

CALHOUN COUNTY, TEXAS  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2015

Prepared by  
Cindy Mueller,  
County Auditor



**CALHOUN COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
<b>INTRODUCTORY SECTION</b>		
Letter of Transmittal.....	i	
Directory of Officials and Department Heads.....	ii	
Organizational Chart.....	v	
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report.....	1	
Management's Discussion and Analysis (Required Supplementary Information).....	5	
<u>Basic Financial Statements</u>		
Government-wide Financial Statements:		
Statement of Net Position.....	15	A-1
Statement of Activities.....	16	A-2
Fund Financial Statements:		
Balance Sheet - Governmental Funds.....	18	A-3
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position.....	19	A-4
Statement of Revenues, Expenditures, and Changes in		
Fund Balances - Governmental Funds.....	20	A-5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in		
Fund Balances of Governmental Funds to the Statement of Activities.....	21	A-6
Statement of Fiduciary Net Position - Fiduciary Funds.....	22	A-7
Notes to the Financial Statements .....	23	
<u>Required Supplementary Information</u>		
Budgetary Comparison Schedules:		
General Fund.....	47	B-1
Schedule of Changes in Net Pension Liability		
And Related Ratios - Calhoun County Pension Plan .....	48	B-2
Schedule of Contributions - Calhoun County Pension Plan.....	49	B-3
Schedule of Changes in Net Pension Liability		
And Related Ratios - Memorial Medical Center Pension Plan .....	50	B-4
Schedule of Contributions - Memorial Medical Center Pension Plan.....	51	B-5
<u>Combining Statements and Budgetary Comparison Schedules as Supplementary Information:</u>		
Combining Balance Sheet - All Nonmajor Governmental Funds.....	54	C-1
Combining Statement of Revenues, Expenditures and Changes in		
Fund Balances - All Nonmajor Governmental Funds.....	55	C-2

**CALHOUN COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	56	C-3
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	66	C-4
Budgetary Comparison Schedules:		
Airport Fund.....	75	C-5
Appellate Judicial System.....	76	C-6
Coastal Protection Fund.....	77	C-7
County & District Court Technology Fund.....	78	C-8
County Child Abuse Prevention Fund.....	79	C-9
County Child Welfare Board Fund.....	80	C-10
Court House Security Fund.....	81	C-11
Court Initiated Guardianship Fund.....	82	C-12
Court Records Preservation Fund.....	83	C-13
County Clerk Records Archive Fund.....	84	C-14
District Attorney Forfeiture Fund.....	85	C-15
Drug/DWI Court Program Fund.....	86	C-16
Juvenile Case Manager Fund.....	87	C-17
Family Protection Fund.....	88	C-18
Juvenile Delinquency Prevention Fund.....	89	C-19
Justice Court Technology.....	90	C-20
Justice Court Building Security Fund.....	91	C-21
Lateral Road Fund Precinct #1.....	92	C-22
Lateral Road Fund Precinct #2.....	93	C-23
Lateral Road Fund Precinct #3.....	94	C-24
Lateral Road Fund Precinct #4.....	95	C-25
Juror Donations County Humane Society Fund.....	96	C-26
Pretrial Services Fund.....	97	C-27
Law Library Fund.....	98	C-28
Port O'Connor Community Center.....	99	C-29
Records Mgmt/Preservation District Clerk Fund.....	100	C-30
County Clerk Records Management Fund.....	101	C-31
Records Management and Preservation Fund.....	102	C-32
Road and Bridge Fund General.....	103	C-33
Sheriff Forfeited Property Fund.....	104	C-34
6 Mile Pier/Boat Ramp Insur/Maint (Alcoa) Fund.....	105	C-35
Debt Service Funds:		
Combining Balance Sheet - Nonmajor Debt Service Funds.....	106	C-36
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds.....	107	C-37

**CALHOUN COUNTY, TEXAS**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
Budgetary Comparison Schedules:		
2010 Refunding Debt Service.....	108	C-38
Debt Service Refunding 2012 Fund.....	109	C-39
Capital Projects Funds:		
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	110	C-40
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	114	C-41
Fiduciary Funds:		
Agency Funds:		
Combining Statement of Fiduciary Assets and Liabilities.....	118	C-42
Discrete Component Unit		
Enterprise Fund		
Statement of Net Position .....	120	C-43
Statement of Revenues, Expenses, and Changes in Fund Net Position.....	121	C-44
Statement of Cash Flows .....	122	C-45

This page intentionally left blank.

## INTRODUCTORY SECTION

This page intentionally left blank.



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

July 5, 2016

Honorable Jack Marr  
Judge, 24<sup>th</sup> Judicial District

Honorable Stephen Williams  
Judge, 135<sup>th</sup> Judicial District

Honorable Skipper Koetter  
Judge, 267<sup>th</sup> Judicial District, Retired

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, 2015.

This report covers only the finances of the government of Calhoun County and does not include financial information or financial statements of 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 I. 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 fiscal year 2015 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, 2015, 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, 2015

District Courts

Judge, 24th Judicial District	Jack Marr 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	Anna M. Goodman Calhoun County Courthouse Port Lavaca, Texas
County Sheriff	George Aleman 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, 2015

Elected Precinct Officials

Justice of Peace, Precinct One	Hope D. Kurtz 113 Milwaukee Port Lavaca, Texas
Justice of Peace, Precinct Two	Calvin R. Anderle P.O. Box 805 Port Lavaca, Texas
Justice of Peace, Precinct Three	Tanya D. Dimak P.O. Box 220 Port Lavaca, Texas
Justice of Peace, Precinct Four	Wesley J. Hunt P.O. Box 971 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	Kevin C. Koliba 548 Clark Lane Port Lavaca, Texas
Constable, Precinct Five (Temporary Appointee)	Kevin C. Koliba 548 Clark Lane Port Lavaca, Texas

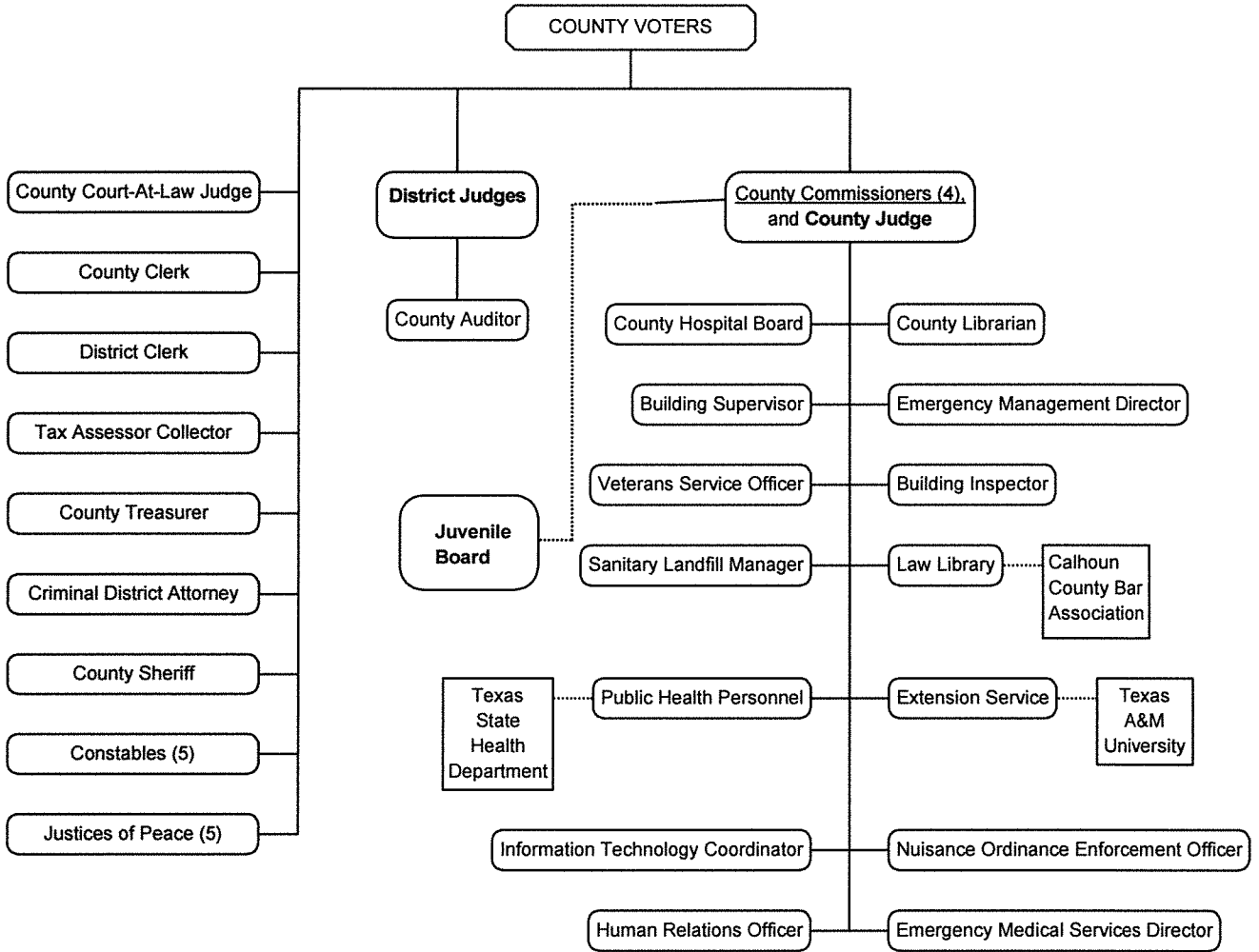
Appointed Personnel

Building Inspector	LaDonna Thigpen Calhoun County Courthouse Port Lavaca, Texas
Building Superintendent	W. Everett Wood Calhoun County Courthouse Port Lavaca, Texas
Chief Probation Officer	Tammy Matula Calhoun County Courthouse Annex Port Lavaca, Texas
Juvenile Probation Officer	Luis Leija Calhoun County Courthouse Annex Port Lavaca, Texas
Veterans Service Officer	Billie R. Langford Calhoun County Courthouse Annex 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, 2015

County Agricultural Agent	Eric C. Taylor 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	Joseph L. Dickschat 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	John Lee McNeill, DO 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	Carl L. King 705 CR101 Port Lavaca, Texas

CALHOUN COUNTY ORGANIZATION CHART  
December 31, 2015



This page intentionally left blank.

## **FINANCIAL SECTION**

This page intentionally left blank.



**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, 2015, 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.

**Auditors' 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. 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 auditors' 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, 2015, 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.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-12 and budgetary comparison information on pages 47-51, 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.

*Change in Accounting Principle*

As discussed in Note IV. M. to the financial statements, in 2015 the County adopted new accounting guidance, *GASB Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

*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.

*Rutledge Crain & Company, PC*

July 5, 2016

## **Management's Discussion and Analysis**

This page intentionally left blank.

## 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, 2015. 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 and deferred outflows of resources of the County exceeded its liabilities and deferred inflows or resources at the close of the fiscal year ended December 31, 2015, by \$61,771,127 (net position). Of this amount, \$30,227,673 (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 \$19,407,663 or 77% of total General Fund expenditures and transfers out.
- ❖ The County's governmental funds reported combined ending fund balances of \$28,458,402 a decrease of \$278,807 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, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. 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, 2015  
(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 57 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, which is a major fund. Data from the other 56 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 120-122.

**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 2015, the County's net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled \$61,771,127. 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, \$30,440,718 or 49%, 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, \$1,102,736 or 3% represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$30,227,673 or 48%, may be used to meet the government's ongoing obligations to citizens and creditors.

**CALHOUN COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
 December 31, 2015  
 (Unaudited)

Table 1  
 Condensed Statement of Net Position

	2015	2014	Change
Current and other assets	\$ 49,952,865	\$ 50,786,537	\$ (833,672)
Capital assets (net of accumulated depreciation)	39,020,169	38,887,459	132,710
Total assets	<u>88,973,034</u>	<u>89,673,996</u>	<u>(700,962)</u>
Deferred outflows of resources	<u>1,853,019</u>	<u>419,763</u>	<u>1,433,256</u>
Current and other liabilities	3,178,271	3,286,997	(108,726)
Long-term liabilities	<u>9,459,970</u>	<u>9,683,632</u>	<u>(223,662)</u>
Total liabilities	<u>12,638,241</u>	<u>12,970,629</u>	<u>(332,388)</u>
Deferred inflows of resources	<u>16,416,685</u>	<u>16,863,562</u>	<u>(446,877)</u>
Net position			
Invested in capital assets	30,440,718	29,354,062	1,086,656
Restricted	1,102,736	1,397,196	(294,460)
Unrestricted	<u>30,227,673</u>	<u>29,508,310</u>	<u>719,363</u>
Total net position	<u>\$ 61,771,127</u>	<u>\$ 60,259,568</u>	<u>\$ 1,511,559</u>

