

CALHOUN COUNTY, TEXAS
Annual Financial Report
For the Fiscal Year Ended December 31, 2012

Prepared by

Cindy Mueller,
County Auditor

CALHOUN COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012

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INTRODUCTORY SECTION

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CINDY MUELLER
COUNTY AUDITOR, CALHOUN COUNTY
COUNTY COURTHOUSE ANNEX II – 202 S. ANN, SUITE B
PORT LAVACA, TEXAS 77979
(361) 553-4610

July 20, 2013

Honorable Jack Marr
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, 2012.

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

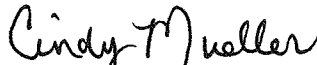
The Calhoun County Commissioners Court selected the firm of Rutledge Crain & Company, PC, Certified Public Accountants, to make an independent audit for the fiscal year 2012 and their report is included in this annual report.

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, 2012, 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, 2012

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, 2012

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 (Temporary Appointee)	Nancy J. Pomykal 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	William Billings 1539 School Road 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	Vacant

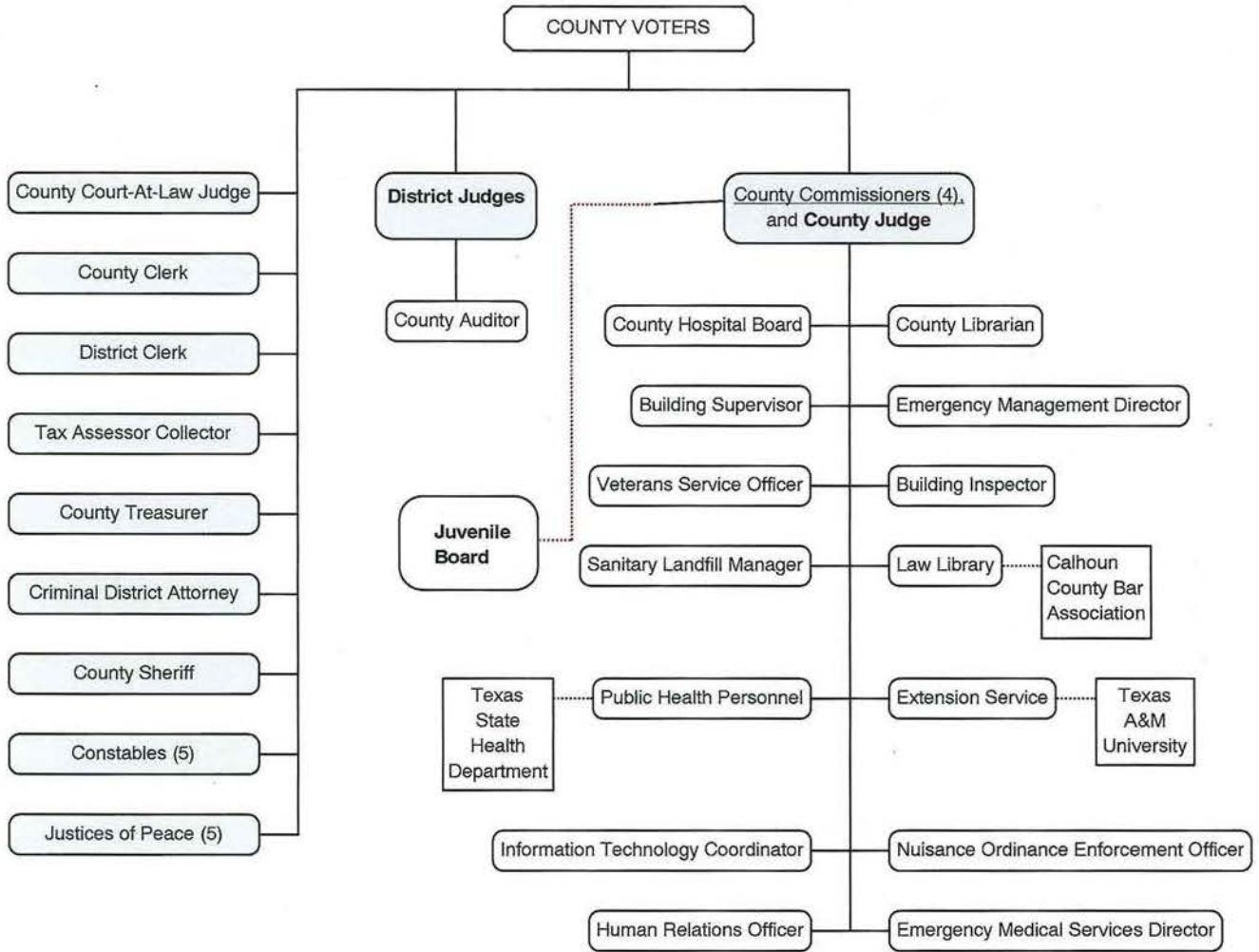
Appointed Personnel

Building Inspector	LaDonna Thigpen Calhoun County Courthouse Port Lavaca, Texas
Building Superintendent	W. Everett Wood Calhoun County Courthouse Port Lavaca, Texas
Chief Probation Officer	Jeanine Callihan Calhoun County Courthouse Annex Port Lavaca, Texas
Juvenile Probation Officer	Luis Leija 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)	Jason Anglin 815 N. Virginia Port Lavaca, Texas

CALHOUN COUNTY, TEXAS
DIRECTORY OF OFFICIALS AND DEPARTMENT HEADS
December 31, 2012

County Agricultural Agent	Ryan S. Damborsky P.O. Box 86 Port Lavaca, Texas
County CEAFCs Agent	Tina A. Trevino P.O. Box 86 Port Lavaca, Texas
County Marine Agent	Rhonda D. Cummins P.O. Box 86 Port Lavaca, Texas
County 4H/Youth Agent	Charles L. Seely, Jr. P.O. Box 86 Port Lavaca, Texas
County Librarian	Noemi Cruz 200 W. Mahan Port Lavaca, Texas
County Librarian, Seadrift	Roberta A. Bess Seadrift Library Seadrift, Texas
County Librarian, Point Comfort	Anna G. 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 705 CR101 Port Lavaca, Texas

CALHOUN COUNTY ORGANIZATION CHART
December 31, 2012



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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

Report on the Financial Statements

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, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Memorial Medical Center, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Memorial Medical Center, 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The financial statements of Memorial Medical Center were not audited in accordance with *Government Auditing Standards*. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, 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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note XI. D. to the financial statements, the County has adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise Calhoun County, Texas' financial statements as a whole. 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 financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements 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 do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 20, 2013, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

Rutledge Crain & Company, PC

June 20, 2013

Management's Discussion and Analysis

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Calhoun County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here 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 fiscal year ended December 31, 2012, by \$52,638,039 (net position). Of this amount, \$24,198,111 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The unassigned portion of the General Fund balance at the end of the year was \$14,882,010 or 82% of total General Fund expenditures and transfers out.
- ❖ The County's governmental funds reported combined ending fund balances of \$23,142,701 an increase of \$878,151 in comparison to the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) fiduciary financial statements; and 4) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide the reader with a broad overview of Calhoun County's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

The Statement of Net Position presents information on all of the County's assets and liabilities with the difference between the two reported as net assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 15-17 of this report.

Fund Financial Statements. The County, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis

December 31, 2012

(Unaudited)

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 65 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Grants Fund, Debt Service Refunding 2012 and CIAP Coastal Improvements, which are major funds. Data from the other 61 funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds. Memorial Medical Center (MMC), the County's discrete component unit, is a proprietary fund used to account for the activities of the county hospital. The financial statements of MMC may be found on pages 122-124.

Fiduciary Funds. The County maintains funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support County programs.

Notes to Financial Statements. The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide, fund financial statements and fiduciary fund statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information following the notes to the financial statements. The other supplementary information includes combining and individual statements and schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At the end of fiscal year 2012, the County's net position (assets and deferred resource outflows exceeding liabilities and deferred resources inflows) totaled \$52,638,039. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).

Net Position. The largest portion of the County's net position, \$27,350,448 or 52%, reflects its investment in capital assets (land, buildings, infrastructure, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, \$1,089,480 or 2%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$24,198,111 or 46%, may be used to meet the government's ongoing obligations to citizens and creditors.

CALHOUN COUNTY, TEXAS*Management's Discussion and Analysis*

December 31, 2012

*(Unaudited)*Table 1
Condensed Statement of Net Position

	2012	2011	Change
Current and other assets	\$ 43,909,583	\$ 41,418,368	\$ 2,491,215
Capital assets (net of accumulated depreciation)	38,317,593	34,965,293	3,352,300
Total assets	<u>82,227,176</u>	<u>76,383,661</u>	<u>5,843,515</u>
Deferred outflows of resources	<u>490,384</u>	<u>190,394</u>	<u>299,990</u>
Current and other liabilities	2,505,936	2,267,710	238,226
Long-term liabilities	11,594,422	12,156,849	(562,427)
Total liabilities	<u>14,100,358</u>	<u>14,424,559</u>	<u>(324,201)</u>
Deferred inflows of resources	<u>16,479,163</u>	<u>14,839,562</u>	<u>1,639,601</u>
Net assets:			
Invested in capital assets, net of related debt	27,350,448	23,149,075	4,201,373
Restricted	1,089,480	1,360,341	(270,861)
Unrestricted debt	23,698,111	22,800,518	897,593
Total net assets	<u>\$ 52,138,039</u>	<u>\$ 47,309,934</u>	<u>\$ 4,828,105</u>

2011 restated for implementation of GASB-63 and -65

CALHOUN COUNTY, TEXAS*Management's Discussion and Analysis*

December 31, 2012

(Unaudited)

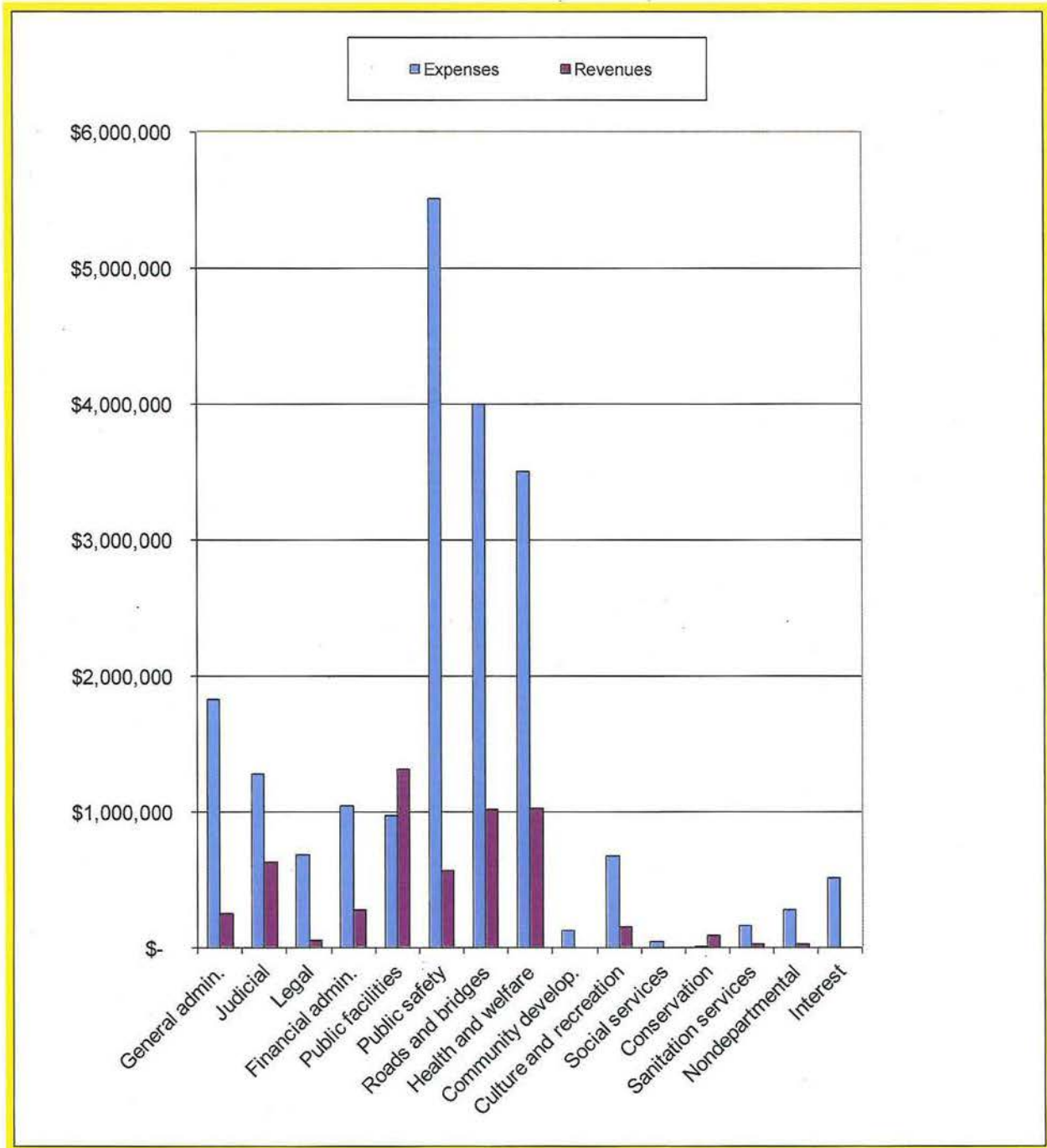
Changes in Net position. The net position of the County increased by \$5,328,105 for the fiscal year ended December 31, 2012. Table 2 provides an analysis of revenues and expenditures comprising the increase.

Table 2
Changes in Net Position

	2012	2011	Change
Revenues:			
Net Program Revenues:			
Charges for services	\$ 3,125,408	\$ 2,931,265	\$ 194,143
Operating grants and contributions	469,296	932,249	(462,953)
Capital grants and contributions	4,015,745	1,536,419	2,479,326
General Revenues:			
Property taxes	15,354,608	14,250,020	1,104,588
Sales taxes	1,766,833	2,193,566	(426,733)
Other taxes	15,427	12,890	2,537
Unrestricted investments earnings	77,061	205,112	(128,051)
Miscellaneous	242,722	222,330	20,392
Total revenues	<u>25,067,100</u>	<u>22,283,851</u>	<u>2,783,249</u>
Expenses:			
General administration	2,000,812	1,877,199	123,613
Judicial	1,396,476	1,272,390	124,086
Legal	692,757	683,941	8,816
Financial administration	1,068,119	1,042,429	25,690
Public facilities	1,135,253	967,369	167,884
Public safety	5,466,369	5,516,087	(49,718)
Roads and bridges	3,832,400	3,997,198	(164,798)
Health and welfare	2,668,613	3,505,147	(836,534)
Community development	160,222	123,063	37,159
Culture and recreation	243,490	674,412	(430,922)
Social services	41,250	41,133	117
Conservation	7,750	7,750	-
Sanitation services	151,711	160,841	(9,130)
Nondepartmental	438,111	277,542	160,569
Interest and fiscal charges	435,662	714,152	(278,490)
Total expenses	<u>19,738,995</u>	<u>20,860,653</u>	<u>(1,121,658)</u>
Change in net assets	5,328,105	1,423,198	<u>\$ 3,904,907</u>
Net position - beginning	47,309,934	45,886,736	
Net position - ending	<u>\$ 52,638,039</u>	<u>\$ 47,309,934</u>	

2011 restated for implementation of GASB-63 and -65

Program Expenses and Revenues



The cost of the county's programs exceeded program revenues of \$7,610,449 by \$12,128,546, as illustrated above. Program revenues amounted to 39% of program costs.

