wilke 1911-A Sweetwater Road Port Lavaca, Texas
Constable, Precinct Five	John W. Brown P.O. Box 485 Port O'Connor, Texas

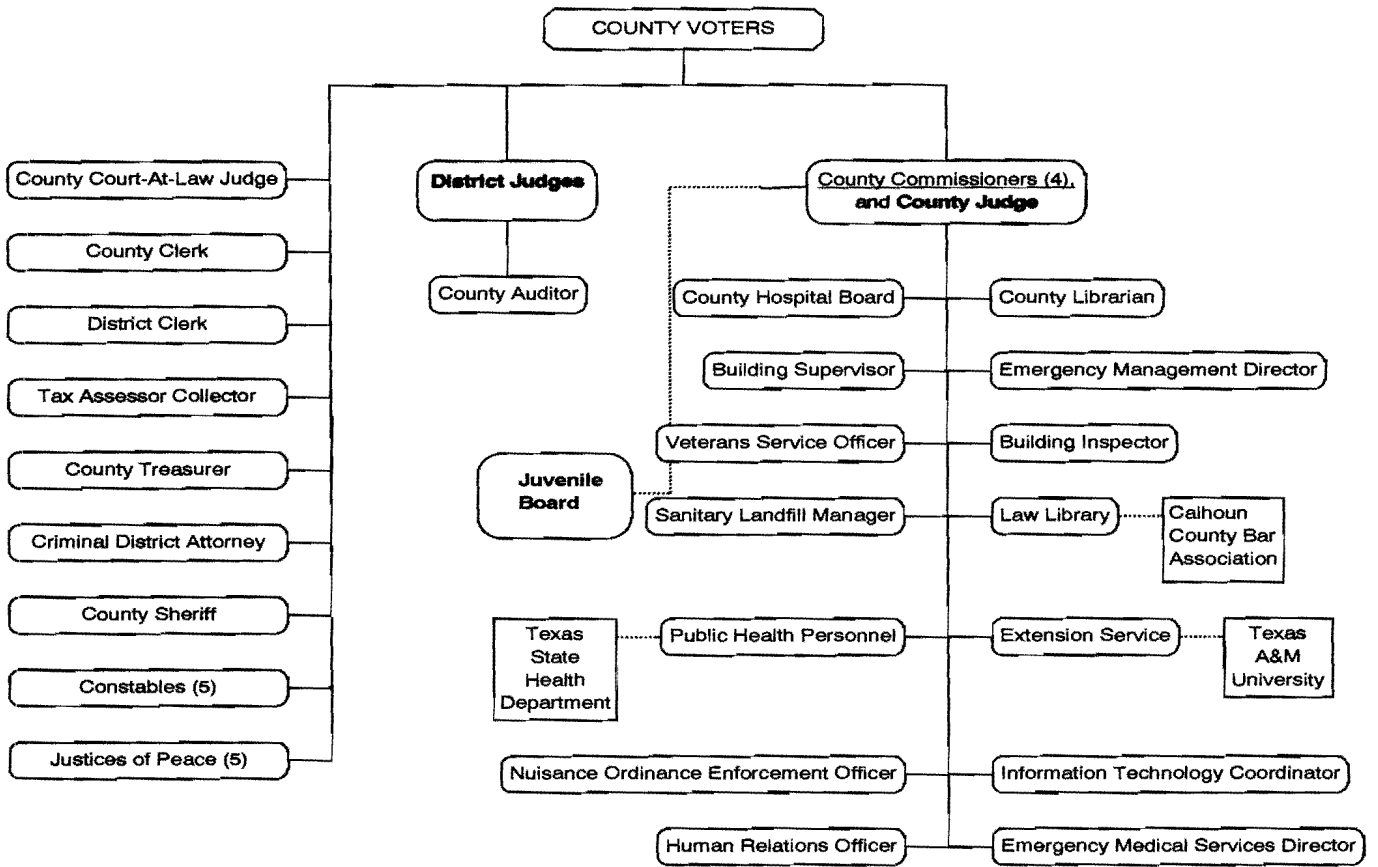
Appointed Personnel

Building Inspector	LaDonna Thigpen Calhoun County Courthouse Port Lavaca, Texas
Building Superintendent	Charles V. Crober Calhoun County Courthouse Port Lavaca, Texas
Chief Probation Officer	Jeanine Callihan Calhoun County Courthouse Annex Port Lavaca, Texas
Juvenile Probation Officer	Cynthia L. Rains Calhoun County Courthouse Annex Port Lavaca, Texas
Veterans Service Officer	Jose R. Pena 1904 Shofner Drive Port Lavaca, Texas
Hospital Administrator (Appointed by Board of Memorial Medical Center)	Elwood Currier 815 N. Virginia Port Lavaca, Texas

CALHOUN COUNTY, TEXAS
DIRECTORY OF OFFICIALS AND DEPARTMENT HEADS
December 31, 2008

County Agricultural Agent	Phoenix Rogers P.O. Box 86 Port Lavaca, Texas
County CEAFCs Agent	Bethany J. Bowman P.O. Box 86 Port Lavaca, Texas
County Marine Agent	Rhonda D. Cummins P.O. Box 86 Port Lavaca, Texas
County Librarian	Noemi Cruz 200 W. Mahan Port Lavaca, Texas
County Librarian, Seadrift	Carol J. Garriott Seadrift Library Seadrift, Texas
County Librarian, Point Comfort	Grace Bradley Point Comfort Library Point Comfort, Texas
County Librarian, Port O'Connor	Shirley H. Gordon Port O'Connor Library Port O'Connor, Texas
County Health Officer	Bain C. Cate, M.D. 117 West Ash Port Lavaca, Texas
County Waste Management Supervisor	Patricia Kalisek Rosenbaum Road Port Lavaca, Texas
County Election Administrator	Dora E. Garcia Calhoun County Courthouse Port Lavaca, Texas
County Nuisance Ordinance enforcement Officer	Bruce A. Blevins Calhoun County Courthouse Port Lavaca, Texas
Emergency Medical Services Director	Henry J. Barber 216 E. Mahan Port Lavaca, Texas

CALHOUN COUNTY ORGANIZATION CHART
December 31, 2008



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FINANCIAL SECTION

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RUTLEDGE CRAIN & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS

2401 Garden Park Court, Suite B
Arlington, Texas 76013

INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and Commissioners
Comprising the Commissioners' Court of
Calhoun County, Texas

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Calhoun County, Texas as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Calhoun County, Texas' management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discrete component unit, Memorial Medical Center ("MMC"), which statements reflect 100% of the assets and revenues of the County's discretely presented component unit as of and for the year ended December 31, 2008. Those statements were audited by other auditors whose report has been furnished to us, and in our opinion, insofar as it relates to the amounts included for MMC, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Calhoun County, Texas as of December 31, 2008, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary information on pages 3 through 13 and 46 through 47, identified as Required Supplementary Information in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise Calhoun County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Rutledge Crain & Company, PC

June 29, 2009

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Calhoun County's annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year ended December 31, 2008. Please read it in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS:

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$39,678,784 (*net assets*). Of this amount, \$19,474,761 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$20,930,842. The amount which is *available for spending* at the government's discretion (*unreserved, undesignated fund balance*) is \$20,304,224.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$15,196,484, or 81 percent of total general fund expenditures.
- The County's total debt decreased by \$2,510,666 during the current fiscal year. The key factors in this decrease were principal payments of \$2,415,000, including \$1,505,000 early defeasance of series 1998 certificates of obligation, and a decrease of \$95,665 in capital lease obligations.

OVERVIEW OF THE FINANCIAL STATEMENTS:

The annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the County.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts of the government*, reporting the County's operations in more detail than the government-wide statements.
- The governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.
- Fiduciary fund* statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.
- Discrete component unit statements (Proprietary fund)* offer *short- and long-term* financial information about the activities the government operates *like businesses*.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

Figure A-1 shows how the required parts of this annual report are arranged and related one another.

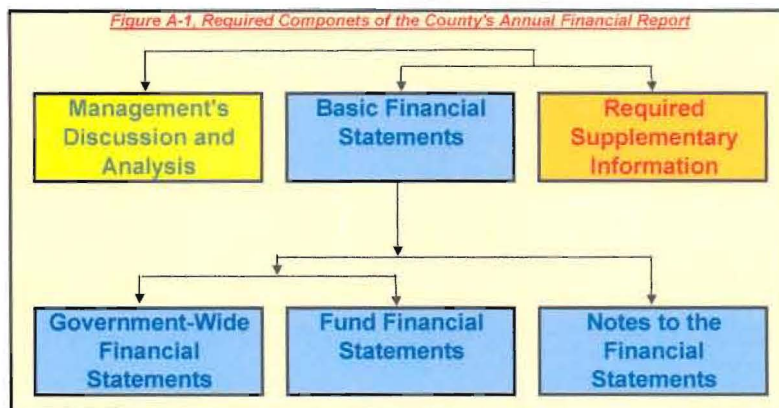


Figure A-2 summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

TYPE OF STATEMENT	GOVERNMENT-WIDE	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS	FIDUCIARY FUNDS
<i>Scope</i>	Entire Government (except fiduciary funds) and the County's component units	The activities of the County that are not proprietary or fiduciary	Activities the County operates similar to private businesses or self insurance	Instances in which the County is the trustee or agent for someone else's resources
<i>Required Financial Statements</i>	Statement of Net Assets. Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures and Fund Balances	Statement of Net Assets, Statement of Revenues, Expenditures and Changes in Fund Net Assets, Statement of Cash Flows	Statement of Net Assets, Statement of Changes in Fiduciary Net Assets.
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Types of accountability information</i>	All assets and liabilities, both financial and capital, short-term and long-term.	Only assets expected to be used up and liabilities that become due during the year or soon thereafter. No capital assets included.	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities both short-term and long-term; the County's funds do not currently include capital assets, although they can.
<i>Types of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid.	Revenue for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during year, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE:

Net assets. The County's combined net assets were \$39,678,784 at the end of the current year. (See Table A-1)

Table A-1 County's Net Assets				
	2008	2007	Change	% Change
Current assets				
Cash and cash equivalents	\$22,722,686	\$17,251,011	\$5,471,675	31.72%
Receivables (net of allowance for uncollectibles)	\$8,114,784	\$7,223,144	\$891,640	12.34%
Intergovernmental receivable	\$2,227,135	\$464,008	\$1,763,127	379.98%
Inventories	\$355,625	\$267,045	\$88,580	33.17%
Prepaid items and other current assets	\$0	\$135,637	(\$135,637)	-100.00%
Restricted assets:				
Cash and cash equivalents	\$10,683,386	\$11,793,850	(\$1,110,464)	-9.42%
Deferred charges	\$219,452	\$252,380	(\$32,928)	-13.05%
Total current assets	\$44,323,068	\$37,387,075	\$6,935,993	18.55%
Noncurrent assets				
Capital assets (net, where applicable, of accumulated depreciation)				
Land	\$1,701,087	\$1,890,277	(\$189,190)	-10.01%
Construction in progress	\$823,480	\$531,971	\$291,509	54.80%
Buildings	\$17,018,107	\$19,750,231	(\$2,732,124)	-13.83%
Improvements other than buildings	\$2,038,610	\$2,272,806	(\$234,196)	-10.30%
Furniture, fixtures and equipment	\$3,966,724	\$3,548,254	\$418,470	11.79%
Infrastructure	\$6,241,212	\$6,052,470	\$188,742	3.12%
Total noncurrent assets	\$31,789,220	\$34,046,009	-\$2,256,789	-6.63%
Total assets	\$76,112,288	\$71,433,084	\$4,679,204	6.55%
Current Liabilities				
Accounts payable	\$1,296,140	\$562,001	\$734,139	130.63%
Accrued and other liabilities	\$929,884	\$907,236	\$22,648	2.50%
Due to other governments	\$490,803	\$408,906	\$81,897	20.03%
Due to others	\$409,608	\$296,327	\$113,281	38.23%
Unearned revenue	\$18,818,768	\$18,883,485	(\$64,717)	-0.34%
Total current liabilities	\$21,945,203	\$21,057,955	\$887,248	4.21%
Noncurrent Liabilities				
Due in one year	\$1,125,336	\$1,329,102	(\$203,766)	-15.33%
Due in more than one year	\$13,362,965	\$15,651,174	(\$2,288,209)	-14.62%
Total noncurrent liabilities	\$14,488,301	\$16,980,276	(\$2,491,975)	-14.68%
Total Liabilities	\$36,433,504	\$38,038,231	-\$1,604,727	-4.22%
Net assets				
Invested in capital assets, net of related debt	\$17,418,049	\$17,166,640	\$251,409	1.46%
Restricted for:				
Debt service	\$292,230	\$301,985	(\$9,755)	-3.23%
Capital projects	\$2,493,744	\$2,019,736	\$474,008	23.47%
Unrestricted	\$19,474,761	\$13,906,492	\$5,568,269	40.04%
Total net assets	\$39,678,784	\$33,394,853	\$6,283,931	18.82%

Approximately 10.49% or \$292,230 of the County's restricted net assets represents amounts restricted for debt service while the remaining 89.51% or \$2,493,744 is restricted for non-major capital projects. The \$19,474,761 of unrestricted net assets represents resources available to fund the programs of the County next year.

CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis

December 31, 2008

(Unaudited)

Changes in net assets. The County's total revenues for governmental activities were \$28,321,063. A significant portion, \$22,076,750 or 78%, of the County's revenue comes from taxes.

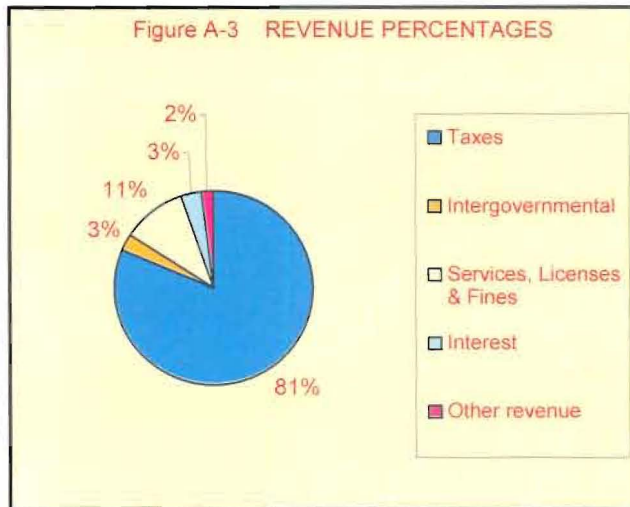
Table A-2 below shows an analysis of the County's program revenues.

Table A-2				
County's Program Revenues				
Programs	2008	2007	Change	% Change
General administration	\$367,487	\$385,901	(\$18,414)	-4.77%
Judicial	\$706,644	\$417,835	\$288,809	69.12%
Legal	\$57,877	\$68,107	(\$10,230)	-15.02%
Financial administration	\$174,396	\$200,737	(\$26,341)	-13.12%
Public facilities	\$73,124	\$36,938	\$36,186	97.96%
Public safety	\$595,724	\$850,686	(\$254,962)	-29.97%
Roads and bridges	\$1,476,364	\$779,920	\$696,444	89.30%
Health and welfare	\$935,945	\$1,184,794	(\$248,849)	-21.00%
Culture and recreation	\$13,883	\$22,057	(\$8,174)	-37.06%
Conservation	\$18,153	\$18,431	(\$278)	0.00%
Sanitation services	\$20,193	\$20,053	\$140	0.70%
Nondepartmental	\$145,560	\$99,103	\$46,457	46.88%
Total Revenues	\$4,585,350	\$4,084,562	\$500,788	12.26%

Table A-3 below shows an analysis of the County's general revenues.

Table A-3				
County's General Revenues				
Programs	2008	2007	Change	% Change
Advalorem taxes	\$19,336,873	\$18,172,134	\$1,164,739	6.41%
Sales Taxes	\$2,711,603	\$2,071,374	\$640,229	30.91%
Other Taxes	\$28,274	\$27,652	\$622	2.25%
Unrestricted investment earnings	\$885,108	\$995,803	(\$110,695)	-11.12%
Miscellaneous	\$270,602	\$194,315	\$76,287	39.26%
Gain on asset sales	\$503,253	(\$189,485)	\$692,738	-365.59%
Total Revenues	\$23,735,713	\$21,271,793	\$2,463,920	11.58%

An analysis of the revenue percentages is shown in Figure A-3 below.



Governmental Activities

The County's tax rate per \$100 valuation remained unchanged at \$0.4900, while general fund tax rates decreased by (\$0.0020) or (0.45%) and debt service tax rates increased by \$0.0020 or 4.46%. Assessed valuation this year was \$3,978,715,359 and last year's assessed valuation was \$3,727,587,616, an increase of \$251,127,743 or 6.74%. Total ad valorem taxes for this year amounted to \$19,336,873 while total ad valorem taxes for last year amounted to \$18,172,134, or an increase of \$1,164,739 or 6.41%.

Table A-4, below, presents the cost of each of the County's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by intergovernmental revenues as well as local tax dollars.