**CALHOUN COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
 December 31, 2015  
 (Unaudited)

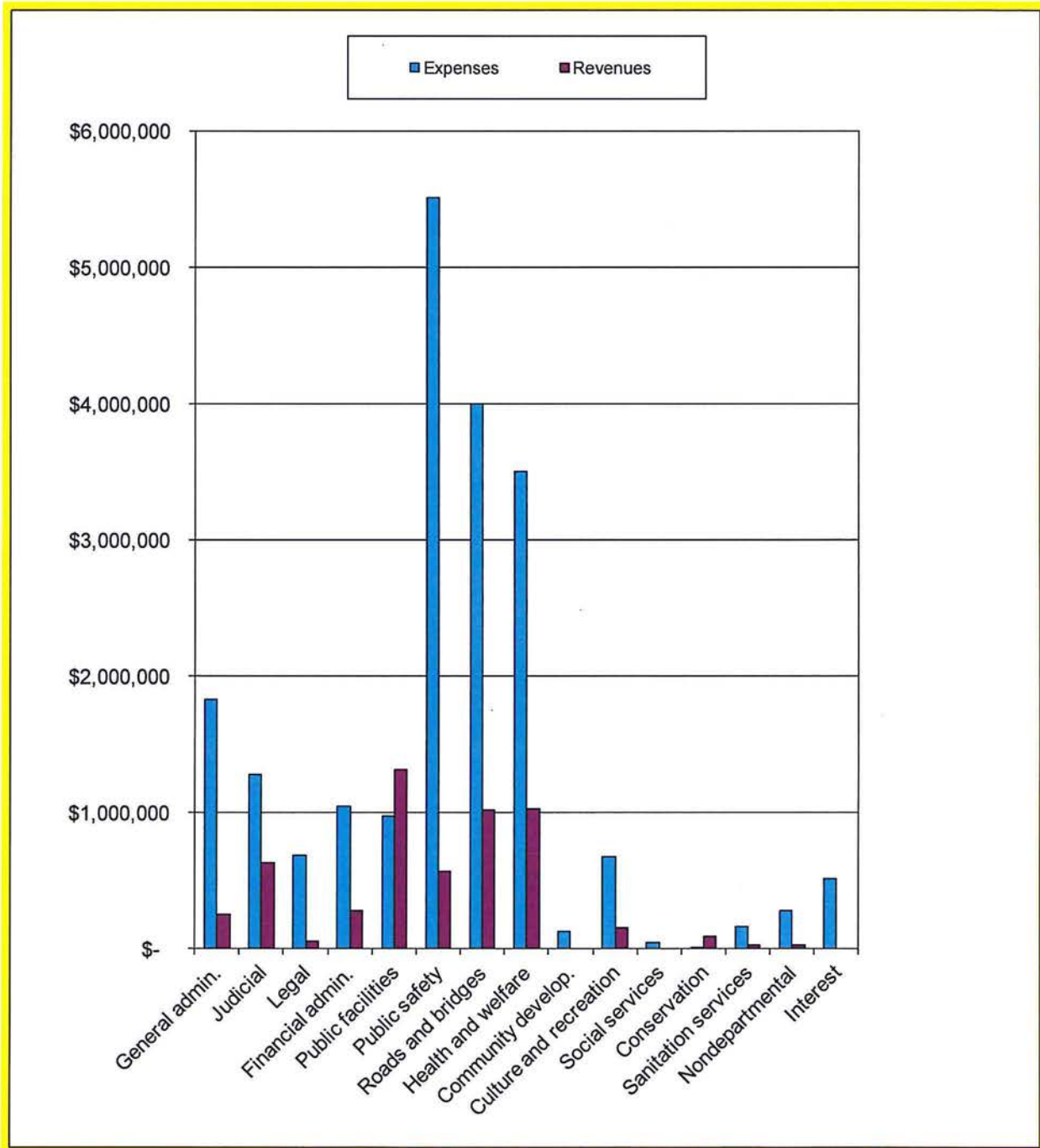
**Changes in Net position.** The net position of the County increased by \$1,036,390 from operations and \$475,169 due to implementation of GASB-68 for the fiscal year ended December 31, 2015. Table 2 provides an analysis of revenues and expenditures comprising the increase.

Table 2  
 Changes in Net Position

	Table 2 Changes in Net Position		
	2015	2014	Change
Revenues:			
Net Program Revenues:			
Charges for services	\$ 2,966,408	\$ 3,035,593	\$ (69,185)
Operating grants and contributions	385,867	574,722	(188,855)
Capital grants and contributions	1,164,391	2,453,662	(1,289,271)
General Revenues:			
Property taxes	17,382,874	17,223,131	159,743
Sales taxes	3,376,372	2,189,966	1,186,406
Other taxes	28,998	25,416	3,582
Unrestricted investments earnings	65,238	62,924	2,314
Miscellaneous	334,361	180,423	153,938
Total revenues	<u>25,704,509</u>	<u>25,745,837</u>	<u>(41,328)</u>
Expenses:			
General administration	2,026,708	1,838,070	188,638
Judicial	1,839,126	1,527,624	311,502
Legal	798,722	765,218	33,504
Financial administration	1,264,131	1,182,289	81,842
Public facilities	1,081,088	1,068,893	12,195
Public safety	5,794,436	6,129,476	(335,040)
Roads and bridges	5,153,347	4,571,268	582,079
Health and welfare	4,976,156	3,519,061	1,457,095
Community development	175,833	155,256	20,577
Culture and recreation	874,490	859,632	14,858
Social services	50,915	38,444	12,471
Conservation	7,750	11,554	(3,804)
Sanitation services	173,894	162,834	11,060
Nondepartmental	160,938	-	160,938
Interest and fiscal charges	290,585	317,869	(27,284)
Total expenses	<u>24,668,119</u>	<u>22,147,488</u>	<u>2,520,631</u>
Change in net position	1,036,390	3,598,349	\$ (2,561,959)
Net position - beginning	60,259,568	56,661,219	
Effect of implementing GASB Statement No. 68	475,169	-	
Net position - ending	<u>\$ 61,771,127</u>	<u>\$ 60,259,568</u>	

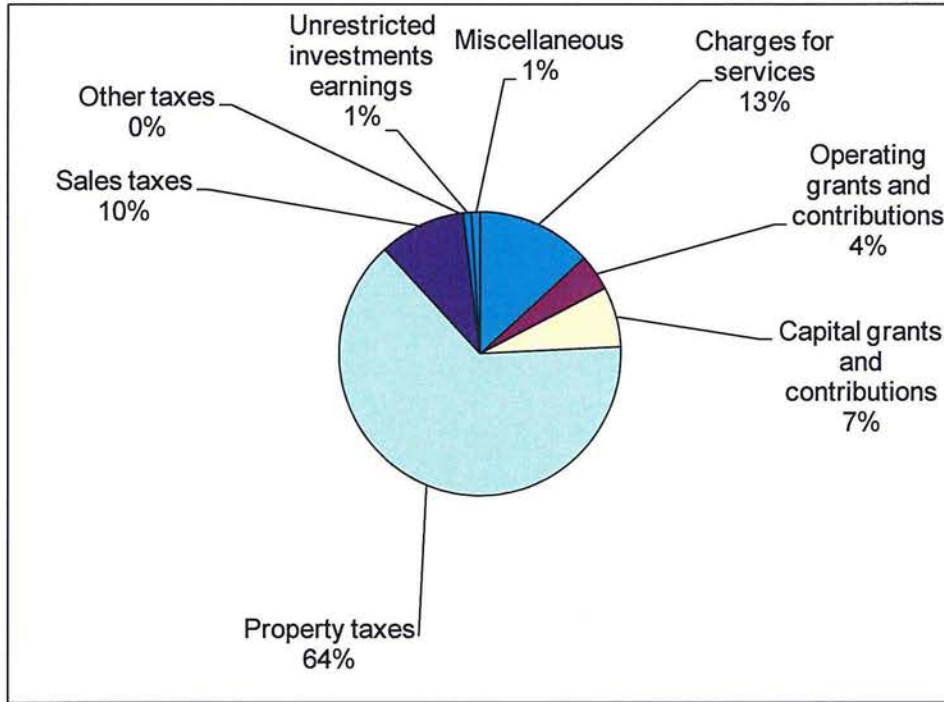


**Program Expenses and Revenues**



The cost of the county's programs exceeded program revenues of \$4,516,666 by \$20,151,453 as illustrated above. Program revenues amounted to 18% of program costs.

**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, unassigned 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 \$28,458,402 a decrease of \$278,807 from 2014.

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 \$19,407,663. The fund balance decreased by \$2,057,464 during the current fiscal year. The primary reason for the decrease was a transfer out to capital project funds, comprised of \$1,000,000 for road infrastructure and \$2,000,000 for a line of credit for the hospital. Revenues decreased \$655,118 or 3% from the prior year and exceeded expenditures by \$336,732.

**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 \$1,935,466 positive variance between the final amended budget and actual expenditures, comprised primarily of the following:

- \$454,486 decrease from budgeted General Administration expenditures related to personnel vacancies and services.
- \$64,989 decrease from budgeted Judicial expenditures related to personnel vacancies and services.
- \$131,117 decrease from Public Facilities expenditures related to personnel vacancies and services.
- \$461,604 decrease from budgeted Public Safety expenditures related to personnel vacancies.
- \$297,913 decrease from Roads and Bridges expenditures related to supplies.
- \$395,033 decrease from budgeted Health and Welfare expenditures related to personnel vacancies and services.

The key factors in the \$2,272,970 positive budget variance in total revenues were increases in property and sales taxes and charges for services.

**CALHOUN COUNTY, TEXAS**  
*Management's Discussion and Analysis*  
 December 31, 2015  
 (Unaudited)

The positive budget variances resulted in \$4,208,436 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, 2015, amounts to \$39,020,169 (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 12/31/15	Balance 12/31/14
Capital assets, not being depreciated:		
Land	\$ 5,790,233	\$ 2,223,166
Construction in progress	1,157,072	4,993,774
Capital assets, being depreciated		
Buildings	15,586,352	16,076,519
Improvements other than buildings	5,052,555	4,776,850
Furniture, fixtures and equipment	5,063,729	5,001,527
Infrastructure	6,370,228	5,815,623
	<u>\$ 39,020,169</u>	<u>\$ 38,887,459</u>

Additional information on capital assets is available at page 33.

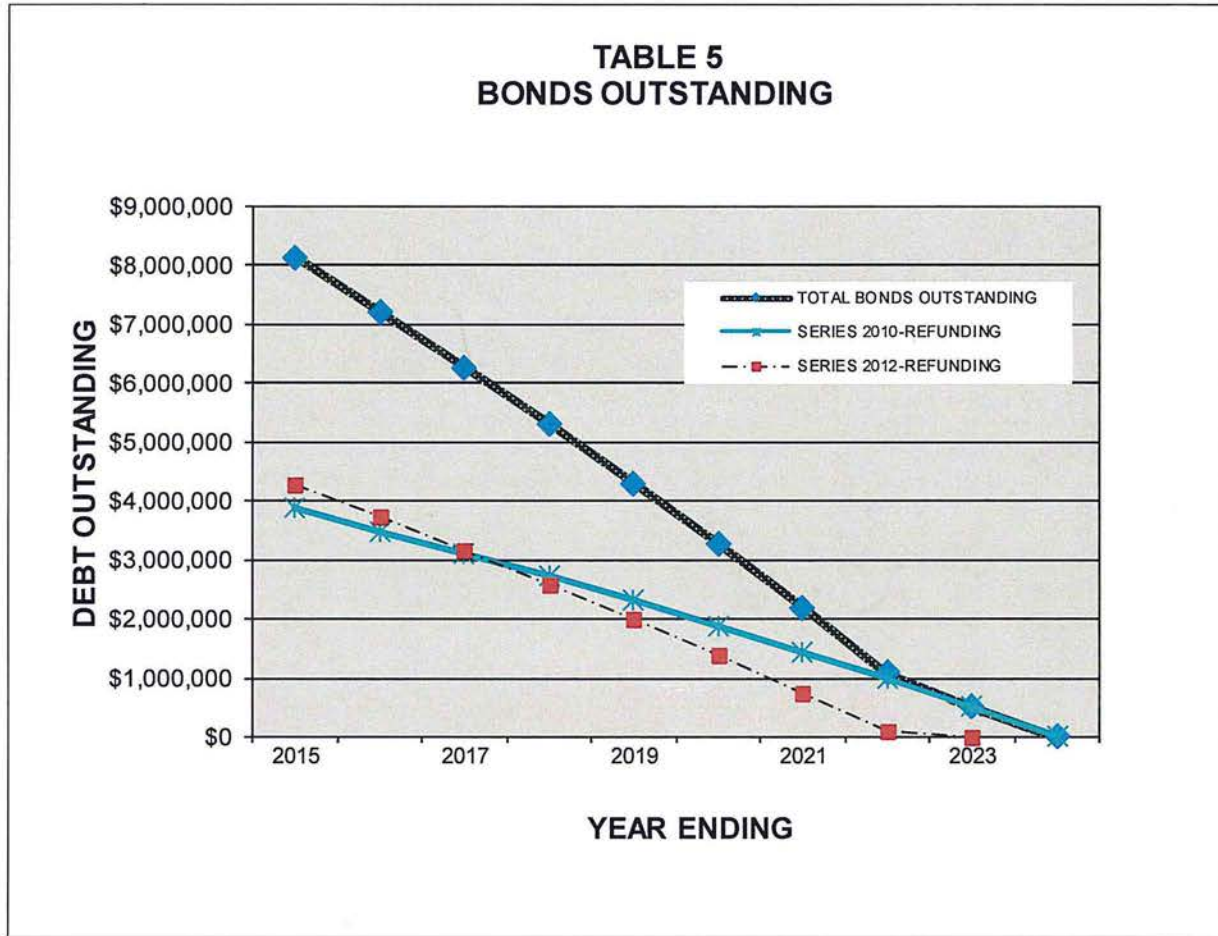
**Debt Administration.**

Table 4  
 Long-Term Debt at Year End

	12/31/15	12/31/14
GOVERNMENTAL ACTIVITIES:		
General obligation bonds	\$ 8,125,000	\$ 9,030,000
Bond premium/discount	454,451	458,460
Capital lease obligation	-	44,936
Compensated absences payable	163,101	150,236
Net pension liability	717,418	565,678
	<u>\$ 9,459,970</u>	<u>\$ 10,249,310</u>

\$8,125,000 general obligation refunding bonds are outstanding. 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 27 and additional information on the County's long-term debt may be found on page 34.

**TABLE 5  
 BONDS OUTSTANDING**



**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Appraised value used for the 2016 budget decreased 4% from 2015. The Commissioners Court maintained the same total tax rate of \$0.4900, resulting in a .39% decrease in the General Fund tax rate. Projected use of fund balance is \$965,000 while maintaining an estimated fund balance of 76% of expenditures at the end of the fiscal year.

Appraised values are expected to decrease for the year 2017.

**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**

This page intentionally left blank.