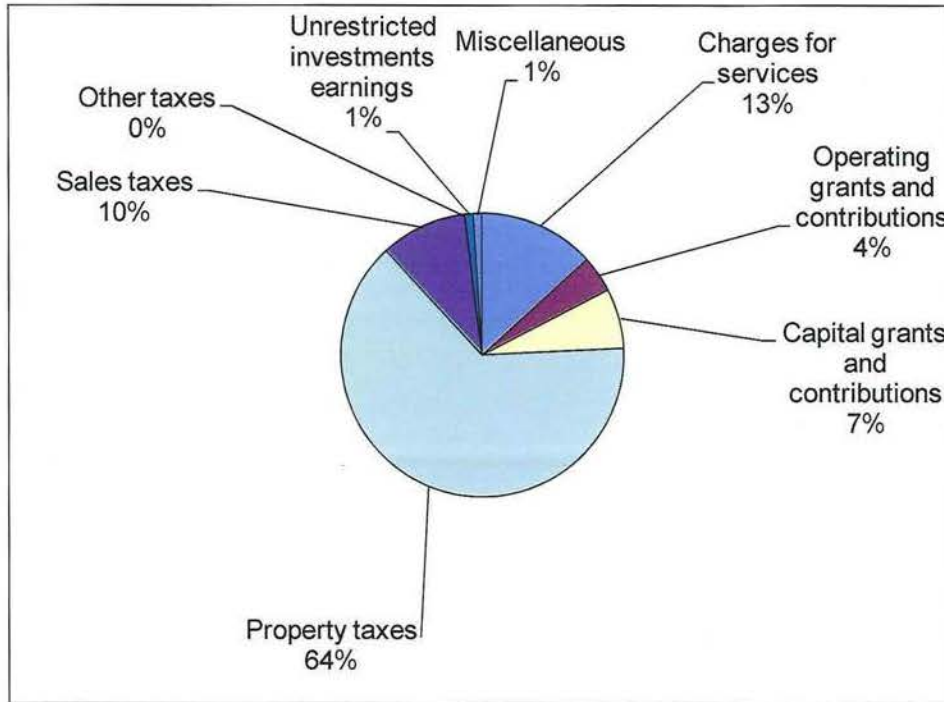
CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis

December 31, 2012

(Unaudited)

Revenues by Source



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balances may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$23,142,701 an increase of \$878,151 from 2011.

The General Fund is the main operating fund of the County. At the end of the current fiscal year, the General Fund unassigned fund balance was \$14,882,010. The fund balance increased by \$979,221 during the current fiscal year. Revenues increased 1% from the prior year and exceeded expenditures by \$232,570.

General Fund Budgetary Highlights. Each year the County performs periodic reviews of the budget. State law prohibits increasing total budgeted expenditures except during an emergency, however an amount budgeted for one line item can be transferred to another budgeted item without authorizing an emergency expenditure.

During the year there was a \$1,019,383 positive variance between the final amended budget and actual expenditures, comprised primarily of the following:

- \$467,583 decrease from budgeted General Administration expenditures related to personnel vacancies and services.
- \$124,214 decrease from budgeted Public Safety expenditures related to personnel vacancies.
- \$117,920 decrease from budgeted Road and Bridge expenditures related to supplies.
- \$86,710 decrease from budgeted Health and Welfare expenditures for services and as a result of personnel vacancies.
- \$76,527 decrease from budgeted Judicial expenditures for court services.

The key factors in the \$1,030,231 positive budget variance in total revenues were increases in taxes and charges for services.

The positive budget variances resulted in \$2,049,614 excess of revenues over expenditures.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of December 31, 2012, amounts to \$38,317,863 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

Table 3
 Capital Assets at Year End
 Net of Accumulated Depreciation

	Balance 12/31/12	Balance 12/31/11
Capital assets, not being depreciated:		
Land	\$ 2,223,166	\$ 1,758,119
Construction in progress	5,092,258	1,221,025
Capital assets, being depreciated		
Buildings	16,578,866	17,095,246
Improvements other than buildings	4,521,473	4,683,289
Furniture, fixtures and equipment	4,897,294	4,798,526
Infrastructure	5,004,536	5,409,088
	<u>\$ 38,317,593</u>	<u>\$ 34,965,293</u>

Additional information on Capital Assets is available at page 37.

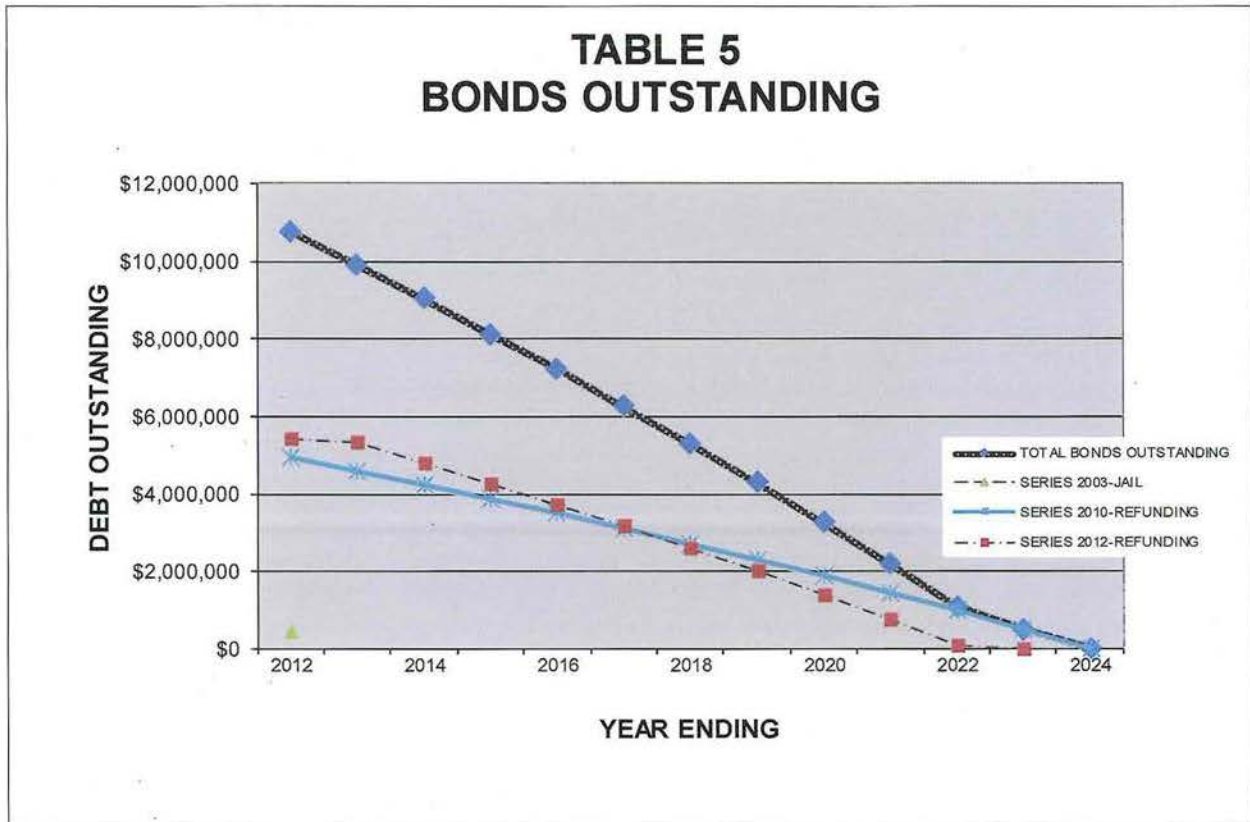
Debt Administration.

Table 4
 Long-Term Debt at Year End

	12/31/12	12/31/11
GOVERNMENTAL ACTIVITIES:		
General obligation bonds	\$ 10,765,000	\$ 11,090,000
Certificates of obligation	-	345,000
Bond premium/discount	509,960	262,328
Capital lease obligation	182,568	118,890
Compensated absences payable	136,894	136,012
	<u>\$ 11,594,422</u>	<u>\$ 11,952,230</u>

General obligation bonds outstanding include \$425,000 for jail construction and \$10,340,000 general obligation refunding bonds. The County's bonds presently carry "AAA" ratings (insured) with underlying ratings as follows: Moody's Investor Services Aa2 and Standard & Poor's AA-. Table 5 illustrates annual changes in bonds outstanding. Capital lease obligations are for road equipment and are payable from annual appropriations of the General Fund. Information about compensated absences may be found on page 32 and additional information on the County's long-term debt may be found at page 39.

**TABLE 5
 BONDS OUTSTANDING**



ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for the 2013 budget increased 11% from 2012. The Commissioners Court maintained the same total tax rate of \$0.4900, resulting in a .3% increase in the General Fund tax rate. Projected use of fund balance is \$87,000, while maintaining an estimated fund balance of 64% of expenditures at the end of the fiscal year.

Appraised values are expected to increase slightly for the year 2014.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Calhoun 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, 202 S. Ann Street, Suite B, Port Lavaca, Texas 77979.

BASIC FINANCIAL STATEMENTS

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CALHOUN COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Governmental Activities	Component Unit
ASSETS		
<i>Cash and cash equivalents</i>	\$ 23,830,570	3,041,589
<i>Receivables (net of allowances for uncollectibles):</i>	8,877,194	2,980,967
<i>Intergovernmental receivable</i>	590,442	--
<i>Inventories</i>	277,773	628,145
<i>Prepaid items and other current assets</i>	68,748	1,968,744
<i>Loan to component unit</i>	500,000	--
Restricted assets:		
<i>Cash and cash equivalents</i>	10,264,856	--
Capital assets (net, where applicable, of accumulated depreciation)		
<i>Land</i>	2,223,166	32,143
<i>Construction in progress</i>	5,092,258	--
<i>Buildings</i>	16,578,866	1,551,306
<i>Improvements other than buildings</i>	4,521,473	--
<i>Furniture, fixtures and equipment</i>	4,897,294	2,233,102
<i>Infrastructure</i>	5,004,536	--
Total Assets	<u>82,727,176</u>	<u>12,435,996</u>
DEFERRED OUTFLOWS OF RESOURCES		
<i>Deferred amount from refunded bonds</i>	490,384	--
Total Outflows of Resources	<u>490,384</u>	<u>--</u>
LIABILITIES		
<i>Accounts payable</i>	416,021	812,633
<i>Accrued and other liabilities</i>	643,395	2,430,261
<i>Due to primary government</i>	--	500,000
<i>Due to other governments</i>	642,532	--
<i>Due to others</i>	803,988	--
Noncurrent liabilities:		
<i>Due in one year</i>	1,085,103	285,574
<i>Due in more than one year</i>	10,509,319	505,724
Total Liabilities	<u>14,100,358</u>	<u>4,534,192</u>
DEFERRED INFLOWS OF RESOURCES		
<i>Unearned revenue</i>	16,479,163	--
Total Inflows of Resources	<u>16,479,163</u>	<u>--</u>
NET POSITION		
<i>Net Investment in Capital Assets</i>	27,350,448	3,025,253
Restricted For:		
<i>Debt Service</i>	166,958	--
<i>Capital Projects</i>	922,522	31,620
Unrestricted	24,198,111	4,844,931
Total Net Position	<u>\$ 52,638,039</u>	<u>7,901,804</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
<i>General administration</i>	\$ 2,000,812	\$ 274,858	\$ 2,629	\$ --
<i>Judicial</i>	1,396,476	435,359	104,023	--
<i>Legal</i>	692,757	55,949	--	--
<i>Financial administration</i>	1,068,119	325,802	--	--
<i>Public facilities</i>	1,135,253	11,255	10,399	65,832
<i>Public safety</i>	5,466,369	168,280	201,697	60,991
<i>Roads and bridges</i>	3,832,400	706,528	2,352	72,310
<i>Health and welfare</i>	2,668,613	1,069,958	114,159	--
<i>Community development</i>	160,222	--	--	--
<i>Culture and recreation</i>	243,490	28,928	14,362	34,712
<i>Social services</i>	41,250	114	--	--
<i>Conservation</i>	7,750	--	18,865	3,643,426
<i>Sanitation services</i>	151,711	25,452	--	--
<i>Nondepartmental</i>	438,111	22,925	810	138,474
<i>Interest and fiscal charges</i>	435,662	--	--	--
Total governmental activities	19,738,995	3,125,408	469,296	4,015,745
Total Primary Government	\$ 19,738,995	\$ 3,125,408	\$ 469,296	\$ 4,015,745
 COMPONENT UNIT:	 \$ 21,426,516	 \$ 23,261,276	 \$ 14,301	 \$ 24,500

General Revenues:
Ad valorem taxes
Sales taxes
Other taxes
Unrestricted Investment Earnings
Miscellaneous
 Total General Revenues
 Change in Net Assets
 Net Position - Beginning
 Prior Period Adjustment
 Net Position - Ending

The accompanying notes are an integral part of this statement.

Net (Expense), Revenue and Changes in Net Position	
Governmental Activities	Component Unit
\$ (1,723,325)	
(857,094)	
(636,808)	
(742,317)	
(1,047,767)	
(5,035,401)	
(3,051,210)	
(1,484,496)	
(160,222)	
(165,488)	
(41,136)	
3,654,541	
(126,259)	
(275,902)	
(435,662)	
<u>(12,128,546)</u>	
<u>(12,128,546)</u>	
	\$ <u>1,873,561</u>
15,354,608	--
1,766,833	--
15,427	--
77,061	3,514
242,722	--
<u>17,456,651</u>	<u>3,514</u>
5,328,105	1,877,075
47,575,250	6,024,729
(265,316)	--
<u>\$ 52,638,039</u>	<u>\$ 7,901,804</u>

CALHOUN COUNTY, TEXAS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	General Fund	Grants
ASSETS		
<i>Cash and cash equivalents</i>	\$ 18,387,157	\$ 458,687
<i>Receivables (net of allowances for uncollectibles):</i>		
<i>Taxes</i>	5,348,934	--
<i>Accounts</i>	2,820,448	--
<i>Intergovernmental receivable</i>	388,711	185,155
<i>Due from other funds</i>	1,383,379	--
<i>Inventories</i>	277,773	--
<i>Loan to component unit</i>	500,000	--
<i>Restricted assets:</i>		
<i>Cash and cash equivalents</i>	9,510,848	--
Total Assets	<u>\$ 38,617,250</u>	<u>\$ 643,842</u>
 <i>Liabilities:</i>		
<i>Accounts payable</i>	\$ 393,131	\$ 279
<i>Accrued and other liabilities</i>	506,425	1,469
<i>Due to other funds</i>	15,000	629,732
<i>Due to other governments</i>	642,532	--
<i>Due to others</i>	599,882	--
Total Liabilities	<u>2,156,970</u>	<u>631,480</u>
 <i>Deferred Inflows of Resources</i>		
<i>Deferred revenue</i>	17,300,497	--
Total Deferred Inflows of Resources	<u>17,300,497</u>	<u>--</u>
 <i>Fund balances:</i>		
<i>Nonspendable</i>	777,773	--
<i>Restricted</i>	--	12,362
<i>Assigned</i>	3,500,000	--
<i>Unassigned</i>	14,882,010	--
Total Fund Balances	<u>19,159,783</u>	<u>12,362</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 38,617,250</u>	<u>\$ 643,842</u>

The accompanying notes are an integral part of this statement.