Function	Total Cost of Services			Net Cost of Services		
	2008	2007	Percentage Change	2008	2007	Percentage Change
General administration	\$1,749,442	\$1,782,392	-1.85%	\$1,381,955	\$1,396,491	-1.04%
Judicial	\$1,278,542	\$1,143,411	11.82%	\$571,898	\$725,576	-21.18%
Legal	\$687,284	\$590,887	16.31%	\$629,407	\$522,780	20.40%
Financial administration	\$1,034,669	\$885,308	16.87%	\$860,273	\$684,571	25.67%
Public facilities	\$1,066,101	\$1,569,944	-32.09%	\$992,977	\$1,533,006	-35.23%
Public safety	\$5,548,344	\$5,078,262	9.26%	\$4,952,620	\$4,227,576	17.15%
Roads and bridges	\$4,644,721	\$3,966,121	17.11%	\$3,168,357	\$3,186,201	-0.56%
Health and welfare	\$3,823,591	\$3,365,853	13.60%	\$2,887,646	\$2,181,059	32.40%
Community development	\$168,252	\$138,677	21.33%	\$168,252	\$138,677	21.33%
Culture and recreation	\$717,698	\$713,777	0.55%	\$703,815	\$691,720	1.75%
Social services	\$39,889	\$47,083	-15.28%	\$39,889	\$47,083	-15.28%
Conservation	\$7,750	\$7,750	0.00%	(\$10,403)	(\$10,681)	-2.60%
Sanitation services	\$163,558	\$160,645	1.81%	\$143,365	\$140,592	1.97%
Nondepartmental	\$425,305	\$247,927	71.54%	\$279,745	\$148,824	87.97%
Interest and fiscal charges	\$681,986	\$766,368	-11.01%	\$681,986	\$766,368	-11.01%
Total costs	\$22,037,132	\$20,464,405	7.69%	\$17,451,782	\$16,379,843	6.54%

- As of the close of the year, the County's governmental funds expenditures were \$3,259,358 less than the \$27,099,635 generated in taxes and other revenues for governmental activities.
- The general fund reported a fund balance this year of \$15,552,109.

CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis
December 31, 2008
(Unaudited)

- The total cost of the County's programs changed from last year as follows:

COUNTY PROGRAMS			
PROGRAM NAME	2008	2007	CHANGE
General Administration	\$1,708,300	\$1,727,116	(\$18,816)
Judicial	\$1,334,096	\$1,230,448	\$103,648
Legal	\$679,102	\$589,396	\$89,706
Financial administration	\$1,033,617	\$883,889	\$149,728
Public facilities	\$1,196,482	\$1,365,801	(\$169,319)
Public safety	\$5,525,673	\$4,826,887	\$698,786
Roads and bridges	\$4,341,336	\$4,025,717	\$315,619
Health and welfare	\$3,814,107	\$3,416,747	\$397,360
Community development	\$165,037	\$134,687	\$30,350
Culture and recreation	\$590,884	\$542,468	\$48,416
Social services	\$39,580	\$46,774	(\$7,194)
Conservation	\$7,750	\$7,750	\$0
Sanitation services	\$147,733	\$146,809	\$924
Nondepartmental	\$63,515	\$419,779	(\$356,264)
Interest and fiscal charges	\$778,065	\$780,607	(\$2,542)
Debt service principal	\$2,415,000	\$1,125,000	\$1,290,000
Totals	\$23,840,277	\$21,269,875	\$2,570,402

There were no new programs added in the current year.

Major changes in programs included:

- Judicial and legal program expenditure increases were primarily for personnel and benefits.
- Financial administration expenditures increased approximately \$85,000 for tax appraisal, collection and delinquent tax attorney services and approximately \$42,000 for personnel and benefits.
- Public facilities expenditures decreased approximately \$156,000 for utilities and other services primarily related to the sale of Memorial Medical Plaza.
- Public safety expenditures increased approximately \$344,000 for capital outlay, \$223,000 for personnel and benefits, \$88,000 for services and \$41,000 for supplies.
- Road and bridge program expenditure increases were primarily related to infrastructure projects.
- Health and welfare program expenditures increased primarily for indigent healthcare.
- Nondepartmental expenditures decreased approximately \$230,000 for upgrading the emergency communication system and \$115,000 for the purchase of a building to be renovated for offices in 2007.
- Debt service expenditures increased approximately \$1,211,000 for the early defeasance of the 1998 combination hospital revenue and tax certificates of obligation, \$25,000 for the 2003 jail bonds and \$54,000 for capital leases, and decreased approximately \$8,000 for the 2003 refinancing bonds and \$44,000 for the 2004 courthouse renovation certificates of obligation.

Government-wide Statements:

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis

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The two government-wide statements report the County's net assets and how they have changed. Net assets (the difference between the County's assets and liabilities) are one way to measure the County's financial health or position.

- Over time, increases or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County's tax base.

The government-wide financial statements of the County include the *governmental activities*. Most of the County's basic services are included here, such as general government, public safety, highways and streets, sanitation, economic development, culture and recreation, and interest on long-term debt. Property taxes and grants finance most of these activities.

Fund Financial Statements:

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The Commissioners' Court establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- Governmental funds—Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- Fiduciary funds—The County is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.
- Discrete Component Unit (Proprietary fund)—Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Revenues from governmental fund types totaled \$27,099,635, an increase of \$2,847,306 over the preceding year. The increase in local revenues is comprised of approximately \$1,200,000 in ad valorem taxes resulting from the increase in assessed valuation, and approximately \$640,000 in sales taxes. Expenditures from governmental fund types totaled \$23,840,277, an increase of \$2,570,402 over the preceding year. The change in local expenditures is explained in the preceding *Governmental Activities* section of this discussion.

CALHOUN COUNTY, TEXAS
Management's Discussion and Analysis
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General Fund Budgetary Highlights

A General Fund budget analysis follows in Table A-5.

Table A-5 Budget Analysis					
General Fund	Original Budget	Budget Revisions	Final Budget	Actual	Variance with Final Budget
REVENUES:					
AD VALOREM TAXES	\$17,317,000	\$10,917	\$17,327,917	\$17,486,393	\$158,476
SALES TAXES	800,000	-	800,000	2,711,603	1,911,603
OTHER TAXES	10,000	-	10,000	11,302	1,302
INTERGOVERNMENTAL	151,210	2,219	153,429	520,898	367,469
CHARGES FOR SERVICES	997,240	1,145	998,385	1,582,411	584,026
PERMITS AND LICENSES	11,000	-	11,000	14,603	3,603
FINES AND FORFEITURES	159,000	-	159,000	298,151	139,151
INTEREST	300,000	-	300,000	772,036	472,036
GIFTS AND CONTRIBUTIONS	6,000	-	6,000	5,867	(133)
RENTS AND LEASES	7,000	-	7,000	103,497	96,497
MISCELLANEOUS	24,100	7,112	31,212	242,344	211,132
TOTAL REVENUES	19,782,550	21,393	19,803,943	23,749,105	3,945,162
EXPENDITURES:					
CURRENT:					
GENERAL ADMINISTRATION	1,989,498	51,805	2,041,303	1,643,576	397,727
JUDICIAL	1,291,104	63,726	1,354,830	1,274,550	80,280
LEGAL	644,343	-	644,343	624,585	19,758
FINANCIAL ADMINISTRATION	945,525	87,771	1,033,296	1,033,617	(321)
PUBLIC FACILITIES	975,696	44,155	1,019,851	958,557	61,294
PUBLIC SAFETY	5,031,957	400,583	5,432,540	5,418,899	13,641
ROADS AND BRIDGES	3,903,897	(80,186)	3,823,711	3,627,183	196,528
HEALTH AND WELFARE	3,456,052	408,117	3,864,169	3,690,059	174,110
COMMUNITY DEVELOPMENT	185,144	(5,576)	179,568	165,037	14,531
CULTURE AND RECREATION	599,129	(38,064)	561,065	525,839	35,226
SOCIAL SERVICES	49,366	(7,020)	42,346	39,580	2,766
CONSERVATION	7,750	-	7,750	7,750	-
SANITATION SERVICES	202,624	(12,000)	190,624	147,733	42,891
DEBT SERVICE	-	111,262	111,262	111,260	2
TOTAL EXPENDITURES	19,282,085	1,024,573	20,306,658	19,268,225	1,038,433
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	500,465	(1,003,180)	(502,715)	4,480,880	4,983,595
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	600,000	1,317,302	1,917,302	1,917,302	-
TRANSFERS OUT	(1,514,150)	(2,533,668)	(4,047,818)	(4,046,412)	1,406
SALE OF ASSETS	15,000	2,843,250	2,858,250	2,843,810	(14,440)
TOTAL OTHER FINANCING SOURCES (USES)	(899,150)	1,626,884	727,734	714,700	(13,034)
NET CHANGE IN FUND BALANCES	(\$398,685)	\$623,704	\$225,019	\$5,195,580	\$4,970,561

CALHOUN COUNTY, TEXAS

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Over the course of the year the County revised its General Fund budget 11 times. The original budget revenues amounted to \$19,782,550 and the final budget revenues amounted to \$19,803,943 or an increase of \$21,393, comprised of \$7,000 in miscellaneous revenues, \$11,000 in tax attorney commissions, and \$3,000 in fees and intergovernmental revenues. The original budget expenditures amounted to \$19,282,085 and the final budget expenditures amounted to \$20,306,658 or an increase of \$1,024,573 in expenditures. Significant items causing the expenditure budget increases were an increase of approximately \$389,600 for indigent health care, increases of approximately \$157,000 for a fire truck, \$122,000 for sheriff patrol vehicles, \$92,000 for salaries and benefits, \$80,000 for tax appraisal and collection and \$50,000 for fire protection. Other significant budgetary changes included an increase of approximately \$111,000 for debt service on road equipment, an increase of \$2,840,000 from sale of assets (primarily from the sale of Memorial Medical Plaza), and an increase in transfers out of approximately \$1,200,000 for retirement of the Plaza bonds and \$29,000 for airport and road/bridge infrastructure.

Significant variances between budgeted and actual revenues were primarily positive. It is the County's policy to budget uncertain revenue sources very conservatively. For example, sales tax revenues can change significantly if the state determines during its audit of businesses and industries that sales taxes were remitted on items that should not have been taxed; the County must then refund the excess, usually in the form of reductions in future allocations.

- Ad valorem tax revenues positive variance of approximately \$150,000 resulted from tax collections being more than anticipated.
- Sales taxes exceeded the anticipated amount by approximately \$1,900,000.
- Intergovernmental revenues are subject to change from year to year based on state and federal funding levels. Positive variances in this category are comprised of approximately \$133,000 tobacco settlement, \$110,000 state grant for fire truck, \$27,000 FEMA grant for emergency management and Hurricane Ike, \$12,000 federal grant for health department nurses, \$8,000 state reimbursement for jurors, \$55,000 judiciary reimbursement, and \$6,000 indigent defense grant.
- Charges for services approximate positive variances were as follows: \$139,000 prisoner lodging and medical services, \$139,000 Emergency Medical Service fees, \$150,000 County Clerk, District Clerk, Sheriff and Justice of Peace fees, \$84,000 Tax Collector fees, and \$28,000 health department and waste disposal fees and \$20,000 service fees on state collections.
- Fines in the justice of peace courts exceeded the estimate by approximately \$139,000.
- Interest earned on the County's deposits exceeded the estimate by approximately \$470,000 due to an increase in investments.
- Rents and leases collected were greater than budgeted by approximately \$76,000 as a result of the County's operation of Memorial Medical Plaza until it was sold in April.
- Positive variances in miscellaneous revenues included approximately \$119,000 insurance renewal credits and prior year premium refunds, \$34,000 commission on jail telephones, \$22,000 reimbursement of court appointed attorneys and workers compensation wages and \$12,000 sales of recyclables,

The following were significant variances between expenditure budgets and actual expenditures:

- General administration expenditures were less than budgeted by approximately \$150,000 for college satellite campus renovation, \$144,000 for services and \$82,000 for personnel vacancies.
- Judicial expenditures were less than budgeted by approximately \$26,000 related to personnel vacancies and \$44,000 unexpended for jurors and court services.
- Public facilities expenditures were approximately \$52,000 less than budgeted for personnel benefits, services and equipment.
- A positive variance of approximately \$141,000 in expenditures for roads and bridges resulted from cyclical variations in the need for supplies and materials. Approximately \$50,000 was not expended for personnel, benefits and services.
- Health and welfare expenditures were less than budgeted by approximately \$132,000 for indigent health care and \$35,000 for services and personnel.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of the current year the County had invested in a broad range of capital assets, including land, buildings, equipment, infrastructure and other. (See Table A-6).

Table A-6 County's Capital Assets (Net of accumulated depreciation, where applicable)			
Description	2008	2007	Change
Land	\$1,701,087	\$1,890,277	(\$189,190)
Buildings	\$17,018,107	\$19,750,231	(\$2,732,124)
Improvements	\$2,038,610	\$2,272,806	(\$234,196)
Furniture, Fixtures & Equipment	\$3,966,724	\$3,548,254	\$418,470
Construction in Progress	\$823,480	\$531,971	\$291,509
Infrastructure	\$6,241,212	\$6,052,470	\$188,742
Total	\$31,789,220	\$34,046,009	(\$2,256,789)

During 2008 the County sold Memorial Medical Plaza and commenced projects for a new Emergency Medical Services building and renovation of a building to house the offices of county auditor and county treasurer. More detail information concerning the County's capital assets is presented in the notes to the financial statements.

Long Term Debt

At year end the County had \$14,205,000 in bonds outstanding as shown in Table A-7. More detailed information about the County's debt is presented in the notes to the financial statements. The County issued no new bonds during the year.

The County's bonds presently carry "AAA" ratings (insured) with underlying ratings as follows:

Moody's Investor ServicesA1
 Standard & Poor'sAA-



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ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for this year's budget was \$3,978,715,359 while \$3,950,927,399 was used for next year's budget preparation. This represents a decrease of \$27,787,960 or 0.7%. General fund tax rates for next year were set at \$0.4538, an increase of \$0.0106 or 2.39% above this year's general fund tax rate of \$0.4432. The Commissioners Court budgeted \$1,000,000 for Road and Bridge Infrastructure Projects, \$500,000 for Capital Improvement Projects and \$244,000 for Airport Runway Improvements in 2009, while maintaining a projected fund balance of approximately 50% of expenditures. The Commissioners Court believes that a strong fund balance is essential to the continuation of services in a recessionary economy.

In early 2009, the County awarded contracts for construction of the Emergency Medical Services station, with an estimated construction cost of \$1,100,000, and for the renovation of Courthouse Annex II, with an estimated renovation cost of \$365,000. Both projects were budgeted in 2008.

Appraised values are expected to decrease for the year 2010 as a result of the economic recession.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Cindy Mueller, County Auditor, 201 W. Austin Street, Port Lavaca, Texas 77979.

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BASIC FINANCIAL STATEMENTS

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CALHOUN COUNTY, TEXAS

STATEMENT OF NET ASSETS

DECEMBER 31, 2008

	Primary Governmental Activities	Component Unit
ASSETS		
<i>Cash and cash equivalents</i>	\$ 22,722,686	1,065,206
<i>Investments</i>	--	2,300,000
<i>Receivables (net of allowances for uncollectibles):</i>	8,114,784	3,055,446
<i>Intergovernmental receivable</i>	2,227,135	--
<i>Inventories</i>	355,625	--
<i>Prepaid items and other current assets</i>	--	1,941,671
Restricted assets:		
<i>Cash and cash equivalents</i>	10,683,386	51,360
<i>Deferred charges</i>	219,452	--
Capital assets (net, where applicable, of accumulated depreciation)		
<i>Land</i>	1,701,087	32,143
<i>Construction in progress</i>	823,480	--
<i>Buildings</i>	17,018,107	1,954,768
<i>Improvements other than buildings</i>	2,038,610	--
<i>Furniture, fixtures and equipment</i>	3,966,724	1,709,525
<i>Infrastructure</i>	6,241,212	--
Total Assets	76,112,288	12,110,119
LIABILITIES		
<i>Accounts payable</i>	1,296,140	1,059,438
<i>Accrued and other liabilities</i>	929,884	855,463
<i>Due to other governments</i>	490,803	--
<i>Due to others</i>	409,608	--
<i>Unearned revenue</i>	18,818,768	3,304
Noncurrent liabilities:		
<i>Due in one year</i>	1,125,336	310,172
<i>Due in more than one year</i>	13,362,965	--
Total Liabilities	36,433,504	2,228,377
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	17,418,049	3,696,436
Restricted For:		
Debt Service	292,230	--
Capital Projects	2,493,744	--
Unrestricted	19,474,761	6,185,306
Total Net Assets	\$ 39,678,784	9,881,742

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
<i>General administration</i>	\$ 1,749,442	\$ 339,337	\$ 26,299	\$ 1,851
<i>Judicial</i>	1,278,542	506,052	200,592	--
<i>Legal</i>	687,284	57,877	--	--
<i>Financial administration</i>	1,034,669	174,396	--	--
<i>Public facilities</i>	1,066,101	23,124	50,000	--
<i>Public safety</i>	5,548,344	423,847	71,877	100,000
<i>Roads and bridges</i>	4,644,721	836,129	11,500	628,735
<i>Health and welfare</i>	3,823,591	669,943	266,002	--
<i>Community development</i>	168,252	--	--	--
<i>Culture and recreation</i>	717,698	8,833	5,050	--
<i>Social services</i>	39,889	--	--	--
<i>Conservation</i>	7,750	--	18,153	--
<i>Sanitation services</i>	163,558	20,193	--	--
<i>Nondepartmental</i>	425,305	27,215	118,345	--
<i>Interest and fiscal charges</i>	681,986	--	--	--
Total governmental activities	22,037,132	3,086,946	767,818	730,586
Total Primary Government	\$ 22,037,132	\$ 3,086,946	\$ 767,818	\$ 730,586
COMPONENT UNIT:				
Memorial Medical Center	\$ 22,787,510	\$ 22,519,455	\$ 68,312	\$ 50,000