## CALHOUN COUNTY, TEXAS

STATEMENT OF NET POSITION  
DECEMBER 31, 2015

	Primary Government <u>Governmental Activities</u>	<u>Component Unit</u>
<b>ASSETS</b>		
<i>Cash and cash equivalents</i>	\$ 24,639,225	4,575,917
<i>Receivables (net of allowances for uncollectibles):</i>	9,072,857	7,960,791
<i>Intergovernmental receivable</i>	1,486,870	--
<i>Due from others</i>	234	--
<i>Inventories</i>	585,119	--
<i>Prepaid items and other current assets</i>	165,520	7,375,445
<i>Loan to component unit</i>	3,381,759	--
Restricted assets:		
<i>Cash and cash equivalents</i>	10,621,281	--
Capital assets (net, where applicable, of accumulated depreciation)		
<i>Land</i>	5,790,233	320,593
<i>Construction in progress</i>	1,157,072	3,796,074
<i>Buildings</i>	15,586,352	1,409,634
<i>Improvements other than buildings</i>	5,052,555	--
<i>Furniture, fixtures and equipment</i>	5,063,729	2,092,408
<i>Infrastructure</i>	6,370,228	--
<b>Total Assets</b>	<u>88,973,034</u>	<u>27,530,862</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,853,019</u>	<u>1,193,358</u>
<b>LIABILITIES</b>		
<i>Accounts payable</i>	499,524	7,760,825
<i>Accrued and other liabilities</i>	548,246	3,680,808
<i>Due to primary government</i>	--	3,381,759
<i>Due to other governments</i>	1,325,184	--
<i>Due to others</i>	805,317	--
Noncurrent liabilities:		
<i>Due in one year</i>	1,819,746	265,632
<i>Due in more than one year</i>	7,640,224	612,598
<b>Total Liabilities</b>	<u>12,638,241</u>	<u>15,701,622</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>16,416,685</u>	<u>--</u>
<b>NET POSITION:</b>		
Net Investment in Capital Assets	30,440,718	6,875,823
Restricted For:		
<i>Debt Service</i>	122,519	--
<i>Capital Projects</i>	980,217	--
Unrestricted	30,227,673	6,146,775
<b>Total Net Position</b>	<u>\$ 61,771,127</u>	<u>13,022,598</u>

The accompanying notes are an integral part of this statement.

**CALHOUN COUNTY, TEXAS**  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
<i>General administration</i>	\$ 2,026,708	\$ 360,573	\$ 2,094	\$ 144,383
<i>Judicial</i>	1,839,126	350,205	122,857	--
<i>Legal</i>	798,722	17,417	--	--
<i>Financial administration</i>	1,264,131	546,958	--	--
<i>Public facilities</i>	1,081,088	8,913	25,485	--
<i>Public safety</i>	5,794,436	207,478	126,412	2,422
<i>Roads and bridges</i>	5,153,347	624,607	2,000	978,627
<i>Health and welfare</i>	4,976,156	790,712	73,307	--
<i>Community development</i>	175,833	--	--	--
<i>Culture and recreation</i>	874,490	29,602	12,577	38,959
<i>Social services</i>	50,915	1,248	--	--
<i>Conservation</i>	7,750	--	21,135	--
<i>Sanitation services</i>	173,894	28,130	--	--
<i>Nondepartmental</i>	160,938	565	--	--
<i>Interest and fiscal charges</i>	290,585	--	--	--
Total governmental activities	<u>24,668,119</u>	<u>2,966,408</u>	<u>385,867</u>	<u>1,164,391</u>
Total Primary Government	<u>\$ 24,668,119</u>	<u>\$ 2,966,408</u>	<u>\$ 385,867</u>	<u>\$ 1,164,391</u>
<b>COMPONENT UNIT:</b>				
Memorial Medical Center	<u>\$ 70,597,641</u>	<u>\$ 67,566,241</u>	<u>\$ 3,123,679</u>	<u>\$ 1,740,236</u>

General Revenues:  
*Ad valorem taxes*  
*Sales taxes*  
*Other taxes*  
*Unrestricted Investment Earnings*  
*Miscellaneous*  
 Total General Revenues  
 Change in Net Assets  
 Net Position - Beginning  
 Adjustment for Adoption of New Accounting Standard (Note I. H.)  
 Net Position - Ending

The accompanying notes are an integral part of this statement.



<u>Net (Expense) Revenue and</u> <u>Changes in Net Position</u>	
<u>Governmental</u> <u>Activities</u>	<u>Component</u> <u>Unit</u>
\$ (1,519,658)	
(1,366,064)	
(781,305)	
(717,173)	
(1,046,690)	
(5,458,124)	
(3,548,113)	
(4,112,137)	
(175,833)	
(793,352)	
(49,667)	
13,385	
(145,764)	
(160,373)	
(290,585)	
<u>(20,151,453)</u>	
<u>(20,151,453)</u>	
	\$ <u>1,832,515</u>
17,382,874	--
3,376,372	--
28,998	--
65,238	1,245
334,361	--
<u>21,187,843</u>	<u>1,245</u>
1,036,390	1,833,760
60,259,568	10,427,421
475,169	761,417
<u>\$ 61,771,127</u>	<u>\$ 13,022,598</u>

**CALHOUN COUNTY, TEXAS**BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
<i>Cash and cash equivalents</i>	\$ 19,466,759	\$ 5,172,466	\$ 24,639,225
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Taxes</i>	4,807,513	336,867	5,144,380
<i>Accounts</i>	3,616,081	312,396	3,928,477
<i>Intergovernmental receivable</i>	1,449,530	37,340	1,486,870
<i>Due from other funds</i>	710,973	35,621	746,594
<i>Due from others</i>	234	--	234
<i>Inventories</i>	585,119	--	585,119
<i>Prepaid items and other current assets</i>	164,631	889	165,520
<i>Loan to component unit</i>	1,475,000	1,906,759	3,381,759
<i>Restricted assets:</i>			
<i>Cash and cash equivalents</i>	9,878,431	742,850	10,621,281
 <b>Total Assets</b>	 <b>\$ 42,154,271</b>	 <b>\$ 8,545,188</b>	 <b>\$ 50,699,459</b>
<b>LIABILITIES</b>			
<i>Accounts payable</i>	\$ 456,816	\$ 42,708	\$ 499,524
<i>Accrued and other liabilities</i>	426,155	13,513	439,668
<i>Due to other funds</i>	35,458	711,136	746,594
<i>Due to other governments</i>	1,316,583	8,601	1,325,184
<i>Due to others</i>	773,159	32,158	805,317
<b>Total Liabilities</b>	<b>3,008,171</b>	<b>808,116</b>	<b>3,816,287</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	 <b>16,988,688</b>	 <b>1,436,082</b>	 <b>18,424,770</b>
<b>FUND BALANCE</b>			
<i>Nonspendable</i>	2,224,749	1,907,648	4,132,397
<i>Restricted</i>	--	3,888,011	3,888,011
<i>Assigned</i>	525,000	514,177	1,039,177
<i>Unassigned</i>	19,407,663	(8,846)	19,398,817
<b>Total Fund Balance</b>	<b>22,157,412</b>	<b>6,300,990</b>	<b>28,458,402</b>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balance</b>	 <b>\$ 42,154,271</b>	 <b>\$ 8,545,188</b>	 <b>\$ 50,699,459</b>

The accompanying notes are an integral part of this statement.

**CALHOUN COUNTY, TEXAS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 DECEMBER 31, 2015

Total fund balances - governmental funds balance sheet	\$ 28,458,402
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.	39,020,169
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	261,550
Payables for bond principal which are not due in the current period are not reported in the funds.	(8,579,451)
Payables for bond interest which are not due in the current period are not reported in the funds.	(108,578)
Payables for compensated absences which are not due in the current period are not reported in the funds.	(163,101)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	377,263
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	1,446,902
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.	299,634
Recognition of the County's proportionate share of the net pension liability is not reported in the funds.	(717,418)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	<u>1,475,756</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 61,771,127</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, 2015

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
<i>Ad valorem taxes</i>	\$ 16,262,055	\$ 1,145,697	\$ 17,407,752
<i>Sales taxes</i>	3,376,372	--	3,376,372
<i>Other taxes</i>	28,998	--	28,998
<i>Intergovernmental</i>	201,962	1,204,933	1,406,895
<i>Charges for services</i>	1,745,896	433,322	2,179,218
<i>Permits and licenses</i>	14,784	263,742	278,526
<i>Fines and forfeitures</i>	218,397	59,514	277,911
<i>Interest</i>	56,114	9,125	65,239
<i>Gifts and contributions</i>	--	63,043	63,043
<i>Rents and leases</i>	12,819	15,350	28,169
<i>Miscellaneous</i>	518,596	18,037	536,633
<b>Total revenues</b>	<u>22,435,993</u>	<u>3,212,763</u>	<u>25,648,756</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<i>General administration</i>	1,703,607	41,359	1,744,966
<i>Judicial</i>	1,818,861	10,573	1,829,434
<i>Legal</i>	788,412	25,527	813,939
<i>Financial administration</i>	1,269,839	--	1,269,839
<i>Public facilities</i>	844,740	51,942	896,682
<i>Public safety</i>	5,444,979	146,215	5,591,194
<i>Roads and bridges</i>	4,237,866	2,002,499	6,240,365
<i>Health and welfare</i>	4,911,355	6,564	4,917,919
<i>Community development</i>	179,291	--	179,291
<i>Culture and recreation</i>	593,558	123,560	717,118
<i>Social services</i>	51,199	--	51,199
<i>Conservation</i>	7,750	29,642	37,392
<i>Sanitation services</i>	200,889	--	200,889
<i>Nondepartmental</i>	--	250,557	250,557
<b>Debt service:</b>			
<i>Principal</i>	45,531	905,000	950,531
<i>Interest and fiscal charges</i>	1,384	287,604	288,988
<b>Total expenditures</b>	<u>22,099,261</u>	<u>3,881,042</u>	<u>25,980,303</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	336,732	(668,279)	(331,547)
<b>Other financing sources (uses):</b>			
<i>Transfers in</i>	680,847	3,142,088	3,822,935
<i>Transfers out</i>	(3,127,783)	(695,152)	(3,822,935)
<i>Gain on sale of capital assets</i>	52,740	--	52,740
<b>Total other financing sources (uses)</b>	<u>(2,394,196)</u>	<u>2,446,936</u>	<u>52,740</u>
<b>Net change in fund balances</b>	(2,057,464)	1,778,657	(278,807)
<b>Fund balance, January 1</b>	<u>24,214,876</u>	<u>4,522,333</u>	<u>28,737,209</u>
<b>Fund balance, December 31</b>	<u>\$ 22,157,412</u>	<u>\$ 6,300,990</u>	<u>\$ 28,458,402</u>

The accompanying notes are an integral part of this statement.

**CALHOUN COUNTY, TEXAS**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015

Net change in fund balances - total governmental funds	\$ (278,807)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	2,607,758
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,423,878)
The gain or loss on the sale of capital assets is not reported in the funds.	(53,591)
Donations of capital assets increase net position in the SOA but not in the funds.	2,422
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(24,878)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	905,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	45,681
(Increase) decrease in accrued interest from beginning of period to end of period.	(1,749)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(12,864)
Certain ambulance receivables are deferred in the funds. This is the change in these amounts this year.	(6,880)
Uncollected court fines are not recorded as revenue in the funds.	32,349
Pension expense relating to GASB 68 is recorded in the SOA but not in the funds.	<u>245,828</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 1,036,390</u>

The accompanying notes are an integral part of this statement.

**CALHOUN COUNTY, TEXAS**  
*STATEMENT OF FIDUCIARY NET POSITION*  
*FIDUCIARY FUNDS*  
*DECEMBER 31, 2015*

	<u>Agency Funds</u>
<b>ASSETS</b>	
<i>Cash and cash equivalents</i>	\$ 1,447,681
Receivables (net of allowances for uncollectibles):	
<i>Accounts</i>	3,910
<i>Intergovernmental receivable</i>	28,622
<i>Due from other funds</i>	22,062
<i>Due from others</i>	<u>8,187</u>
 <b>Total Assets</b>	 \$ <u><u>1,510,462</u></u>
 <b>LIABILITIES</b>	
 <i>Due to other funds</i>	\$ 22,062
<i>Due to other governments</i>	996,383
<i>Due to others</i>	<u>492,017</u>
 <b>Total Liabilities</b>	 \$ <u><u>1,510,462</u></u>

The accompanying notes are an integral part of this statement.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) 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.

**A. Reporting Entity**

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

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

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

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

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

**B. Use of Estimates**

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

**C. Government-wide and Fund Financial Statements**

**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, 2015 are intended to finance the County's budget for the fiscal year beginning January 1, 2016; accordingly, recognition of revenue from this levy has been deferred to the next fiscal year.

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

The County reports the following major governmental fund:

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

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

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

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

1. Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.



2. Current-year contributions, health care expenses and administrative expenses which are not received or paid until the subsequent year, are accrued.

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

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

#### **E. 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, deferred outflows of resources, liabilities, deferred inflows of resources, 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 2015, 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.

**Memorial Medical Center Patient Accounts Receivable** - MMC and nursing homes (see Note XI. A.) report patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others. The Medical Center provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. The nursing homes provide an allowance for uncollectible accounts based upon a percentage of total revenue based on historical collection information.

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

**5. Capital Assets**

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

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

Capital Asset Class	Life in Years	
	County	MMC
Buildings	15 - 50	25 - 40
Improvements other than buildings	45	25 - 40
Equipment	5 - 20	5 - 20
Leased assets	3 - 7	N/A
Infrastructure	35 - 40	N/A

**6. Deferred Outflows of Resources**

Transactions not meeting the definition of an asset or that result in the consumption of net position in one period that are applicable to future periods are reported as deferred outflows of resources.

**7. 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.

**8. Deferred Inflows of Resources**

Transactions not meeting the definition of a liability that result in the acquisition of net position in one period that are applicable to future periods are reported as deferred inflows of resources.

## 10. Fund Equity

In government-wide statements, net position is classified into three categories as follows:

- a. **Net investment in capital assets** – 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.
- b. **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.
- c. **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:

- a. **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.
- b. **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.
- 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.

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

	Major Governmental Fund		Total
	General Fund	Nonmajor Funds	
Fund Balances:			
Nonspendable:			
Inventory	\$ 585,119	\$ -	\$ 585,119
Prepaid items	164,631	889	165,520
Loan to MMC	1,475,000	1,906,759	3,381,759
Restricted for:			
Airport operations	-	19,137	19,137
Capital projects	-	604,475	604,475
Culture and recreation	-	92,506	92,506
Conservation	-	-	-
Debt service	-	108,774	108,774
Justice administration	-	439,245	439,245
Legal administration	-	233,823	233,823
Preservation	-	447,925	447,925
Public facilities	-	49,426	49,426
Public safety	-	131,844	131,844
Road & bridge maintenance	-	1,670,449	1,670,449
Health and welfare	-	-	-
Other purposes	-	90,407	90,407
Assigned to:			
Election services	-	74,906	74,906
Public safety	-	1,937	1,937
Culture and recreation	-	52,746	52,746
Capital projects	-	384,208	384,208
Future loan to MMC	1,500,000	-	1,500,000
Unassigned:	18,432,662	(8,466)	18,424,196
	<u>\$ 22,157,412</u>	<u>\$ 6,300,990</u>	<u>\$ 28,458,402</u>

**G. Reclassifications**

Certain reclassifications have been made in the 2015 financial which had no material effect on the comparison with the 2014 financial statements.