Debt Service Refunding 2012	CIAP Coastal Improvements	Other Governmental Funds	Total Governmental Funds
\$ 14,607	\$ 624,641	\$ 4,345,476	\$ 23,830,568
76,664	--	338,350	5,763,948
--	--	292,798	3,113,246
--	16,576	--	590,442
--	--	15,000	1,398,379
--	--	--	277,773
--	--	--	500,000
<u>147,432</u>	<u>--</u>	<u>606,576</u>	<u>10,264,856</u>
<u>\$ 238,703</u>	<u>\$ 641,217</u>	<u>\$ 5,598,200</u>	<u>\$ 45,739,212</u>
\$ --	\$ 9,543	\$ 13,068	\$ 416,021
--	--	8,800	516,694
--	631,674	121,973	1,398,379
--	--	--	642,532
--	--	204,106	803,988
<u>--</u>	<u>641,217</u>	<u>347,947</u>	<u>3,777,614</u>
<u>235,953</u>	<u>--</u>	<u>1,282,447</u>	<u>18,818,897</u>
<u>235,953</u>	<u>--</u>	<u>1,282,447</u>	<u>18,818,897</u>
--	--	--	777,773
2,750	--	3,122,979	3,138,091
--	--	844,827	4,344,827
--	--	--	14,882,010
<u>2,750</u>	<u>--</u>	<u>3,967,806</u>	<u>23,142,701</u>
<u>\$ 238,703</u>	<u>\$ 641,217</u>	<u>\$ 5,598,200</u>	<u>\$ 45,739,212</u>

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CALHOUN COUNTY, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2012

Total fund balances - governmental funds balance sheet	\$ 23,142,701
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	38,317,592
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	363,404
Payables for bond principal which are not due in the current period are not reported in the funds.	(11,274,961)
Payables for capital leases which are not due in the current period are not reported in the funds.	(182,568)
Payables for bond interest which are not due in the current period are not reported in the funds.	(126,701)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(136,895)
Other long-term assets are not available to pay for current-period expenditures and are deferred in the funds.	559,132
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	1,307,196
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.	669,139
Net position of governmental activities - Statement of Net Position	<u>\$ 52,638,039</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund	Grants
Revenues:		
<i>Ad valorem taxes</i>	\$ 14,231,143	\$ --
<i>Sales taxes</i>	1,766,833	--
<i>Other taxes</i>	15,427	--
<i>Intergovernmental</i>	277,558	166,167
<i>Charges for services</i>	1,458,773	--
<i>Permits and licenses</i>	13,594	--
<i>Fines and forfeitures</i>	263,189	--
<i>Interest</i>	66,776	82
<i>Gifts and contributions</i>	--	--
<i>Rents and leases</i>	13,436	--
<i>Miscellaneous</i>	237,918	12,991
Total revenues	<u>18,344,647</u>	<u>179,240</u>
Expenditures:		
Current:		
<i>General administration</i>	1,929,170	--
<i>Judicial</i>	1,328,225	--
<i>Legal</i>	660,811	--
<i>Financial administration</i>	1,067,080	--
<i>Public facilities</i>	896,769	--
<i>Public safety</i>	4,957,131	195,380
<i>Roads and bridges</i>	3,513,881	--
<i>Health and welfare</i>	2,780,174	--
<i>Community development</i>	159,308	--
<i>Culture and recreation</i>	508,817	--
<i>Social services</i>	41,250	--
<i>Conservation</i>	7,750	--
<i>Sanitation services</i>	140,887	--
<i>Nondepartmental</i>	--	--
Debt service:		
<i>Principal</i>	--	--
<i>Interest and fiscal charges</i>	120,824	--
<i>Bond issue costs</i>	--	--
<i>Current refunding escrow</i>	--	--
Total expenditures	<u>18,112,077</u>	<u>195,380</u>
Excess (deficiency) of revenues over (under) expenditures	232,570	(16,140)
Other financing sources (uses):		
<i>Transfers in</i>	638,183	--
<i>Transfers out</i>	(140,292)	--
<i>Gain on sale of capital assets</i>	180,270	--
<i>Proceeds of refunding bonds</i>	--	--
<i>Bond premium</i>	--	--
<i>Bond discount</i>	--	--
<i>Capital leases</i>	68,490	--
Total other financing sources (uses)	<u>746,651</u>	<u>--</u>
Net change in fund balances	979,221	(16,140)
Fund balances, January 1	18,239,259	28,502
Prior period adjustments	(58,697)	--
Fund balances, December 31	<u>\$ 19,159,783</u>	<u>\$ 12,362</u>

The accompanying notes are an integral part of this statement.

Debt Service Refunding 2012	CIAP Coastal Improvements	Other Governmental Funds	Total Governmental Funds
\$ 14	\$ --	\$ 1,161,429	\$ 15,392,586
--	--	--	1,766,833
--	--	4,323	19,750
--	3,581,119	341,904	4,366,748
--	--	399,044	1,857,817
--	--	340,155	353,749
--	--	153,805	416,994
183	--	10,020	77,061
--	--	99,074	99,074
--	--	15,950	29,386
--	--	31,947	282,856
<u>197</u>	<u>3,581,119</u>	<u>2,557,651</u>	<u>24,662,854</u>
--	--	28,141	1,957,311
--	--	30,753	1,358,978
--	--	21,767	682,578
--	--	--	1,067,080
--	--	136,515	1,033,284
--	--	17,850	5,170,361
--	--	155,848	3,669,729
--	--	15	2,780,189
--	--	--	159,308
--	--	280,543	789,360
--	--	--	41,250
--	3,641,766	--	3,649,516
--	--	--	140,887
--	--	217,954	217,954
60,000	--	755,000	815,000
54,129	--	329,377	504,330
88,618	--	--	88,618
5,667,164	--	--	5,667,164
<u>5,869,911</u>	<u>3,641,766</u>	<u>1,973,763</u>	<u>29,792,897</u>
(5,869,714)	(60,647)	583,888	(5,130,043)
113,030	60,647	128,463	940,323
--	--	(800,031)	(940,323)
--	--	--	180,270
5,480,000	--	--	5,480,000
318,907	--	--	318,907
(39,473)	--	--	(39,473)
--	--	--	68,490
<u>5,872,464</u>	<u>60,647</u>	<u>(671,568)</u>	<u>6,008,194</u>
2,750	--	(87,680)	878,151
--	--	4,055,486	22,323,247
--	--	--	(58,697)
<u>\$ 2,750</u>	<u>\$ --</u>	<u>\$ 3,967,806</u>	<u>\$ 23,142,701</u>

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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, 2012

Net change in fund balances - total governmental funds	\$ 878,151
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	5,551,914
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,213,123)
The gain or loss on the sale of capital assets is not reported in the funds.	(23,340)
Donations of capital assets increase net assets in the SOA but not in the funds.	36,849
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(37,978)
Expenses not requiring the use of current financial resources are not reported as expenditures in the funds.	10,051
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	815,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	116,592
(Increase) decrease in accrued interest from beginning of period to end of period	40,694
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(881)
Certain ambulance receivables are deferred in the funds. This is the change in these amounts this year.	370,582
Uncollected court fines are not recorded as revenue in the funds.	56,134
Proceeds of bonds do not provide revenue in the SOA, but are reported as current resources in the funds.	(5,480,000)
Bond premiums are reported in the funds but not in the SOA.	(318,907)
Bond discounts are reported in the funds but not in the SOA.	39,473
Proceeds of leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(180,270)
Payments to bond escrow refunding agent are reported in funds but not in the SOA.	5,667,164
'Change in net position of governmental activities - Statement of Activities	<u>\$ 5,328,105</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2012

	<u>Agency Funds</u>
ASSETS	
Assets:	
<i>Cash and cash equivalents</i>	\$ 836,043
<i>Due from other funds</i>	158,260
<i>Due from others</i>	<u>14,240</u>
Total Assets	<u>\$ 1,008,543</u>
LIABILITIES	
<i>Due to other funds</i>	\$ 158,260
<i>Due to other governments</i>	272,339
<i>Due to others</i>	<u>577,944</u>
Total Liabilities	<u>\$ 1,008,543</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2012

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

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements
December 31, 2012

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 position and the statement of changes in net position) 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, 2012 are intended to finance the County's budget for the fiscal year beginning January 1, 2013; accordingly, recognition of revenue from this levy has been deferred to the next fiscal year.

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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.

The Grants Fund is used to provide separate accounting for federal and state grant revenues and related expenditures.

The Debt Service Refunding 2012 Fund is used to account for refunding of prior debt and revenues used to repay the new debt issue.

The CIAP Coastal Improvements Fund is used to account for proceeds of a federal grant for erosion mitigation improvements.

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. 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 function. 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 (excluding certain 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, and certain special revenue and debt service funds as listed in the table of contents. 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.

F. Assets, liabilities, and net position 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 2012, 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 Receivables 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.

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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 position. 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 position are classified into three categories as follows:

- Invested in capital assets, net of related debt** – This component of net position 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 position consists of net position 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 position consists of those assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Governmental funds classify fund balances as follows:

- Nonspendable Fund Balances** – Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.
- Restricted Fund Balances** – Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

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- c. **Committed Fund Balance** – Amounts that can only be used for specific purposes pursuant to constraints imposed by the Commissioners Court (the “Court”) through legislation, resolution or ordinance, unless the Court removes or changes the specified use by taking the same type of action used to commit the amounts.
- d. **Assigned Fund Balance** – Amounts that are constrained by the Court, or by another county official or the finance division to which the Court has delegated authority, that are to be used for specific purposes but are neither restricted nor committed.
- e. **Unassigned Fund Balance** – Amounts that are available for any purpose; these amounts can be reported only in the County’s General Fund or as deficits in other governmental funds.

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The County fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the County incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

	Major Governmental Funds				Total
	General Fund	Grants Fund	Debt Service Refunding 2012 Fund	Nonmajor Funds	
Fund Balances:					
Nonspendable:					
Inventory	\$ 277,773	\$ -	\$ -	\$ -	\$ 277,773
Loan to MMC	500,000	-	-	-	500,000
Restricted for:					
Airport operations	-	-	-	46,371	46,371
Capital projects	-	-	-	77,695	77,695
Culture and recreation	-	-	-	141,102	141,102
Debt service	-	-	2,750	137,279	140,029
Election services	-	-	-	41,098	41,098
Justice administration	-	-	-	364,553	364,553
Legal administration	-	-	-	231,331	231,331
Preservation	-	-	-	294,089	294,089
Public facilities	-	-	-	26,912	26,912
Public safety	-	-	-	113,652	113,652
Road & bridge maintenance	-	-	-	1,554,672	1,554,672
Other purposes	-	12,362	-	94,225	106,587
Assigned to:					
Capital projects	-	-	-	844,827	844,827
Future loan to MMC	3,500,000	-	-	-	3,500,000
Unassigned:	14,882,010	-	-	-	14,882,010
	<u>\$ 19,159,783</u>	<u>\$ 12,362</u>	<u>\$ 2,750</u>	<u>\$ 3,967,806</u>	<u>\$ 23,142,701</u>

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Deferred loss from bond refunding	\$ 490,384
Prepaid expenses	<u>68,748</u>
	<u>\$ 559,132</u>

- B. The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances for total governmental funds and changes in net position as reported in the government-wide statement of activities. The details of the difference are as follows:

Expenses not requiring the use of current financial resources are not reported as expenditures in the funds:

Amortization of prepaid insurance	\$ <u>10,051</u>
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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 \$37,973,058 (including \$836,043 for agency funds and \$3,041,589 for MMC) and the bank balance was \$36,968,068. 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 face value of \$43,481,094 and fair value of \$4,596,0811.

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 2012, the County's investing activities were limited to certificates of deposit which are classified as cash.

Concentration of Credit Risk. – The County'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 County 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 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 be collateralized by qualified securities pledged by the County's depository in the County'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 County 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. F. 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

CALHOUN COUNTY, TEXAS
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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 and for the discrete component unit at December 31, 2012 were as follows:

	General	Debt Svc Refunding 2012	Nonmajor Funds	Primary Government	DCU
Taxes receivable	\$ 5,630,569	\$ 80,699	\$ 356,158	\$ 6,067,426	\$ -
Allowance for uncollectible taxes	(281,635)	(4,035)	(17,808)	(303,478)	-
	<u>5,348,934</u>	<u>76,664</u>	<u>338,350</u>	<u>5,763,948</u>	<u>-</u>
Accounts receivable	5,886,255	-	659,191	6,545,446	7,188,967
Allowance for uncollectible accounts	(3,065,807)	-	(366,393)	(3,432,200)	(4,208,000)
	<u>2,820,448</u>	<u>-</u>	<u>292,798</u>	<u>3,113,246</u>	<u>2,980,967</u>
Total	<u><u>\$ 8,169,382</u></u>	<u><u>\$ 76,664</u></u>	<u><u>\$ 631,148</u></u>	<u><u>\$ 8,877,194</u></u>	<u><u>\$ 2,980,967</u></u>

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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:

	Unavailable	Unearned	Total
Tax levy receivable			
General Fund	\$ 336,474	\$ 4,993,661	\$ 5,330,135
2003-A Jail Bonds Debt Service	19,277	139,579	158,856
2004 Courthouse Renovation Debt Service	6,688	460	7,148
2010 Refunding	964	170,306	171,270
2012 Refunding	-	76,664	76,664
Taxes collected in advance			
General Fund	-	10,279,794	10,279,794
Memorial Medical Plaza Debt Service	-	-	-
2003-A Jail Bonds Debt Service	-	302,648	302,648
2003-B GO Refinancing Bonds Debt Service	-	-	-
2004 Courthouse Renovation Debt Service	-	(52)	(52)
2010 Refunding	-	352,717	352,717
2012 Refunding	-	159,289	159,289
Fines receivable			
General Fund	1,019,536	-	1,019,536
County and District Court Technology	703	-	703
Courthouse Security	15,007	-	15,007
Drug/DWI Court Program	2,809	-	2,809
Juvenile Case Manager	4,447	-	4,447
Justice Court Technology	12,841	-	12,841
Justice Court Building Security	1,578	-	1,578
Pretrial Services	1,388	-	1,388
District Clerk Records Management/Preservation	883	-	883
County Clerk Records Management	1,385	-	1,385
Records Management and Preservation	15,962	-	15,962
Road and Bridge	230,655	-	230,655
Ambulance fees receivable			
General Fund	669,137	-	669,137
Other revenue collected in advance			
General Fund	-	1,894	1,894
Port O'Connor Community Center	-	2,200	2,200
	<u>\$ 2,339,734</u>	<u>\$ 16,479,160</u>	<u>\$ 18,818,894</u>

Loan Receivable – Commissioners Court authorized a short term loan to MMC in 2010. Repayment is expected to occur during 2013. The balance at December 31, 2012 was \$500,000.