General Revenues:
Ad valorem taxes
Sales taxes
Other taxes
Unrestricted Investment Earnings
Miscellaneous
Gain on Sale of Capital Assets
Total General Revenues
Change in Net Assets
Net Assets - Beginning
Net Assets - Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets	
Governmental Activities	Component Unit
\$ (1,381,955)	
(571,898)	
(629,407)	
(860,273)	
(992,977)	
(4,952,620)	
(3,168,357)	
(2,887,646)	
(168,252)	
(703,815)	
(39,889)	
10,403	
(143,365)	
(279,745)	
(681,986)	
<u>(17,451,782)</u>	
<u>(17,451,782)</u>	
	\$ (149,743)
19,336,873	--
2,711,603	--
28,274	--
885,108	79,462
270,602	--
503,253	718,906
<u>23,735,713</u>	<u>798,368</u>
6,283,931	648,625
33,394,853	9,233,117
<u>\$ 39,678,784</u>	<u>\$ 9,881,742</u>

CALHOUN COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
<i>Cash and cash equivalents</i>	\$ 16,239,906	\$ 6,482,780	\$ 22,722,686
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Taxes</i>	5,554,054	444,864	5,998,918
<i>Accounts</i>	1,772,733	343,133	2,115,866
<i>Intergovernmental receivable</i>	2,007,691	219,444	2,227,135
<i>Due from other funds</i>	16,721	1,032	17,753
<i>Inventories</i>	355,625	--	355,625
Restricted assets:			
<i>Cash and cash equivalents</i>	10,590,352	93,034	10,683,386
Total Assets	\$ 36,537,082	\$ 7,584,287	\$ 44,121,369
LIABILITIES AND FUND BALANCES			
Liabilities:			
<i>Accounts payable</i>	\$ 1,175,395	\$ 120,744	\$ 1,296,139
<i>Accrued and other liabilities</i>	343,376	364,098	707,474
<i>Due to other funds</i>	--	17,753	17,753
<i>Due to other governments</i>	490,803	--	490,803
<i>Due to others</i>	397,219	12,389	409,608
<i>Deferred revenue</i>	18,578,180	1,690,570	20,268,750
Total Liabilities	20,984,973	2,205,554	23,190,527
Fund balances:			
Reserved for:			
<i>Debt service</i>	--	270,993	270,993
<i>Reserved for inventories</i>	355,625	--	355,625
Unreserved, reported in:			
<i>General fund</i>	15,196,484	--	15,196,484
<i>Special revenue funds</i>	--	2,613,995	2,613,995
<i>Capital projects funds</i>	--	2,493,745	2,493,745
Total fund balances	15,552,109	5,378,733	20,930,842
Total Liabilities & Fund Balances	\$ 36,537,082	\$ 7,584,287	\$ 44,121,369

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2008

Total fund balances - governmental funds balance sheet	\$ 20,930,842
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not reported in the funds.	31,789,220
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	265,129
Payables for bond principal which are not due in the current period are not reported in the funds.	(14,265,653)
Payables for capital leases which are not due in the current period are not reported in the funds.	(105,518)
Payables for bond interest which are not due in the current period are not reported in the funds.	(222,410)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(117,129)
Other long-term assets are not available to pay for current-period expenditures and are deferred in the funds.	219,452
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	1,043,380
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.	<u>141,471</u>
Net assets of governmental activities - statement of net assets	<u>\$ 39,678,784</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXASSTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
<i>Ad valorem taxes</i>	\$ 17,486,393	\$ 1,844,423	\$ 19,330,816
<i>Sales taxes</i>	2,711,603	--	2,711,603
<i>Other taxes</i>	11,302	16,972	28,274
<i>Intergovernmental</i>	520,898	210,035	730,933
<i>Charges for services</i>	1,582,411	169,723	1,752,134
<i>Permits and licenses</i>	14,603	457,001	471,604
<i>Fines and forfeitures</i>	298,151	365,047	663,198
<i>Interest</i>	772,036	113,071	885,107
<i>Gifts and contributions</i>	5,867	144,029	149,896
<i>Rents and leases</i>	103,497	14,125	117,622
<i>Miscellaneous</i>	242,344	16,104	258,448
Total revenues	<u>23,749,105</u>	<u>3,350,530</u>	<u>27,099,635</u>
Expenditures:			
Current:			
<i>General administration</i>	1,643,576	64,724	1,708,300
<i>Judicial</i>	1,274,550	59,546	1,334,096
<i>Legal</i>	624,585	54,517	679,102
<i>Financial administration</i>	1,033,617	--	1,033,617
<i>Public facilities</i>	958,557	237,925	1,196,482
<i>Public safety</i>	5,418,899	106,774	5,525,673
<i>Roads and bridges</i>	3,627,183	714,153	4,341,336
<i>Health and welfare</i>	3,690,059	124,048	3,814,107
<i>Community development</i>	165,037	--	165,037
<i>Culture and recreation</i>	525,839	65,045	590,884
<i>Social services</i>	39,580	--	39,580
<i>Conservation</i>	7,750	--	7,750
<i>Sanitation services</i>	147,733	--	147,733
<i>Nondepartmental</i>	--	63,515	63,515
Debt service:			
<i>Principal</i>	--	2,415,000	2,415,000
<i>Interest and fiscal charges</i>	111,260	666,805	778,065
Total expenditures	<u>19,268,225</u>	<u>4,572,052</u>	<u>23,840,277</u>
Excess (deficiency) of revenues over (under) expenditures	4,480,880	(1,221,522)	3,259,358
Other financing sources (uses):			
<i>Transfers in</i>	1,917,302	4,064,202	5,981,504
<i>Transfers out</i>	(4,046,412)	(1,935,092)	(5,981,504)
<i>Gain on sale of capital assets</i>	2,843,810	3,496	2,847,306
Total other financing sources (uses)	<u>714,700</u>	<u>2,132,606</u>	<u>2,847,306</u>
Net change in fund balances	5,195,580	911,084	6,106,664
Fund balances, January 1	<u>10,356,529</u>	<u>4,467,649</u>	<u>14,824,178</u>
Fund balances, December 31	<u>\$ 15,552,109</u>	<u>\$ 5,378,733</u>	<u>\$ 20,930,842</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Net change in fund balances - total governmental funds	\$ 6,106,664
Amounts reported for governmental activities in the statement of activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,467,270
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,158,983)
The gain or loss on the sale of capital assets is not reported in the funds.	(2,344,053)
Donations of capital assets increase net assets in the SOA but not in the funds.	628,735
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	6,054
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	2,415,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	95,666
Bond issuance costs and similar items are amortized in the SOA but not in the funds.	(30,742)
(Increase) decrease in accrued interest from beginning of period to end of period.	31,155
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(16,221)
Certain ambulance receivables are deferred in the funds. This is the change in these amounts this year.	(56,759)
Uncollected court fines are not recorded as revenue in the funds.	140,145
Change in net assets of governmental activities - statement of activities	<u>\$ 6,283,931</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2008

	<u>Agency Funds</u>
ASSETS	
Assets:	
<i>Cash and cash equivalents</i>	\$ 1,359,525
Receivables (net of allowances for uncollectibles):	
<i>Intergovernmental receivable</i>	149,519
<i>Due from other funds</i>	158,214
<i>Due from others</i>	<u>21,877</u>
Total Assets	\$ <u>1,689,135</u>
LIABILITIES	
<i>Accounts payable</i>	\$ 410
<i>Due to other funds</i>	158,214
<i>Due to other governments</i>	625,177
<i>Due to others</i>	<u>905,334</u>
Total Liabilities	\$ <u>1,689,135</u>

The accompanying notes are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

GASB Statement No. 20 *"Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting"* provides guidance on accounting standards to be applied by proprietary funds. The County's discretely presented component unit, Memorial Medical Center (MMC), is a proprietary type fund and has elected to apply all applicable GASB pronouncements as well as FASB Statements and Interpretations, APB Opinions, and ARBs pronouncements unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County of Calhoun, Texas was organized by the State of Texas in 1846 from parts of Jackson, Matagorda, and Victoria counties and is governed under the laws of the State of Texas. The County provides the following services: general and financial administration, judicial and legal, public facilities and road and bridge maintenance and construction, public safety, health and welfare, community development, culture and recreation, social services, and conservation and sanitation services.

The Calhoun County Commissioners' Court is the level of government which has oversight responsibility and control over all activities of the County. The Court is composed of four commissioners, one elected from each of the four precincts in the County, and the County Judge elected from the entire County. The members are elected by the public and have decision making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. Although the County receives funding from local, state and federal government entities, the Commissioners' Court is not included in any other government "reporting entity."

Discretely presented component unit - For financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The criteria used are as follows:

Financial Accountability - The primary government is deemed to be financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board.

Memorial Medical Center ("MMC") operates a primary critical care hospital. The County Commissioners' Court appoints MMC's board, approves its annual budget, regularly scheduled payment of bills, and major capital additions. MMC is reported as a discretely presented component unit because its services are provided entirely to the public. Separate financial statements are available from hospital management at Memorial Medical Center, 815 North Virginia, Port Lavaca, Texas, 77979.

B. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

C. Government-wide and Fund Financial Statements

The **government-wide financial statements** (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds and fiduciary funds even though the later are excluded from the government-wide financial statements. The General Fund meets the criteria as a *major governmental fund*. Non-major funds include Special Revenue, Debt Service, and Capital Projects funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within Combining and Individual Fund Statements and Schedules.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Revenues are classified as *program revenues* and *general revenues*. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs and investment earnings.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Property taxes which were levied and due October 1, 2008 are intended to finance the County's budget for the fiscal year beginning January 1, 2009; accordingly, recognition of revenue from this levy has been deferred to the next fiscal year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

The General Fund is the County's general operating fund and is always classified as a major fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Major revenue sources include property and other taxes, intergovernmental revenues, charges for services, and investment of idle funds. Primary expenditures are for general administration, judicial and legal, public facilities and road and bridge maintenance and construction, public safety, and health and welfare.

Nonmajor funds include special revenue, debt service, and capital projects funds.

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position and cash flows. MMC, the County's discrete component unit, is a proprietary fund used to account for hospital operations. Major revenues are provided by charges for services. Primary expenses are for health care.

The proprietary fund is accounted for using the accrual basis of accounting as follows:

1. Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
2. Current-year contributions, health care expenses and administrative expenses which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for services. Operating expenses for the funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary fund financial statements include fiduciary funds which are classified into private purpose trust and agency funds. The County has only agency funds which are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other fiduciary funds. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

E. Assets, liabilities, and net assets or equity

1. Cash and cash equivalents

Cash consists of demand and time deposits. For purposes of presentation of MMC's cash flows, all investments with a maturity of 3 months or less at acquisition have been classified as cash equivalents.

2. Interest Capitalization

Interest costs incurred by the proprietary fund for the acquisition and/or construction of capital assets are subject to capitalization when the following conditions are present:

Expenditures for the capital asset have been made.

Activities that are necessary to get the capital asset ready for intended use are in progress.

Interest cost is being incurred.

The amount of interest cost to be capitalized is based on the weighted average amount of accumulated expenditures for the period multiplied by the interest rate for the obligation incurred specifically to finance the construction of the capital asset net of interest earned on funds borrowed to finance the project. During 2008, MMC capitalized no interest.

3. Investments

State statutes authorize the county to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (B) secured by obligations that are described by (1) - (4); or, (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by (1), pledged with a third party selected or approved by the county, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices. All investment income is recognized in the appropriate fund's statement of activity and or statement of revenues, expenditures and changes in fund balance.

4. Receivables and Payables

Receivable from Other Governments - Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the grantor have been met.

Reimbursements for services performed are recorded as receivables and revenue when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements. Receivables are shown net of an allowance for uncollectibles.

Due From or Due to Other Funds - Lending or borrowing between funds is reflected as "due from or due to" (current portion) or "advances to or advances from other funds" (non-current). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources. Interfund activity reflected in "due from or due to" is eliminated on the government-wide statements.

5. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads and bridges), are reported in the government-wide financial statements. Capital assets (except for grant assets with lower thresholds) are defined as assets with a cost of \$1,000 or more. Infrastructure assets include County-owned roads and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets except for infrastructure are depreciated using the straight line method over the following estimated useful lives:

Buildings	15 - 50 years
Improvements other than buildings	45 years
Equipment	5 - 20 years
Leased assets	3 - 7 years
Infrastructure	35 - 40 years

6. Compensated Absences

A liability for unused vacation (two weeks vacation benefits annually (three weeks after ten years of employment)) and compensation time for all full time employees is calculated and reported in the government-wide statements. For financial reporting, the following criteria must be met to be considered as compensated absences:

- leave or compensation is attributed to services already rendered,
- leave or compensation is not contingent on a specific event.

Vested or accumulated vacation leave and compensation time that is expected to be paid with expendable available financial resources is reported as expenditures and fund liabilities of the General Fund. Amounts of vested or accumulated vacation leave and compensation time that are not expected to be paid with expendable available financial resources are reported in the in the government wide statement of assets and expense is recorded for the net change in the government wide statement of changes in net assets. A liability for these amounts is reported in governmental funds only if they are matured, for example, unused reimbursable leave payable as a result of employee resignations and retirements.

7. Fund Equity

In government-wide statements, net assets are classified into three categories as follows:

- Invested in capital assets, net of related debt** – This component of net assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted** – This component of net assets consists of net assets whose use is restricted by contributors, laws or regulations of other governments, or by laws through constitutional provisions or enabling legislation.
- Unrestricted** – This component of net assets consists of those assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
December 31, 2008

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or legally restricted by outside parties for a specific purpose. Fund reservations include debt service, capital projects, and prepaid assets.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation between fund balances for total governmental funds and net assets as reported in the government-wide statement of net assets. The details of the difference are as follows:

Other long-term assets which are not available to pay for current-period expenditures and are deferred in the funds:

Deferred bond issue costs	\$ 217,264
Deferred loss on refunding	<u>2,188</u>
	<u>\$ 219,452</u>

III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES

A. Deposits and Investments

At year end, the carrying amount of the County's cash and cash equivalents was \$34,522,638 (including \$1,116,566 for MMC) and the bank balance was \$35,121,420. The bank balance was collateralized with securities held by the County's depository's agent in the County's name. At year end, the County's depository had pledged securities, with a par value of \$51,995,306 and fair value of \$52,350,979.

Custodial Credit Risk – Deposits. In the case of deposits this is the risk, that in the event of a bank failure, the County's deposits may not be returned to it. The County requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the County's depository in the County's name and held by the depository's agent.

During 2008, the County's investing activities were limited to certificates of deposit which are classified as cash.

Concentration of Credit Risk. – The City's investment policy recognizes that over-concentration of assets by market sector or maturity as a risk to the portfolio. Diversification is a major object of the investment program. The investment policy has established limits for concentration by market sector as shown below:

Interest Rate Risk – In order to limit interest and market rate risk from changes in interest rates, the City has set a maximum stated maturity date of two years, with an average weighted maturity of 90 days for the total portfolio. Longer maturities may be utilized for bond proceeds, but only if matched to planned expenditures of the funds.

Custodial Credit Risk – Deposits. In the case of time and demand deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or be collateralized by qualified securities pledged by the City's depository in the City's name and held by the depository's agent.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City may not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law limits investments as described in Note I. E. 3.

IV. PROPERTY TAXES AND OTHER RECEIVABLES

A. Property Tax Calendar/Taxes Collected in Advance

The County's property tax is levied and recorded as a receivable each October 1, on the assessed value listed as of the prior January 1, for all real and business property located in the County. Taxes are delinquent on February 1 following the October 1 levy date. A statutory lien becomes effective on all property with unpaid taxes as of January 1 of the year following the assessment. The County is prohibited from using taxes collected between October 1 and December 31 until the first day of the budget year for which the taxes are levied. As a result, taxes collected between these dates are shown as restricted cash and deferred revenue on the balance sheets of the General and Debt Service Funds.

The appraisal of property within the County is the responsibility of the Calhoun County Appraisal District as required by legislation passed by the Texas Legislature. The Appraisal District is required under such legislation to assess all property within the Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the county may, at its own expense, require annual reviews of appraised values. The County may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. Property taxes attach as an enforceable lien on property as of January 1, following the levy date. Taxes are due by January 31, following the levy date.

B. Receivables

Governmental fund type receivables consist of amounts due for property taxes or amounts due for services (net of allowance for uncollectibles). Any portion of receivables that do not meet the criteria for revenue recognition are recorded as deferred revenue.