**H. Change in Accounting Principles**

In June 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and in November 2013 issued GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. In addition to making changes to how annual pension expense is to be calculated for defined benefit pension plans, the standards also require that governmental entities record an asset or liability in their financial statements that is equal to the net pension asset or liability. Historically, governmental entities have only been required to record a liability, if any, for the difference between annual pension cost (APC) and the amount of APC contributed to the plan. Restatement of the 2014 financial statements is not practical because prior year information calculated under the provisions of GASB 68 and GASB 71 is not

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
*December 31, 2015*

available. The County and MMC have reported the cumulative effect of applying GASB 68 and GASB 71 as a restatement of net position as of January 1, 2015. This restatement increased beginning net position of the County and MMC by \$475,169 and \$761,417, respectively.

**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 amount from debt refunding	\$ <u>377,263</u>
-------------------------------------	-------------------

**III. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES**

**A. Deposits and Investments**

At year end, the carrying amount of the County's cash and cash equivalents was \$41,784,104 (including \$1,447,681 for agency funds and \$4,575,917 for MMC) and the bank balance was \$40,704,372. 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 \$57,096,051 and fair value of \$58,004,998.

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 2015, 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

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

31 until the first day of the budget year for which the taxes are levied. As a result, taxes collected between these dates are shown as restricted cash and deferred revenue on the balance sheets of the General and Debt Service Funds.

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

**B. Receivables**

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

Receivables for individual major funds and nonmajor funds in the aggregate and for the discrete component unit at December 31, 2015 were as follows:

	General	Nonmajor Funds	Primary Government	DCU
Taxes receivable	\$ 5,060,540	\$ 354,597	\$ 5,415,137	\$ -
Allowance for uncollectible taxes	(253,027)	(17,730)	(270,757)	-
	<u>4,807,513</u>	<u>336,867</u>	<u>5,144,380</u>	<u>-</u>
Accounts receivable	11,253,056	673,455	11,926,511	12,187,791
Allowance for uncollectible accounts	(7,636,975)	(361,059)	(7,998,034)	(4,227,000)
	<u>3,616,081</u>	<u>312,396</u>	<u>3,928,477</u>	<u>7,960,791</u>
Total	<u>\$ 8,423,594</u>	<u>\$ 649,263</u>	<u>\$ 9,072,857</u>	<u>\$ 7,960,791</u>

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
December 31, 2015

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

	Unavailable	Unearned	Difference
<b>Major Funds</b>			
<b>General Fund</b>			
Tax levy receivable	\$ 4,775,619	\$ 4,527,814	\$ 247,805
Taxes collected in advance	10,713,769	10,713,769	-
Fines receivable	1,152,475	-	1,152,475
Ambulance fees receivable	345,925	46,291	299,634
Other revenue collected in advance	900	900	-
	<u>16,988,688</u>	<u>15,288,774</u>	<u>1,699,914</u>
<b>Non-major Funds</b>			
<b>Tax levy receivable</b>			
Debt Service - 2010 Refunding	158,043	153,141	4,902
Debt Service - 2012 Refunding	180,555	171,712	8,843
<b>Taxes collected in advance</b>			
Debt Service - 2010 Refunding	347,804	347,804	-
Debt Service - 2012 Refunding	453,555	453,555	-
<b>Fines receivable</b>			
County and District Court Technology	1,366	-	1,366
Courthouse Security	16,030	-	16,030
Drug/DWI Court Program	720	-	720
Juvenile Case Manager	2,799	-	2,799
Justice Court Technology	14,182	-	14,182
Justice Court Building Security	1,245	-	1,245
Pretrial Services	1,418	-	1,418
District Clerk Records Management/Preservation	983	-	983
County Clerk Records Management	1,130	-	1,130
Records Management and Preservation	19,010	-	19,010
Road and Bridge	235,542	-	235,542
<b>Other revenue collected in advance</b>			
Port O'Connor Community Center	1,700	1,700	-
	<u>1,436,082</u>	<u>1,127,912</u>	<u>308,170</u>
	<u>\$ 18,424,770</u>	<u>\$ 16,416,686</u>	<u>\$ 2,008,084</u>

The current year difference represents amounts that are recognized as revenue at the government-wide level before offset by prior year differences.

Loan Receivable – Commissioners Court authorized a short term loan to MMC in 2010 which due date has been subsequently extended upon annual reevaluation. Repayment is expected to occur during 2016. The balance at December 31, 2015 was \$3,381,759.



**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

**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, 2015:

	Balance 12/31/2014	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/2015
<b>GOVERNMENTAL ACTIVITIES:</b>					
Capital assets, not being depreciated:					
Land	\$ 2,223,165	\$ -	\$ -	\$ 3,567,068	\$ 5,790,233
Construction in progress	4,993,774	1,170,291	-	(5,006,993)	1,157,072
Total capital assets not being depreciated	<u>7,216,939</u>	<u>1,170,291</u>	<u>-</u>	<u>(1,439,925)</u>	<u>6,947,305</u>
Capital assets, being depreciated					
Buildings	22,397,764	2,514	-	34,539	22,434,817
Improvements other than buildings	9,987,803	171,194	-	469,710	10,628,707
Furniture, fixtures and equipment	14,884,949	1,165,958	(463,622)	-	15,587,285
Infrastructure	19,982,525	100,223	-	935,676	21,018,424
Total capital assets being depreciated	<u>67,253,041</u>	<u>1,439,889</u>	<u>(463,622)</u>	<u>1,439,925</u>	<u>69,669,233</u>
Less accumulated depreciation for:					
Buildings	(6,321,245)	(527,220)	-	-	(6,848,465)
Improvements other than buildings	(5,210,954)	(365,198)	-	-	(5,576,152)
Furniture, fixtures and equipment	(9,883,422)	(1,050,166)	410,032	-	(10,523,556)
Infrastructure	(14,166,902)	(481,294)	-	-	(14,648,196)
Total accumulated depreciation	<u>(35,582,523)</u>	<u>(2,423,878)</u>	<u>410,032</u>	<u>-</u>	<u>(37,596,369)</u>
Total capital assets being depreciated, net	<u>31,670,518</u>	<u>(983,989)</u>	<u>(53,590)</u>	<u>1,439,925</u>	<u>32,072,864</u>
Governmental activities capital assets, net	<u>\$ 38,887,457</u>	<u>\$ 186,302</u>	<u>\$ (53,590)</u>	<u>\$ -</u>	<u>\$ 39,020,169</u>

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

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

Functions/Programs		
General administration	\$	288,821
Judicial		39,568
Legal		797
Financial administration		15,797
Public facilities		249,345
Public safety		563,509
Roads and bridges		793,444
Health and welfare		221,172
Community development		866
Culture and recreation		237,029
Sanitation services		13,530
		<u>          </u>
Total expenditures	\$	<u>2,423,878</u>

Discretely Presented Component Unit

	Balance 12/31/2014	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/2015
<b>BUSINESS-TYPE ACTIVITIES:</b>					
Capital assets, not being depreciated:					
Land	\$ 320,593	\$ -	\$ -	\$ -	\$ 320,593
Construction in progress	353,068	3,443,006	-	-	3,796,074
	<u>673,661</u>	<u>3,443,006</u>	<u>-</u>	<u>-</u>	<u>4,116,667</u>
Total capital assets not being depreciated					
Capital assets, being depreciated					
Buildings and improvements	9,529,483	14,878	-	-	9,544,361
Equipment	14,818,648	672,087	-	-	15,490,735
	<u>24,348,131</u>	<u>686,965</u>	<u>-</u>	<u>-</u>	<u>25,035,096</u>
Total capital assets being depreciated					
Less accumulated depreciation for:					
Buildings and improvements	(7,989,725)	(145,002)	-	-	(8,134,727)
Equipment	(12,617,409)	(780,918)	-	-	(13,398,327)
	<u>(20,607,134)</u>	<u>(925,920)</u>	<u>-</u>	<u>-</u>	<u>(21,533,054)</u>
Total accumulated depreciation					
Total capital assets being depreciated, net	<u>3,740,997</u>	<u>(238,955)</u>	<u>-</u>	<u>-</u>	<u>3,502,042</u>
Business-type activities capital assets, net	<u>\$ 4,414,658</u>	<u>\$ 3,204,051</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,618,709</u>

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

**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, 2015, the County had the following outstanding bonded debt:

Purpose	Original Amount	Year of Issue	Final Maturity	Average Annual Payment	Interest Rate	Balance 12/31/2015
<b>GOVERNMENTAL TYPE ACTIVITIES DEBT</b>						
General Obligation Bonds:						
Refunding	4,985,000	2010	2024	467,000	2.00 % - 4.00%	\$ 3,855,000
Refunding	5,480,000	2012	2023	467,000	2.00 % - 4.00%	4,270,000
						8,125,000
Bond premium/discount						432,710
Total Governmental Type Activities Debt						<u>\$ 8,557,710</u>

Annual debt service requirements to maturity for general debt:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 920,000	\$ 265,300	\$ 1,185,300
2017	945,000	243,150	1,188,150
2018	970,000	214,800	1,184,800
2019	1,000,000	185,700	1,185,700
2020	1,035,000	151,650	1,186,650
2021 - 2024	3,255,000	257,950	3,512,950
	<u>\$ 8,125,000</u>	<u>\$ 1,318,550</u>	<u>\$ 9,443,550</u>

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

**B. Capital Lease Obligations**

The County also finances acquisition of equipment through capital leases which are paid by the fund acquiring the underlying asset. At December 31, 2015 there were the following obligations under capital lease:

Discrete Component Unit

Capital lease obligations, at varying rates of 2.98% - 9.80%, collateralized by leased equipment with a cost of \$4,344,604 and accumulated depreciation of \$1,846,068

\$ 742,886

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

Annual debt service requirements to maturity for capital lease obligations:

Year Ending December 31,	Discrete Component Unit
2016	\$ 301,365
2017	222,775
2018	161,633
2019	87,366
2020	40,633
	<u>813,772</u>
Less: interest	<u>(70,886)</u>
	<u>\$ 742,886</u>

**C. Schedule of Changes in Long-Term Debt**

Description	December 31, 2014	Additions	Retirements	December 31, 2015	Due Within One Year
<b>Primary Government:</b>					
General obligation bonds	\$ 9,030,000	\$ -	\$ (905,000)	\$ 8,125,000	\$ 920,000
Bond premium/discount	457,865	-	(3,414)	454,451	25,751
Capital lease obligation	45,531	-	(45,531)	-	-
Accrued compensated absences	150,236	317,799	(304,934)	163,101	156,577
Net pension obligation	565,678	4,254,913	(4,103,173)	717,418	717,418
	<u>\$ 10,249,310</u>	<u>\$ 4,572,712</u>	<u>\$ (5,362,052)</u>	<u>\$ 9,459,970</u>	<u>\$ 1,819,746</u>

Description	December 31, 2014	Additions	Additions	December 31, 2015	Due Within One Year
<b>Discrete Component Unit:</b>					
Capital lease obligation	\$ 625,112	\$ 458,000	\$ (340,226)	\$ 742,886	\$ 265,632
	<u>\$ 625,112</u>	<u>\$ 458,000</u>	<u>\$ (340,226)</u>	<u>\$ 742,886</u>	<u>\$ 265,632</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, 2015 were as follows:

Fund	Interfund Receivable	Interfund Payable
Major Governmental Funds		
General Fund	\$ 710,973	\$ 35,458
Nonmajor Governmental Funds	35,621	711,136
Total Governmental Funds	<u>746,594</u>	<u>746,594</u>
Agency Funds	22,062	22,062
Total Due From/To Other Funds	<u>\$ 768,656</u>	<u>\$ 768,656</u>

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

Operating transfers during 2015 were as follows:

	Transfers	
	In	Out
Major Governmental funds		
General Fund	\$ 680,847	\$ 3,127,783
Nonmajor governmental funds	3,142,088	695,152
	<u>\$ 3,822,935</u>	<u>\$ 3,822,935</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. PENSION OBLIGATIONS**

Texas County and District Retirement System (TCDRS)

A. Plan Description.

The County and MMC provide retirement, disability, and death benefits for all of their full-time employees through a nontraditional defined benefit plan 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 multi-employer public employee retirement system consisting of 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, 7876820343.

The plan provisions are adopted by the County commissioners' court or MMC's board of directors, 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 plan to receive any

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

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 or MMC's board 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. Benefits.**

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

	County	MMC
Inactive employees (or their beneficiaries) currently receiving benefits	106	85
Inactive employees entitled to but not yet receiving benefits	5	297
Active employees	208	230
	319	612

**C. Contributions.**

The contribution rate for employees in TCDRS is 7% of employee gross earnings, and the percentages for the County and MMC are 12.04% and 8.02%, respectively, both as adopted by the governing bodies. Under the state law governing TCDRS, the contribution rate for each is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The County and MMC made contributions of \$1,040,847 and \$708,827 respectively for the year ended December 31, 2015 which were equal to the required annual contributions.