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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, 2012:

	Balance 12/31/2011	Additions	Retirements	Transfers and Completed Construction	Balance 12/30/2012
GOVERNMENTAL ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 1,758,119	\$ 459,797	\$ -	\$ 5,250	\$ 2,223,166
Construction in progress	1,221,025	4,099,635	-	(228,402)	5,092,258
Total capital assets not being depreciated	<u>2,979,144</u>	<u>4,559,432</u>	<u>-</u>	<u>(223,152)</u>	<u>7,315,424</u>
Capital assets, being depreciated					
Buildings	21,856,535	-	-	-	21,856,535
Improvements other than buildings	8,965,689	13,756	-	131,084	9,110,529
Furniture, fixtures and equipment	12,869,358	966,805	(377,095)	92,068	13,551,136
Infrastructure	18,218,729	48,750	-	-	18,267,479
Total capital assets being depreciated	<u>61,910,311</u>	<u>1,029,311</u>	<u>(377,095)</u>	<u>223,152</u>	<u>62,785,679</u>
Less accumulated depreciation for:					
Buildings	(4,761,289)	(516,380)	-	-	(5,277,669)
Improvements other than buildings	(4,282,400)	(306,656)	-	-	(4,589,056)
Furniture, fixtures and equipment	(8,070,832)	(948,308)	365,298	-	(8,653,842)
Infrastructure	(12,809,641)	(453,302)	-	-	(13,262,943)
Total accumulated depreciation	<u>(29,924,162)</u>	<u>(2,224,646)</u>	<u>365,298</u>	<u>-</u>	<u>(31,783,510)</u>
Total capital assets being depreciated, net	<u>31,986,149</u>	<u>(1,195,335)</u>	<u>(11,797)</u>	<u>223,152</u>	<u>31,002,169</u>
Governmental activities capital assets, net	<u>\$ 34,965,293</u>	<u>\$ 3,364,097</u>	<u>\$ (11,797)</u>	<u>\$ -</u>	<u>\$ 38,317,593</u>

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

Functions/Programs	
General administration	\$ 55,607
Judicial	40,344
Legal	4,714
Financial administration	1,774
Public facilities	217,371
Public safety	519,624
Roads and bridges	762,530
Health and welfare	170,511
Community development	803
Culture and recreation	177,056
Sanitation services	10,853
Nondepartmental	263,459
	<hr/>
Total expenditures	<u>\$ 2,224,646</u>

Discretely Presented Component Unit

	Balance 12/31/2011	Additions	Retirements	Transfers and Completed Construction	Balance 12/30/2012
BUSINESS-TYPE ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 32,143	\$ -	\$ -	\$ -	\$ 32,143
Construction in progress	44,966	21,383	-	(66,349)	-
Total capital assets not being depreciated	<u>77,109</u>	<u>21,383</u>	<u>-</u>	<u>(66,349)</u>	<u>32,143</u>
Capital assets, being depreciated					
Buildings and improvements	9,209,598	-	(46,709)	66,349	9,229,238
Equipment	14,660,705	332,156	(1,744,174)	-	13,248,687
Total capital assets being depreciated	<u>23,870,303</u>	<u>332,156</u>	<u>(1,790,883)</u>	<u>66,349</u>	<u>22,477,925</u>
Less accumulated depreciation for:					
Buildings and improvements	(7,509,016)	(215,625)	46,709	-	(7,677,932)
Equipment	(11,959,414)	(800,345)	1,744,174	-	(11,015,585)
Total accumulated depreciation	<u>(19,468,430)</u>	<u>(1,015,970)</u>	<u>1,790,883</u>	<u>-</u>	<u>(18,693,517)</u>
Total capital assets being depreciated, net	<u>4,401,873</u>	<u>(683,814)</u>	<u>-</u>	<u>66,349</u>	<u>3,784,408</u>
Business-type activities capital assets, net	<u>\$ 4,478,982</u>	<u>\$ (662,431)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,816,551</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
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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, 2012, the County had the following outstanding bonded debt:

Purpose	Original Amount	Year of Issue	Final Maturity	Average Annual Payment	Interest Rate	Balance 12/31/2012
GOVERNMENTAL TYPE ACTIVITIES DEBT						
General Obligation Bonds:						
Buildings	\$ 8,490,000	2003	2023	\$ 668,000	3.45 % - 4.65%	\$ 425,000
Refunding	4,985,000	2010	2024	467,000	2.00 % - 4.00%	4,920,000
Refunding	5,480,000	2012	2023	467,000	2.00 % - 4.00%	5,420,000
						10,765,000
Bond premium/discount						509,961
Total Governmental Type Activities Debt						<u>\$ 11,274,961</u>

Annual debt service requirements to maturity for general debt:

Year Ending December 31,	Principal	Interest	Total
2013	\$ 855,000	329,613	1,184,613
2014	880,000	304,650	1,184,650
2015	905,000	287,050	1,192,050
2016	920,000	265,300	1,185,300
2017	945,000	243,150	1,188,150
2017 - 2021	5,185,000	748,350	5,933,350
2022 - 2024	1,075,000	61,750	1,136,750
	<u>\$ 10,765,000</u>	<u>\$ 2,239,863</u>	<u>\$ 13,004,863</u>

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

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2012

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, 2012 the County had the following obligations under capital lease:

\$121,325 capital lease obligation with annual payments of \$26,115 through November 14, 2014 including interest accruing at 3.75%, secured by equipment with a cost of \$121,325 and accumulated depreciation of \$17,525	\$ 49,275
\$180,270 capital lease obligation with annual payments of \$46,977 through April 12, 2015 including interest accruing at 2.83%, secured by equipment with a cost of \$180,270 and accumulated depreciation of \$8,723	<u>133,293</u>
	<u>\$ 182,568</u>

Discrete Component Unit

\$1,625,700 capital lease obligations, at varying rates of imputed interest, Collateralized by leased equipment with a cost of \$3,147,700 and accumulated depreciation of \$1,560,184	<u>\$ 791,298</u>
--	-------------------

Annual debt service requirements to maturity for capital lease obligations:

Year Ending December 31,	Primary Government	Discrete Component Unit
2013	\$ 73,092	\$ 307,753
2014	72,923	307,753
2015	46,977	171,622
2016	-	35,490
2017	-	9,488
	<u>192,992</u>	<u>832,106</u>
Less: interest	<u>(10,424)</u>	<u>(40,808)</u>
	<u>\$ 182,568</u>	<u>\$ 791,298</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2012

C. Schedule of Changes in Long-Term Debt

Description	December 31, 2011	Additions	Retirements	December 31, 2012	Due Within One Year
Primary Government:					
General obligation bonds	\$ 11,090,000	\$ 5,480,000	\$ (5,805,000)	\$ 10,765,000	\$ 855,000
Certificates of obligation	345,000	-	(345,000)	-	-
Total bonds payable	11,435,000	5,480,000	(6,150,000)	10,765,000	855,000
Bond premium/discount	262,328	279,434	(31,801)	509,961	25,750
Capital lease obligation	118,890	180,270	(116,592)	182,568	67,460
Accrued compensated absences	136,012	881	-	136,893	136,893
	<u>\$ 11,952,230</u>	<u>\$ 5,940,585</u>	<u>\$ (6,298,393)</u>	<u>\$ 11,594,422</u>	<u>\$ 1,085,103</u>

Note: 2011 Restated for implementation of GASB-65

Description	December 31, 2010	Additions	Retirements	December 31, 2011	Due Within One Year
Discrete Component Unit:					
Capital lease obligation	\$ 883,587	\$ 157,700	\$ (249,989)	\$ 791,298	\$ 285,574
	<u>\$ 883,587</u>	<u>\$ 157,700</u>	<u>\$ (249,989)</u>	<u>\$ 791,298</u>	<u>\$ 285,574</u>

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

VII. INTERFUND RECEIVABLES, PAYABLE BALANCES, AND TRANSFERS

Interfund receivables and payables at December 31, 2012 were as follows:

Fund	Interfund Receivable	Interfund Payable
Major Governmental Funds		
General Fund	\$ 1,383,379	\$ (15,000)
Grants Fund	-	(629,732)
CIAP Coastal Improvements Fund	-	(631,674)
Nonmajor Governmental Funds	15,000	(121,973)
Total Governmental Funds	1,398,379	(1,398,379)
Agency Funds	158,260	(158,260)
Total Due From/To Other Funds	<u>\$ 1,556,639</u>	<u>\$ (1,556,639)</u>

The General Fund advanced money to various the Grants Fund and the CIAP Coastal Improvements Fund in advance of revenue receipted from other sources.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2012

Operating transfers during 2012 were as follows:

	Transfers	
	In	Out
Major Governmental funds		
General Fund	\$ 638,183	\$ (140,292)
Debt Service Refunding 2012	113,030	-
CIAP Coastal Improvements Fund	60,647	-
Nonmajor governmental funds	<u>128,463</u>	<u>(800,031)</u>
	<u>\$ 940,323</u>	<u>\$ (940,323)</u>

Operating transfers were made to provide for road and bridge maintenance, community center 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 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 624 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 10.72% and 7.46%, respectively for the County and MMC for 2012.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2012

The contribution rate payable by the employee members for calendar year 2012 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.

For the fiscal year ended December 31, 2012, the annual pension cost for the TCDRS plans for employees and the employer's actual contributions were \$849,407 and \$590,398, 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, 2009, the basis for determining the contribution rate for calendar year 2012. The December 31, 2011 actuarial valuation is the most recent valuation.

Actuarial Valuation Information

Actuarial valuation date	12/31/09	12/31/10	12/31/11
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed (MMC - closed)	level percentage of payroll, closed (MMC - closed)	level percentage of payroll, closed (MMC - closed)
Amortization period in years			
County	20	20	20
MMC	20	20	20
Asset valuation method	SAF: 10-yr smoothed value ESF: Fund value	SAF: 10-yr smoothed value ESF: Fund value	SAF: 10-yr smoothed value ESF: Fund value
Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.4%	5.4%	5.4%
Inflation	3.5%	3.5%	3.5%
Cost of living adjustments	0.0%	0.0%	0.0%

The APC, percentage of APC contributed, and NPA for the County and MMC plans for the current year and each of the two preceding years were as follows:

Fiscal Year Ended	12/31/10	12/31/11	12/31/12
Annual Pension Cost (APC)			
County	\$ 863,509	\$ 840,825	\$ 849,407
MMC	\$ 603,847	\$ 565,712	\$ 590,398
Percentage of APC Contributed	100.0%	100.0%	100.0%
Net Pension Obligation	\$ -	\$ -	\$ -

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits.

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

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2012

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 is partially self-insured for employee health claims. Additionally, insurance covers aggregate expenses in excess of \$60,000. An estimated liability of \$267,869 has been recorded for claims that are unpaid at December 31, 2012, as well as for those that are incurred but not reported. These estimates are based on an analysis of claims filed subsequently in conjunction with the above noted excess insurance.

	2012	2011
Liability at beginning of year	\$ 145,000	\$ 285,000
Current year claims and changes in estimates	977,566	818,061
Claims payments	(854,697)	(958,061)
Liability at end of year	\$ 267,869	\$ 145,000

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 unit of government covered by the Texas Tort Claims Acts which, by statute, limits its liability to \$100,000 per individual/\$300,000 in the aggregate. These limits coincide with the malpractice insurance coverage which is purchased under a claims-made policy on a fixed premium basis.

MMC, from time to time, may be subject to claims and suits for other damages as well. In the opinion of management, the ultimate resolution of the above types of legal proceedings will not have a material effect on MMC's financial position or results of operations.

XI. OTHER DISCLOSURES

A. Patient Revenue

Discrete Component Unit

Uncompensated Care – Memorial Medical Center maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, the estimated cost of those services and supplies, and equivalent

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2012

service statistics. Additionally, MMC foregoes charges relating to Medicare, Medicaid and other third-party payers. The cost of charity care during 2012 was approximately \$447,000.

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.

C. Discrete Component Unit

Net Patient Service Revenue – MMC has agreements with third-party payers that provide for payments at amounts different than its established rates with Medicare, and Medicaid which provided approximately 62% of revenue. Agreements also exist with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations

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.

D. Implementation of new GASB Accounting Standards/Reclassification/Restatement of Prior Year Amounts

The County has implemented new GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. Under GASB-63, amounts previously reported as deferred charges as a part of total assets have been reported in a separate section as deferred outflows of resources and amounts previously reported as deferred revenue as a part of total liabilities have been reported in a separate section as deferred inflows of resources. Under GASB-65, bond issue costs (excluding bond insurance) are recognized as expenses in the period incurred rather than as assets to be amortized.

The reclassification required by GASB-63 reports \$490,384 (deferred amount from refunded bonds) as deferred outflows of resources and \$16,479,163 (current and prior year ad valorem taxes receivable and deferred ad valorem tax revenue which use is restricted to a subsequent fiscal year) as deferred inflows of resources.

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2012

Prior year financial statements have been restated to correct prepaid items and to apply GASB Statement No. 65 with respect to nonrecognition of deferred bond issue costs. The effect of the restatement follows.

<u>Description</u>	<u>Governmental Activities</u>
Net assets/net position - as reported 12/31/11	<u>\$47,575,250</u>
Adjustments:	
Prepaid items and other current assets	(58,697)
Deferred charges/deferred outflows of resources	<u>(206,619)</u>
Net position - as restated 12/31/11	<u><u>\$47,309,934</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

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CALHOUN COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 13,972,000	\$ 14,003,685	\$ 14,231,143	\$ 227,458
Sales taxes	1,800,000	1,800,000	1,766,833	(33,167)
Other taxes	5,000	5,000	15,427	10,427
Intergovernmental	195,021	204,068	277,558	73,490
Charges for services	932,000	961,140	1,458,773	497,633
Permits and licenses	8,010	8,010	13,594	5,584
Fines and forfeitures	169,000	169,000	263,189	94,189
Interest	88,000	88,022	66,776	(21,246)
Rents and leases	8,000	8,000	13,436	5,436
Miscellaneous	62,100	67,491	237,918	170,427
Total revenues	17,239,131	17,314,416	18,344,647	1,030,231
Expenditures:				
Current:				
General administration	2,069,965	2,396,753	1,929,170	467,583
Judicial	1,328,074	1,404,752	1,328,225	76,527
Legal	652,220	677,202	660,811	16,391
Financial administration	1,022,822	1,078,573	1,067,080	11,493
Public facilities	894,794	943,487	896,769	46,718
Public safety	4,975,730	5,081,345	4,957,131	124,214
Roads and bridges	3,417,473	3,631,801	3,513,881	117,920
Health and welfare	2,765,374	2,866,884	2,780,174	86,710
Community development	171,886	172,786	159,308	13,478
Culture and recreation	512,849	531,429	508,817	22,612
Social services	45,523	45,533	41,250	4,283
Conservation	7,750	7,750	7,750	--
Sanitation services	172,229	172,340	140,887	31,453
Debt service:				
Interest and fiscal charges	73,840	120,825	120,824	1
Total expenditures	18,110,529	19,131,460	18,112,077	1,019,383
Excess (deficiency) of revenues over (under) expenditures	(871,398)	(1,817,044)	232,570	2,049,614
Other financing sources (uses):				
Transfers in	600,000	638,186	638,183	(3)
Transfers out	(22,000)	(142,203)	(140,292)	1,911
Gain on sale of capital assets	1	180,271	180,270	(1)
Capital leases	21,000	51,894	68,490	16,596
Total other financing sources (uses)	599,001	728,148	746,651	18,503
Net change in fund balances	(272,397)	(1,088,896)	979,221	2,068,117
Fund balances, January 1	13,000,000	14,922,978	18,239,259	3,316,281
Prior period adjustments	--	--	(58,697)	(58,697)
Fund balances, December 31	\$ 12,727,603	\$ 13,834,082	\$ 19,159,783	\$ 5,325,701

CALHOUN COUNTY, TEXAS

Notes to Required Supplementary Information
December 31, 2012

A. Schedule of Funding Progress – Calhoun County Retirement Plan within the TCDRS

Valuation Date	Actuarial Valuation of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Asset (Liability) (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as % of Payroll
December 31, 2011	\$ 22,263,848	\$ 25,653,853	\$ 3,390,005	86.8%	\$ 7,842,817	43.2%
December 31, 2010	20,295,379	23,397,752	3,102,373	86.7%	8,103,312	38.3%
December 31, 2009	19,031,083	21,879,783	2,848,700	87.0%	8,121,592	35.1%

B. Schedule of Funding Progress – Memorial Medical Center Retirement Plan within the TCDRS

Valuation Date	Actuarial Valuation of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Asset (Liability) (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as % of Payroll
December 31, 2011	\$ 18,787,462	\$ 20,308,106	\$ 1,520,644	92.5%	\$ 7,868,071	19.3%
December 31, 2010	18,348,643	19,726,385	1,377,742	93.0%	8,340,424	16.5%
December 31, 2009	17,433,357	18,700,370	1,267,013	93.2%	9,433,820	13.4%