Receivables for individual major funds and nonmajor funds in the aggregate at December 31, 2008 were as follows:

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Taxes receivable	\$ 5,846,372	\$ 468,279	\$ 6,314,651
Allowance for uncollectible taxes	<u>(292,318)</u>	<u>(23,415)</u>	<u>(315,733)</u>
	<u>5,554,054</u>	<u>444,864</u>	<u>5,998,918</u>
Accounts receivable	3,370,377	598,117	3,968,494
Allowance for uncollectible	<u>(1,362,686)</u>	<u>(378,673)</u>	<u>(1,741,359)</u>
	<u>2,007,691</u>	<u>219,444</u>	<u>2,227,135</u>
Total	<u>\$ 7,561,745</u>	<u>\$ 664,308</u>	<u>\$ 8,226,053</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

Discrete Component Unit

Receivables at December 31, 2008 were as follows:

	<u>MMC</u>
Accounts receivable	\$ 7,145,413
Allowance for uncollectible	<u>(4,089,967)</u>
Total	<u><u>\$ 3,055,446</u></u>

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Tax levy receivable			
General Fund	\$ 243,894	\$ 5,290,649	\$ 5,534,543
2003-A Jail Bonds Debt Service	7,306	184,139	191,445
2003-B GO Refinancing Bonds Debt Service	5,736	136,356	142,092
2004 Courthouse Renovation Debt Service	4,054	101,393	105,447
Taxes collected in advance			
General Fund	-	12,129,263	12,129,263
Memorial Medical Plaza Debt Service	4,138	1	4,139
2003-A Jail Bonds Debt Service	-	423,337	423,337
2003-B GO Refinancing Bonds Debt Service	-	313,483	313,483
2004 Courthouse Renovation Debt Service	-	233,103	233,103
Fines receivable			
General Fund	771,437	1,150	772,587
Courthouse Security	1,757	-	1,757
Pretrial Services	1,487	-	1,487
County Clerk Records Management	873	-	873
Records Management and Preservation	10,530	-	10,530
Road and Bridge	257,297	-	257,297
Ambulance fees receivable			
General Fund	141,473	-	141,473
Other revenue collected in advance			
General Fund	-	314	314
Port O'Connor Community Center	-	5,580	5,580
	<u>\$ 1,449,982</u>	<u>\$ 18,818,768</u>	<u>\$ 20,268,750</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

V. CAPITAL ASSETS

Capital assets are recorded at cost or, if donated, at fair market value at the date of receipt. In accordance with GASB-34, depreciation policies were adopted to include useful lives and classification by function. Infrastructure assets are listed at estimated or actual historical costs. General capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in governmental-type activities. Donated fixed assets are valued at their estimated fair market value on the date of donation.

The County uses the following criteria to classify capital assets:

- Useful life exceeds one year,
- Cost equals \$1,000 or more for assets acquired by governmental funds,
- Cost equals \$500 or more for assets acquired by proprietary funds.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation and amortization of capital assets are estimated using the straight line method over estimated useful lives and are charged as an expense against operations for proprietary funds and governmental activities. Accumulated depreciation and amortization are reported for proprietary funds and governmental activities.

The following is a summary of capital asset activity for the year ended December 31, 2008:

	Balance 12/31/2007	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/2008
GOVERNMENTAL ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 1,890,277	\$ 3,443	\$ (192,633)	\$ -	\$ 1,701,087
Construction in progress	647,375	378,327	-	(202,222)	823,480
Total capital assets not being depreciated	<u>2,537,652</u>	<u>381,770</u>	<u>(192,633)</u>	<u>(202,222)</u>	<u>2,524,567</u>
Capital assets, being depreciated					
Buildings	26,377,270	106,534	(6,175,108)	31,523	20,340,219
Improvements other than buildings	5,997,280	5,900	(188,610)	-	5,814,570
Furniture, fixtures and equipment	10,247,282	1,007,365	(586,747)	170,699	10,838,599
Infrastructure	17,064,090	628,735	-	-	17,692,825
Total capital assets being depreciated	<u>59,685,922</u>	<u>1,748,534</u>	<u>(6,950,465)</u>	<u>202,222</u>	<u>54,686,213</u>
Less accumulated depreciation for:					
Buildings	(6,742,443)	(804,916)	4,225,247	-	(3,322,112)
Improvements other than buildings	(3,724,474)	(180,941)	129,455	-	(3,775,960)
Furniture, fixtures and equipment	(6,699,028)	(733,132)	560,285	-	(6,871,875)
Infrastructure	(11,011,620)	(439,993)	-	-	(11,451,613)
Total accumulated depreciation	<u>(28,177,565)</u>	<u>(2,158,982)</u>	<u>4,914,987</u>	<u>-</u>	<u>(25,421,560)</u>
Total capital assets being depreciated, net	<u>31,508,357</u>	<u>(410,448)</u>	<u>(2,035,478)</u>	<u>202,222</u>	<u>29,264,653</u>
Governmental activities capital assets, net	<u>\$ 34,046,009</u>	<u>\$ (28,678)</u>	<u>\$ (2,228,111)</u>	<u>\$ -</u>	<u>\$ 31,789,220</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

Functions/Programs	
General administration	\$ 48,664
Judicial	4,497
Legal	5,950
Financial administration	2,076
Public facilities	53,333
Public safety	469,995
Roads and bridges	689,815
Health and welfare	96,398
Community development	6,015
Culture and recreation	181,223
Social services	309
Sanitation services	15,764
Nondepartmental	<u>584,943</u>
Total expenditures	<u>\$ 2,158,982</u>

Discretely Presented Component Unit

	Balance 12/31/2007	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/2008
BUSINESS-TYPE ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 32,143	\$ -	\$ -	\$ -	\$ 32,143
Capital assets, being depreciated					
Buildings and improvements	8,930,985	7,615	(23,980)	-	8,914,620
Equipment	12,584,101	437,433	(1,298,945)	-	11,722,589
Leased assets	1,330,405	-	(1,330,405)	-	-
Total capital assets being depreciated	<u>22,845,491</u>	<u>445,048</u>	<u>(2,653,330)</u>	<u>-</u>	<u>20,637,209</u>
Less accumulated depreciation for:					
Buildings and improvements	(6,717,986)	(241,866)	-	-	(6,959,852)
Equipment	(10,840,429)	(485,540)	1,312,905	-	(10,013,064)
Leased assets	(1,330,405)	-	1,330,405	-	-
Total accumulated depreciation	<u>(18,888,820)</u>	<u>(727,406)</u>	<u>2,643,310</u>	<u>-</u>	<u>(16,972,916)</u>
Total capital assets being depreciated, net	<u>3,956,671</u>	<u>(282,358)</u>	<u>(10,020)</u>	<u>-</u>	<u>3,664,293</u>
Business-type activities capital assets, net	<u>\$ 3,988,814</u>	<u>\$ (282,358)</u>	<u>\$ (10,020)</u>	<u>\$ -</u>	<u>\$ 3,696,436</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

VI. LONG-TERM DEBT

A. General Obligation Debt

The County finances acquisition or construction of facilities with general obligation debt which is repaid by the debt service funds. At December 31, 2008, the County had the following outstanding bonded debt:

<u>Purpose</u>	<u>Original Amount</u>	<u>Year of Issue</u>	<u>Final Maturity</u>	<u>Annual Payment</u>	<u>Interest Rate</u>	<u>Balance 12/31/2008</u>
GOVERNMENTAL TYPE ACTIVITIES DEBT						
General Obligation Bonds:						
Buildings	\$ 8,490,000	2003	2023	\$ 660,000	3.45 % - 4.65%	\$ 7,205,000
Refunding	3,340,000	2003	2011	490,000	2.00 % - 4.00%	1,415,000
						<u>8,620,000</u>
Certificates of Obligation:						
Buildings	5,890,000	2004	2024	477,000	3.00% - 4.55%	5,585,000
						14,205,000
Bond premium/discount						<u>(40,023)</u>
Total Governmental Type Activities Debt						<u>\$ 14,164,977</u>

Annual debt service requirements to maturity for general debt:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 910,000	\$ 587,209	\$ 1,497,209
2010	910,000	556,984	1,466,984
2011	910,000	525,359	1,435,359
2012	755,000	490,627	1,245,627
2013	750,000	461,965	1,211,965
2014 - 2018	4,235,000	1,836,230	6,071,230
2019 - 2023	5,220,000	851,053	6,071,053
2024	515,000	23,433	538,433
	<u>\$ 14,205,000</u>	<u>\$ 5,332,860</u>	<u>\$ 19,537,860</u>

The County uses its debt service funds to pay its debt obligations.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

B. Obligations under Capital Lease

The County also finances acquisition of equipment through capital leases which are paid by the fund acquiring the underlying asset. At December 31, 2008 the County had the following obligations under capital lease:

\$100,769 capital lease obligation with annual payments of \$54,463 through, November 27, 2009 including interest accruing at 5.35%, secured by equipment with a net book value of \$94,051.	\$ 51,697
\$257,888 capital lease obligation with annual payments of \$56,797 through, November 27, 2009 including interest accruing at 5.06%, secured by equipment with a net book value of \$239,263.	<u>154,497</u>
	<u>\$ 206,194</u>

Annual debt service requirements to maturity for capital lease obligations:

Year Ending December 31,	Primary Government
2009	\$ 111,260
2010	56,796
2011	<u>56,797</u>
	224,853
Less: interest	<u>(18,659)</u>
	<u>\$ 206,194</u>

D. Schedule of Changes in Long-Term Debt

Description	December 31, 2007	Additions	Retirements	December 31, 2008	Due Within One Year
Primary Government:					
General obligation bonds	\$ 9,420,000	\$ -	\$ (800,000)	\$ 8,620,000	\$ 810,000
Certificates of obligation	7,200,000	-	(1,615,000)	5,585,000	100,000
Total bonds payable	<u>16,620,000</u>	-	<u>(2,415,000)</u>	14,205,000	910,000
Bond premium/discount	(42,491)	-	2,468	(40,023)	(2,470)
Capital lease obligation	301,860	-	(95,666)	206,194	100,676
Accrued compensated absences	<u>100,907</u>	<u>241,883</u>	<u>(225,660)</u>	<u>117,130</u>	<u>117,130</u>
	<u>\$ 16,980,276</u>	<u>\$ 241,883</u>	<u>\$ (2,733,858)</u>	<u>\$ 14,488,301</u>	<u>\$ 1,125,336</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

Discrete Component Unit

Description	December 31, 2007	Additions	Retirements	December 31, 2008	Due Within One Year
Discrete Component Unit:					
Capital lease obligation	\$ 171,552	\$ -	\$ (171,552)	\$ -	\$ -
Accrued compensated absences	336,496	-	(26,324)	310,172	310,172
	<u>\$ 508,048</u>	<u>\$ -</u>	<u>\$ (197,876)</u>	<u>\$ 310,172</u>	<u>\$ 310,172</u>

Business-type activities compensated absences are included in accrued liabilities.

VII. INTERFUND RECEIVABLES, PAYABLE BALANCES, AND OPERATING TRANSFERS

Interfund receivables and payables at December 31, 2008 were as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 16,721	\$ -
Nonmajor governmental type funds	1,032	17,753
Agency funds	<u>158,214</u>	<u>158,214</u>
Total Due From/To Other Funds	<u>\$ 175,967</u>	<u>\$ 175,967</u>

The General Fund provided money to various capital projects funds in advance of revenue received from other sources in subsequent years.

Operating transfers during 2008 were as follows:

	Operating Transfers	
	In	Out
General Fund	\$ 1,917,302	\$ (4,046,412)
Nonmajor governmental funds	<u>4,064,202</u>	<u>(1,935,092)</u>
	<u>\$ 5,981,504</u>	<u>\$ (5,981,504)</u>

Operating transfers were made to provide for road and bridge maintenance, airport maintenance, debt service, capital asset acquisition, and courthouse renovation.

VIII. RETIREMENT COMMITMENTS

A. Plan Description

The County and Memorial Medical Center (MMC) provide retirement, disability, and death benefits for all of their respective full-time employees through nontraditional defined benefit plans in the state-wide Texas

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2008

County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 574 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-2034.

The plan provisions are adopted by County Commissioners' Court and the MMC Board, within the options available in the state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years but must leave their accumulated contributions in the plans to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump-sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the County Commissioners' Court within the constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contribution and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

B. Funding Policy

The County and MMC have elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plans are funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 10.04% and 4.84%, respectively for the County and MMC for 2008.

The contribution rate payable by the employee members for calendar year 2008 is the rate of 7% as adopted by the County Commissioners' Court and MMC's Board. The employee contribution rate and the employer contribution rate may be changed by the County Commissioners' Court and MMC's Board within the options available in the TCDRS Act.

C. Annual Pension Cost

For the fiscal year ended December 31, 2008, the annual pension cost for the TCDRS plans for employees and the employer's actual contributions were \$766,011 and \$457,065, respectively, for the County and MMC.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2006, the basis for determining the contribution rate for calendar year 2008. The December 31, 2007 actuarial valuation is the most recent valuation.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

Actuarial Valuation Information

	<u>12/31/05</u>	<u>12/31/06</u>	<u>12/31/07</u>
Actuarial valuation date	entry age	entry age	entry age
Actuarial cost method	level percentage of payroll, open	level percentage of payroll, closed (MMC - open)	level percentage of payroll, closed (MMC - open)
Amortization method			
Amortization period in years			
County	20	15	15
MMC	30	30	30
	long-term	SAF: 10-yr	SAF: 10-yr
Asset valuation method	appreciation with adjustment	smoothed value ESF: Fund value	smoothed value ESF: Fund value
Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.3%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost of living adjustments	0.0%	0.0%	0.0%

Schedule of Funding Progress

	<u>12/31/05</u>	<u>12/31/06</u>	<u>12/31/07</u>
Actuarial valuation date			
County			
Actuarial value of assets	\$ 12,469,092	\$ 14,514,659	\$ 16,419,225
Actuarial accrued liability (AAL)	\$ 14,503,372	\$ 16,063,694	\$ 18,003,657
Unfunded actuarial accrued liability (UAAL)	\$ 2,034,280	\$ 1,549,035	\$ 1,584,432
Funded ratio	86.0%	90.4%	91.2%
Annual covered payroll (actuarial)	\$ 5,505,705	\$ 6,584,058	\$ 7,205,502
UAAL as percentage of covered payroll	36.9%	23.5%	22.0%
MMC			
Actuarial value of assets	\$ 12,636,002	\$ 14,542,201	\$ 16,184,485
Actuarial accrued liability (AAL)	\$ 12,636,002	\$ 13,998,317	\$ 15,808,638
Unfunded actuarial accrued liability (UAAL)	\$ -	\$ (543,884)	\$ (375,847)
Funded ratio	100.0%	103.9%	102.4%
Annual covered payroll (actuarial)	\$ 6,181,048	\$ 7,992,099	\$ 8,589,014
UAAL as percentage of covered payroll	0.0%	-6.8%	-4.4%

Trend Information

	<u>12/31/06</u>	<u>12/31/07</u>	<u>12/31/08</u>
Fiscal Year Ended			
Annual Pension Cost (APC)			
County	\$ 608,153	\$ 745,894	\$ 766,011
MMC	\$ 295,708	\$ 415,708	\$ 457,065
Percentage of APC Contributed	100.0%	100.0%	100.0%
Net Pension Obligation	\$ -	\$ -	\$ -

IX. RISK MANAGEMENT

Primary Government

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various nature. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's financial statements. For the last three years, there have been no significant reductions of insurance coverage or insurance settlements in excess insurance coverage. Any losses reported but unsettled or incurred and not reported, are believed to be insignificant to the County's financial statements.

Discrete Component Unit

MMC participates in an interlocal pool (the "Pool") of approximately 34 Texas rural governmental hospitals sharing risk for workers compensation injuries. The Pool calculates a minimum pool contribution which is funded initially for participation and additionally calculates an expected level of claim development both based on payroll and claim estimates of MMC. If MMC experiences claim losses above this claim expectation, the required pool contribution may increase up to a second threshold. The pool may also assess supplementary assessments to member hospitals not to exceed 100% of annual payment for any previous year MMC was a participant. The Pool maintains specific excess insurance on a per occurrence basis and also aggregates excess insurance that provide some mitigation of overall member losses. However, it is not possible to determine if these changes will be sufficient to maintain the loss pool without additional assessments to MMC. At December 31, 2008, MMC does not believe that a reserve for any assessments is necessary.

MMC is partially self-insured for employee health claims. Additionally, insurance covers aggregate expenses in excess of \$1,000,000. An estimated liability of \$586,008 has been recorded for claims that are unpaid at December 31, 2008, as well as for those that are incurred but not reported. These estimates are based on an analysis of claims filed subsequent in conjunction with the above noted excess insurance. At year-end, MMC had a stop-loss insurance receivable of \$156,682.

	<u>2008</u>	<u>2007</u>
Liability at beginning of year	\$ 426,054	\$ 586,008
Current year claims and changes in estimates	1,650,035	1,730,978
Claims payments	<u>(1,676,089)</u>	<u>(1,890,932)</u>
Liability at end of year	<u>\$ 400,000</u>	<u>\$ 426,054</u>

X. COMMITMENTS AND CONTINGENCIES

Primary Government and Discrete Component Unit

The County is a party in lawsuits occurring in the normal course of business. Although the outcome of these matters is not presently determinable, in the opinion of the County's management, their resolution will not have a material adverse effect on the financial condition of the County.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Discrete Component Unit

Memorial Medical Center (MMC) is a party in lawsuits occurring in the normal course of business. Although the outcome of these matters is not presently determinable, in the opinion of MMC's management, their resolution will not have a material adverse effect on the financial condition of MMC.