**D. Net Pension Liability.**

The County's and MMC's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

Asset Class		Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	Dow Jones U.S. Total Stock Market Index	16.50%	5.35%
	Cambridge Associates Global Private Equity & Venture Capital Index	12.00%	8.35%
Private Equity			
Global Equities	MSCI World (net) Index	1.50%	5.65%
	50% MSCI World Ex USE (net) + 50% MSCI		
International Equities - Developed	World ex USA 100% Hedged to USD (net) Index	11.00%	5.35%
	50% MSCI EM Standard (net) Index + 50% MSCI		
International Equities - Emerging	EM 100% Hedged to USD (net) Index	9.00%	6.35%
Investment Grade Bonds	Barclays Capital Aggregate Bond Index	3.00%	0.55%
High-Yield Bonds	Citigroup High-Yield Cash-Pay Capped Index	3.00%	3.75%
Opportunistic Credit	Citigroup High-Yield Cash-Pay Capped Index	5.00%	5.54%
Direct Lending	Citigroup High-Yield Cash-Pay Capped Index	2.00%	5.80%
Distress Debt	Citigroup High-Yield Cash-Pay Capped Index	3.00%	6.75%
REIT Equities	Citigroup High-Yield Cash-Pay Capped Index	2.00%	4.00%
Commodities	Bloomberg Commodities Index	2.00%	-0.20%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index	3.00%	7.20%
	Hedge Fund Research, Inc. (HFRI) Fund of Funds		
Hedge Funds	Composite Index	25.00%	5.15%
		<u>100.00%</u>	

E. Discount Rate

The discount rate used to measure the Total Pension Liability (Asset) was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability (Asset).

F. Changes in the Net Pension Liability

Calhoun County	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c)
Balance at 12/31/2013	\$ 36,306,930	\$ 35,741,252	\$ 565,678
Changes for the year:			
Service cost	1,143,758	-	1,143,758
Interest	2,931,096	-	2,931,096
Change of benefit terms	-	-	-
Difference between expected and actual experience	51,241	-	51,241
Changes of assumptions	-	-	-
Contributions - employer	-	1,040,410	(1,040,410)
Contributions - employee	-	627,920	(627,920)
Net investment income	-	2,434,843	(2,434,843)
Benefit payments, including refunds of employee contributions	(1,389,667)	(1,389,667)	-
Amortization of prior year assets	-	-	-
Administrative expense	-	(28,531)	28,531
Other changes	-	(100,287)	100,287
Net changes	2,736,428	2,584,688	151,740
Balance at 12/31/2014	\$ 39,043,358	\$ 38,325,940	\$ 717,418

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

Memorial Medical Center	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c)
Balance at 12/31/2013	\$ 30,702,031	\$ 30,754,621	\$ (52,590)
Changes for the year:			
Service cost	1,060,724	-	1,060,724
Interest	2,483,007	-	2,483,007
Change of benefit terms	-	-	-
Difference between expected and actual experience	94,066	-	94,066
Changes of assumptions	-	-	-
Contributions - employer	-	620,401	(620,401)
Contributions - employee	-	708,827	(708,827)
Net investment income	-	2,098,712	(2,098,712)
Benefit payments, including refunds of employee contributions	(1,157,854)	(1,157,854)	-
Amortization of prior year assets	-	-	-
Administrative expense	-	(24,573)	24,573
Other changes	-	46,496	(46,496)
Net changes	2,479,943	2,292,009	187,934
Balance at 12/31/2014	<u>\$ 33,181,974</u>	<u>\$ 33,046,630</u>	<u>\$ 135,344</u>

**G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the County, calculated using the discount rate of 8.1%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7.1%) or 1 percentage point higher (9.1%) than the current rate:

Calhoun County, Texas	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
	Total Pension Liability	\$ 43,963,017	\$ 39,043,357
Fiduciary Net Position	38,325,939	38,325,939	38,325,939
Net Pension Liability / (Asset)	<u>\$ 5,637,078</u>	<u>\$ 717,418</u>	<u>\$ (3,347,178)</u>
Memorial Medical Center	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
Total Pension Liability	\$ 37,668,859	\$ 33,181,974	\$ 29,541,341
Fiduciary Net Position	33,046,630	33,046,630	33,046,630
Net Pension Liability / (Asset)	<u>\$ 4,622,229</u>	<u>\$ 135,344</u>	<u>\$ (3,505,289)</u>

**H. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained on the Internet at [www.tcdrs.org](http://www.tcdrs.org).



**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
 December 31, 2015

J. Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended December 31, 2015, the County and MMC recognized pension expense of \$755,413 and \$783,000, respectively. At December 31, 2015, the County and MMC reported deferred outflows and inflows of resources related to pensions from the following sources:

Calhoun County		Original Amount	Date Established	Original Recognition Period	Amount Recognized in 12/31/2014 Expense	Balance of Deferred (Inflows)/Outflows 12/31/2014
Investment (gains) or losses	\$ 494,680	12/31/2014	5.0	\$ 98,936	\$ 395,744	
Economic/demographic (gains)	51,242	12/31/2014	5.0	10,249	40,993	
Employer contributions made subsequent to measurement date	1,039,019	12/31/2015	1.0	-	1,039,019	
				<u>\$ 109,185</u>	<u>\$ 1,475,756</u>	

Memorial Medical Center		Original Amount	Date Established	Original Recognition Period	Amount Recognized in 12/31/2014 Expense	Balance of Deferred (Inflows)/Outflows 12/31/2014
Investment (gains) or losses	\$ 424,661	12/31/2014	5.0	\$ 84,932	\$ 339,729	
Economic/demographic (gains)	94,066	12/31/2014	5.0	23,517	70,549	
Employer contributions made subsequent to measurement date	783,080	12/31/2015	1.0	-	783,080	
				<u>\$ 108,449</u>	<u>\$ 1,193,358</u>	

For the County and MMC \$1,039,019 and \$786,080, respectively, reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	County	MMC
2015	\$ 109,185	\$ 108,449
2016	109,184	108,449
2017	109,184	108,449
2018	109,184	84,931
	<u>\$ 436,737</u>	<u>\$ 410,278</u>

**IX. RISK MANAGEMENT**

**Primary Government**

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

**Discrete Component Unit**

MMC 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, 2015, 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.

	2015	2014
Liability at beginning of year	\$ 208,054	\$ 269,054
Current year claims and changes in estimates	1,620,284	1,243,415
Claims payments	(1,548,338)	(1,304,415)
Liability at end of year	\$ 280,000	\$ 208,054

**X. COMMITMENTS AND CONTINGENCIES**

**Primary Government**

The County has agreed to lend up to \$2,000,000 to MMC to assist MMC's participation in the Nursing Home Upper Payment Limit program as discussed in Note XI. A. MMC will repay this loan from net proceeds from program activity.

**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. Memorial Medical Center (MMC) Charity Care, Net Patient Service Revenue and Nursing Home Revenue

Charity Care – The costs of charity care provided under MMC’s charity care policy was approximately \$670,000 for 2015. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross uncompensated charges.

Net Patient Service Revenue – MMC has agreements with third-party payers that provide for payments to the Medical Center at amounts different from its established rates. These payment arrangements include:

Medicare. Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid based on a cost reimbursement methodology. The Medical Center is reimbursed for certain services at tentative rates, with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare administrative contractor.

Medicaid. Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Medical Center is reimbursed for cost reimbursable services at tentative rates, with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicaid administrative contractor.

Nursing Home Revenue – In February 2015, the Medical Center entered into a series of lease and management agreements with a nursing facility operator that resulted in the Medical Center becoming the legal license holder and operator of five nursing homes. The lease agreements call for annual payments approximating \$5,280,000, the payment of which will be solely made from the operations of the nursing homes. Under the terms of the management agreements, the third party managers provide all services necessary to operate the facilities, including personnel and oversight of the actual operations. These managers will also provide all accounting functions for the facilities, including the billing and collection services. All patient revenue from the facilities will be paid to the Medical Center and recorded as such by the Medical Center. The Medical Center will transfer cash from these patient revenues to the managers so the managers can pay all facility related costs on behalf of the Medical Center. In addition, the Medical Center will utilize the nursing home cash receipts to pay a management fee to the manager pursuant to the agreements.

During 2015, all five facilities participated in the Texas Minimum Payment Amounts to Qualified Nursing Facilities Program, (MPAP) which allows these facilities to receive Medicare Part A reimbursement rates for their Medicaid residents. In order to receive this additional funding, the Medical Center is required to make quarterly IGT payments to the state of Texas that are equal to approximately 42 percent of the additional expected reimbursement. Revenues recognized under this program were approximately \$3,755,000 for the year ended December 31, 2015, and expenses were \$1,797,000 for the year ended December 31, 2015.

The programs described above are subject to review and scrutiny by both the Texas Legislature and CMS and the programs could be modified or terminated based on new legislation or regulation in future periods.

### B. Concentrations of Credit Risk / Business Concentrations

#### Primary Government

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

#### Discrete Component Unit

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

**CALHOUN COUNTY, TEXAS**  
*Notes to Basic Financial Statements*  
*December 31, 2015*

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.

**REQUIRED SUPPLEMENTARY INFORMATION**

This page intentionally left blank.

**CALHOUN COUNTY, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**EXHIBIT B-1**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<i>Ad valorem taxes</i>	\$ 16,147,000	\$ 16,202,000	\$ 16,262,055	\$ 60,055
<i>Sales taxes</i>	1,800,000	1,800,000	3,376,372	1,576,372
<i>Other taxes</i>	12,000	12,000	28,998	16,998
<i>Intergovernmental</i>	219,248	231,079	233,901	2,822
<i>Charges for services</i>	1,213,660	1,213,660	1,745,896	532,236
<i>Permits and licenses</i>	9,510	9,510	14,784	5,274
<i>Fines and forfeitures</i>	194,000	194,000	218,397	24,397
<i>Interest</i>	50,000	50,000	56,170	6,170
<i>Rents and leases</i>	9,000	9,000	12,819	3,819
<i>Miscellaneous</i>	74,427	473,769	518,596	44,827
<b>Total revenues</b>	<u>19,728,845</u>	<u>20,195,018</u>	<u>22,467,988</u>	<u>2,272,970</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General administration</i>	2,262,002	2,158,093	1,703,607	454,486
<i>Judicial</i>	1,586,905	1,883,850	1,818,861	64,989
<i>Legal</i>	791,916	822,558	788,412	34,146
<i>Financial administration</i>	1,232,106	1,314,656	1,269,839	44,817
<i>Public facilities</i>	973,136	975,857	844,740	131,117
<i>Public safety</i>	5,876,099	5,906,583	5,444,979	461,604
<i>Roads and bridges</i>	4,515,266	4,535,779	4,237,866	297,913
<i>Health and welfare</i>	3,581,271	5,306,388	4,911,355	395,033
<i>Community development</i>	189,698	191,748	179,291	12,457
<i>Culture and recreation</i>	609,003	620,628	593,558	27,070
<i>Social services</i>	45,586	53,977	51,199	2,778
<i>Conservation</i>	7,750	7,750	7,750	--
<i>Sanitation services</i>	209,882	209,882	200,889	8,993
<b>Debt service:</b>				
<i>Principal</i>	45,531	45,531	45,531	--
<i>Interest and fiscal charges</i>	1,447	1,447	1,384	63
<b>Total expenditures</b>	<u>21,927,598</u>	<u>24,034,727</u>	<u>22,099,261</u>	<u>1,935,466</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(2,198,753)</b>	<b>(3,839,709)</b>	<b>368,727</b>	<b>4,208,436</b>
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	600,001	680,848	680,847	(1)
<i>Transfers out</i>	(1,047,003)	(3,127,786)	(3,127,783)	3
<i>Gain (loss) on sale of capital assets</i>	10,001	24,381	52,740	28,359
<b>Total other financing sources (uses)</b>	<u>(437,001)</u>	<u>(2,422,557)</u>	<u>(2,394,196)</u>	<u>28,361</u>
<b>Net change in fund balances</b>	<b>(2,635,754)</b>	<b>(6,262,266)</b>	<b>(2,025,469)</b>	<b>4,236,797</b>
<b>Fund balance, January 1</b>	<u>16,300,000</u>	<u>20,642,174</u>	<u>24,214,876</u>	<u>3,572,702</u>
<b>Fund balance, December 31</b>	<u>\$ 13,664,246</u>	<u>\$ 14,379,908</u>	<u>\$ 22,189,407</u>	<u>\$ 7,809,499</u>

**CALHOUN COUNTY, TEXAS**  
*SCHEDULE OF CHANGES IN THE COUNTY'S  
 NET PENSION LIABILITY AND RELATED RATIOS  
 CALHOUN COUNTY PENSION PLAN  
 LAST TEN PLAN YEARS \**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Total pension liability:</b>										
Service cost	\$ 1,143,758	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Interest	2,931,096	--	--	--	--	--	--	--	--	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	51,241	--	--	--	--	--	--	--	--	--
Changes of assumptions	--	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,389,667)	--	--	--	--	--	--	--	--	--
Net change in total pension liability	2,736,428	--	--	--	--	--	--	--	--	--
Total pension liability - beginning	36,306,930	--	--	--	--	--	--	--	--	--
Total pension liability - ending (a)	<u>\$ 39,043,358</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
<b>Plan fiduciary net position:</b>										
Contributions - employer	\$ 1,040,410	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Contributions - employee	627,920	--	--	--	--	--	--	--	--	--
Net investment income	2,434,843	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,389,667)	--	--	--	--	--	--	--	--	--
Administrative expense	(28,531)	--	--	--	--	--	--	--	--	--
Other	(100,287)	--	--	--	--	--	--	--	--	--
Net change in plan fiduciary net position	2,584,688	--	--	--	--	--	--	--	--	--
Plan fiduciary net position - beginning	35,741,252	--	--	--	--	--	--	--	--	--
Plan fiduciary net position - ending (b)	<u>\$ 38,325,940</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's net pension liability - ending (a) - (b)	<u>\$ 717,418</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Plan fiduciary net position as a percentage of the total pension liability	98.16%	--	--	--	--	--	--	--	--	--
Covered-employee payroll	\$ 8,970,286	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
County's net pension liability as a percentage of covered-employee payroll	8.00%	--	--	--	--	--	--	--	--	--

**Notes to Schedule:**

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.