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

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS				
<i>Cash and cash equivalents</i>	\$ 3,146,130	\$ 184,942	\$ 1,014,404	\$ 4,345,476
Receivables (net of allowances for uncollectibles):				
<i>Taxes</i>	--	338,350	--	338,350
<i>Accounts</i>	292,798	--	--	292,798
<i>Due from other funds</i>	--	--	15,000	15,000
Restricted assets:				
<i>Cash and cash equivalents</i>	--	606,576	--	606,576
Total Assets	<u>\$ 3,438,928</u>	<u>\$ 1,129,868</u>	<u>\$ 1,029,404</u>	<u>\$ 5,598,200</u>
LIABILITIES				
<i>Accounts payable</i>	\$ 13,068	\$ --	\$ --	\$ 13,068
<i>Accrued and other liabilities</i>	334	--	8,466	8,800
<i>Due to other funds</i>	23,556	1	98,416	121,973
<i>Due to others</i>	204,106	--	--	204,106
Total Liabilities	<u>241,064</u>	<u>1</u>	<u>106,882</u>	<u>347,947</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	289,859	992,588	--	1,282,447
Total Deferred Inflows of Resources	<u>289,859</u>	<u>992,588</u>	<u>--</u>	<u>1,282,447</u>
Fund balances:				
<i>Restricted</i>	2,908,005	137,279	77,695	3,122,979
<i>Assigned</i>	--	--	844,827	844,827
Total fund balances	<u>2,908,005</u>	<u>137,279</u>	<u>922,522</u>	<u>3,967,806</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,438,928</u>	<u>\$ 1,129,868</u>	<u>\$ 1,029,404</u>	<u>\$ 5,598,200</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
<i>Ad valorem taxes</i>	\$ --	\$ 1,161,429	\$ --	\$ 1,161,429
<i>Other taxes</i>	4,323	--	--	4,323
<i>Intergovernmental</i>	39,830	--	302,074	341,904
<i>Charges for services</i>	399,044	--	--	399,044
<i>Permits and licenses</i>	340,155	--	--	340,155
<i>Fines and forfeitures</i>	153,805	--	--	153,805
<i>Interest</i>	7,724	2,296	--	10,020
<i>Gifts and contributions</i>	14,362	--	84,712	99,074
<i>Rents and leases</i>	15,950	--	--	15,950
<i>Miscellaneous</i>	31,947	--	--	31,947
Total revenues	<u>1,007,140</u>	<u>1,163,725</u>	<u>386,786</u>	<u>2,557,651</u>
Expenditures:				
Current:				
<i>General administration</i>	28,141	--	--	28,141
<i>Judicial</i>	30,753	--	--	30,753
<i>Legal</i>	21,767	--	--	21,767
<i>Public facilities</i>	31,334	--	105,181	136,515
<i>Public safety</i>	17,850	--	--	17,850
<i>Roads and bridges</i>	13,368	--	142,480	155,848
<i>Health and welfare</i>	--	--	15	15
<i>Culture and recreation</i>	93,325	--	187,218	280,543
<i>Nondepartmental</i>	15,776	560	201,618	217,954
Debt service:				
<i>Principal</i>	--	755,000	--	755,000
<i>Interest and fiscal charges</i>	--	329,377	--	329,377
Total expenditures	<u>252,314</u>	<u>1,084,937</u>	<u>636,512</u>	<u>1,973,763</u>
Excess (deficiency) of revenues over (under) expenditures	754,826	78,788	(249,726)	583,888
Other financing sources (uses):				
<i>Transfers in</i>	63,514	12,379	52,570	128,463
<i>Transfers out</i>	(636,439)	(125,409)	(38,183)	(800,031)
Total other financing sources (uses)	<u>(572,925)</u>	<u>(113,030)</u>	<u>14,387</u>	<u>(671,568)</u>
Net change in fund balances	181,901	(34,242)	(235,339)	(87,680)
Fund balances, January 1	<u>2,726,104</u>	<u>171,521</u>	<u>1,157,861</u>	<u>4,055,486</u>
Fund balances, December 31	<u>\$ 2,908,005</u>	<u>\$ 137,279</u>	<u>\$ 922,522</u>	<u>\$ 3,967,806</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2012

	Special Airport Fund	Appellate Judicial System	Coastal Protection	County & District Court Technology
ASSETS				
<i>Cash and cash equivalents</i>	\$ 53,316	\$ 1,981	\$ 33,493	\$ 1,168
Receivables (net of allowances for uncollectibles):				
<i>Accounts</i>	--	--	--	703
Total Assets	<u>\$ 53,316</u>	<u>\$ 1,981</u>	<u>\$ 33,493</u>	<u>\$ 1,871</u>
LIABILITIES				
<i>Accounts payable</i>	\$ 6,945	\$ 1,845	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	<u>6,945</u>	<u>1,845</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	703
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>703</u>
Fund balances:				
<i>Restricted</i>	46,371	136	33,493	1,168
Total fund balances	<u>46,371</u>	<u>136</u>	<u>33,493</u>	<u>1,168</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 53,316</u>	<u>\$ 1,981</u>	<u>\$ 33,493</u>	<u>\$ 1,871</u>

County Child Abuse Prevention	County Child Welfare Board	Court House Security Fund	Court Records Preservation	County Clerk Records Archive
\$ 114	\$ 814	\$ 211,018	\$ 4,146	\$ 41,797
--	--	15,007	--	--
<u>\$ 114</u>	<u>\$ 814</u>	<u>\$ 226,025</u>	<u>\$ 4,146</u>	<u>\$ 41,797</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	15,007	--	--
--	--	<u>15,007</u>	--	--
114	814	211,018	4,146	41,797
<u>114</u>	<u>814</u>	<u>211,018</u>	<u>4,146</u>	<u>41,797</u>
<u>\$ 114</u>	<u>\$ 814</u>	<u>\$ 226,025</u>	<u>\$ 4,146</u>	<u>\$ 41,797</u>

CALHOUN COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2012

	District Attorney Forfeiture	DA Hot Check	Donations	Drug/DWI Court Program
ASSETS				
<i>Cash and cash equivalents</i>	\$ 40,997	\$ 6,069	\$ 95,070	\$ 4,860
Receivables (net of allowances for uncollectibles):				
<i>Accounts</i>	--	--	--	2,809
Total Assets	<u>\$ 40,997</u>	<u>\$ 6,069</u>	<u>\$ 95,070</u>	<u>\$ 7,669</u>
LIABILITIES				
<i>Accounts payable</i>	\$ --	\$ 48	\$ 591	\$ --
<i>Accrued and other liabilities</i>	--	--	254	--
<i>Due to other funds</i>	--	1	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>49</u>	<u>845</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	2,809
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,809</u>
Fund balances:				
<i>Restricted</i>	40,997	6,020	94,225	4,860
Total fund balances	<u>40,997</u>	<u>6,020</u>	<u>94,225</u>	<u>4,860</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 40,997</u>	<u>\$ 6,069</u>	<u>\$ 95,070</u>	<u>\$ 7,669</u>

Juvenile Case Manager	Family Protection	Graffiti Eradication	Justice Court Technology	Justice Court Building Security
\$ 6,896	\$ 5,275	\$ 8,541	\$ 51,557	\$ 14,535
4,448	--	--	12,841	1,578
<u>\$ 11,344</u>	<u>\$ 5,275</u>	<u>\$ 8,541</u>	<u>\$ 64,398</u>	<u>\$ 16,113</u>
\$ --	\$ --	\$ --	\$ --	\$ --
64	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>64</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
4,447	--	--	12,841	1,578
<u>4,447</u>	<u>--</u>	<u>--</u>	<u>12,841</u>	<u>1,578</u>
6,833	5,275	8,541	51,557	14,535
<u>6,833</u>	<u>5,275</u>	<u>8,541</u>	<u>51,557</u>	<u>14,535</u>
<u>\$ 11,344</u>	<u>\$ 5,275</u>	<u>\$ 8,541</u>	<u>\$ 64,398</u>	<u>\$ 16,113</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2012

	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2	Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4
ASSETS				
<i>Cash and cash equivalents</i>	\$ 4,328	\$ 4,328	\$ 4,328	\$ 4,328
Receivables (net of allowances for uncollectibles):				
<i>Accounts</i>	--	--	--	--
Total Assets	<u>\$ 4,328</u>	<u>\$ 4,328</u>	<u>\$ 4,328</u>	<u>\$ 4,328</u>
LIABILITIES				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	--	--	--	--
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances:				
<i>Restricted</i>	4,328	4,328	4,328	4,328
Total fund balances	<u>4,328</u>	<u>4,328</u>	<u>4,328</u>	<u>4,328</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,328</u>	<u>\$ 4,328</u>	<u>\$ 4,328</u>	<u>\$ 4,328</u>

Pretrial Services	Law Library Fund	LEOSE Education	Port O'Conner Community Center	Records Mgmt/Preserv. District Clerk
\$ 59,703	\$ 184,969	\$ 23,950	\$ 30,820	\$ 3,772
1,388	--	--	--	883
<u>\$ 61,091</u>	<u>\$ 184,969</u>	<u>\$ 23,950</u>	<u>\$ 30,820</u>	<u>\$ 4,655</u>
\$ --	\$ 655	\$ --	\$ 1,666	\$ --
--	--	--	42	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>655</u>	<u>--</u>	<u>1,708</u>	<u>--</u>
1,389	--	--	2,200	883
<u>1,389</u>	<u>--</u>	<u>--</u>	<u>2,200</u>	<u>883</u>
59,702	184,314	23,950	26,912	3,772
<u>59,702</u>	<u>184,314</u>	<u>23,950</u>	<u>26,912</u>	<u>3,772</u>
<u>\$ 61,091</u>	<u>\$ 184,969</u>	<u>\$ 23,950</u>	<u>\$ 30,820</u>	<u>\$ 4,655</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2012

	County Clerk Records Management	Records Management and Preservation	Road and Bridge Fund General
ASSETS			
<i>Cash and cash equivalents</i>	\$ 135,951	\$ 108,396	\$ 1,537,360
Receivables (net of allowances for uncollectibles):			
<i>Accounts</i>	1,386	15,962	230,655
Total Assets	<u>\$ 137,337</u>	<u>\$ 124,358</u>	<u>\$ 1,768,015</u>
LIABILITIES			
<i>Accounts payable</i>	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	(26)	--	--
<i>Due to other funds</i>	--	--	--
<i>Due to others</i>	--	--	--
Total Liabilities	<u>(26)</u>	<u>--</u>	<u>--</u>
Deferred Inflows of Resources			
<i>Deferred revenue</i>	1,385	15,962	230,655
Total Deferred Inflows of Resources	<u>1,385</u>	<u>15,962</u>	<u>230,655</u>
Fund balances:			
<i>Restricted</i>	135,978	108,396	1,537,360
Total fund balances	<u>135,978</u>	<u>108,396</u>	<u>1,537,360</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 137,337</u>	<u>\$ 124,358</u>	<u>\$ 1,768,015</u>

Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/Maint (Alcoa)	Election Services Contract
\$ 249,225	\$ 42,646	\$ 58,842	\$ 60,833
--	--	--	5,138
<u>\$ 249,225</u>	<u>\$ 42,646</u>	<u>\$ 58,842</u>	<u>\$ 65,971</u>
\$ --	\$ --	\$ --	\$ 1,318
--	--	--	--
--	--	--	23,555
204,106	--	--	--
<u>204,106</u>	<u>--</u>	<u>--</u>	<u>24,873</u>
--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
45,119	42,646	58,842	41,098
<u>45,119</u>	<u>42,646</u>	<u>58,842</u>	<u>41,098</u>
<u>\$ 249,225</u>	<u>\$ 42,646</u>	<u>\$ 58,842</u>	<u>\$ 65,971</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2012

	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	\$ 48,767	\$ 3,146,130
Receivables (net of allowances for uncollectibles):			
<i>Accounts</i>	--	--	292,798
Total Assets	<u>\$ 1,937</u>	<u>\$ 48,767</u>	<u>\$ 3,438,928</u>
LIABILITIES			
<i>Accounts payable</i>	\$ --	\$ --	\$ 13,068
<i>Accrued and other liabilities</i>	--	--	334
<i>Due to other funds</i>	--	--	23,556
<i>Due to others</i>	--	--	204,106
Total Liabilities	<u>--</u>	<u>--</u>	<u>241,064</u>
Deferred Inflows of Resources			
<i>Deferred revenue</i>	--	--	289,859
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>289,859</u>
Fund balances:			
<i>Restricted</i>	1,937	48,767	2,908,005
Total fund balances	<u>1,937</u>	<u>48,767</u>	<u>2,908,005</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,937</u>	<u>\$ 48,767</u>	<u>\$ 3,438,928</u>

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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, 2012

	Special Airport Fund	Appellate Judicial System	Coastal Protection	County & District Court Technology
Revenues:				
Other taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	10,399	--	--	--
Charges for services	--	1,793	--	815
Permits and licenses	--	--	--	--
Fines and forfeitures	--	--	--	--
Interest	162	3	101	2
Gifts and contributions	--	--	--	--
Rents and leases	3,000	--	--	--
Miscellaneous	--	--	--	--
Total revenues	<u>13,561</u>	<u>1,796</u>	<u>101</u>	<u>817</u>
Expenditures:				
Current:				
General administration	--	--	--	--
Judicial	--	1,845	--	--
Legal	--	--	--	--
Public facilities	31,334	--	--	--
Public safety	--	--	--	--
Roads and bridges	--	--	--	--
Culture and recreation	--	--	--	--
Nondepartmental	--	--	--	--
Debt service:				
Total expenditures	<u>31,334</u>	<u>1,845</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(17,773)	(49)	101	817
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(17,773)	(49)	101	817
Fund balances, January 1	<u>64,144</u>	<u>185</u>	<u>33,392</u>	<u>351</u>
Fund balances, December 31	<u>\$ 46,371</u>	<u>\$ 136</u>	<u>\$ 33,493</u>	<u>\$ 1,168</u>

County Child Abuse Prevention	County Child Welfare Board	Court House Security Fund	Court Records Preservation	County Clerk Records Archive
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
114	--	18,326	2,445	22,160
--	--	--	--	--
--	2	603	7	48
--	--	--	--	--
--	810	--	--	--
<u>114</u>	<u>812</u>	<u>18,929</u>	<u>2,452</u>	<u>22,208</u>
--	--	715	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	696	--	--	--
<u>--</u>	<u>696</u>	<u>715</u>	<u>--</u>	<u>--</u>
114	116	18,214	2,452	22,208
--	--	--	--	15,949
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>15,949</u>
114	116	18,214	2,452	38,157
--	698	192,804	1,694	3,640
<u>--</u>	<u>698</u>	<u>192,804</u>	<u>1,694</u>	<u>3,640</u>
\$ <u>114</u>	\$ <u>814</u>	\$ <u>211,018</u>	\$ <u>4,146</u>	\$ <u>41,797</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	District Attorney Forfeiture	DA Hot Check	Donations	Drug/DWI Court Program
Revenues:				
Other taxes	\$ --	\$ --	\$ --	\$ --
Intergovernmental	--	--	--	--
Charges for services	--	11,868	--	2,638
Permits and licenses	--	--	--	--
Fines and forfeitures	27,404	--	--	--
Interest	34	--	319	8
Gifts and contributions	--	--	13,177	--
Rents and leases	--	--	--	--
Miscellaneous	--	--	5,546	--
Total revenues	<u>27,438</u>	<u>11,868</u>	<u>19,042</u>	<u>2,646</u>
Expenditures:				
Current:				
General administration	--	--	--	--
Judicial	--	--	--	--
Legal	--	14,118	--	--
Public facilities	--	--	--	--
Public safety	--	--	--	--
Roads and bridges	--	--	--	--
Culture and recreation	--	--	46,337	--
Nondepartmental	--	--	--	--
Debt service:				
Total expenditures	<u>--</u>	<u>14,118</u>	<u>46,337</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	27,438	(2,250)	(27,295)	2,646
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	(1,006)	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(1,006)</u>	<u>--</u>
Net change in fund balances	27,438	(2,250)	(28,301)	2,646
Fund balances, January 1	<u>13,559</u>	<u>8,270</u>	<u>122,526</u>	<u>2,214</u>
Fund balances, December 31	<u>\$ 40,997</u>	<u>\$ 6,020</u>	<u>\$ 94,225</u>	<u>\$ 4,860</u>