MMC has entered into minimum income guarantees with physicians in return for their continued practice in the surrounding area. The physicians repay the advances when their net income exceeds agreed minimums. Unpaid advances may be forgiven for practice continued beyond the initial term. MMC has advanced \$290,298 under these agreements with an unamortized balance due at December 31, 2008 of \$214,237.

XI. OTHER DISCLOSURES

A. Patient Revenue

Discrete Component Unit

Uncompensated Care – Memorial Medical Center patient revenue is reported net of adjustments for Medicare and Medicaid contractual adjustments, other third-party payors, and charity care. Uncompensated care for the year ended December 31, 2008 was \$22,200,238.

B. Concentrations of Credit Risk / Business Concentrations

Primary Government

Governmental fund type accounts and taxes receivable are due from citizens and businesses within the County's boundaries. Risk of loss is immaterial due to wide dispersion of receivables and because of policies which address procedures for approving credit and filing property tax liens.

Discrete Component Unit

Memorial Medical Center receivable concentrations are primarily due from Medicare/Medicaid (33%), other third-party payors (24%), and patients (43%).

Suppliers – MMC is dependent on third party provider of emergency care services and a third party supplier for primarily all of its pharmaceutical supplies. Failure to obtain favorable renewal terms or to locate alternative suppliers could result in a future disruption of service to patients.

Physicians - MMC is dependent upon local physicians practicing in its service area to provide admissions (patients) and to utilize the hospital for outpatient services. A decrease in the number of physicians providing these services or change in their utilization patterns may have an adverse effect on hospital operations.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

B. Financial Statements of Memorial Medical Center

Statement of Net Assets

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,113,260
Investments	2,300,000
Receivables (net of allowances for uncollectibles):	
Accounts	3,055,446
Prepaid items and other current assets	1,941,671
Total current assets	<u>8,410,377</u>

Noncurrent assets

Restricted assets:

Cash and cash equivalents	3,306
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Capital assets :

Land	32,143
Buildings	1,954,768
Equipment	1,709,525
Total noncurrent assets	<u>3,699,742</u>
Total Assets	<u>12,110,119</u>

LIABILITIES

Current liabilities:

Accounts payable	1,059,438
Accrued and other liabilities	855,463
Unearned revenue	3,304
Compensated absences payable	310,172
Total current liabilities	<u>2,228,377</u>
Total Liabilities	<u>2,228,377</u>

NET ASSETS

Invested in capital assets, net of related debt	3,696,436
Restricted	
Designated for capital acquisition	
Designated for after school program	
Unrestricted	6,185,306
Total Net Assets	<u>\$ 9,881,742</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

Statement of Changes in Net Assets

OPERATING REVENUES:	
Patient service revenues (net)	\$ 22,236,785
Other operating revenues	282,670
Total Operating Revenues	<u>22,519,455</u>
OPERATING EXPENSES:	
Operating expenses	22,030,030
Depreciation and amortization	727,406
Total Operating Expenses	<u>22,757,436</u>
Operating Income (Loss)	<u>(237,981)</u>
NON-OPERATING REVENUES (EXPENSES):	
Interest revenue	79,462
Operating grants and contributions	68,312
Interest expense	(30,074)
Gain (loss) on disposal of assets	718,906
Total Non-operating Revenues (Expenses)	<u>836,606</u>
Excess of revenues over expenses before capital grants and contributions	598,625
Capital grants and contributions	<u>50,000</u>
Increase (decrease) in net assets	648,625
Net assets, January 1	<u>9,233,117</u>
Net assets, December 31	<u>\$ 9,881,742</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2008

Statement of Cash Flows

Cash Flows from Operating Activities:	
Cash received from patients and third-party payors	\$ 22,819,700
Other receipts and payments from operations, net	282,670
Cash paid to suppliers	(10,376,020)
Cash paid to employees	(9,028,485)
Cash paid for employee benefits and payroll taxes	<u>(2,844,387)</u>
Net Cash Provided (Used) by Operating Activities	<u>853,478</u>
Cash Flows from Non-capital Financing Activities:	
Noncapital grants and contributions	<u>68,312</u>
Net Cash Provided (Used) by Non-capital Financing Activities	<u>68,312</u>
Cash Flows from Capital and Related Financing Activities:	
Capital grants and contributions	50,000
Principal payments on long-term debt and notes payable	(171,552)
Interest payments on long-term debt and notes payable	(30,074)
Purchase of capital assets	<u>(435,028)</u>
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>(586,654)</u>
Cash Flows from Investing Activities:	
Investment earnings	79,462
Purchase of investments	<u>(900,000)</u>
Net Cash Provided (Used) for Investing Activities	<u>(820,538)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(485,402)
Cash and Cash Equivalents at Beginning of Year	<u>1,601,968</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,116,566</u>
Reconciliation of Cash and Cash Equivalents to Balance Sheet	
Cash and cash equivalents	\$ 1,065,206
Restricted cash and cash equivalents	<u>51,360</u>
	<u>\$ 1,116,566</u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities:	
Operating Income (Loss)	<u>\$ (274,483)</u>
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities	
Depreciation and amortization	727,406
Change in Assets and Liabilities:	
Decrease (Increase) in receivables	(94,421)
Decrease (Increase) in other assets	(243,859)
Increase (Decrease) in accounts payable and accrued expenses	25,448
Increase (Decrease) in third-party payor settlements	985,955
Increase (Decrease) in other prepaids, deferrals, and accruals	<u>(272,568)</u>
Total Adjustments	<u>1,127,961</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 853,478</u>

REQUIRED SUPPLEMENTARY INFORMATION

CALHOUN COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 17,317,000	\$ 17,327,917	\$ 17,486,393	\$ 158,476
Sales taxes	800,000	800,000	2,711,603	1,911,603
Other taxes	10,000	10,000	11,302	1,302
Intergovernmental	151,210	153,429	520,898	367,469
Charges for services	997,240	998,385	1,582,411	584,026
Permits and licenses	11,000	11,000	14,603	3,603
Fines and forfeitures	159,000	159,000	298,151	139,151
Interest	300,000	300,000	772,036	472,036
Gifts and contributions	6,000	6,000	5,867	(133)
Rents and leases	7,000	7,000	103,497	96,497
Miscellaneous	24,100	31,212	242,344	211,132
Total revenues	<u>19,782,550</u>	<u>19,803,943</u>	<u>23,749,105</u>	<u>3,945,162</u>
Expenditures:				
Current:				
General administration	1,989,498	2,041,303	1,643,576	397,727
Judicial	1,291,104	1,354,830	1,274,550	80,280
Legal	644,343	644,343	624,585	19,758
Financial administration	945,525	1,033,296	1,033,617	(321)
Public facilities	975,696	1,019,851	958,557	61,294
Public safety	5,031,957	5,432,540	5,418,899	13,641
Roads and bridges	3,903,897	3,823,711	3,627,183	196,528
Health and welfare	3,456,052	3,864,169	3,690,059	174,110
Community development	185,144	179,568	165,037	14,531
Culture and recreation	599,129	561,065	525,839	35,226
Social services	49,366	42,346	39,580	2,766
Conservation	7,750	7,750	7,750	--
Sanitation services	202,624	190,624	147,733	42,891
Debt service:				
Interest and fiscal charges	--	111,262	111,260	2
Total expenditures	<u>19,282,085</u>	<u>20,306,658</u>	<u>19,268,225</u>	<u>1,038,433</u>
Excess (deficiency) of revenues over (under) expenditures	500,465	(502,715)	4,480,880	4,983,595
Other financing sources (uses):				
Transfers in	300,000	1,917,302	1,917,302	--
Transfers out	(1,214,150)	(4,047,818)	(4,046,412)	1,406
Gain on sale of capital assets	15,000	2,858,250	2,843,810	(14,440)
Total other financing sources (uses)	<u>(899,150)</u>	<u>727,734</u>	<u>714,700</u>	<u>(13,034)</u>
Net change in fund balances	(398,685)	225,019	5,195,580	4,970,561
Fund balances, January 1	<u>10,356,529</u>	<u>10,356,529</u>	<u>10,356,529</u>	--
Fund balances, December 31	<u>\$ 9,957,844</u>	<u>\$ 10,581,548</u>	<u>\$ 15,552,109</u>	<u>\$ 4,970,561</u>

CALHOUN COUNTY, TEXAS

*Notes to Required Supplementary Information
December 31, 2008*

Budgetary Data

The County Judge serves as the budget officer for the Commissioners' Court and submits the annual budget for approval where the legal level of control is by account. Following is a summary of the budget procedures:

1. Prior to August 1, the County Judge submits a proposed operating budget to the Commissioners' Court for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage by the Commissioners' Court.
4. No budget amendments can be made without holding public hearings and appropriate action by the Commissioners' Court. The Commissioners' Court may, by order, authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable diligent thought and attention. The Commissioners' Court may issue an order to amend the budget by transferring an amount budgeted for one line item to another budgeted line item without authorizing an emergency expenditure.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service and Capital Projects Funds. No expenditures in excess of budgeted amounts can be made.
6. Budgets are adopted on the GAAP basis of accounting. Amounts shown in the original adopted budget column as beginning fund balance represent estimated available cash. Amounts shown in the final adopted budget column as beginning fund balance represent actual cash available less adjustments for prior year accruals. Annual appropriated budgets are adopted for the general fund, certain special revenue or debt service funds. Capital projects funds are budgeted on a project length basis rather than on a fiscal year basis. All annual appropriations lapse at fiscal year end.

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**SUPPLEMENTARY INFORMATION – NON-MAJOR COMBINING
AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS				
<i>Cash and cash equivalents</i>	\$ 2,589,960	\$ 1,024,674	\$ 2,868,146	\$ 6,482,780
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Taxes</i>	--	444,864	--	444,864
<i>Accounts</i>	343,133	--	--	343,133
<i>Intergovernmental receivable</i>	47,977	121,467	50,000	219,444
<i>Due from other funds</i>	1,032	--	--	1,032
<i>Restricted assets:</i>				
<i>Cash and cash equivalents</i>	--	93,034	--	93,034
 Total Assets	 \$ 2,982,102	 \$ 1,684,039	 \$ 2,918,146	 \$ 7,584,287
 LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
<i>Accounts payable</i>	\$ 61,379	\$ --	\$ 59,365	\$ 120,744
<i>Accrued and other liabilities</i>	95	--	364,003	364,098
<i>Due to other funds</i>	16,719	1	1,033	17,753
<i>Due to others</i>	12,389	--	--	12,389
<i>Deferred revenue</i>	277,525	1,413,045	--	1,690,570
Total Liabilities	368,107	1,413,046	424,401	2,205,554
 <i>Fund balances:</i>				
<i>Reserved for:</i>				
<i>Debt service</i>	--	270,993	--	270,993
<i>Unreserved, reported in:</i>				
<i>Special revenue funds</i>	2,613,995	--	--	2,613,995
<i>Capital projects funds</i>	--	--	2,493,745	2,493,745
Total fund balances	2,613,995	270,993	2,493,745	5,378,733
 Total Liabilities & Fund Balances	 \$ 2,982,102	 \$ 1,684,039	 \$ 2,918,146	 \$ 7,584,287

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
<i>Ad valorem taxes</i>	\$ --	\$ 1,844,423	\$ --	\$ 1,844,423
<i>Other taxes</i>	16,972	--	--	16,972
<i>Intergovernmental</i>	160,035	--	50,000	210,035
<i>Charges for services</i>	169,723	--	--	169,723
<i>Permits and licenses</i>	457,001	--	--	457,001
<i>Fines and forfeitures</i>	365,047	--	--	365,047
<i>Interest</i>	74,108	23,252	15,711	113,071
<i>Gifts and contributions</i>	44,029	--	100,000	144,029
<i>Rents and leases</i>	14,125	--	--	14,125
<i>Miscellaneous</i>	16,104	--	--	16,104
Total revenues	<u>1,317,144</u>	<u>1,867,675</u>	<u>165,711</u>	<u>3,350,530</u>
Expenditures:				
Current:				
<i>General administration</i>	46,934	--	17,790	64,724
<i>Judicial</i>	2,696	--	56,850	59,546
<i>Legal</i>	54,517	--	--	54,517
<i>Public facilities</i>	33,029	--	204,896	237,925
<i>Public safety</i>	106,009	--	765	106,774
<i>Roads and bridges</i>	20,632	--	693,521	714,153
<i>Health and welfare</i>	8,649	--	115,399	124,048
<i>Culture and recreation</i>	65,045	--	--	65,045
<i>Nondepartmental</i>	13,526	--	49,989	63,515
Debt service:				
<i>Principal</i>	--	2,415,000	--	2,415,000
<i>Interest and fiscal charges</i>	--	666,805	--	666,805
Total expenditures	<u>351,037</u>	<u>3,081,805</u>	<u>1,139,210</u>	<u>4,572,052</u>
Excess (deficiency) of revenues over (under) expenditures	966,107	(1,214,130)	(973,499)	(1,221,522)
Other financing sources (uses):				
<i>Transfers in</i>	113,300	1,203,394	2,747,508	4,064,202
<i>Transfers out</i>	(635,092)	--	(1,300,000)	(1,935,092)
<i>Gain on sale of capital assets</i>	3,496	--	--	3,496
Total other financing sources (uses)	<u>(518,296)</u>	<u>1,203,394</u>	<u>1,447,508</u>	<u>2,132,606</u>
Net change in fund balances	447,811	(10,736)	474,009	911,084
Fund balances, January 1	<u>2,166,184</u>	<u>281,729</u>	<u>2,019,736</u>	<u>4,467,649</u>
Fund balances, December 31	<u>\$ 2,613,995</u>	<u>\$ 270,993</u>	<u>\$ 2,493,745</u>	<u>\$ 5,378,733</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008

	Special Airport Fund	Appellate Judicial System	C.A.W.S. Animal Control	Chamber Tourism Center
ASSETS				
<i>Cash and cash equivalents</i>	\$ 96,377	\$ 2,241	\$ 159	\$ 256
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
Total Assets	\$ 96,377	\$ 2,241	\$ 159	\$ 256
LIABILITIES AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ 1,267	\$ 2,031	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
<i>Deferred revenue</i>	--	--	--	--
Total Liabilities	1,267	2,031	--	--
Fund balances:				
Unreserved, reported in:				
<i>Special revenue funds</i>	95,110	210	159	256
Total fund balances	95,110	210	159	256
Total Liabilities & Fund Balances	\$ 96,377	\$ 2,241	\$ 159	\$ 256

County Child Welfare Board	Court House Security Fund	District Attorney Forfeiture	DA Hot Check	Donations
\$ 2,057	\$ 155,692	\$ 35,483	\$ 13,787	\$ 159,761
--	1,757	--	--	--
--	--	--	--	--
--	1,032	--	--	--
<u>\$ 2,057</u>	<u>\$ 158,481</u>	<u>\$ 35,483</u>	<u>\$ 13,787</u>	<u>\$ 159,761</u>
\$ --	\$ 11,424	\$ --	\$ 451	\$ 2,218
--	--	--	--	138
--	--	--	--	--
--	--	--	--	--
--	1,757	--	--	--
<u>--</u>	<u>13,181</u>	<u>--</u>	<u>451</u>	<u>2,356</u>
2,057	145,300	35,483	13,336	157,405
<u>2,057</u>	<u>145,300</u>	<u>35,483</u>	<u>13,336</u>	<u>157,405</u>
<u>\$ 2,057</u>	<u>\$ 158,481</u>	<u>\$ 35,483</u>	<u>\$ 13,787</u>	<u>\$ 159,761</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008

	Family Protection	Graffiti Eradication	Grants	Highway 87 FM 1090
ASSETS				
<i>Cash and cash equivalents</i>	\$ 2,466	\$ 8,213	\$ 65,944	\$ 281,786
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	70,852	--
<i>Intergovernmental receivable</i>	--	--	37,039	--
<i>Due from other funds</i>	--	--	--	--
	<u>2,466</u>	<u>8,213</u>	<u>173,835</u>	<u>281,786</u>
Total Assets	\$ 2,466	\$ 8,213	\$ 173,835	\$ 281,786
LIABILITIES AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ 39,981	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	6,000	--
<i>Due to others</i>	--	--	--	--
<i>Deferred revenue</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>45,981</u>	<u>--</u>
Fund balances:				
Unreserved, reported in:				
<i>Special revenue funds</i>	2,466	8,213	127,854	281,786
Total fund balances	<u>2,466</u>	<u>8,213</u>	<u>127,854</u>	<u>281,786</u>
Total Liabilities & Fund Balances	\$ 2,466	\$ 8,213	\$ 173,835	\$ 281,786

Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2	Lateral Road Fund Precinct #3
\$ 35,883	\$ 6,687	\$ 4,312	\$ 4,312	\$ 4,312
--	--	--	--	--
--	--	--	--	--
<u>35,883</u>	<u>6,687</u>	<u>4,312</u>	<u>4,312</u>	<u>4,312</u>
\$ --	\$ 737	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>737</u>	<u>--</u>	<u>--</u>	<u>--</u>
35,883	5,950	4,312	4,312	4,312
<u>35,883</u>	<u>5,950</u>	<u>4,312</u>	<u>4,312</u>	<u>4,312</u>
\$ <u>35,883</u>	\$ <u>6,687</u>	\$ <u>4,312</u>	\$ <u>4,312</u>	\$ <u>4,312</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008