**CALHOUN COUNTY, TEXAS**  
 SCHEDULE OF COUNTY CONTRIBUTIONS  
 CALHOUN COUNTY PENSION PLAN  
 LAST TEN PLAN YEARS \*

	Plan Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially determined contribution	\$ 1,040,410	\$ 898,394	\$ 823,995	\$ 813,301	\$ 832,210	\$ 764,242	\$ 741,175	\$ 723,432	\$ 587,956	\$ N/A
Contributions in relation to the actuarially determined contribution	1,040,410	898,457	823,995	813,301	832,210	764,242	741,175	723,432	587,956	N/A
Contribution deficiency (excess)	\$ --	\$ (63)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ N/A
Covered-employee payroll	\$ 8,970,286	\$ 8,028,544	\$ 7,686,545	\$ 7,842,817	\$ 81,103,312	\$ 8,121,592	\$ 7,851,428	\$ 7,205,502	\$ 6,584,058	\$ N/A
Contributions as a percentage of covered-employee payroll	11.6%	11.2%	10.7%	10.4%	1.0%	9.4%	9.4%	10.0%	8.9%	N/A

**Notes to Schedule**

**Valuation date:** December 31, 2014

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed non-asymptotic market
Inflation	3.0%
Salary increases	0
Investment rate of return	8.0%, net of pension plan investment expense, including inflation
Retirement age	60
Mortality	RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both with the projection scale AA

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

**CALHOUN COUNTY, TEXAS**  
*SCHEDULE OF CHANGES IN THE COUNTY'S  
 NET PENSION LIABILITY AND RELATED RATIOS  
 MEMORIAL MEDICAL CENTER PENSION PLAN  
 LAST TEN PLAN YEARS \**

	Plan Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Total pension liability:</b>										
Service cost	\$ 1,060,724	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Interest	2,483,007	--	--	--	--	--	--	--	--	--
Changes of benefit terms	--	--	--	--	--	--	--	--	--	--
Differences between expected and actual experience	94,066	--	--	--	--	--	--	--	--	--
Changes of assumptions	--	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,157,854)	--	--	--	--	--	--	--	--	--
Net change in total pension liability	2,479,943	--	--	--	--	--	--	--	--	--
Total pension liability - beginning	30,702,031	--	--	--	--	--	--	--	--	--
Total pension liability - ending (a)	<u>\$ 33,181,974</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
<b>Plan fiduciary net position:</b>										
Contributions - employer	\$ 708,827	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Contributions - employee	620,401	--	--	--	--	--	--	--	--	--
Net investment income	2,098,712	--	--	--	--	--	--	--	--	--
Benefit payments, including refunds of employee contributions	(1,157,854)	--	--	--	--	--	--	--	--	--
Administrative expense	(24,573)	--	--	--	--	--	--	--	--	--
Other	46,496	--	--	--	--	--	--	--	--	--
Net change in plan fiduciary net position	2,292,009	--	--	--	--	--	--	--	--	--
Plan fiduciary net position - beginning	30,754,621	--	--	--	--	--	--	--	--	--
Plan fiduciary net position - ending (b)	<u>\$ 33,046,630</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's net pension liability - ending (a) - (b)	<u>\$ 135,344</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
Plan fiduciary net position as a percentage of the total pension liability	99.59%	--	--	--	--	--	--	--	--	--
Covered-employee payroll	\$ 8,623,215	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
County's net pension liability as a percentage of covered-employee payroll	1.57%	--	--	--	--	--	--	--	--	--

**Notes to Schedule:**

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CALHOUN COUNTY, TEXAS**  
 SCHEDULE OF COUNTY CONTRIBUTIONS  
 MEMORIAL MEDICAL CENTER PENSION PLAN  
 LAST TEN PLAN YEARS \*

	Plan Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially determined contribution	\$ 708,827	\$ 633,060	\$ 590,398	\$ 565,712	\$ 603,847	\$ 566,029	\$ 476,280	\$ 415,708	\$ 295,708	\$ N/A
Contributions in relation to the actuarially determined contribution	708,827	633,060	590,398	565,712	603,847	566,029	476,280	415,708	295,708	N/A
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ N/A
Covered-employee payroll	\$ 8,623,215	\$ 8,147,521	\$ 7,914,094	\$ 7,868,071	\$ 8,340,424	\$ 9,433,820	\$ 8,952,630	\$ 8,589,014	\$ 7,992,099	\$ N/A
Contributions as a percentage of covered-employee payroll	8.2%	7.8%	7.5%	7.2%	7.2%	6.0%	5.3%	4.8%	3.7%	N/A

**Notes to Schedule**

**Valuation date:** December 31, 2014

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed non-asymptotic market
Inflation	3.0%
Salary increases	3.5%
Investment rate of return	8.0%, net of pension plan investment expense, including inflation
Retirement age	60
Mortality	RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Employee Mortality Table for females with a four-year setback, both with the projection scale AA

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

This page intentionally left blank.

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

**CALHOUN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2015**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 3,578,710	\$ 169,014	\$ 1,424,742	\$ 5,172,466
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Taxes</i>	--	336,867	--	336,867
<i>Accounts</i>	312,396	--	--	312,396
<i>Intergovernmental receivable</i>	36,551	--	789	37,340
<i>Due from other funds</i>	35,621	--	--	35,621
<i>Prepaid items and other current assets</i>	889	--	--	889
<i>Loan to component unit</i>	--	--	1,906,759	1,906,759
<i>Restricted assets:</i>				
<i>Cash and cash equivalents</i>	--	742,850	--	742,850
<b>Total Assets</b>	<b>\$ 3,964,167</b>	<b>\$ 1,248,731</b>	<b>\$ 3,332,290</b>	<b>\$ 8,545,188</b>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ 25,741	\$ --	\$ 16,967	\$ 42,708
<i>Accrued and other liabilities</i>	5,047	--	8,466	13,513
<i>Due to other funds</i>	291,255	--	419,881	711,136
<i>Due to other governments</i>	8,601	--	--	8,601
<i>Due to others</i>	32,158	--	--	32,158
<b>Total Liabilities</b>	<b>362,802</b>	<b>--</b>	<b>445,314</b>	<b>808,116</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>296,125</b>	<b>1,139,957</b>	<b>--</b>	<b>1,436,082</b>
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	889	--	1,906,759	1,907,648
<i>Restricted</i>	3,174,762	108,774	604,475	3,888,011
<i>Assigned</i>	129,589	--	384,208	513,797
<i>Unassigned</i>	--	--	(8,466)	(8,466)
<b>Total Fund Balance</b>	<b>3,305,240</b>	<b>108,774</b>	<b>2,886,976</b>	<b>6,300,990</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 3,964,167</b>	<b>\$ 1,248,731</b>	<b>\$ 3,332,290</b>	<b>\$ 8,545,188</b>

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
<b>Revenues:</b>				
<i>Ad valorem taxes</i>	\$ --	\$ 1,145,697	\$ --	\$ 1,145,697
<i>Intergovernmental</i>	226,306	--	978,627	1,204,933
<i>Charges for services</i>	433,322	--	--	433,322
<i>Permits and licenses</i>	263,742	--	--	263,742
<i>Fines and forfeitures</i>	59,514	--	--	59,514
<i>Interest</i>	9,124	--	--	9,125
<i>Gifts and contributions</i>	51,536	--	11,507	63,043
<i>Rents and leases</i>	15,350	--	--	15,350
<i>Miscellaneous</i>	18,037	--	--	18,037
<b>Total revenues</b>	<u>1,076,932</u>	<u>1,145,697</u>	<u>990,134</u>	<u>3,212,763</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General administration</i>	41,359	--	--	41,359
<i>Judicial</i>	10,573	--	--	10,573
<i>Legal</i>	25,527	--	--	25,527
<i>Public facilities</i>	51,942	--	--	51,942
<i>Public safety</i>	146,215	--	--	146,215
<i>Roads and bridges</i>	17,304	--	1,985,195	2,002,499
<i>Health and welfare</i>	--	--	6,564	6,564
<i>Culture and recreation</i>	97,016	--	26,544	123,560
<i>Conservation</i>	--	--	29,642	29,642
<i>Nondepartmental</i>	--	--	250,557	250,557
<b>Debt service:</b>				
<i>Principal</i>	--	905,000	--	905,000
<i>Interest and fiscal charges</i>	--	287,604	--	287,604
<b>Total expenditures</b>	<u>389,936</u>	<u>1,192,604</u>	<u>2,298,502</u>	<u>3,881,042</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	686,996	(46,907)	(1,308,368)	(668,279)
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	63,105	--	3,078,983	3,142,088
<i>Transfers out</i>	(600,000)	--	(95,152)	(695,152)
<b>Total other financing sources (uses)</b>	<u>(536,895)</u>	<u>--</u>	<u>2,983,831</u>	<u>2,446,936</u>
<b>Net change in fund balances</b>	150,101	(46,907)	1,675,463	1,778,657
<b>Fund balance, January 1</b>	<u>3,155,139</u>	<u>155,681</u>	<u>1,211,513</u>	<u>4,522,333</u>
<b>Fund balance, December 31</b>	<u>\$ 3,305,240</u>	<u>\$ 108,774</u>	<u>\$ 2,886,976</u>	<u>\$ 6,300,990</u>

**CALHOUN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2015**

	<u>Airport</u>	<u>Appellate Judicial System</u>	<u>Coastal Protection</u>	<u>County &amp; District Court Technology</u>
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 24,380	\$ 1,821	\$ 39,177	\$ 3,149
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	--	1,366
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	--	3,011	--
<i>Prepaid items and other current assets</i>	--	--	--	--
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Assets</b>	<b>\$ 24,380</b>	<b>\$ 1,821</b>	<b>\$ 42,188</b>	<b>\$ 4,515</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ 5,243	\$ 1,695	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to other governments</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
<b>Total Liabilities</b>	<b>5,243</b>	<b>1,695</b>	<b>--</b>	<b>--</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>	--	--	--	1,366
	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	19,137	126	42,188	3,149
<i>Assigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<b>19,137</b>	<b>126</b>	<b>42,188</b>	<b>3,149</b>
<b>Total Liabilities, Deferred Inflows of Resources,         and Fund Balance</b>	<b>\$ 24,380</b>	<b>\$ 1,821</b>	<b>\$ 42,188</b>	<b>\$ 4,515</b>
	<hr/>	<hr/>	<hr/>	<hr/>



County Child Abuse Prevention	County Child Welfare Board	Court House Security Fund	Court Initiated Guardianship	Court Records Preservation
\$ 368	\$ 1,881	\$ 246,940	\$ 4,233	\$ 12,204
--	--	16,031	--	--
--	--	--	--	--
--	--	453	--	--
--	--	--	--	--
<u>\$ 368</u>	<u>\$ 1,881</u>	<u>\$ 263,424</u>	<u>\$ 4,233</u>	<u>\$ 12,204</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	163	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>163</u>	<u>--</u>	<u>--</u>
--	--	16,030	--	--
--	--	--	--	--
368	1,881	247,231	4,233	12,204
--	--	--	--	--
<u>368</u>	<u>1,881</u>	<u>247,231</u>	<u>4,233</u>	<u>12,204</u>
<u>\$ 368</u>	<u>\$ 1,881</u>	<u>\$ 263,424</u>	<u>\$ 4,233</u>	<u>\$ 12,204</u>

**CALHOUN COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2015

	County Clerk Records Archive	District Attorney Forfeiture	DA Hot Check	Donations
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 105,422	\$ 37,070	\$ 2,586	\$ 75,565
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
<i>Prepaid items and other current assets</i>	--	--	--	--
<b>Total Assets</b>	<b>\$ 105,422</b>	<b>\$ 37,070</b>	<b>\$ 2,586</b>	<b>\$ 75,565</b>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ --	\$ --	\$ 36	\$ 1,415
<i>Accrued and other liabilities</i>	--	--	--	348
<i>Due to other funds</i>	--	--	--	--
<i>Due to other governments</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>36</b>	<b>1,763</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	--	--	--	--
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	105,422	37,070	2,550	73,802
<i>Assigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<b>105,422</b>	<b>37,070</b>	<b>2,550</b>	<b>73,802</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 105,422</b>	<b>\$ 37,070</b>	<b>\$ 2,586</b>	<b>\$ 75,565</b>

<u>Drug/DWI Court Program</u>	<u>Juvenile Case Manager</u>	<u>Family Protection</u>	<u>Juvenile Delinquency Prevention</u>	<u>Grants</u>
\$ 10,650	\$ 9,365	\$ 7,026	\$ 8,599	\$ 290,758
720	2,799	--	--	--
--	--	--	--	36,551
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 11,370</u>	<u>\$ 12,164</u>	<u>\$ 7,026</u>	<u>\$ 8,599</u>	<u>\$ 327,309</u>
\$ --	\$ --	\$ --	\$ --	\$ 6,501
--	49	--	--	4,510
--	--	--	--	291,092
--	--	--	--	8,601
--	--	--	--	--
<u>--</u>	<u>49</u>	<u>--</u>	<u>--</u>	<u>310,704</u>
<u>720</u>	<u>2,799</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	--	--	--
10,650	9,316	7,026	8,599	16,605
--	--	--	--	--
<u>10,650</u>	<u>9,316</u>	<u>7,026</u>	<u>8,599</u>	<u>16,605</u>
<u>\$ 11,370</u>	<u>\$ 12,164</u>	<u>\$ 7,026</u>	<u>\$ 8,599</u>	<u>\$ 327,309</u>

**CALHOUN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2015**

	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 66,358	\$ 10,961	\$ 4,321	\$ 4,321
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	14,182	1,245	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	163	--	--
<i>Prepaid items and other current assets</i>	--	--	--	--
<b>Total Assets</b>	<b>\$ 80,540</b>	<b>\$ 12,369</b>	<b>\$ 4,321</b>	<b>\$ 4,321</b>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to other governments</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	14,182	1,245	--	--
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	66,358	11,124	4,321	4,321
<i>Assigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<b>66,358</b>	<b>11,124</b>	<b>4,321</b>	<b>4,321</b>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balance</b>	<b>\$ 80,540</b>	<b>\$ 12,369</b>	<b>\$ 4,321</b>	<b>\$ 4,321</b>

Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4	Juror Donations County Humane Society	Pretrial Services	Law Library Fund
\$ 4,321	\$ 4,321	\$ 60	\$ 69,184	\$ 196,142
--	--	--	1,418	--
--	--	--	--	--
--	--	--	--	--
<u>4,321</u>	<u>4,321</u>	<u>60</u>	<u>70,602</u>	<u>196,142</u>
\$ --	\$ --	\$ --	\$ --	\$ 1,939
--	--	--	--	--
--	--	--	--	--
--	--	60	--	--
<u>--</u>	<u>--</u>	<u>60</u>	<u>--</u>	<u>1,939</u>
--	--	--	1,418	--
--	--	--	--	--
4,321	4,321	--	69,184	194,203
--	--	--	--	--
<u>4,321</u>	<u>4,321</u>	<u>--</u>	<u>69,184</u>	<u>194,203</u>
<u>\$ 4,321</u>	<u>\$ 4,321</u>	<u>\$ 60</u>	<u>\$ 70,602</u>	<u>\$ 196,142</u>