Juvenile Case Manager	Family Protection	Graffiti Eradication	Justice Court Technology	Justice Court Building Security
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
9,348	606	--	11,003	1,325
--	--	--	--	--
--	--	--	--	--
41	15	26	158	41
--	--	--	--	--
--	--	--	--	--
<u>9,389</u>	<u>621</u>	<u>26</u>	<u>11,161</u>	<u>1,366</u>
--	--	--	--	--
--	--	--	11,618	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
15,080	--	--	--	--
<u>15,080</u>	<u>--</u>	<u>--</u>	<u>11,618</u>	<u>--</u>
(5,691)	621	26	(457)	1,366
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--
(5,691)	621	26	(457)	1,366
<u>12,524</u>	<u>4,654</u>	<u>8,515</u>	<u>52,014</u>	<u>13,169</u>
<u>\$ 6,833</u>	<u>\$ 5,275</u>	<u>\$ 8,541</u>	<u>\$ 51,557</u>	<u>\$ 14,535</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2	Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4
Revenues:				
Other taxes	\$ 4,323	\$ --	\$ --	\$ --
Intergovernmental	--	4,323	4,323	--
Charges for services	--	--	--	4,323
Permits and licenses	--	--	--	--
Fines and forfeitures	--	--	--	--
Interest	13	13	13	13
Gifts and contributions	--	--	--	--
Rents and leases	--	--	--	--
Miscellaneous	--	--	--	--
Total revenues	<u>4,336</u>	<u>4,336</u>	<u>4,336</u>	<u>4,336</u>
Expenditures:				
Current:				
General administration	--	--	--	--
Judicial	--	--	--	--
Legal	--	--	--	--
Public facilities	--	--	--	--
Public safety	--	--	--	--
Roads and bridges	4,238	--	4,238	4,238
Culture and recreation	--	4,238	--	--
Nondepartmental	--	--	--	--
Debt service:				
Total expenditures	<u>4,238</u>	<u>4,238</u>	<u>4,238</u>	<u>4,238</u>
Excess (deficiency) of revenues over (under) expenditures	98	98	98	98
Other financing sources (uses):				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	98	98	98	98
Fund balances, January 1	<u>4,230</u>	<u>4,230</u>	<u>4,230</u>	<u>4,230</u>
Fund balances, December 31	<u>\$ 4,328</u>	<u>\$ 4,328</u>	<u>\$ 4,328</u>	<u>\$ 4,328</u>

Pretrial Services	Law Library Fund	LEOSE Education	Port O'Conner Community Center	Records Mgmt/Preserv. District Clerk
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
1,599	12,789	--	--	1,787
--	--	--	--	--
--	--	--	--	--
176	546	52	117	8
--	--	--	12,950	--
--	--	5	--	--
<u>1,775</u>	<u>13,335</u>	<u>57</u>	<u>13,067</u>	<u>1,795</u>
--	--	--	--	--
--	--	--	--	--
--	7,649	--	--	--
--	--	--	--	--
--	--	785	--	--
--	--	--	37,736	--
--	--	--	--	--
<u>--</u>	<u>7,649</u>	<u>785</u>	<u>37,736</u>	<u>--</u>
1,775	5,686	(728)	(24,669)	1,795
--	--	--	28,081	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>28,081</u>	<u>--</u>
1,775	5,686	(728)	3,412	1,795
57,927	178,628	24,678	23,500	1,977
<u>\$ 59,702</u>	<u>\$ 184,314</u>	<u>\$ 23,950</u>	<u>\$ 26,912</u>	<u>\$ 3,772</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	County Clerk Records Management	Records Management and Preservation	Road and Bridge Fund General	Road and Bridge Fund Precinct #3
Revenues:				
<i>Other taxes</i>	\$ --	\$ --	\$ --	\$ --
<i>Intergovernmental</i>	--	--	20,785	--
<i>Charges for services</i>	13,070	--	251,711	--
<i>Permits and licenses</i>	--	--	340,155	--
<i>Fines and forfeitures</i>	--	19,795	71,036	--
<i>Interest</i>	472	257	4,010	--
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	--	--	--	--
<i>Miscellaneous</i>	--	--	--	--
Total revenues	<u>13,542</u>	<u>20,052</u>	<u>687,697</u>	<u>--</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	17,290	--	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	9
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Debt service:				
Total expenditures	<u>17,290</u>	<u>--</u>	<u>--</u>	<u>9</u>
Excess (deficiency) of revenues over (under) expenditures	(3,748)	20,052	687,697	(9)
Other financing sources (uses):				
<i>Transfers in</i>	--	19,484	--	--
<i>Transfers out</i>	(35,433)	--	(600,000)	--
Total other financing sources (uses)	<u>(35,433)</u>	<u>19,484</u>	<u>(600,000)</u>	<u>--</u>
Net change in fund balances	(39,181)	39,536	87,697	(9)
Fund balances, January 1	<u>175,159</u>	<u>68,860</u>	<u>1,449,663</u>	<u>9</u>
Fund balances, December 31	<u>\$ 135,978</u>	<u>\$ 108,396</u>	<u>\$ 1,537,360</u>	<u>\$ --</u>

Road Maintenance Precinct #4	Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/Maint (Alcoa)	Election Services Contract
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	31,324
--	--	--	--	--
--	35,570	--	--	--
1	29	--	189	112
--	--	--	--	--
--	11,100	14,486	--	--
<u>1</u>	<u>46,699</u>	<u>14,486</u>	<u>189</u>	<u>31,436</u>
--	--	--	--	27,426
--	--	--	--	--
--	--	--	--	--
--	11,235	5,830	--	--
645	--	--	--	--
--	--	--	5,014	--
--	--	--	--	--
<u>645</u>	<u>11,235</u>	<u>5,830</u>	<u>5,014</u>	<u>27,426</u>
(644)	35,464	8,656	(4,825)	4,010
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
(644)	35,464	8,656	(4,825)	4,010
644	9,655	33,990	63,667	37,088
<u>\$ --</u>	<u>\$ 45,119</u>	<u>\$ 42,646</u>	<u>\$ 58,842</u>	<u>\$ 41,098</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenues:			
Other taxes	\$ --	\$ --	\$ 4,323
Intergovernmental	--	--	39,830
Charges for services	--	--	399,044
Permits and licenses	--	--	340,155
Fines and forfeitures	--	--	153,805
Interest	--	133	7,724
Gifts and contributions	--	1,185	14,362
Rents and leases	--	--	15,950
Miscellaneous	--	--	31,947
Total revenues	<u>--</u>	<u>1,318</u>	<u>1,007,140</u>
Expenditures:			
Current:			
General administration	--	--	28,141
Judicial	--	--	30,753
Legal	--	--	21,767
Public facilities	--	--	31,334
Public safety	--	--	17,850
Roads and bridges	--	--	13,368
Culture and recreation	--	--	93,325
Nondepartmental	--	--	15,776
Debt service:			
Total expenditures	<u>--</u>	<u>--</u>	<u>252,314</u>
Excess (deficiency) of revenues over (under) expenditures	--	1,318	754,826
Other financing sources (uses):			
Transfers in	--	--	63,514
Transfers out	--	--	(636,439)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(572,925)</u>
Net change in fund balances	--	1,318	181,901
Fund balances, January 1	<u>1,937</u>	<u>47,449</u>	<u>2,726,104</u>
Fund balances, December 31	<u>\$ 1,937</u>	<u>\$ 48,767</u>	<u>\$ 2,908,005</u>

CALHOUN COUNTY, TEXAS
 AIRPORT FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-5

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 1	\$ 10,399	\$ 10,398
<i>Interest</i>	250	162	(88)
<i>Rents and leases</i>	13,248	3,000	(10,248)
Total revenues	<u>13,499</u>	<u>13,561</u>	<u>62</u>
Expenditures:			
Current:			
<i>Public facilities</i>	31,538	31,334	204
Total expenditures	<u>31,538</u>	<u>31,334</u>	<u>204</u>
Net change in fund balances	(18,039)	(17,773)	266
Fund balances, January 1	<u>64,144</u>	<u>64,144</u>	--
Fund balances, December 31	<u>\$ 46,105</u>	<u>\$ 46,371</u>	<u>\$ 266</u>

CALHOUN COUNTY, TEXAS
 APPELLATE JUDICIAL SYSTEM
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for services	\$ 1,800	\$ 1,793	\$ (7)
Interest	3	3	--
Total revenues	<u>1,803</u>	<u>1,796</u>	<u>(7)</u>
Expenditures:			
Current:			
Judicial	1,846	1,845	1
Total expenditures	<u>1,846</u>	<u>1,845</u>	<u>1</u>
Net change in fund balances	(43)	(49)	(6)
Fund balances, January 1	--	185	185
Fund balances, December 31	<u>\$ (43)</u>	<u>\$ 136</u>	<u>\$ 179</u>

CALHOUN COUNTY, TEXAS
 COASTAL PROTECTION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 100	\$ --	\$ (100)
<i>Interest</i>	110	101	(9)
Total revenues	<u>210</u>	<u>101</u>	<u>(109)</u>
Net change in fund balances	210	101	(109)
Fund balances, January 1	<u>33,392</u>	<u>33,392</u>	--
Fund balances, December 31	<u>\$ 33,602</u>	<u>\$ 33,493</u>	<u>\$ (109)</u>

CALHOUN COUNTY, TEXAS
 COUNTY & DISTRICT COURT TECHNOLOGY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-8

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 50	\$ 815	\$ 765
<i>Interest</i>	--	2	2
Total revenues	<u>50</u>	<u>817</u>	<u>767</u>
Net change in fund balances	50	817	767
Fund balances, January 1	<u>294</u>	<u>351</u>	<u>57</u>
Fund balances, December 31	<u>\$ 344</u>	<u>\$ 1,168</u>	<u>\$ 824</u>

CALHOUN COUNTY, TEXAS
 COUNTY CHILD WELFARE BOARD FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-9

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1	\$ 2	\$ 1
<i>Miscellaneous</i>	501	810	309
Total revenues	<u>502</u>	<u>812</u>	<u>310</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	1,200	696	504
Total expenditures	<u>1,200</u>	<u>696</u>	<u>504</u>
Net change in fund balances	(698)	116	814
Fund balances, January 1	<u>698</u>	<u>698</u>	<u>--</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ 814</u>	<u>\$ 814</u>

CALHOUN COUNTY, TEXAS
 COURT HOUSE SECURITY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-10

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 7,900	\$ 18,326	\$ 10,426
<i>Interest</i>	600	603	3
Total revenues	<u>8,500</u>	<u>18,929</u>	<u>10,429</u>
Expenditures:			
Current:			
<i>General administration</i>	140,000	715	139,285
Total expenditures	<u>140,000</u>	<u>715</u>	<u>139,285</u>
Net change in fund balances	(131,500)	18,214	149,714
Fund balances, January 1	<u>191,425</u>	<u>192,804</u>	<u>1,379</u>
Fund balances, December 31	<u>\$ 59,925</u>	<u>\$ 211,018</u>	<u>\$ 151,093</u>

CALHOUN COUNTY, TEXAS
 COURT RECORDS PRESERVATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-11

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 301	\$ 2,445	\$ 2,144
<i>Interest</i>	1	7	6
Total revenues	<u>302</u>	<u>2,452</u>	<u>2,150</u>
Net change in fund balances	302	2,452	2,150
Fund balances, January 1	<u>1,467</u>	<u>1,694</u>	<u>227</u>
Fund balances, December 31	<u>\$ 1,769</u>	<u>\$ 4,146</u>	<u>\$ 2,377</u>

CALHOUN COUNTY, TEXAS
 COUNTY CLERK RECORDS ARCHIVE FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-12

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 22,000	\$ 22,160	\$ 160
<i>Interest</i>	10	48	38
Total revenues	<u>22,010</u>	<u>22,208</u>	<u>198</u>
Expenditures:			
Current:			
<i>General administration</i>	1	--	1
Total expenditures	<u>1</u>	<u>--</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	22,009	22,208	199
Other financing sources (uses):			
<i>Transfers in</i>	--	15,949	15,949
Total other financing sources (uses)	<u>--</u>	<u>15,949</u>	<u>15,949</u>
Net change in fund balances	22,009	38,157	16,148
Fund balances, January 1	<u>3,640</u>	<u>3,640</u>	<u>--</u>
Fund balances, December 31	<u>\$ 25,649</u>	<u>\$ 41,797</u>	<u>\$ 16,148</u>

CALHOUN COUNTY, TEXAS
DRUG/DWI COURT PROGRAM FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-13

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 820	\$ 2,638	\$ 1,818
<i>Interest</i>	10	8	(2)
Total revenues	<u>830</u>	<u>2,646</u>	<u>1,816</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	40	--	40
Total expenditures	<u>40</u>	<u>--</u>	<u>40</u>
Net change in fund balances	790	2,646	1,856
Fund balances, January 1	<u>2,004</u>	<u>2,214</u>	<u>210</u>
Fund balances, December 31	<u>\$ 2,794</u>	<u>\$ 4,860</u>	<u>\$ 2,066</u>

CALHOUN COUNTY, TEXAS
JUVENILE CASE MANAGER FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 10,168	\$ 9,348	\$ (820)
<i>Interest</i>	41	41	--
Total revenues	<u>10,209</u>	<u>9,389</u>	<u>(820)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	15,085	15,080	5
Total expenditures	<u>15,085</u>	<u>15,080</u>	<u>5</u>
Net change in fund balances	(4,876)	(5,691)	(815)
Fund balances, January 1	<u>11,764</u>	<u>12,524</u>	<u>760</u>
Fund balances, December 31	<u>\$ 6,888</u>	<u>\$ 6,833</u>	<u>\$ (55)</u>

CALHOUN COUNTY, TEXAS
 FAMILY PROTECTION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-15

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for services	\$ 10	\$ 606	\$ 596
Interest	10	15	5
Total revenues	<u>20</u>	<u>621</u>	<u>601</u>
Net change in fund balances	20	621	601
Fund balances, January 1	<u>4,576</u>	<u>4,654</u>	<u>78</u>
Fund balances, December 31	<u>\$ 4,596</u>	<u>\$ 5,275</u>	<u>\$ 679</u>

CALHOUN COUNTY, TEXAS
 GRAFFITI ERADICATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-16

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Interest	\$ 30	\$ 26	\$ (4)
Total revenues	<u>30</u>	<u>26</u>	<u>(4)</u>
 Net change in fund balances	 30	 26	 (4)
Fund balances, January 1	<u>8,514</u>	<u>8,515</u>	<u>1</u>
Fund balances, December 31	<u>\$ 8,544</u>	<u>\$ 8,541</u>	<u>\$ (3)</u>

CALHOUN COUNTY, TEXAS
JUSTICE COURT BUILDING SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-17

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 650	\$ 1,325	\$ 675
<i>Interest</i>	35	41	6
Total revenues	<u>685</u>	<u>1,366</u>	<u>681</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	2,400	--	2,400
Total expenditures	<u>2,400</u>	<u>--</u>	<u>2,400</u>
Net change in fund balances	(1,715)	1,366	3,081
Fund balances, January 1	<u>13,089</u>	<u>13,169</u>	<u>80</u>
Fund balances, December 31	<u>\$ 11,374</u>	<u>\$ 14,535</u>	<u>\$ 3,161</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #1
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-18

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other taxes</i>	\$ 4,238	\$ 4,323	\$ 85
<i>Interest</i>	20	13	(7)
Total revenues	<u>4,258</u>	<u>4,336</u>	<u>78</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,238	4,238	--
Total expenditures	<u>4,238</u>	<u>4,238</u>	<u>--</u>
Net change in fund balances	20	98	78
Fund balances, January 1	<u>4,230</u>	<u>4,230</u>	<u>--</u>
Fund balances, December 31	<u>\$ 4,250</u>	<u>\$ 4,328</u>	<u>\$ 78</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #2
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-19

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 4,238	\$ 4,323	\$ 85
<i>Interest</i>	20	13	(7)
Total revenues	<u>4,258</u>	<u>4,336</u>	<u>78</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,238	4,238	--
Total expenditures	<u>4,238</u>	<u>4,238</u>	<u>--</u>
Net change in fund balances	20	98	78
Fund balances, January 1	<u>4,230</u>	<u>4,230</u>	<u>--</u>
Fund balances, December 31	<u>\$ 4,250</u>	<u>\$ 4,328</u>	<u>\$ 78</u>

CALHOUN COUNTY, TEXAS
 LATERAL ROAD FUND PRECINCT #3
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-20

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 4,238	\$ 4,323	\$ 85
<i>Interest</i>	20	13	(7)
Total revenues	<u>4,258</u>	<u>4,336</u>	<u>78</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,238	4,238	--
Total expenditures	<u>4,238</u>	<u>4,238</u>	<u>--</u>
Net change in fund balances	20	98	78
Fund balances, January 1	<u>4,230</u>	<u>4,230</u>	<u>--</u>
Fund balances, December 31	<u>\$ 4,250</u>	<u>\$ 4,328</u>	<u>\$ 78</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #4
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-21