	Lateral Road Fund Precinct #4	Pretrial Services	Law Library Fund	LEOSE Education
ASSETS				
<i>Cash and cash equivalents</i>	\$ 4,312	\$ 49,266	\$ 138,682	\$ 12,523
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	1,487	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
	<u>4,312</u>	<u>50,753</u>	<u>138,682</u>	<u>12,523</u>
Total Assets	\$ 4,312	\$ 50,753	\$ 138,682	\$ 12,523
LIABILITIES AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
<i>Deferred revenue</i>	--	1,488	--	--
Total Liabilities	<u>--</u>	<u>1,488</u>	<u>--</u>	<u>--</u>
Fund balances:				
Unreserved, reported in:				
<i>Special revenue funds</i>	4,312	49,265	138,682	12,523
Total fund balances	<u>4,312</u>	<u>49,265</u>	<u>138,682</u>	<u>12,523</u>
	<u>4,312</u>	<u>50,753</u>	<u>138,682</u>	<u>12,523</u>
Total Liabilities & Fund Balances	\$ 4,312	\$ 50,753	\$ 138,682	\$ 12,523

Port O'Conner Community Center	District Clerk Records Mgmt/ Preservation	County Clerk Records Management	Records Management and Preservation	Road and Bridge Fund General
\$ 23,916	\$ 3,317	\$ 95,331	\$ 35,324	\$ 1,149,713
--	--	872	10,530	257,297
--	--	--	--	10,938
--	--	--	--	--
<u>\$ 23,916</u>	<u>\$ 3,317</u>	<u>\$ 96,203</u>	<u>\$ 45,854</u>	<u>\$ 1,417,948</u>
\$ 771	\$ --	\$ --	\$ --	\$ --
--	--	(43)	--	--
--	--	--	--	--
--	--	--	--	--
5,580	--	873	10,530	257,297
<u>6,351</u>	<u>--</u>	<u>830</u>	<u>10,530</u>	<u>257,297</u>
17,565	3,317	95,373	35,324	1,160,651
<u>17,565</u>	<u>3,317</u>	<u>95,373</u>	<u>35,324</u>	<u>1,160,651</u>
<u>\$ 23,916</u>	<u>\$ 3,317</u>	<u>\$ 96,203</u>	<u>\$ 45,854</u>	<u>\$ 1,417,948</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008

	Road and Bridge Fund Precinct #3	Road Maintenance Precinct #4	Sheriff Forfeited Property
ASSETS			
<i>Cash and cash equivalents</i>	\$ 13,067	\$ 620	\$ 23,951
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Accounts</i>	--	--	--
<i>Intergovernmental receivable</i>	--	--	--
<i>Due from other funds</i>	--	--	--
	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ 13,067	\$ 620	\$ 23,951
LIABILITIES AND FUND BALANCES			
Liabilities:			
<i>Accounts payable</i>	\$ --	\$ --	\$ 310
<i>Accrued and other liabilities</i>	--	--	--
<i>Due to other funds</i>	--	--	--
<i>Due to others</i>	--	--	12,389
<i>Deferred revenue</i>	--	--	--
Total Liabilities	<u> </u>	<u> </u>	<u>12,699</u>
Fund balances:			
Unreserved, reported in:			
<i>Special revenue funds</i>	13,067	620	11,252
Total fund balances	<u>13,067</u>	<u>620</u>	<u>11,252</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities & Fund Balances	\$ 13,067	\$ 620	\$ 23,951

Sheriff Jail Division	6 Mile Pier/Boat Ramp Insurance/ Maintenance	Team Compatability (HAVA)	Election Services Contract
\$ 17,308	\$ 62,831	\$ 9,851	\$ 20,039
--	--	--	338
--	--	--	--
--	--	--	--
<u>\$ 17,308</u>	<u>\$ 62,831</u>	<u>\$ 9,851</u>	<u>\$ 20,377</u>
\$ --	\$ --	\$ 1,851	\$ 338
--	--	--	--
--	--	8,000	2,719
--	--	--	--
--	--	--	--
<u>--</u>	<u>--</u>	<u>9,851</u>	<u>3,057</u>
17,308	62,831	--	17,320
<u>17,308</u>	<u>62,831</u>	<u>--</u>	<u>17,320</u>
<u>\$ 17,308</u>	<u>\$ 62,831</u>	<u>\$ 9,851</u>	<u>\$ 20,377</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2008

	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
ASSETS			
<i>Cash and cash equivalents</i>	\$ 1,937	\$ 48,244	\$ 2,589,960
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Accounts</i>	--	--	343,133
<i>Intergovernmental receivable</i>	--	--	47,977
<i>Due from other funds</i>	--	--	1,032
	<u>1,937</u>	<u>48,244</u>	<u>2,982,102</u>
Total Assets	\$ 1,937	\$ 48,244	\$ 2,982,102
LIABILITIES AND FUND BALANCES			
Liabilities:			
<i>Accounts payable</i>	\$ --	\$ --	\$ 61,379
<i>Accrued and other liabilities</i>	--	--	95
<i>Due to other funds</i>	--	--	16,719
<i>Due to others</i>	--	--	12,389
<i>Deferred revenue</i>	--	--	277,525
Total Liabilities	<u>--</u>	<u>--</u>	<u>368,107</u>
Fund balances:			
Unreserved, reported in:			
<i>Special revenue funds</i>	<u>1,937</u>	<u>48,244</u>	<u>2,613,995</u>
Total fund balances	<u>1,937</u>	<u>48,244</u>	<u>2,613,995</u>
	<u>1,937</u>	<u>48,244</u>	<u>2,982,102</u>
Total Liabilities & Fund Balances	\$ 1,937	\$ 48,244	\$ 2,982,102

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CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Special Airport Fund	Appellate Judicial System	C.A.W.S. Animal Control	Chamber Tourism Center
Revenues:				
<i>Other taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	--	--	--	--
<i>Charges for services</i>	--	2,070	--	--
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	3,155	26	5	9
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	2,450	--	--	--
<i>Miscellaneous</i>	1,002	--	--	--
Total revenues	<u>6,607</u>	<u>2,096</u>	<u>5</u>	<u>9</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	--	2,031	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	33,029	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Health and welfare</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>33,029</u>	<u>2,031</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(26,422)	65	5	9
Other financing sources (uses):				
<i>Transfers in</i>	108,000	--	--	--
<i>Transfers out</i>	--	--	--	--
<i>Gain on sale of capital assets</i>	--	--	--	--
Total other financing sources (uses)	<u>108,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	81,578	65	5	9
Fund balances, January 1	<u>13,532</u>	<u>145</u>	<u>154</u>	<u>247</u>
Fund balances, December 31	<u>\$ 95,110</u>	<u>\$ 210</u>	<u>\$ 159</u>	<u>\$ 256</u>

County Child Welfare Board	Court House Security Fund	District Attorney Forfeiture	D.A. Gun Violence Prosecution Program	DA Hot Check
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	22,694	--	--	22,823
--	--	--	--	--
47	5,196	15,180	--	--
--	--	464	535	--
--	--	--	--	--
1,248	--	--	--	264
<u>1,295</u>	<u>27,890</u>	<u>15,644</u>	<u>535</u>	<u>23,087</u>
--	20,359	--	--	--
--	--	--	--	--
--	--	13,488	--	41,029
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	<u>20,359</u>	<u>13,488</u>	--	<u>41,029</u>
1,295	7,531	2,156	535	(17,942)
--	--	--	--	--
--	--	--	(17,302)	--
--	--	3,496	--	--
--	--	<u>3,496</u>	<u>(17,302)</u>	--
1,295	7,531	5,652	(16,767)	(17,942)
762	137,769	29,831	16,767	31,278
<u>\$ 2,057</u>	<u>\$ 145,300</u>	<u>\$ 35,483</u>	<u>\$ --</u>	<u>\$ 13,336</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Donations	Family Protection	Graffiti Eradication	Grants
Revenues:				
Other taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	--	143,063
Charges for services	--	735	--	--
Permits and licenses	--	--	--	--
Fines and forfeitures	--	--	--	--
Interest	5,628	67	284	2,372
Gifts and contributions	3,663	--	--	38,979
Rents and leases	--	--	--	--
Miscellaneous	1,482	--	--	--
Total revenues	<u>10,773</u>	<u>802</u>	<u>284</u>	<u>184,414</u>
Expenditures:				
Current:				
General administration	--	--	--	--
Judicial	--	--	--	--
Legal	--	--	--	--
Public facilities	--	--	--	--
Public safety	--	--	--	87,446
Roads and bridges	--	--	--	--
Health and welfare	--	--	--	8,649
Culture and recreation	11,681	--	--	25,905
Nondepartmental	--	--	--	500
Total expenditures	<u>11,681</u>	<u>--</u>	<u>--</u>	<u>122,500</u>
Excess (deficiency) of revenues over (under) expenditures	(908)	802	284	61,914
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Gain on sale of capital assets	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(908)	802	284	61,914
Fund balances, January 1	<u>158,313</u>	<u>1,664</u>	<u>7,929</u>	<u>65,940</u>
Fund balances, December 31	<u>\$ 157,405</u>	<u>\$ 2,466</u>	<u>\$ 8,213</u>	<u>\$ 127,854</u>

Highway 87 FM 1090	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2
\$ --	\$ --	\$ --	\$ 4,243	\$ 4,243
--	--	--	--	--
--	14,042	3,219	--	--
--	--	--	--	--
9,730	905	185	177	177
--	--	--	--	--
--	--	--	--	--
<u>9,730</u>	<u>14,947</u>	<u>3,404</u>	<u>4,420</u>	<u>4,420</u>
--	--	--	--	--
--	665	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	5,158	5,158
--	--	--	--	--
--	--	1,811	--	--
<u>--</u>	<u>665</u>	<u>1,811</u>	<u>5,158</u>	<u>5,158</u>
9,730	14,282	1,593	(738)	(738)
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
9,730	14,282	1,593	(738)	(738)
<u>272,056</u>	<u>21,601</u>	<u>4,357</u>	<u>5,050</u>	<u>5,050</u>
<u>\$ 281,786</u>	<u>\$ 35,883</u>	<u>\$ 5,950</u>	<u>\$ 4,312</u>	<u>\$ 4,312</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4	Pretrial Services	Law Library Fund
Revenues:				
Other taxes	\$ 4,243	\$ 4,243	\$ --	\$ --
Intergovernmental	--	--	--	--
Charges for services	--	--	3,881	14,775
Permits and licenses	--	--	--	--
Fines and forfeitures	--	--	--	--
Interest	177	177	1,632	4,416
Gifts and contributions	--	--	--	--
Rents and leases	--	--	--	--
Miscellaneous	--	--	--	--
Total revenues	<u>4,420</u>	<u>4,420</u>	<u>5,513</u>	<u>19,191</u>
Expenditures:				
Current:				
General administration	--	--	--	--
Judicial	--	--	--	--
Legal	--	--	--	--
Public facilities	--	--	--	--
Public safety	--	--	--	--
Roads and bridges	5,158	5,158	--	--
Health and welfare	--	--	--	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Total expenditures	<u>5,158</u>	<u>5,158</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(738)	(738)	5,513	19,191
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Gain on sale of capital assets	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(738)	(738)	5,513	19,191
Fund balances, January 1	<u>5,050</u>	<u>5,050</u>	<u>43,752</u>	<u>119,491</u>
Fund balances, December 31	<u>\$ 4,312</u>	<u>\$ 4,312</u>	<u>\$ 49,265</u>	<u>\$ 138,682</u>

LEOSE Education	Port O'Conner Community Center	District Clerk Records Mgmt/ Preservation	County Clerk Records Management	Records Management and Preservation
\$ --	\$ --	\$ --	\$ --	\$ --
4,999	--	--	--	--
--	--	--	50,465	9,501
--	--	1,217	--	--
346	933	83	2,111	998
--	--	--	--	--
--	11,675	--	--	--
--	--	--	--	--
<u>5,345</u>	<u>12,608</u>	<u>1,300</u>	<u>52,576</u>	<u>10,499</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
6,636	--	--	--	--
--	--	--	--	--
--	19,866	--	--	--
--	--	--	--	--
<u>6,636</u>	<u>19,866</u>	<u>--</u>	<u>--</u>	<u>--</u>
(1,291)	(7,258)	1,300	52,576	10,499
--	5,300	--	--	--
--	--	--	(17,790)	--
--	--	--	--	--
<u>--</u>	<u>5,300</u>	<u>--</u>	<u>(17,790)</u>	<u>--</u>
(1,291)	(1,958)	1,300	34,786	10,499
<u>13,814</u>	<u>19,523</u>	<u>2,017</u>	<u>60,587</u>	<u>24,825</u>
<u>\$ 12,523</u>	<u>\$ 17,565</u>	<u>\$ 3,317</u>	<u>\$ 95,373</u>	<u>\$ 35,324</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Road and Bridge Fund General	Road and Bridge Fund Precinct #3	Road Maintenance Precinct #4	Sheriff Forfeited Property
Revenues:				
<i>Other taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	10,122	--	--	--
<i>Charges for services</i>	--	--	--	--
<i>Permits and licenses</i>	457,001	--	--	--
<i>Fines and forfeitures</i>	335,888	--	--	12,762
<i>Interest</i>	28,778	451	21	258
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	--	--	--	--
<i>Miscellaneous</i>	--	--	--	--
Total revenues	<u>831,789</u>	<u>451</u>	<u>21</u>	<u>13,020</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	11,927
<i>Roads and bridges</i>	--	--	--	--
<i>Health and welfare</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>--</u>	<u>--</u>	<u>--</u>	<u>11,927</u>
Excess (deficiency) of revenues over (under) expenditures	831,789	451	21	1,093
Other financing sources (uses):				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	(600,000)	--	--	--
<i>Gain on sale of capital assets</i>	--	--	--	--
Total other financing sources (uses)	<u>(600,000)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	231,789	451	21	1,093
Fund balances, January 1	<u>928,862</u>	<u>12,616</u>	<u>599</u>	<u>10,159</u>
Fund balances, December 31	<u>\$ 1,160,651</u>	<u>\$ 13,067</u>	<u>\$ 620</u>	<u>\$ 11,252</u>

Sheriff Jail Division	6 Mile Pier/Boat Ramp Insurance/ Maintenance	Team Compatability (HAVA)	Dist. Attny. Gun Violence Pros. Prg.	Election Services Contract
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	1,851	--	--
--	--	--	--	25,518
--	--	--	--	--
--	2,512	--	--	572
--	--	--	--	--
12,108	--	--	--	--
<u>12,108</u>	<u>2,512</u>	<u>1,851</u>	<u>--</u>	<u>26,090</u>
--	--	--	--	26,575
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	5,449	--	--	--
7,697	--	1,851	1,667	--
<u>7,697</u>	<u>5,449</u>	<u>1,851</u>	<u>1,667</u>	<u>26,575</u>
4,411	(2,937)	--	(1,667)	(485)
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
4,411	(2,937)	--	(1,667)	(485)
12,897	65,768	--	1,667	17,805
<u>\$ 17,308</u>	<u>\$ 62,831</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 17,320</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenues:			
Other taxes	\$ --	\$ --	\$ 16,972
Intergovernmental	--	--	160,035
Charges for services	--	--	169,723
Permits and licenses	--	--	457,001
Fines and forfeitures	--	--	365,047
Interest	--	1,681	74,108
Gifts and contributions	--	1,387	44,029
Rents and leases	--	--	14,125
Miscellaneous	--	--	16,104
Total revenues	--	3,068	1,317,144
Expenditures:			
Current:			
General administration	--	--	46,934
Judicial	--	--	2,696
Legal	--	--	54,517
Public facilities	--	--	33,029
Public safety	--	--	106,009
Roads and bridges	--	--	20,632
Health and welfare	--	--	8,649
Culture and recreation	--	2,144	65,045
Nondepartmental	--	--	13,526
Total expenditures	--	2,144	351,037
Excess (deficiency) of revenues over (under) expenditures	--	924	966,107
Other financing sources (uses):			
Transfers in	--	--	113,300
Transfers out	--	--	(635,092)
Gain on sale of capital assets	--	--	3,496
Total other financing sources (uses)	--	--	(518,296)
Net change in fund balances	--	924	447,811
Fund balances, January 1	1,937	47,320	2,166,184
Fund balances, December 31	\$ 1,937	\$ 48,244	\$ 2,613,995

CALHOUN COUNTY, TEXAS
AIRPORT FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-5

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 1	\$ --	\$ (1)
<i>Interest</i>	1	3,155	3,154
<i>Rents and leases</i>	1	2,450	2,449
<i>Miscellaneous</i>	--	1,002	1,002
Total revenues	<u>3</u>	<u>6,607</u>	<u>6,604</u>
Expenditures:			
Current:			
<i>Public facilities</i>	35,310	33,029	2,281
Total expenditures	<u>35,310</u>	<u>33,029</u>	<u>2,281</u>
Excess (deficiency) of revenues over (under) expenditures	(35,307)	(26,422)	8,885
Other financing sources (uses):			
<i>Transfers in</i>	108,000	108,000	--
Total other financing sources (uses)	<u>108,000</u>	<u>108,000</u>	<u>--</u>
Net change in fund balances	72,693	81,578	8,885
Fund balances, January 1	<u>13,532</u>	<u>13,532</u>	<u>--</u>
Fund balances, December 31	<u>\$ 86,225</u>	<u>\$ 95,110</u>	<u>\$ 8,885</u>