**CALHOUN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2015**

	<u>LEOSE Education</u>	<u>Port O'Conner Community Center</u>	<u>Records Mgmt/Preservation District Clerk</u>	<u>County Clerk Records Management</u>
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 30,631	\$ 52,853	\$ 6,593	\$ 92,169
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	982	1,129
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	--	--	--	--
<i>Prepaid items and other current assets</i>	--	--	--	--
<b>Total Assets</b>	<u>\$ 30,631</u>	<u>\$ 52,853</u>	<u>\$ 7,575</u>	<u>\$ 93,298</u>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ --	\$ 994	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	733	--	(593)
<i>Due to other funds</i>	--	--	--	--
<i>Due to other governments</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
<b>Total Liabilities</b>	<u>--</u>	<u>1,727</u>	<u>--</u>	<u>(593)</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<u>--</u>	<u>1,700</u>	<u>983</u>	<u>1,130</u>
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	30,631	49,426	6,592	92,761
<i>Assigned</i>	--	--	--	--
<b>Total Fund Balance</b>	<u>30,631</u>	<u>49,426</u>	<u>6,592</u>	<u>92,761</u>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balance</b>	<u>\$ 30,631</u>	<u>\$ 52,853</u>	<u>\$ 7,575</u>	<u>\$ 93,298</u>

Records Management and Preservation	Road and Bridge Fund General	Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/Maint (Alcoa)
\$ 230,946	\$ 1,621,171	\$ 54,823	\$ 78,488	\$ 50,342
19,010	235,542	--	--	--
--	--	--	--	--
--	31,994	--	--	--
--	--	--	--	889
<u>\$ 249,956</u>	<u>\$ 1,888,707</u>	<u>\$ 54,823</u>	<u>\$ 78,488</u>	<u>\$ 51,231</u>
\$ --	\$ --	\$ --	\$ --	\$ 24
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	32,098	--	--
--	--	<u>32,098</u>	--	<u>24</u>
19,010	235,542	--	--	--
--	--	--	--	889
230,946	1,653,165	22,725	78,488	50,318
--	--	--	--	--
<u>230,946</u>	<u>1,653,165</u>	<u>22,725</u>	<u>78,488</u>	<u>51,207</u>
<u>\$ 249,956</u>	<u>\$ 1,888,707</u>	<u>\$ 54,823</u>	<u>\$ 78,488</u>	<u>\$ 51,231</u>

**CALHOUN COUNTY, TEXAS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2015**

	Election Services Contract	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 64,828	\$ 1,937	\$ 52,746	\$ 3,578,710
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	17,972	--	--	312,396
<i>Intergovernmental receivable</i>	--	--	--	36,551
<i>Due from other funds</i>	--	--	--	35,621
<i>Prepaid items and other current assets</i>	--	--	--	889
<b>Total Assets</b>	<b><u>\$ 82,800</u></b>	<b><u>\$ 1,937</u></b>	<b><u>\$ 52,746</u></b>	<b><u>\$ 3,964,167</u></b>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ 7,894	\$ --	\$ --	\$ 25,741
<i>Accrued and other liabilities</i>	--	--	--	5,047
<i>Due to other funds</i>	--	--	--	291,255
<i>Due to other governments</i>	--	--	--	8,601
<i>Due to others</i>	--	--	--	32,158
<b>Total Liabilities</b>	<b><u>7,894</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>362,802</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	--	--	--	296,125
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	--	--	--	889
<i>Restricted</i>	--	--	--	3,174,762
<i>Assigned</i>	74,906	1,937	52,746	129,589
<b>Total Fund Balance</b>	<b><u>74,906</u></b>	<b><u>1,937</u></b>	<b><u>52,746</u></b>	<b><u>3,305,240</u></b>
<b>Total Liabilities, Deferred Inflows of Resources,     and Fund Balance</b>	<b><u>\$ 82,800</u></b>	<b><u>\$ 1,937</u></b>	<b><u>\$ 52,746</u></b>	<b><u>\$ 3,964,167</u></b>



This page intentionally left blank.

# CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Airport	Appellate Judicial System	Coastal Protection	County & District Court Technology
<b>Revenues:</b>				
<i>Intergovernmental</i>	\$ 13,978	\$ --	\$ 3,007	\$ --
<i>Charges for services</i>	--	1,678	--	678
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	59	2	86	6
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	900	--	--	--
<i>Miscellaneous</i>	--	--	--	--
<b>Total revenues</b>	<u>14,937</u>	<u>1,680</u>	<u>3,093</u>	<u>684</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	--	1,695	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	51,942	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	--
<b>Total expenditures</b>	<u>51,942</u>	<u>1,695</u>	<u>--</u>	<u>--</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(37,005)	(15)	3,093	684
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	40,105	--	--	--
<i>Transfers out</i>	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>40,105</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net change in fund balances</b>	3,100	(15)	3,093	684
<b>Fund balance, January 1</b>	<u>16,037</u>	<u>141</u>	<u>39,095</u>	<u>2,465</u>
<b>Fund balance, December 31</b>	<u>\$ 19,137</u>	<u>\$ 126</u>	<u>\$ 42,188</u>	<u>\$ 3,149</u>

County Child Abuse Prevention	County Child Welfare Board	Court House Security Fund	Court Initiated Guardianship	Court Records Preservation
\$ --	\$ --	\$ --	\$ --	\$ --
88	--	13,613	1,160	2,702
--	--	--	--	--
--	--	--	--	--
1	4	501	8	22
--	--	--	--	--
--	--	--	--	--
--	564	--	--	--
<u>89</u>	<u>568</u>	<u>14,114</u>	<u>1,168</u>	<u>2,724</u>
--	--	2,089	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>2,089</u>	<u>--</u>	<u>--</u>
89	568	12,025	1,168	2,724
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
89	568	12,025	1,168	2,724
<u>279</u>	<u>1,313</u>	<u>235,206</u>	<u>3,065</u>	<u>9,480</u>
<u>\$ 368</u>	<u>\$ 1,881</u>	<u>\$ 247,231</u>	<u>\$ 4,233</u>	<u>\$ 12,204</u>

# CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	County Clerk Records Archive	District Attorney Forfeiture	DA Hot Check	Donations
<b>Revenues:</b>				
<i>Intergovernmental</i>	\$ --	\$ --	\$ --	\$ --
<i>Charges for services</i>	43,990	4,816	2,389	--
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	164	--	--	162
<i>Gifts and contributions</i>	--	--	--	51,026
<i>Rents and leases</i>	--	--	--	--
<i>Miscellaneous</i>	--	--	--	3,409
<b>Total revenues</b>	<u>44,154</u>	<u>4,816</u>	<u>2,389</u>	<u>54,597</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	14,619	985	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	58,132
<b>Total expenditures</b>	<u>--</u>	<u>14,619</u>	<u>985</u>	<u>58,132</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	44,154	(9,803)	1,404	(3,535)
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net change in fund balances</b>	44,154	(9,803)	1,404	(3,535)
<b>Fund balance, January 1</b>	<u>61,268</u>	<u>46,873</u>	<u>1,146</u>	<u>77,337</u>
<b>Fund balance, December 31</b>	<u>\$ 105,422</u>	<u>\$ 37,070</u>	<u>\$ 2,550</u>	<u>\$ 73,802</u>

Drug/DWI Court Program	Juvenile Case Manager	Family Protection	Juvenile Delinquency Prevention	Grants
\$ --	\$ --	\$ --	\$ --	\$ 128,957
1,526	322	771	--	--
--	--	--	--	--
--	--	--	--	--
20	19	14	18	3,025
--	--	--	--	--
--	--	--	--	--
<u>1,546</u>	<u>341</u>	<u>785</u>	<u>18</u>	<u>131,982</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	129,839
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>129,839</u>
1,546	341	785	18	2,143
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,546	341	785	18	2,143
<u>9,104</u>	<u>8,975</u>	<u>6,241</u>	<u>8,581</u>	<u>14,462</u>
<u>\$ 10,650</u>	<u>\$ 9,316</u>	<u>\$ 7,026</u>	<u>\$ 8,599</u>	<u>\$ 16,605</u>

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2
<b>Revenues:</b>				
<i>Intergovernmental</i>	\$ --	\$ --	\$ 4,318	\$ 4,318
<i>Charges for services</i>	8,098	--	--	--
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	2,000	--	--
<i>Interest</i>	131	23	7	7
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	--	--	--	--
<i>Miscellaneous</i>	--	--	--	--
<b>Total revenues</b>	<u>8,229</u>	<u>2,023</u>	<u>4,325</u>	<u>4,325</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	2,665	6,213	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	4,326	4,326
<i>Culture and recreation</i>	--	--	--	--
<b>Total expenditures</b>	<u>2,665</u>	<u>6,213</u>	<u>4,326</u>	<u>4,326</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	5,564	(4,190)	(1)	(1)
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net change in fund balances</b>	5,564	(4,190)	(1)	(1)
<b>Fund balance, January 1</b>	<u>60,794</u>	<u>15,314</u>	<u>4,322</u>	<u>4,322</u>
<b>Fund balance, December 31</b>	<u>\$ 66,358</u>	<u>\$ 11,124</u>	<u>\$ 4,321</u>	<u>\$ 4,321</u>

Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4	Pretrial Services	Law Library Fund	LEOSE Education
\$ 4,318	\$ 4,318	\$ --	\$ --	\$ 12,916
--	--	5,300	11,453	--
--	--	--	--	--
7	7	137	406	53
--	--	--	--	--
--	--	--	--	--
<u>4,325</u>	<u>4,325</u>	<u>5,437</u>	<u>11,859</u>	<u>12,969</u>
--	--	--	--	--
--	--	--	9,923	--
--	--	--	--	--
--	--	--	--	6,002
4,326	4,326	--	--	--
--	--	--	--	--
<u>4,326</u>	<u>4,326</u>	<u>--</u>	<u>9,923</u>	<u>6,002</u>
(1)	(1)	5,437	1,936	6,967
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
(1)	(1)	5,437	1,936	6,967
<u>4,322</u>	<u>4,322</u>	<u>63,747</u>	<u>192,267</u>	<u>23,664</u>
<u>\$ 4,321</u>	<u>\$ 4,321</u>	<u>\$ 69,184</u>	<u>\$ 194,203</u>	<u>\$ 30,631</u>

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Port O'Conner Community Center	Records Mgmt/Preservation District Clerk	County Clerk Records Management	Records Management & Preservation
<b>Revenues:</b>				
<i>Intergovernmental</i>	\$ --	\$ --	\$ --	\$ --
<i>Charges for services</i>	--	1,742	355	51,889
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	133	12	214	417
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	14,450	--	--	--
<i>Miscellaneous</i>	--	--	--	--
<b>Total revenues</b>	<u>14,583</u>	<u>1,754</u>	<u>569</u>	<u>52,306</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<i>General administration</i>	--	--	22,311	110
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Culture and recreation</i>	33,363	--	--	--
<b>Total expenditures</b>	<u>33,363</u>	<u>--</u>	<u>22,311</u>	<u>110</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(18,780)	1,754	(21,742)	52,196
<b>Other financing sources (uses):</b>				
<i>Transfers in</i>	23,000	--	--	--
<i>Transfers out</i>	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>23,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net change in fund balances</b>	4,220	1,754	(21,742)	52,196
<b>Fund balance, January 1</b>	<u>45,206</u>	<u>4,838</u>	<u>114,503</u>	<u>178,750</u>
<b>Fund balance, December 31</b>	<u>\$ 49,426</u>	<u>\$ 6,592</u>	<u>\$ 92,761</u>	<u>\$ 230,946</u>



Road and Bridge Fund General	Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/Maint (Alcoa)	Election Services Contract
\$ 50,176	\$ --	\$ --	\$ --	\$ --
256,010	--	--	--	24,742
263,742	--	--	--	--
51,704	5,810	--	--	--
3,097	3	--	110	140
--	--	--	--	--
--	--	--	--	--
--	821	13,243	--	--
<u>624,729</u>	<u>6,634</u>	<u>13,243</u>	<u>110</u>	<u>24,882</u>
--	--	--	--	16,849
--	--	--	--	--
--	--	--	--	--
--	5,975	4,399	--	--
--	--	--	--	--
--	--	--	5,521	--
<u>--</u>	<u>5,975</u>	<u>4,399</u>	<u>5,521</u>	<u>16,849</u>
624,729	659	8,844	(5,411)	8,033
--	--	--	--	--
(600,000)	--	--	--	--
(600,000)	--	--	--	--
24,729	659	8,844	(5,411)	8,033
<u>1,628,436</u>	<u>22,066</u>	<u>69,644</u>	<u>56,618</u>	<u>66,873</u>
<u>\$ 1,653,165</u>	<u>\$ 22,725</u>	<u>\$ 78,488</u>	<u>\$ 51,207</u>	<u>\$ 74,906</u>

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenues:			
<i>Intergovernmental</i>	\$ --	\$ --	\$ 226,306
<i>Charges for services</i>	--	--	433,322
<i>Permits and licenses</i>	--	--	263,742
<i>Fines and forfeitures</i>	--	--	59,514
<i>Interest</i>	--	110	9,125
<i>Gifts and contributions</i>	--	510	51,536
<i>Rents and leases</i>	--	--	15,350
<i>Miscellaneous</i>	--	--	18,037
<b>Total revenues</b>	<u>--</u>	<u>620</u>	<u>1,076,932</u>
Expenditures:			
Current:			
<i>General administration</i>	--	--	41,359
<i>Judicial</i>	--	--	10,573
<i>Legal</i>	--	--	25,527
<i>Public facilities</i>	--	--	51,942
<i>Public safety</i>	--	--	146,215
<i>Roads and bridges</i>	--	--	17,304
<i>Culture and recreation</i>	--	--	97,016
<b>Total expenditures</b>	<u>--</u>	<u>--</u>	<u>389,936</u>
 Excess (deficiency) of revenues over (under) expenditures	 --	 620	 686,996
Other financing sources (uses):			
<i>Transfers in</i>	--	--	63,105
<i>Transfers out</i>	--	--	(600,000)
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>--</u>	<u>(536,895)</u>
 Net change in fund balances	 --	 620	 150,101
Fund balance, January 1	<u>1,937</u>	<u>52,126</u>	<u>3,155,139</u>
Fund balance, December 31	<u>\$ 1,937</u>	<u>\$ 52,746</u>	<u>\$ 3,305,240</u>