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 4,238	\$ 4,323	\$ 85
<i>Interest</i>	20	13	(7)
Total revenues	<u>4,258</u>	<u>4,336</u>	<u>78</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,238	4,238	--
Total expenditures	<u>4,238</u>	<u>4,238</u>	<u>--</u>
Net change in fund balances	20	98	78
Fund balances, January 1	<u>4,230</u>	<u>4,230</u>	<u>--</u>
Fund balances, December 31	<u>\$ 4,250</u>	<u>\$ 4,328</u>	<u>\$ 78</u>

CALHOUN COUNTY, TEXAS
PRETRIAL SERVICES FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-22

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 1,000	\$ 1,599	\$ 599
<i>Interest</i>	185	176	(9)
Total revenues	<u>1,185</u>	<u>1,775</u>	<u>590</u>
Net change in fund balances	1,185	1,775	590
Fund balances, January 1	<u>57,927</u>	<u>57,927</u>	--
Fund balances, December 31	<u>\$ 59,112</u>	<u>\$ 59,702</u>	<u>\$ 590</u>

CALHOUN COUNTY, TEXAS
LAW LIBRARY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-23

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 8,000	\$ 12,789	\$ 4,789
<i>Interest</i>	560	546	(14)
Total revenues	<u>8,560</u>	<u>13,335</u>	<u>4,775</u>
Expenditures:			
Current:			
<i>Legal</i>	26,400	7,649	18,751
Total expenditures	<u>26,400</u>	<u>7,649</u>	<u>18,751</u>
Net change in fund balances	(17,840)	5,686	23,526
Fund balances, January 1	<u>177,316</u>	<u>178,628</u>	<u>1,312</u>
Fund balances, December 31	<u>\$ 159,476</u>	<u>\$ 184,314</u>	<u>\$ 24,838</u>

CALHOUN COUNTY, TEXAS
 PORT O'CONNOR COMMUNITY CENTER
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-24

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 95	\$ 117	\$ 22
<i>Gifts and contributions</i>	151	--	(151)
<i>Rents and leases</i>	10,000	12,950	2,950
Total revenues	<u>10,246</u>	<u>13,067</u>	<u>2,821</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	50,135	37,736	12,399
Total expenditures	<u>50,135</u>	<u>37,736</u>	<u>12,399</u>
Excess (deficiency) of revenues over (under) expenditures	(39,889)	(24,669)	15,220
Other financing sources (uses):			
<i>Transfers in</i>	28,081	28,081	--
Total other financing sources (uses)	<u>28,081</u>	<u>28,081</u>	<u>--</u>
Net change in fund balances	(11,808)	3,412	15,220
Fund balances, January 1	<u>25,106</u>	<u>23,500</u>	<u>(1,606)</u>
Fund balances, December 31	<u>\$ 13,298</u>	<u>\$ 26,912</u>	<u>\$ 13,614</u>

CALHOUN COUNTY, TEXAS

RECORDS MGMT/PRESERVATION DISTRICT CLERK FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-25

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for services	\$ 1,000	\$ 1,787	\$ 787
Interest	5	8	3
Total revenues	<u>1,005</u>	<u>1,795</u>	<u>790</u>
Expenditures:			
Current:			
Nondepartmental	1	--	1
Total expenditures	<u>1</u>	<u>--</u>	<u>1</u>
Net change in fund balances	1,004	1,795	791
Fund balances, January 1	<u>1,796</u>	<u>1,977</u>	<u>181</u>
Fund balances, December 31	<u>\$ 2,800</u>	<u>\$ 3,772</u>	<u>\$ 972</u>

CALHOUN COUNTY, TEXAS
 COUNTY CLERK RECORDS MANAGEMENT FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-26

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 30,000	\$ 13,070	\$ (16,930)
<i>Interest</i>	400	472	72
Total revenues	<u>30,400</u>	<u>13,542</u>	<u>(16,858)</u>
Expenditures:			
Current:			
<i>Judicial</i>	28,334	17,290	11,044
<i>Public safety</i>	10,000	--	10,000
Total expenditures	<u>38,334</u>	<u>17,290</u>	<u>21,044</u>
Excess (deficiency) of revenues over (under) expenditures	(7,934)	(3,748)	4,186
Other financing sources (uses):			
<i>Transfers out</i>	--	(35,433)	(35,433)
Total other financing sources (uses)	<u>--</u>	<u>(35,433)</u>	<u>(35,433)</u>
Net change in fund balances	(7,934)	(39,181)	(31,247)
Fund balances, January 1	<u>171,855</u>	<u>175,159</u>	<u>3,304</u>
Fund balances, December 31	<u>\$ 163,921</u>	<u>\$ 135,978</u>	<u>\$ (27,943)</u>

CALHOUN COUNTY, TEXAS
 RECORDS MANAGEMENT AND PRESERVATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-27

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines and forfeitures</i>	\$ 5,300	\$ 19,795	\$ 14,495
<i>Interest</i>	175	257	82
Total revenues	<u>5,475</u>	<u>20,052</u>	<u>14,577</u>
Expenditures:			
Current:			
<i>General administration</i>	6,500	--	6,500
Total expenditures	<u>6,500</u>	<u>--</u>	<u>6,500</u>
Excess (deficiency) of revenues over (under) expenditures	(1,025)	20,052	21,077
Other financing sources (uses):			
<i>Transfers in</i>	--	19,484	19,484
Total other financing sources (uses)	<u>--</u>	<u>19,484</u>	<u>19,484</u>
Net change in fund balances	(1,025)	39,536	40,561
Fund balances, January 1	<u>68,169</u>	<u>68,860</u>	<u>691</u>
Fund balances, December 31	<u>\$ 67,144</u>	<u>\$ 108,396</u>	<u>\$ 41,252</u>

CALHOUN COUNTY, TEXAS
ROAD AND BRIDGE FUND GENERAL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-28

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 5,000	\$ 20,785	\$ 15,785
<i>Charges for services</i>	120,000	251,711	131,711
<i>Permits and licenses</i>	350,000	340,155	(9,845)
<i>Fines and forfeitures</i>	70,000	71,036	1,036
<i>Interest</i>	3,950	4,010	60
Total revenues	<u>548,950</u>	<u>687,697</u>	<u>138,747</u>
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	(51,050)	87,697	138,747
Fund balances, January 1	<u>1,438,550</u>	<u>1,449,663</u>	<u>11,113</u>
Fund balances, December 31	<u>\$ 1,387,500</u>	<u>\$ 1,537,360</u>	<u>\$ 149,860</u>

CALHOUN COUNTY, TEXAS
 ROAD AND BRIDGE FUND PRECINCT #3
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-29

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 1	\$ --	\$ (1)
Total revenues	<u>1</u>	<u>--</u>	<u>(1)</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	9	9	--
Total expenditures	<u>9</u>	<u>9</u>	<u>--</u>
Net change in fund balances	(8)	(9)	(1)
Fund balances, January 1	8	9	1
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

CALHOUN COUNTY, TEXAS
 ROAD MAINTENANCE FUND PRECINCT #4
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-30

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 3	\$ 1	\$ (2)
Total revenues	<u>3</u>	<u>1</u>	<u>(2)</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	646	645	1
Total expenditures	<u>646</u>	<u>645</u>	<u>1</u>
Net change in fund balances	(643)	(644)	(1)
Fund balances, January 1	<u>643</u>	<u>644</u>	<u>1</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<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, 2012

EXHIBIT C-31

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 225	\$ 189	\$ (36)
Total revenues	<u>225</u>	<u>189</u>	<u>(36)</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	62,958	5,014	57,944
Total expenditures	<u>62,958</u>	<u>5,014</u>	<u>57,944</u>
Net change in fund balances	(62,733)	(4,825)	57,908
Fund balances, January 1	<u>63,667</u>	<u>63,667</u>	--
Fund balances, December 31	<u>\$ 934</u>	<u>\$ 58,842</u>	<u>\$ 57,908</u>

CALHOUN COUNTY, TEXAS

COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 DECEMBER 31, 2012

	2003 Jail Debt Service	2004 Courthouse Renovations Debt Service	2010 Refunding Debt Service	Total Nonmajor Debt Service Funds (See Exhibit C-1)
ASSETS				
<i>Cash and cash equivalents</i>	\$ 124,117	\$ 23,367	\$ 37,458	\$ 184,942
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Taxes</i>	159,530	7,550	171,270	338,350
Restricted assets:				
<i>Cash and cash equivalents</i>	280,120	--	326,456	606,576
Total Assets	563,767	30,917	535,184	1,129,868
Total Assets	<u>\$ 563,767</u>	<u>\$ 30,917</u>	<u>\$ 535,184</u>	<u>\$ 1,129,868</u>
Liabilities:				
<i>Due to other funds</i>	\$ --	\$ 1	\$ --	\$ 1
Total Liabilities	<u>--</u>	<u>1</u>	<u>--</u>	<u>1</u>
Deferred Inflows of Resources				
<i>Deferred revenue</i>	461,505	7,096	523,987	992,588
Total Deferred Inflows of Resources	<u>461,505</u>	<u>7,096</u>	<u>523,987</u>	<u>992,588</u>
Fund balances:				
<i>Restricted</i>	102,262	23,820	11,197	137,279
Total fund balances	102,262	23,820	11,197	137,279
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 563,767</u>	<u>\$ 30,917</u>	<u>\$ 535,184</u>	<u>\$ 1,129,868</u>

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CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	2003 Jail Debt Service	2003 Refinancing Debt Service
Revenues:		
<i>Ad valorem taxes</i>	\$ 613,778	\$ --
<i>Interest</i>	1,279	--
Total revenues	<u>615,057</u>	<u>--</u>
Expenditures:		
Current:		
<i>Nondepartmental</i>	--	560
Debt service:		
<i>Principal</i>	410,000	--
<i>Interest and fiscal charges</i>	147,777	--
Total expenditures	<u>557,777</u>	<u>560</u>
Excess (deficiency) of revenues over (under) expenditures	57,280	(560)
Other financing sources (uses):		
<i>Transfers in</i>	12,379	--
<i>Transfers out</i>	(113,030)	(12,379)
Total other financing sources (uses)	<u>(100,651)</u>	<u>(12,379)</u>
Net change in fund balances	(43,371)	(12,939)
Fund balances, January 1	<u>145,633</u>	<u>12,939</u>
Fund balances, December 31	<u>\$ 102,262</u>	<u>\$ --</u>

2004 Courthouse Renovations Debt Service	2010 Refunding Debt Service	Total Nonmajor Debt Service Funds (See Exhibit C-2)
\$ 374,593	\$ 173,058	\$ 1,161,429
536	481	2,296
<u>375,129</u>	<u>173,539</u>	<u>1,163,725</u>
--	--	560
345,000	--	755,000
13,800	167,800	329,377
<u>358,800</u>	<u>167,800</u>	<u>1,084,937</u>
16,329	5,739	78,788
--	--	12,379
--	--	(125,409)
<u>--</u>	<u>--</u>	<u>(113,030)</u>
16,329	5,739	(34,242)
7,491	5,458	171,521
<u>\$ 23,820</u>	<u>\$ 11,197</u>	<u>\$ 137,279</u>

CALHOUN COUNTY, TEXAS
 2003 JAIL DEBT SERVICE FUND
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-34

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 584,733	\$ 613,778	\$ 29,045
<i>Interest</i>	1,500	1,279	(221)
Total revenues	<u>586,233</u>	<u>615,057</u>	<u>28,824</u>
Expenditures:			
Debt service:			
<i>Principal</i>	410,000	410,000	--
<i>Interest and fiscal charges</i>	148,454	147,777	677
Total expenditures	<u>558,454</u>	<u>557,777</u>	<u>677</u>
Excess (deficiency) of revenues over (under) expenditures	27,779	57,280	29,501
Other financing sources (uses):			
<i>Transfers in</i>	12,380	12,379	(1)
<i>Transfers out</i>	(229,258)	(113,030)	116,228
Total other financing sources (uses)	<u>(216,878)</u>	<u>(100,651)</u>	<u>116,227</u>
Net change in fund balances	(189,099)	(43,371)	145,728
Fund balances, January 1	<u>152,774</u>	<u>145,633</u>	<u>(7,141)</u>
Fund balances, December 31	<u>\$ (36,325)</u>	<u>\$ 102,262</u>	<u>\$ 138,587</u>

CALHOUN COUNTY, TEXAS
 2003 REFINANCING DEBT SERVICE FUND
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-35

	Budget	Actual	Variance Positive (Negative)
Expenditures:			
Current:			
<i>Nondepartmental</i>	\$ --	\$ 560	\$ (560)
Total expenditures	<u> --</u>	<u> 560</u>	<u> (560)</u>
Excess (deficiency) of revenues over (under) expenditures	--	(560)	(560)
Other financing sources (uses):			
<i>Transfers out</i>	(12,380)	(12,379)	1
Total other financing sources (uses)	<u>(12,380)</u>	<u>(12,379)</u>	<u> 1</u>
Net change in fund balances	(12,380)	(12,939)	(559)
Fund balances, January 1	<u>11,923</u>	<u>12,939</u>	<u>1,016</u>
Fund balances, December 31	<u>\$ (457)</u>	<u>\$ --</u>	<u>\$ 457</u>

CALHOUN COUNTY, TEXAS
 2004 COURTHOUSE RENOVATIONS DEBT SERVICE
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-36

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 359,860	\$ 374,593	\$ 14,733
<i>Interest</i>	650	536	(114)
Total revenues	<u>360,510</u>	<u>375,129</u>	<u>14,619</u>
Expenditures:			
Debt service:			
<i>Principal</i>	345,000	345,000	--
<i>Interest and fiscal charges</i>	14,800	13,800	1,000
Total expenditures	<u>359,800</u>	<u>358,800</u>	<u>1,000</u>
Excess (deficiency) of revenues over (under) expenditures	710	16,329	15,619
Other financing sources (uses):			
<i>Transfers out</i>	(1)	--	1
Total other financing sources (uses)	<u>(1)</u>	<u>--</u>	<u>1</u>
Net change in fund balances	709	16,329	15,620
Fund balances, January 1	<u>6,655</u>	<u>7,491</u>	<u>836</u>
Fund balances, December 31	<u>\$ 7,364</u>	<u>\$ 23,820</u>	<u>\$ 16,456</u>

CALHOUN COUNTY, TEXAS
 2010 REFUNDING DEBT SERVICE
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-37

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 168,660	\$ 173,058	\$ 4,398
<i>Interest</i>	10	481	471
Total revenues	<u>168,670</u>	<u>173,539</u>	<u>4,869</u>
Expenditures:			
Debt service:			
<i>Interest and fiscal charges</i>	168,600	167,800	800
Total expenditures	<u>168,600</u>	<u>167,800</u>	<u>800</u>
Excess (deficiency) of revenues over (under) expenditures	70	5,739	5,669
Other financing sources (uses):			
<i>Transfers in</i>	1	--	(1)
Total other financing sources (uses)	<u>1</u>	<u>--</u>	<u>(1)</u>
Net change in fund balances	71	5,739	5,668
Fund balances, January 1	<u>5,375</u>	<u>5,458</u>	<u>83</u>
Fund balances, December 31	<u>\$ 5,446</u>	<u>\$ 11,197</u>	<u>\$ 5,751</u>

CALHOUN COUNTY, TEXAS
 DEBT SERVICE REFUNDING 2012 FUND
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT C-38

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ --	\$ 14	\$ 14
<i>Interest</i>	--	183	183
Total revenues	<u>--</u>	<u>197</u>	<u>197</u>
Expenditures:			
Debt service:			
<i>Principal</i>	60,000	60,000	--
<i>Interest and fiscal charges</i>	54,129	54,129	--
<i>Bond issue costs</i>	91,171	88,618	2,553
<i>Current refunding escrow</i>	5,667,165	5,667,164	1
Total expenditures	<u>5,872,465</u>	<u>5,869,911</u>	<u>2,554</u>
Excess (deficiency) of revenues over (under) expenditures	(5,872,465)	(5,869,714)	2,751
Other financing sources (uses):			
<i>Transfers in</i>	229,258	113,030	(116,228)
<i>Proceeds of refunding bonds</i>	5,480,000	5,480,000	--
<i>Bond premium</i>	318,909	318,907	(2)
<i>Bond discount</i>	(39,473)	(39,473)	--
Total other financing sources (uses)	<u>5,988,694</u>	<u>5,872,464</u>	<u>(116,230)</u>
Net change in fund balances	116,229	2,750	(113,479)
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, December 31	<u>\$ 116,229</u>	<u>\$ 2,750</u>	<u>\$ (113,479)</u>