CALHOUN COUNTY, TEXAS
 APPELLATE JUDICIAL SYSTEM
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 2,005	\$ 2,070	\$ 65
<i>Interest</i>	26	26	--
Total revenues	<u>2,031</u>	<u>2,096</u>	<u>65</u>
Expenditures:			
Current:			
<i>Judicial</i>	2,031	2,031	--
Total expenditures	<u>2,031</u>	<u>2,031</u>	<u>--</u>
 Net change in fund balances	 --	 65	 65
 Fund balances, January 1	 <u>145</u>	 <u>145</u>	 <u>--</u>
 Fund balances, December 31	 <u>\$ 145</u>	 <u>\$ 210</u>	 <u>\$ 65</u>

CALHOUN COUNTY, TEXAS
 COUNTY EDUCATION FUND - HAVA
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 5,442	\$ --	\$ (5,442)
Total revenues	<u>5,442</u>	<u>--</u>	<u>(5,442)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	5,442	--	5,442
Total expenditures	<u>5,442</u>	<u>--</u>	<u>5,442</u>
Net change in fund balances	--	--	--
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

CALHOUN COUNTY, TEXAS
 COUNTY CHILD WELFARE BOARD FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-8

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 762	\$ --	\$ (762)
<i>Interest</i>	1	47	46
<i>Miscellaneous</i>	1	1,248	1,247
Total revenues	<u>764</u>	<u>1,295</u>	<u>531</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	1,300	--	1,300
Total expenditures	<u>1,300</u>	<u>--</u>	<u>1,300</u>
Net change in fund balances	(536)	1,295	1,831
Fund balances, January 1	<u>762</u>	<u>762</u>	<u>--</u>
Fund balances, December 31	<u>\$ 226</u>	<u>\$ 2,057</u>	<u>\$ 1,831</u>

CALHOUN COUNTY, TEXAS
COURT HOUSE SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-9

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 4,000	\$ 22,694	\$ 18,694
<i>Interest</i>	1,000	5,196	4,196
Total revenues	<u>5,000</u>	<u>27,890</u>	<u>22,890</u>
Expenditures:			
Current:			
<i>General administration</i>	140,000	20,359	119,641
Total expenditures	<u>140,000</u>	<u>20,359</u>	<u>119,641</u>
Net change in fund balances	(135,000)	7,531	142,531
Fund balances, January 1	<u>137,769</u>	<u>137,769</u>	--
Fund balances, December 31	<u>\$ 2,769</u>	<u>\$ 145,300</u>	<u>\$ 142,531</u>

CALHOUN COUNTY, TEXAS
DISTRICT ATTORNEY FORFEITURE FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-10

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines and forfeitures</i>	\$ 4,247	\$ 15,180	\$ 10,933
<i>Interest</i>	--	464	464
Total revenues	<u>4,247</u>	<u>15,644</u>	<u>11,397</u>
Expenditures:			
Current:			
<i>Legal</i>	20,985	13,488	7,497
Total expenditures	<u>20,985</u>	<u>13,488</u>	<u>7,497</u>
Excess (deficiency) of revenues over (under) expenditures	(16,738)	2,156	18,894
Other financing sources (uses):			
<i>Gain on sale of capital assets</i>	--	3,496	3,496
Total other financing sources (uses)	<u>--</u>	<u>3,496</u>	<u>3,496</u>
Net change in fund balances	(16,738)	5,652	22,390
Fund balances, January 1	<u>29,831</u>	<u>29,831</u>	<u>--</u>
Fund balances, December 31	<u>\$ 13,093</u>	<u>\$ 35,483</u>	<u>\$ 22,390</u>

CALHOUN COUNTY, TEXAS

D.A. GUN VIOLENCE PROSECUTION PROGRAM FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-11

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1	\$ 535	\$ 534
Total revenues	<u>1</u>	<u>535</u>	<u>534</u>
Other financing sources (uses):			
<i>Transfers out</i>	(17,302)	(17,302)	--
Total other financing sources (uses)	<u>(17,302)</u>	<u>(17,302)</u>	<u>--</u>
Net change in fund balances	(17,301)	(16,767)	534
Fund balances, January 1	<u>16,767</u>	<u>16,767</u>	<u>--</u>
Fund balances, December 31	<u>\$ (534)</u>	<u>\$ --</u>	<u>\$ 534</u>

CALHOUN COUNTY, TEXAS
HIGHWAY 87 FM 1090 FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-12

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1,000	\$ 9,730	\$ 8,730
Total revenues	<u>1,000</u>	<u>9,730</u>	<u>8,730</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	263,000	--	263,000
Total expenditures	<u>263,000</u>	<u>--</u>	<u>263,000</u>
Net change in fund balances	(262,000)	9,730	271,730
Fund balances, January 1	<u>272,056</u>	<u>272,056</u>	<u>--</u>
Fund balances, December 31	<u>\$ 10,056</u>	<u>\$ 281,786</u>	<u>\$ 271,730</u>

CALHOUN COUNTY, TEXAS
JUSTICE COURT TECHNOLOGY
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-13

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 13,835	\$ 14,042	\$ 207
<i>Interest</i>	904	905	1
Total revenues	<u>14,739</u>	<u>14,947</u>	<u>208</u>
Expenditures:			
Current:			
<i>Judicial</i>	35,511	665	34,846
Total expenditures	<u>35,511</u>	<u>665</u>	<u>34,846</u>
 Net change in fund balances	 (20,772)	 14,282	 35,054
 Fund balances, January 1	 <u>21,601</u>	 <u>21,601</u>	 <u>--</u>
 Fund balances, December 31	 <u>\$ 829</u>	 <u>\$ 35,883</u>	 <u>\$ 35,054</u>

CALHOUN COUNTY, TEXAS
JUSTICE COURT BUILDING SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-14

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 300	\$ 3,219	\$ 2,919
<i>Interest</i>	--	185	185
Total revenues	<u>300</u>	<u>3,404</u>	<u>3,104</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	2,400	1,811	589
Total expenditures	<u>2,400</u>	<u>1,811</u>	<u>589</u>
Net change in fund balances	(2,100)	1,593	3,693
Fund balances, January 1	<u>4,357</u>	<u>4,357</u>	--
Fund balances, December 31	<u>\$ 2,257</u>	<u>\$ 5,950</u>	<u>\$ 3,693</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #1
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-15

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Other taxes</i>	\$ 4,930	\$ 4,243	\$ (687)
<i>Interest</i>	238	177	(61)
Total revenues	<u>5,168</u>	<u>4,420</u>	<u>(748)</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	<u>5,158</u>	<u>5,158</u>	<u>--</u>
Total expenditures	<u>5,158</u>	<u>5,158</u>	<u>--</u>
Net change in fund balances	10	(738)	(748)
Fund balances, January 1	<u>5,050</u>	<u>5,050</u>	<u>--</u>
Fund balances, December 31	<u>\$ 5,060</u>	<u>\$ 4,312</u>	<u>\$ (748)</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #2
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-16

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other taxes</i>	\$ 4,930	\$ 4,243	\$ (687)
<i>Interest</i>	238	177	(61)
Total revenues	<u>5,168</u>	<u>4,420</u>	<u>(748)</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	5,158	5,158	--
Total expenditures	<u>5,158</u>	<u>5,158</u>	<u>--</u>
Net change in fund balances	10	(738)	(748)
Fund balances, January 1	<u>5,050</u>	<u>5,050</u>	<u>--</u>
Fund balances, December 31	<u>\$ 5,060</u>	<u>\$ 4,312</u>	<u>\$ (748)</u>

CALHOUN COUNTY, TEXAS
 LATERAL ROAD FUND PRECINCT #3
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-17

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other taxes</i>	\$ 4,930	\$ 4,243	\$ (687)
<i>Interest</i>	238	177	(61)
Total revenues	<u>5,168</u>	<u>4,420</u>	<u>(748)</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	5,158	5,158	--
Total expenditures	<u>5,158</u>	<u>5,158</u>	--
Net change in fund balances	10	(738)	(748)
Fund balances, January 1	<u>5,050</u>	<u>5,050</u>	--
Fund balances, December 31	<u>\$ 5,060</u>	<u>\$ 4,312</u>	<u>\$ (748)</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #4
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-18

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other taxes</i>	\$ 4,930	\$ 4,243	\$ (687)
<i>Interest</i>	238	177	(61)
Total revenues	<u>5,168</u>	<u>4,420</u>	<u>(748)</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	5,158	5,158	--
Total expenditures	<u>5,158</u>	<u>5,158</u>	<u>--</u>
Net change in fund balances	10	(738)	(748)
Fund balances, January 1	<u>5,050</u>	<u>5,050</u>	<u>--</u>
Fund balances, December 31	<u>\$ 5,060</u>	<u>\$ 4,312</u>	<u>\$ (748)</u>

CALHOUN COUNTY, TEXAS
PRETRIAL SERVICES FUND
SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-19

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 10,000	\$ 3,881	\$ (6,119)
<i>Interest</i>	200	1,632	1,432
Total revenues	<u>10,200</u>	<u>5,513</u>	<u>(4,687)</u>
Net change in fund balances	10,200	5,513	(4,687)
Fund balances, January 1	<u>43,752</u>	<u>43,752</u>	--
Fund balances, December 31	<u>\$ 53,952</u>	<u>\$ 49,265</u>	<u>\$ (4,687)</u>

CALHOUN COUNTY, TEXAS

LAW LIBRARY FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-20

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 1,500	\$ 14,775	\$ 13,275
<i>Interest</i>	500	4,416	3,916
Total revenues	<u>2,000</u>	<u>19,191</u>	<u>17,191</u>
Expenditures:			
Current:			
<i>Legal</i>	26,400	--	26,400
Total expenditures	<u>26,400</u>	<u>--</u>	<u>26,400</u>
Net change in fund balances	(24,400)	19,191	43,591
Fund balances, January 1	<u>119,491</u>	<u>119,491</u>	<u>--</u>
Fund balances, December 31	<u>\$ 95,091</u>	<u>\$ 138,682</u>	<u>\$ 43,591</u>

CALHOUN COUNTY, TEXAS
 PORT O'CONNOR COMMUNITY CENTER
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-21

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ --	\$ 933	\$ 933
<i>Rents and leases</i>	18,000	11,675	(6,325)
Total revenues	<u>18,000</u>	<u>12,608</u>	<u>(5,392)</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	21,800	19,866	1,934
Total expenditures	<u>21,800</u>	<u>19,866</u>	<u>1,934</u>
Excess (deficiency) of revenues over (under) expenditures	(3,800)	(7,258)	(3,458)
Other financing sources (uses):			
<i>Transfers in</i>	5,300	5,300	--
Total other financing sources (uses)	<u>5,300</u>	<u>5,300</u>	<u>--</u>
Net change in fund balances	1,500	(1,958)	(3,458)
Fund balances, January 1	<u>19,523</u>	<u>19,523</u>	<u>--</u>
Fund balances, December 31	<u>\$ 21,023</u>	<u>\$ 17,565</u>	<u>\$ (3,458)</u>

CALHOUN COUNTY, TEXAS
 COUNTY CLERK RECORDS MANAGEMENT FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-22

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 20,000	\$ 50,465	\$ 30,465
<i>Interest</i>	100	2,111	2,011
Total revenues	<u>20,100</u>	<u>52,576</u>	<u>32,476</u>
Expenditures:			
Current:			
<i>General administration</i>	8,306	--	8,306
Total expenditures	<u>8,306</u>	<u>--</u>	<u>8,306</u>
Excess (deficiency) of revenues over (under) expenditures	11,794	52,576	40,782
Other financing sources (uses):			
<i>Transfers out</i>	(17,790)	(17,790)	--
Total other financing sources (uses)	<u>(17,790)</u>	<u>(17,790)</u>	<u>--</u>
Net change in fund balances	(5,996)	34,786	40,782
Fund balances, January 1	<u>60,587</u>	<u>60,587</u>	<u>--</u>
Fund balances, December 31	<u>\$ 54,591</u>	<u>\$ 95,373</u>	<u>\$ 40,782</u>

CALHOUN COUNTY, TEXAS
 RECORDS MANAGEMENT AND PRESERVATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-23

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 4,000	\$ 9,501	\$ 5,501
<i>Interest</i>	10	998	988
Total revenues	<u>4,010</u>	<u>10,499</u>	<u>6,489</u>
Expenditures:			
Current:			
<i>General administration</i>	6,500	--	6,500
Total expenditures	<u>6,500</u>	<u>--</u>	<u>6,500</u>
 Net change in fund balances	 (2,490)	 10,499	 12,989
 Fund balances, January 1	 <u>24,825</u>	 <u>24,825</u>	 <u>--</u>
 Fund balances, December 31	 <u>\$ 22,335</u>	 <u>\$ 35,324</u>	 <u>\$ 12,989</u>

CALHOUN COUNTY, TEXAS
ROAD AND BRIDGE FUND GENERAL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-24

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 1,000	\$ 10,122	\$ 9,122
<i>Permits and licenses</i>	370,000	457,001	87,001
<i>Fines and forfeitures</i>	141,000	335,888	194,888
<i>Interest</i>	7,500	28,778	21,278
Total revenues	<u>519,500</u>	<u>831,789</u>	<u>312,289</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	1	--	1
Total expenditures	<u>1</u>	<u>--</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	519,499	831,789	312,290
Other financing sources (uses):			
<i>Transfers out</i>	(600,000)	(600,000)	--
Total other financing sources (uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>--</u>
Net change in fund balances	(80,501)	231,789	312,290
Fund balances, January 1	<u>928,862</u>	<u>928,862</u>	<u>--</u>
Fund balances, December 31	<u>\$ 848,361</u>	<u>\$ 1,160,651</u>	<u>\$ 312,290</u>

CALHOUN COUNTY, TEXAS
ROAD AND BRIDGE FUND PRECINCT #3
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-25

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1	\$ 451	\$ 450
Total revenues	<u>1</u>	<u>451</u>	<u>450</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	12,617	--	12,617
Total expenditures	<u>12,617</u>	<u>--</u>	<u>12,617</u>
Net change in fund balances	(12,616)	451	13,067
Fund balances, January 1	<u>12,616</u>	<u>12,616</u>	<u>--</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ 13,067</u>	<u>\$ 13,067</u>

CALHOUN COUNTY, TEXAS
ROAD MAINTENANCE FUND PRECINCT #4
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-26

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1	\$ 21	\$ 20
Total revenues	<u>1</u>	<u>21</u>	<u>20</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	600	--	600
Total expenditures	<u>600</u>	<u>--</u>	<u>600</u>
Net change in fund balances	(599)	21	620
Fund balances, January 1	<u>599</u>	<u>599</u>	<u>--</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ 620</u>	<u>\$ 620</u>

CALHOUN COUNTY, TEXAS
 SHERIFF FORFEITED PROPERTY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-27

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines and forfeitures</i>	\$ 7,512	\$ 12,762	\$ 5,250
<i>Interest</i>	--	258	258
Total revenues	<u>7,512</u>	<u>13,020</u>	<u>5,508</u>
Expenditures:			
Current:			
<i>Public safety</i>	19,772	11,927	7,845
Total expenditures	<u>19,772</u>	<u>11,927</u>	<u>7,845</u>
 Net change in fund balances	 (12,260)	 1,093	 13,353
 Fund balances, January 1	 <u>10,159</u>	 <u>10,159</u>	 <u>--</u>
 Fund balances, December 31	 <u><u>\$ (2,101)</u></u>	 <u><u>\$ 11,252</u></u>	 <u><u>\$ 13,353</u></u>

CALHOUN COUNTY, TEXAS

6 MILE PIER/BOAT RAMP INSUR/MAINT (ALCOA) FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-28

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1	\$ 2,512	\$ 2,511
Total revenues	<u>1</u>	<u>2,512</u>	<u>2,511</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	65,793	5,449	60,344
Total expenditures	<u>65,793</u>	<u>5,449</u>	<u>60,344</u>
Net change in fund balances	(65,792)	(2,937)	62,855
Fund balances, January 1	<u>65,768</u>	<u>65,768</u>	--
Fund balances, December 31	<u>\$ (24)</u>	<u>\$ 62,831</u>	<u>\$ 62,855</u>

CALHOUN COUNTY, TEXAS
 TEAM COMPATABILITY (HAVA) FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-29

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ --	\$ 1,851	\$ 1,851
Total revenues	<u> --</u>	<u> 1,851</u>	<u> 1,851</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	6,750	1,851	4,899
Total expenditures	<u> 6,750</u>	<u> 1,851</u>	<u> 4,899</u>
Net change in fund balances	(6,750)	--	6,750
Fund balances, January 1	<u> --</u>	<u> --</u>	<u> --</u>
Fund balances, December 31	<u> \$ (6,750)</u>	<u> \$ --</u>	<u> \$ 6,750</u>

CALHOUN COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR DEBT SERVICE FUNDS