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CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2012

	Coastal Management Program	Parking Lot	Precinct #2 Storm Repairs	Pct #1 Ocean Dr Imprv/TCDBG DRS010020
ASSETS				
<i>Cash and cash equivalents</i>	\$ 98,415	\$ 80,544	\$ 17,796	\$ 1
<i>Due from other funds</i>	--	--	--	--
Total Assets	<u>\$ 98,415</u>	<u>\$ 80,544</u>	<u>\$ 17,796</u>	<u>\$ 1</u>
Liabilities:				
<i>Accrued and other liabilities</i>	\$ --	\$ --	\$ --	\$ --
<i>Due to other funds</i>	98,415	--	--	1
Total Liabilities	<u>98,415</u>	<u>--</u>	<u>--</u>	<u>1</u>
Fund balances:				
<i>Restricted</i>	--	--	--	--
<i>Assigned</i>	--	80,544	17,796	--
Total fund balances	<u>--</u>	<u>80,544</u>	<u>17,796</u>	<u>--</u>
Total Liabilities and Fund Balances	<u>\$ 98,415</u>	<u>\$ 80,544</u>	<u>\$ 17,796</u>	<u>\$ 1</u>

Road and Bridge Infrastructure	Swan Point Park	Airport Runway Improvements	Emergency Communications System	Haterius Park/Boat Ramp
\$ 72,599	\$ 5,096	\$ 99,326	\$ 30,848	\$ 20,000
--	--	--	--	15,000
<u>\$ 72,599</u>	<u>\$ 5,096</u>	<u>\$ 99,326</u>	<u>\$ 30,848</u>	<u>\$ 35,000</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
72,599	5,096	--	--	--
--	--	99,326	30,848	35,000
<u>72,599</u>	<u>5,096</u>	<u>99,326</u>	<u>30,848</u>	<u>35,000</u>
<u>\$ 72,599</u>	<u>\$ 5,096</u>	<u>\$ 99,326</u>	<u>\$ 30,848</u>	<u>\$ 35,000</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2012

	Port Alto Public Beach	Capital Improvements Projects
ASSETS		
<i>Cash and cash equivalents</i>	\$ 30,385	\$ 444,759
<i>Due from other funds</i>	--	--
Total Assets	<u>\$ 30,385</u>	<u>\$ 444,759</u>
Liabilities:		
<i>Accrued and other liabilities</i>	\$ --	\$ --
<i>Due to other funds</i>	--	--
Total Liabilities	<u>--</u>	<u>--</u>
Fund balances:		
<i>Restricted</i>	--	--
<i>Assigned</i>	30,385	444,759
Total fund balances	<u>30,385</u>	<u>444,759</u>
Total Liabilities and Fund Balances	<u>\$ 30,385</u>	<u>\$ 444,759</u>

Courthouse Annex II	Health Department Renovation	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
\$ 25,756	\$ 88,879	\$ 1,014,404
--	--	15,000
<u>\$ 25,756</u>	<u>\$ 88,879</u>	<u>\$ 1,029,404</u>
\$ 8,466	\$ --	\$ 8,466
--	--	98,416
<u>8,466</u>	<u>--</u>	<u>106,882</u>
--	--	77,695
17,290	88,879	844,827
17,290	88,879	922,522
<u>\$ 25,756</u>	<u>\$ 88,879</u>	<u>\$ 1,029,404</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Coastal Management Program	EMS Building	Parking Lot	Precinct #2 Storm Repairs
Revenues:				
<i>Intergovernmental</i>	\$ 62,307	\$ --	\$ --	\$ --
<i>Gifts and contributions</i>	--	--	--	--
Total revenues	<u>62,307</u>	<u>--</u>	<u>--</u>	<u>--</u>
Expenditures:				
Current:				
<i>Public facilities</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Health and welfare</i>	--	15	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	62,307	--	--	--
Total expenditures	<u>62,307</u>	<u>15</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	(15)	--	--
Other financing sources (uses):				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	(18,042)	--	--
Total other financing sources (uses)	<u>--</u>	<u>(18,042)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(18,057)	--	--
Fund balances, January 1	<u>--</u>	<u>18,057</u>	<u>80,544</u>	<u>17,796</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 80,544</u>	<u>\$ 17,796</u>

Pct #1 Ocean Dr Imprv/TCDBG DRS010020	Road and Bridge Infrastructure	Swan Point Park	Airport Runway Improvements	Emergency Communications System
\$ --	\$ 72,310	\$ --	\$ 44,820	\$ --
--	--	--	--	--
--	72,310	--	44,820	--
--	--	--	105,181	--
--	142,480	--	--	--
--	--	--	--	--
--	--	--	--	--
1,200	--	--	--	--
1,200	142,480	--	105,181	--
(1,200)	(70,170)	--	(60,361)	--
5,200	--	--	--	--
--	--	--	--	--
5,200	--	--	--	--
4,000	(70,170)	--	(60,361)	--
(4,000)	142,769	5,096	159,687	30,848
\$ --	\$ 72,599	\$ 5,096	\$ 99,326	\$ 30,848

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Haterius Park/Boat Ramp	Port Alto Public Beach	Capital Improvements Projects
Revenues:			
<i>Intergovernmental</i>	\$ --	\$ --	\$ --
<i>Gifts and contributions</i>	--	--	--
Total revenues	<u> --</u>	<u> --</u>	<u> --</u>
Expenditures:			
Current:			
<i>Public facilities</i>	--	--	--
<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>
Excess (deficiency) of revenues over (under) expenditures	--	--	--
Other financing sources (uses):			
<i>Transfers in</i>	35,000	--	--
<i>Transfers out</i>	--	--	--
Total other financing sources (uses)	<u>35,000</u>	<u> --</u>	<u> --</u>
Net change in fund balances	35,000	--	--
Fund balances, January 1	<u> --</u>	<u>30,385</u>	<u>444,759</u>
Fund balances, December 31	<u>\$ 35,000</u>	<u>\$ 30,385</u>	<u>\$ 444,759</u>

Seadrift Library	Courthouse Annex II	Annex Renovation	Health Department Renovation	Energy Efficiency/SECO Stimulus
\$ --	\$ --	\$ --	\$ --	\$ 21,012
34,712	--	--	--	--
<u>34,712</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>21,012</u>
--	--	--	--	--
--	--	--	--	--
38,718	--	--	--	--
--	--	140	23,559	21,012
<u>38,718</u>	<u>--</u>	<u>140</u>	<u>23,559</u>	<u>21,012</u>
(4,006)	--	(140)	(23,559)	--
3,237	--	--	--	--
--	--	(16,141)	(4,000)	--
<u>3,237</u>	<u>--</u>	<u>(16,141)</u>	<u>(4,000)</u>	<u>--</u>
(769)	--	(16,281)	(27,559)	--
<u>769</u>	<u>17,290</u>	<u>16,281</u>	<u>116,438</u>	<u>--</u>
<u>\$ --</u>	<u>\$ 17,290</u>	<u>\$ --</u>	<u>\$ 88,879</u>	<u>\$ --</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Magnolia Beach Jetty Construction	Olivia/Port Alto Ambulance	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
Revenues:			
<i>Intergovernmental</i>	\$ 101,625	\$ --	\$ 302,074
<i>Gifts and contributions</i>	--	50,000	84,712
Total revenues	<u>101,625</u>	<u>50,000</u>	<u>386,786</u>
Expenditures:			
Current:			
<i>Public facilities</i>	--	--	105,181
<i>Roads and bridges</i>	--	--	142,480
<i>Health and welfare</i>	--	--	15
<i>Culture and recreation</i>	--	--	38,718
<i>Nondepartmental</i>	148,500	93,400	350,118
Total expenditures	<u>148,500</u>	<u>93,400</u>	<u>636,512</u>
Excess (deficiency) of revenues over (under) expenditures	(46,875)	(43,400)	(249,726)
Other financing sources (uses):			
<i>Transfers in</i>	3,733	5,400	52,570
<i>Transfers out</i>	--	--	(38,183)
Total other financing sources (uses)	<u>3,733</u>	<u>5,400</u>	<u>14,387</u>
Net change in fund balances	(43,142)	(38,000)	(235,339)
Fund balances, January 1	<u>43,142</u>	<u>38,000</u>	<u>1,157,861</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 922,522</u>

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CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2012

	County Clerk Funds	District Clerk Funds	Justice of the Peace Funds	District Attorney Funds
ASSETS				
Assets:				
<i>Cash and cash equivalents</i>	\$ 78,741	\$ 246,959	\$ 15,951	\$ 12,782
<i>Due from other funds</i>	--	--	--	--
<i>Due from others</i>	--	--	1,855	--
	<u>78,741</u>	<u>246,959</u>	<u>17,806</u>	<u>12,782</u>
Total Assets	\$ <u>78,741</u>	\$ <u>246,959</u>	\$ <u>17,806</u>	\$ <u>12,782</u>
LIABILITIES				
<i>Due to other funds</i>	\$ 3,856	\$ 2,468	\$ 12,225	\$ --
<i>Due to other governments</i>	296	--	--	--
<i>Due to others</i>	74,589	244,491	5,581	12,782
	<u>78,741</u>	<u>246,959</u>	<u>17,806</u>	<u>12,782</u>
Total Liabilities	\$ <u>78,741</u>	\$ <u>246,959</u>	\$ <u>17,806</u>	\$ <u>12,782</u>

Tax Collector Funds	Sheriff Funds	County Auditor Funds	County Treasurer Funds	Total Agency Funds (See Exhibit A-7)
\$ 162,651	\$ 165,026	\$ 49,610	\$ 104,323	\$ 836,043
--	--	--	158,260	158,260
<u>12,371</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>14,240</u>
<u>\$ 175,022</u>	<u>\$ 165,026</u>	<u>\$ 49,610</u>	<u>\$ 262,597</u>	<u>\$ 1,008,543</u>
\$ 138,631	\$ 1,080	\$ --	\$ --	\$ 158,260
34,465	--	--	237,578	272,339
<u>1,926</u>	<u>163,946</u>	<u>49,610</u>	<u>25,019</u>	<u>577,944</u>
<u>\$ 175,022</u>	<u>\$ 165,026</u>	<u>\$ 49,610</u>	<u>\$ 262,597</u>	<u>\$ 1,008,543</u>

CALHOUN COUNTY, TEXAS

STATEMENT OF NET POSITION

ENTERPRISE FUND

DECEMBER 31, 2012

	Enterprise Fund Memorial Medical Center
ASSETS	
Current assets:	
<i>Cash and cash equivalents</i>	\$ 2,541,589
<i>Investments</i>	500,000
Receivables (net of allowances for uncollectibles):	
<i>Accounts</i>	2,603,731
<i>Estimated amounts due from third-party payors</i>	377,236
<i>Supplies</i>	628,145
<i>Prepaid items and other current assets</i>	1,968,744
Total current assets	<u>8,619,445</u>
Capital assets :	
<i>Land</i>	32,143
<i>Buildings</i>	9,229,238
<i>Equipment</i>	13,248,687
<i>Accumulated depreciation</i>	(18,693,517)
Total capital assets	<u>3,816,551</u>
Total Assets	<u>12,435,996</u>
LIABILITIES	
Current liabilities:	
<i>Accounts payable</i>	812,633
<i>Accrued and other liabilities</i>	2,430,261
<i>Capital leases payable - current portion</i>	285,574
<i>Loan payable to primary government</i>	500,000
Total current liabilities	<u>4,028,468</u>
Noncurrent liabilities:	
<i>Capital leases payable</i>	505,724
Total noncurrent liabilities	<u>505,724</u>
Total Liabilities	<u>4,534,192</u>
NET ASSETS	
<i>Net investment in capital assets</i>	3,025,253
<i>Restricted for equipment acquisition</i>	31,620
<i>Unrestricted</i>	4,844,931
Total Net Position	<u>\$ 7,901,804</u>

CALHOUN COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN FUND NET ASSETS - ENTERPRISE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Enterprise Fund <u>Memorial Medical Center</u>
OPERATING REVENUES:	
<i>Patient service revenues (net)</i>	\$ 20,202,316
<i>Other</i>	555,508
Total Operating Revenues	<u>20,757,824</u>
OPERATING EXPENSES:	
<i>Salaries and wages</i>	7,946,947
<i>Employee benefits</i>	2,374,092
<i>Purchased services and professional fees</i>	4,788,952
<i>Insurance</i>	57,889
<i>Supplies and other</i>	4,424,609
<i>Depreciation and amortization</i>	1,015,970
Total Operating Expenses	<u>20,608,459</u>
Operating Income (Loss)	<u>149,365</u>
NON-OPERATING REVENUES (EXPENSES):	
<i>Noncapital grants and contributions</i>	14,301
<i>Interest revenue</i>	3,514
<i>Interest expense</i>	(28,057)
<i>Private UPL expense</i>	(790,000)
<i>On-behalf of payments</i>	2,503,452
Total Non-operating Revenues (Expenses)	<u>1,703,210</u>
Net Income (Loss) before Capital Contributions and Gifts	<u>1,852,575</u>
Capital Grants and Gifts	<u>24,500</u>
Increase (decrease) in net assets	1,877,075
Net position, January 1	<u>6,024,729</u>
Net position, December 31	<u>\$ 7,901,804</u>

CALHOUN COUNTY, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	Service Funds
Cash Flows from Operating Activities:	
<i>Receipts from and on-half of patients</i>	\$ 18,194,660
<i>Payments to suppliers and contractors</i>	(6,878,536)
<i>Payments to employees</i>	(10,153,750)
<i>Other receipts, net</i>	555,508
Net Cash Provided (Used) by Operating Activities	1,717,882
Cash Flows from Non-capital Financing Activities:	
<i>Private upper-payment limit program payments</i>	(190,000)
<i>On-behalf payments</i>	-
<i>Noncapital grants and contributions</i>	14,301
Net Cash Provided (Used) by Non-capital Financing Activities	(175,699)
Cash Flows from Capital and Related Financing Activities:	
<i>Capital grants and gifts</i>	24,500
<i>Principal paid on long-term debt</i>	(249,989)
<i>Interest paid on long-term debt</i>	(28,057)
<i>Purchase of capital assets</i>	(195,839)
Net Cash Provided (Used) for Capital & Related Financing Activities	(449,385)
Cash Flows from Investing Activities:	
<i>Interest on investments</i>	3,514
<i>Purchase of investments</i>	(500,000)
<i>Proceeds from disposition of investments</i>	500,000
Net Cash Provided (Used) for Investing Activities	3,514
Net Increase (Decrease) in Cash and Cash Equivalents	1,096,312
Cash and Cash Equivalents at Beginning of Year	1,445,277
Cash and Cash Equivalents at End of Year	\$ 2,541,589
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ 149,365
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
<i>Depreciation and amortization</i>	1,015,970
<i>Provision for uncollectible accounts</i>	8,774,000
<i>On-behalf payments</i>	2,503,452
Change in Assets and Liabilities:	
<i>Patients accounts receivable, net</i>	(9,042,597)
<i>Estimated amounts due from and to third-party payers</i>	(884,916)
<i>Accounts payable and accrued expenses</i>	738,974
<i>Other assets and liabilities</i>	(1,536,366)
Total Adjustments	1,568,517
Net Cash Provided (Used) by Operating Activities	\$ 1,717,882
Supplemental Cash Flows Information	
<i>Capital lease obligation incurred for capital assets</i>	\$ 157,700