DECEMBER 31, 2008

	Memorial Medical Plaza	2003-A GO Jail Bonds
ASSETS		
<i>Cash and cash equivalents</i>	\$ 23,308	\$ 436,751
<i>Receivables (net of allowances for uncollectibles):</i>		
<i>Taxes</i>	4,139	192,362
<i>Intergovernmental receivable</i>	--	53,024
Restricted assets:		
<i>Cash and cash equivalents</i>	--	40,606
Total Assets	<u>\$ 27,447</u>	<u>\$ 722,743</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
<i>Due to other funds</i>	\$ --	\$ --
<i>Deferred revenue</i>	4,139	614,781
Total Liabilities	<u>4,139</u>	<u>614,781</u>
 Fund balances:		
<i>Reserved for debt service</i>	23,308	107,962
Total fund balances	<u>23,308</u>	<u>107,962</u>
 Total Liabilities & Fund Balances	<u>\$ 27,447</u>	<u>\$ 722,743</u>

2003-B GO Refinancing Bonds	2004 Courthouse Renovation	Total Nonmajor Debt Service Funds (See Exhibit C-1)
\$ 347,304	\$ 217,311	\$ 1,024,674
142,754	105,609	444,864
39,259	29,184	121,467
<u>30,069</u>	<u>22,359</u>	<u>93,034</u>
<u>\$ 559,386</u>	<u>\$ 374,463</u>	<u>\$ 1,684,039</u>
\$ --	\$ 1	\$ 1
455,575	338,550	1,413,045
<u>455,575</u>	<u>338,551</u>	<u>1,413,046</u>
103,811	35,912	270,993
<u>103,811</u>	<u>35,912</u>	<u>270,993</u>
<u>\$ 559,386</u>	<u>\$ 374,463</u>	<u>\$ 1,684,039</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Memorial Medical Plaza	2003-A GO Jail Bonds
Revenues:		
<i>Ad valorem taxes</i>	\$ 309,452	\$ 687,829
<i>Interest</i>	4,199	9,549
Total revenues	<u>313,651</u>	<u>697,378</u>
Expenditures:		
Debt service:		
<i>Principal</i>	1,505,000	370,000
<i>Interest and fiscal charges</i>	49,500	313,587
Total expenditures	<u>1,554,500</u>	<u>683,587</u>
Excess (deficiency) of revenues over (under) expenditures	(1,240,849)	13,791
Other financing sources (uses):		
<i>Transfers in</i>	1,203,394	--
Total other financing sources (uses)	<u>1,203,394</u>	<u>--</u>
Net change in fund balances	(37,455)	13,791
Fund balances, January 1	<u>60,763</u>	<u>94,171</u>
Fund balances, December 31	<u>\$ 23,308</u>	<u>\$ 107,962</u>

2003-B GO Refinancing Bonds	2004 Courthouse Renovation	Total Nonmajor Debt Service Funds (See Exhibit C-2)
\$ 496,193	\$ 350,949	\$ 1,844,423
7,865	1,639	23,252
<u>504,058</u>	<u>352,588</u>	<u>1,867,675</u>
430,000	110,000	2,415,000
64,098	239,620	666,805
<u>494,098</u>	<u>349,620</u>	<u>3,081,805</u>
9,960	2,968	(1,214,130)
--	--	1,203,394
<u>--</u>	<u>--</u>	<u>1,203,394</u>
9,960	2,968	(10,736)
93,851	32,944	281,729
<u>103,811</u>	<u>35,912</u>	<u>270,993</u>

CALHOUN COUNTY, TEXAS
MEMORIAL MEDICAL PLAZA
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-32

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 295,688	\$ 309,452	\$ 13,764
<i>Interest</i>	1,750	4,199	2,449
Total revenues	<u>297,438</u>	<u>313,651</u>	<u>16,213</u>
Expenditures:			
Debt service:			
<i>Principal</i>	1,505,000	1,505,000	--
<i>Interest and fiscal charges</i>	50,700	49,500	1,200
Total expenditures	<u>1,555,700</u>	<u>1,554,500</u>	<u>1,200</u>
 Excess (deficiency) of revenues over (under) expenditures	 (1,258,262)	 (1,240,849)	 17,413
Other financing sources (uses):			
<i>Transfers in</i>	1,204,800	1,203,394	(1,406)
Total other financing sources (uses)	<u>1,204,800</u>	<u>1,203,394</u>	<u>(1,406)</u>
 Net change in fund balances	 (53,462)	 (37,455)	 16,007
 Fund balances, January 1	 <u>60,763</u>	 <u>60,763</u>	 <u>--</u>
 Fund balances, December 31	 <u>\$ 7,301</u>	 <u>\$ 23,308</u>	 <u>\$ 16,007</u>

CALHOUN COUNTY, TEXAS
 2003-A GO JAIL BONDS
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-33

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 684,764	\$ 687,829	\$ 3,065
<i>Interest</i>	3,000	9,549	6,549
Total revenues	<u>687,764</u>	<u>697,378</u>	<u>9,614</u>
Expenditures:			
Debt service:			
<i>Principal</i>	370,000	370,000	--
<i>Interest and fiscal charges</i>	314,764	313,587	1,177
Total expenditures	<u>684,764</u>	<u>683,587</u>	<u>1,177</u>
 Net change in fund balances	 3,000	 13,791	 10,791
 Fund balances, January 1	 <u>94,171</u>	 <u>94,171</u>	 <u>--</u>
 Fund balances, December 31	 <u>\$ 97,171</u>	 <u>\$ 107,962</u>	 <u>\$ 10,791</u>

CALHOUN COUNTY, TEXAS
 2003-B GO REFINANCING BONDS
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-34

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 495,275	\$ 496,193	\$ 918
<i>Interest</i>	2,250	7,865	5,615
Total revenues	<u>497,525</u>	<u>504,058</u>	<u>6,533</u>
Expenditures:			
Debt service:			
<i>Principal</i>	430,000	430,000	--
<i>Interest and fiscal charges</i>	65,275	64,098	1,177
Total expenditures	<u>495,275</u>	<u>494,098</u>	<u>1,177</u>
Net change in fund balances	2,250	9,960	7,710
Fund balances, January 1	<u>93,851</u>	<u>93,851</u>	--
Fund balances, December 31	<u>\$ 96,101</u>	<u>\$ 103,811</u>	<u>\$ 7,710</u>

CALHOUN COUNTY, TEXAS
 2004 COURTHOUSE RENOVATION FUND
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2008

EXHIBIT C-35

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 350,820	\$ 350,949	\$ 129
<i>Interest</i>	750	1,639	889
Total revenues	<u>351,570</u>	<u>352,588</u>	<u>1,018</u>
Expenditures:			
Debt service:			
<i>Principal</i>	110,000	110,000	--
<i>Interest and fiscal charges</i>	240,820	239,620	1,200
Total expenditures	<u>350,820</u>	<u>349,620</u>	<u>1,200</u>
Net change in fund balances	750	2,968	2,218
Fund balances, January 1	<u>32,944</u>	<u>32,944</u>	--
Fund balances, December 31	<u>\$ 33,694</u>	<u>\$ 35,912</u>	<u>\$ 2,218</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2008

	Courthouse Renovation	EMS Building	New Jail Building	Olivia/Pt. Alto Fire Dept. Building
ASSETS				
<i>Cash and cash equivalents</i>	\$ 126,875	\$ 1,154,016	\$ 469,748	\$ 100,000
<i>Intergovernmental receivable</i>	--	--	--	--
Total Assets	<u>\$ 126,875</u>	<u>\$ 1,154,016</u>	<u>\$ 469,748</u>	<u>\$ 100,000</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ 772	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	364,003	--
<i>Due to other funds</i>	1,033	--	--	--
Total Liabilities	<u>1,805</u>	<u>--</u>	<u>364,003</u>	<u>--</u>
Fund balances:				
<i>Unreserved</i>	125,070	1,154,016	105,745	100,000
Total fund balances	<u>125,070</u>	<u>1,154,016</u>	<u>105,745</u>	<u>100,000</u>
Total Liabilities & Fund Balances	<u>\$ 126,875</u>	<u>\$ 1,154,016</u>	<u>\$ 469,748</u>	<u>\$ 100,000</u>

Parking Lot	Road & Bridge #2 Storm Repairs	Road and Bridge Infrastructure	Swan Point Park	Airport Improvements II
\$ 80,544	\$ 17,796	\$ 403,472	\$ 12,720	\$ 148
--	--	--	--	50,000
<u>\$ 80,544</u>	<u>\$ 17,796</u>	<u>\$ 403,472</u>	<u>\$ 12,720</u>	<u>\$ 50,148</u>
\$ --	\$ --	\$ 51,393	\$ 7,200	\$ --
--	--	--	--	--
--	--	51,393	7,200	--
80,544	17,796	352,079	5,520	50,148
80,544	17,796	352,079	5,520	50,148
<u>\$ 80,544</u>	<u>\$ 17,796</u>	<u>\$ 403,472</u>	<u>\$ 12,720</u>	<u>\$ 50,148</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2008

	Airport Runway Improvements	Emergency Communication System	Mold Remediation	Haterius Park Boat Ramp
ASSETS				
<i>Cash and cash equivalents</i>	\$ 60,000	\$ 137,792	\$ 859	\$ 33,148
<i>Intergovernmental receivable</i>	--	--	--	--
Total Assets	<u>\$ 60,000</u>	<u>\$ 137,792</u>	<u>\$ 859</u>	<u>\$ 33,148</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances:				
<i>Unreserved</i>	<u>60,000</u>	<u>137,792</u>	<u>859</u>	<u>33,148</u>
Total fund balances	<u>60,000</u>	<u>137,792</u>	<u>859</u>	<u>33,148</u>
Total Liabilities & Fund Balances	<u>\$ 60,000</u>	<u>\$ 137,792</u>	<u>\$ 859</u>	<u>\$ 33,148</u>

Port Alto Public Beach	County Clerk's Records	District Clerk's Records	Courthouse Annex II	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
\$ 30,385	\$ 22,907	\$ 17,659	\$ 200,077	\$ 2,868,146
--	--	--	--	50,000
<u>\$ 30,385</u>	<u>\$ 22,907</u>	<u>\$ 17,659</u>	<u>\$ 200,077</u>	<u>\$ 2,918,146</u>
\$ --	\$ --	\$ --	\$ --	\$ 59,365
--	--	--	--	364,003
--	--	--	--	1,033
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>424,401</u>
30,385	22,907	17,659	200,077	2,493,745
<u>30,385</u>	<u>22,907</u>	<u>17,659</u>	<u>200,077</u>	<u>2,493,745</u>
<u>\$ 30,385</u>	<u>\$ 22,907</u>	<u>\$ 17,659</u>	<u>\$ 200,077</u>	<u>\$ 2,918,146</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Courthouse Renovation	EMS Building	New Jail Building	Olivia/Pt.Alto Fire Dept. Building
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ --	\$ --	\$ --
<i>Interest</i>	5,274	--	10,437	--
<i>Gifts and contributions</i>	--	--	--	100,000
Total revenues	<u>5,274</u>	<u>--</u>	<u>10,437</u>	<u>100,000</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Public facilities</i>	89,209	--	--	--
<i>Public safety</i>	--	--	765	--
<i>Roads and bridges</i>	--	--	--	--
<i>Health and welfare</i>	--	115,399	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>89,209</u>	<u>115,399</u>	<u>765</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(83,935)	(115,399)	9,672	100,000
Other financing sources (uses):				
<i>Transfers in</i>	--	1,250,219	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>1,250,219</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(83,935)	1,134,820	9,672	100,000
Fund balances, January 1	<u>209,005</u>	<u>19,196</u>	<u>96,073</u>	<u>--</u>
Fund balances, December 31	<u>\$ 125,070</u>	<u>\$ 1,154,016</u>	<u>\$ 105,745</u>	<u>\$ 100,000</u>

Parking Lot	Road & Bridge #2 Storm Repairs	Road and Bridge Infrastructure	Swan Point Park	Airport Improvements II
\$ --	\$ --	\$ --	\$ --	\$ 50,000
--	--	--	--	--
--	--	--	--	--
--	--	--	--	50,000
--	--	--	--	--
--	--	--	--	--
--	--	--	--	115,687
--	--	693,521	--	--
--	--	--	--	--
--	--	--	7,200	--
--	--	693,521	7,200	115,687
--	--	(693,521)	(7,200)	(65,687)
--	--	1,012,868	--	--
--	--	--	--	--
--	--	1,012,868	--	--
--	--	319,347	(7,200)	(65,687)
80,544	17,796	32,732	12,720	115,835
\$ 80,544	\$ 17,796	\$ 352,079	\$ 5,520	\$ 50,148

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Airport Runway Improvements	Emergency Communication System	Mold Remediation
Revenues:			
<i>Intergovernmental</i>	\$ --	\$ --	\$ --
<i>Interest</i>	--	--	--
<i>Gifts and contributions</i>	--	--	--
Total revenues	<u> --</u>	<u> --</u>	<u> --</u>
Expenditures:			
Current:			
<i>General administration</i>	--	--	--
<i>Judicial</i>	--	--	--
<i>Public facilities</i>	--	--	--
<i>Public safety</i>	--	--	--
<i>Roads and bridges</i>	--	--	--
<i>Health and welfare</i>	--	--	--
<i>Nondepartmental</i>	--	8,489	--
Total expenditures	<u> --</u>	<u> 8,489</u>	<u> --</u>
Excess (deficiency) of revenues over (under) expenditures	--	(8,489)	--
Other financing sources (uses):			
<i>Transfers in</i>	60,000	--	--
<i>Transfers out</i>	--	--	--
Total other financing sources (uses)	<u> 60,000</u>	<u> --</u>	<u> --</u>
Net change in fund balances	60,000	(8,489)	--
Fund balances, January 1	<u> --</u>	<u> 146,281</u>	<u> 859</u>
Fund balances, December 31	<u>\$ 60,000</u>	<u>\$ 137,792</u>	<u>\$ 859</u>

Haterius Park Boat Ramp	Port Alto Public Beach	County Clerk's Records	District Clerk's Records
\$ --	\$ --	\$ --	\$ --
--	--	--	--
--	--	--	--
--	--	--	--
--	--	17,790	--
--	--	--	56,850
--	--	--	--
--	--	--	--
--	--	--	--
--	--	--	--
--	--	17,790	56,850
--	--	(17,790)	(56,850)
--	--	17,790	56,850
--	--	--	--
--	--	17,790	56,850
--	--	--	--
33,148	30,385	22,907	17,659
\$ 33,148	\$ 30,385	\$ 22,907	\$ 17,659

CALHOUN COUNTY, TEXASCOMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2008

	Capital Improvement Projects	Courthouse Annex II	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenues:			
<i>Intergovernmental</i>	\$ --	\$ --	\$ 50,000
<i>Interest</i>	--	--	15,711
<i>Gifts and contributions</i>	--	--	100,000
Total revenues	<u>--</u>	<u>--</u>	<u>165,711</u>
Expenditures:			
Current:			
<i>General administration</i>	--	--	17,790
<i>Judicial</i>	--	--	56,850
<i>Public facilities</i>	--	--	204,896
<i>Public safety</i>	--	--	765
<i>Roads and bridges</i>	--	--	693,521
<i>Health and welfare</i>	--	--	115,399
<i>Nondepartmental</i>	(115,404)	149,704	49,989
Total expenditures	<u>(115,404)</u>	<u>149,704</u>	<u>1,139,210</u>
Excess (deficiency) of revenues over (under) expenditures	115,404	(149,704)	(973,499)
Other financing sources (uses):			
<i>Transfers in</i>	--	349,781	2,747,508
<i>Transfers out</i>	(1,300,000)	--	(1,300,000)
Total other financing sources (uses)	<u>(1,300,000)</u>	<u>349,781</u>	<u>1,447,508</u>
Net change in fund balances	(1,184,596)	200,077	474,009
Fund balances, January 1	<u>1,184,596</u>	<u>--</u>	<u>2,019,736</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ 200,077</u>	<u>\$ 2,493,745</u>

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CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2008

	County Clerk Funds	District Clerk Funds	Justice of the Peace Funds	District Attorney Funds
ASSETS				
Assets:				
<i>Cash and cash equivalents</i>	\$ 205,015	\$ 235,166	\$ 21,857	\$ 7,708
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
<i>Due from others</i>	26	--	50	--
Total Assets	\$ 205,041	\$ 235,166	\$ 21,907	\$ 7,708
LIABILITIES				
<i>Accounts payable</i>	\$ --	\$ --	\$ 206	\$ --
<i>Due to other funds</i>	4,261	3,914	20,171	--
<i>Due to other governments</i>	74	--	1,581	--
<i>Due to others</i>	200,706	231,252	(51)	7,708
Total Liabilities	\$ 205,041	\$ 235,166	\$ 21,907	\$ 7,708

Tax Collector Funds	Sheriff Funds	County Auditor Funds	County Treasurer Funds	Total Agency Funds (See Exhibit A-7)
\$ 358,456	\$ 151,305	\$ 123,685	\$ 256,333	\$ 1,359,525
149,519	--	--	--	149,519
--	--	--	158,214	158,214
21,801	--	--	--	21,877
<u>\$ 529,776</u>	<u>\$ 151,305</u>	<u>\$ 123,685</u>	<u>\$ 414,547</u>	<u>\$ 1,689,135</u>
\$ --	\$ --	\$ --	\$ 204	\$ 410
128,878	990	--	--	158,214
397,190	--	--	226,332	625,177
3,708	150,315	123,685	188,011	905,334
<u>\$ 529,776</u>	<u>\$ 151,305</u>	<u>\$ 123,685</u>	<u>\$ 414,547</u>	<u>\$ 1,689,135</u>

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