**CALHOUN COUNTY, TEXAS**

EXHIBIT C-5

AIRPORT FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 5,458	\$ 13,978	\$ 8,520
<i>Interest</i>	60	59	(1)
<i>Rents and leases</i>	<u>1,200</u>	<u>900</u>	<u>(300)</u>
Total revenues	<u>6,718</u>	<u>14,937</u>	<u>8,219</u>
Expenditures:			
Current:			
<i>Public facilities</i>	<u>51,952</u>	<u>51,942</u>	<u>10</u>
Total expenditures	<u>51,952</u>	<u>51,942</u>	<u>10</u>
Excess (deficiency) of revenues over (under) expenditures	(45,234)	(37,005)	8,229
Other financing sources (uses):			
<i>Transfers in</i>	<u>40,105</u>	<u>40,105</u>	<u>--</u>
Total other financing sources (uses)	<u>40,105</u>	<u>40,105</u>	<u>--</u>
Net change in fund balances	(5,129)	3,100	8,229
Fund balance, January 1	<u>16,033</u>	<u>16,037</u>	<u>4</u>
Fund balance, December 31	<u>\$ 10,904</u>	<u>\$ 19,137</u>	<u>\$ 8,233</u>

**CALHOUN COUNTY, TEXAS**  
 APPELLATE JUDICIAL SYSTEM  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-6

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 1,801	\$ 1,678	\$ (123)
<i>Interest</i>	<u>3</u>	<u>2</u>	<u>(1)</u>
Total revenues	<u>1,804</u>	<u>1,680</u>	<u>(124)</u>
Expenditures:			
Current:			
<i>Judicial</i>	<u>1,803</u>	<u>1,695</u>	<u>108</u>
Total expenditures	<u>1,803</u>	<u>1,695</u>	<u>108</u>
Net change in fund balances	1	(15)	(16)
Fund balance, January 1	<u>--</u>	<u>141</u>	<u>141</u>
Fund balance, December 31	<u>\$ 1</u>	<u>\$ 126</u>	<u>\$ 125</u>

**CALHOUN COUNTY, TEXAS**  
 COASTAL PROTECTION FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-7

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 60	\$ 3,007	\$ 2,947
<i>Interest</i>	110	86	(24)
Total revenues	<u>170</u>	<u>3,093</u>	<u>2,923</u>
Expenditures:			
Current:			
<i>Conservation</i>	<u>39,000</u>	<u>--</u>	<u>39,000</u>
Total expenditures	<u>39,000</u>	<u>--</u>	<u>39,000</u>
Net change in fund balances	(38,830)	3,093	41,923
Fund balance, January 1	<u>39,089</u>	<u>39,095</u>	<u>6</u>
Fund balance, December 31	<u>\$ 259</u>	<u>\$ 42,188</u>	<u>\$ 41,929</u>

**CALHOUN COUNTY, TEXAS**

COUNTY & DISTRICT COURT TECHNOLOGY FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-8

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 530	\$ 678	\$ 148
<i>Interest</i>	<u>1</u>	<u>6</u>	<u>5</u>
Total revenues	<u>531</u>	<u>684</u>	<u>153</u>
Net change in fund balances	531	684	153
Fund balance, January 1	<u>2,423</u>	<u>2,465</u>	<u>42</u>
Fund balance, December 31	<u>\$ 2,954</u>	<u>\$ 3,149</u>	<u>\$ 195</u>

**CALHOUN COUNTY, TEXAS**  
 COUNTY CHILD ABUSE PREVENTION FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-9

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 50	\$ 88	\$ 38
<i>Interest</i>	--	1	1
Total revenues	<u>50</u>	<u>89</u>	<u>39</u>
Net change in fund balances	50	89	39
Fund balance, January 1	<u>273</u>	<u>279</u>	<u>6</u>
Fund balance, December 31	<u>\$ 323</u>	<u>\$ 368</u>	<u>\$ 45</u>

**CALHOUN COUNTY, TEXAS**  
 COUNTY CHILD WELFARE BOARD FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-10

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Interest	\$ 1	\$ 4	\$ 3
Miscellaneous	500	564	64
Total revenues	<u>501</u>	<u>568</u>	<u>67</u>
Expenditures:			
Current:			
Veterans service	850	--	850
Total expenditures	<u>850</u>	<u>--</u>	<u>850</u>
Net change in fund balances	(349)	568	917
Fund balance, January 1	<u>1,313</u>	<u>1,313</u>	<u>--</u>
Fund balance, December 31	<u>\$ 964</u>	<u>\$ 1,881</u>	<u>\$ 917</u>



**CALHOUN COUNTY, TEXAS**  
 COURT HOUSE SECURITY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-11

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 8,900	\$ 13,613	\$ 4,713
<i>Interest</i>	600	501	(99)
Total revenues	<u>9,500</u>	<u>14,114</u>	<u>4,614</u>
Expenditures:			
Current:			
<i>General administration</i>	140,000	2,089	137,911
Total expenditures	<u>140,000</u>	<u>2,089</u>	<u>137,911</u>
Net change in fund balances	(130,500)	12,025	142,525
Fund balance, January 1	<u>234,212</u>	<u>235,206</u>	<u>994</u>
Fund balance, December 31	<u>\$ 103,712</u>	<u>\$ 247,231</u>	<u>\$ 143,519</u>

**CALHOUN COUNTY, TEXAS**  
 COURT INITIATED GUARDIANSHIP FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-12

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 1,000	\$ 1,160	\$ 160
<i>Interest</i>	1	8	7
Total revenues	<u>1,001</u>	<u>1,168</u>	<u>167</u>
Net change in fund balances	1,001	1,168	167
Fund balance, January 1	<u>3,025</u>	<u>3,065</u>	<u>40</u>
Fund balance, December 31	<u>\$ 4,026</u>	<u>\$ 4,233</u>	<u>\$ 207</u>

**CALHOUN COUNTY, TEXAS**  
*COURT RECORDS PRESERVATION FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

**EXHIBIT C-13**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 1,501	\$ 2,702	\$ 1,201
<i>Interest</i>	10	22	12
Total revenues	<u>1,511</u>	<u>2,724</u>	<u>1,213</u>
Net change in fund balances	1,511	2,724	1,213
Fund balance, January 1	<u>9,280</u>	<u>9,480</u>	<u>200</u>
Fund balance, December 31	<u>\$ 10,791</u>	<u>\$ 12,204</u>	<u>\$ 1,413</u>

**CALHOUN COUNTY, TEXAS**  
 COUNTY CLERK RECORDS ARCHIVE FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 22,000	\$ 43,990	\$ 21,990
<i>Interest</i>	100	164	64
Total revenues	<u>22,100</u>	<u>44,154</u>	<u>22,054</u>
Expenditures:			
Current:			
<i>General administration</i>	<u>50,000</u>	--	<u>50,000</u>
Total expenditures	<u>50,000</u>	<u>--</u>	<u>50,000</u>
Net change in fund balances	(27,900)	44,154	72,054
Fund balance, January 1	<u>57,790</u>	<u>61,268</u>	<u>3,478</u>
Fund balance, December 31	<u>\$ 29,890</u>	<u>\$ 105,422</u>	<u>\$ 75,532</u>

**CALHOUN COUNTY, TEXAS**  
 DISTRICT ATTORNEY FORFEITURE FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-15

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 1	\$ 4,816	\$ 4,815
<i>Interest</i>	1	--	(1)
Total revenues	<u>2</u>	<u>4,816</u>	<u>4,814</u>
Expenditures:			
Current:			
<i>Legal</i>	<u>23,858</u>	<u>14,619</u>	<u>9,239</u>
Total expenditures	<u>23,858</u>	<u>14,619</u>	<u>9,239</u>
Net change in fund balances	(23,856)	(9,803)	14,053
Fund balance, January 1	<u>46,873</u>	<u>46,873</u>	<u>--</u>
Fund balance, December 31	<u>\$ 23,017</u>	<u>\$ 37,070</u>	<u>\$ 14,053</u>

**CALHOUN COUNTY, TEXAS**  
*DRUG/DWI COURT PROGRAM FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 1,020	\$ 1,526	\$ 506
<i>Interest</i>	10	20	10
Total revenues	<u>1,030</u>	<u>1,546</u>	<u>516</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	<u>40</u>	<u>--</u>	<u>40</u>
Total expenditures	<u>40</u>	<u>--</u>	<u>40</u>
Net change in fund balances	990	1,546	556
Fund balance, January 1	<u>9,020</u>	<u>9,104</u>	<u>84</u>
Fund balance, December 31	<u>\$ 10,010</u>	<u>\$ 10,650</u>	<u>\$ 640</u>

**CALHOUN COUNTY, TEXAS**  
*JUVENILE CASE MANAGER FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-17

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 600	\$ 322	\$ (278)
<i>Interest</i>	<u>10</u>	<u>19</u>	<u>9</u>
Total revenues	<u>610</u>	<u>341</u>	<u>(269)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	<u>2</u>	<u>--</u>	<u>2</u>
Total expenditures	<u>2</u>	<u>--</u>	<u>2</u>
Net change in fund balances	608	341	(267)
Fund balance, January 1	<u>9,005</u>	<u>8,975</u>	<u>(30)</u>
Fund balance, December 31	<u>\$ 9,613</u>	<u>\$ 9,316</u>	<u>\$ (297)</u>

**CALHOUN COUNTY, TEXAS**  
 FAMILY PROTECTION FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for services	\$ 400	\$ 771	\$ 371
Interest	10	14	4
Total revenues	<u>410</u>	<u>785</u>	<u>375</u>
 Net change in fund balances	 410	 785	 375
 Fund balance, January 1	 <u>6,225</u>	 <u>6,241</u>	 <u>16</u>
 Fund balance, December 31	 <u>\$ 6,635</u>	 <u>\$ 7,026</u>	 <u>\$ 391</u>



**CALHOUN COUNTY, TEXAS**  
*JUVENILE DELINQUENCY PREVENTION FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

**EXHIBIT C-19**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Interest</i>	\$ <u>15</u>	\$ <u>18</u>	\$ <u>3</u>
Total revenues	<u>15</u>	<u>18</u>	<u>3</u>
 Net change in fund balances	 15	 18	 3
 Fund balance, January 1	 <u>8,580</u>	 <u>8,581</u>	 <u>1</u>
 Fund balance, December 31	 <u>\$ 8,595</u>	 <u>\$ 8,599</u>	 <u>\$ 4</u>

**CALHOUN COUNTY, TEXAS**  
*JUSTICE COURT TECHNOLOGY*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-20

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 8,289	\$ 8,098	\$ (191)
<i>Interest</i>	131	131	--
Total revenues	<u>8,420</u>	<u>8,229</u>	<u>(191)</u>
Expenditures:			
Current:			
<i>Judicial</i>	<u>68,522</u>	<u>2,665</u>	<u>65,857</u>
Total expenditures	<u>68,522</u>	<u>2,665</u>	<u>65,857</u>
Net change in fund balances	(60,102)	5,564	65,666
Fund balance, January 1	<u>60,102</u>	<u>60,794</u>	<u>692</u>
Fund balance, December 31	<u>\$ --</u>	<u>\$ 66,358</u>	<u>\$ 66,358</u>

**CALHOUN COUNTY, TEXAS**  
*JUSTICE COURT BUILDING SECURITY FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-21

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Fines and forfeitures</i>	\$ 2,250	\$ 2,000	\$ (250)
<i>Interest</i>	<u>25</u>	<u>23</u>	<u>(2)</u>
Total revenues	<u>2,275</u>	<u>2,023</u>	<u>(252)</u>
Expenditures:			
Current:			
<i>Judicial</i>	<u>10,000</u>	<u>6,213</u>	<u>3,787</u>
Total expenditures	<u>10,000</u>	<u>6,213</u>	<u>3,787</u>
Net change in fund balances	(7,725)	(4,190)	3,535
Fund balance, January 1	<u>15,142</u>	<u>15,314</u>	<u>172</u>
Fund balance, December 31	<u>\$ 7,417</u>	<u>\$ 11,124</u>	<u>\$ 3,707</u>

**CALHOUN COUNTY, TEXAS**  
*LATERAL ROAD FUND PRECINCT #1*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-22

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,318	\$ 88
<i>Interest</i>	5	7	2
Total revenues	<u>4,235</u>	<u>4,325</u>	<u>90</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,460	4,326	134
Total expenditures	<u>4,460</u>	<u>4,326</u>	<u>134</u>
Net change in fund balances	(225)	(1)	224
Fund balance, January 1	<u>4,321</u>	<u>4,322</u>	<u>1</u>
Fund balance, December 31	<u>\$ 4,096</u>	<u>\$ 4,321</u>	<u>\$ 225</u>

**CALHOUN COUNTY, TEXAS**  
*LATERAL ROAD FUND PRECINCT #2*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-23

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,318	\$ 88
<i>Interest</i>	<u>5</u>	<u>7</u>	<u>2</u>
Total revenues	<u>4,235</u>	<u>4,325</u>	<u>90</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	<u>4,460</u>	<u>4,326</u>	<u>134</u>
Total expenditures	<u>4,460</u>	<u>4,326</u>	<u>134</u>
Net change in fund balances	(225)	(1)	224
Fund balance, January 1	<u>4,321</u>	<u>4,322</u>	<u>1</u>
Fund balance, December 31	<u>\$ 4,096</u>	<u>\$ 4,321</u>	<u>\$ 225</u>

**CALHOUN COUNTY, TEXAS**  
*LATERAL ROAD FUND PRECINCT #3*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

**EXHIBIT C-24**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,318	\$ 88
<i>Interest</i>	5	7	2
Total revenues	<u>4,235</u>	<u>4,325</u>	<u>90</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	<u>4,460</u>	<u>4,326</u>	<u>134</u>
Total expenditures	<u>4,460</u>	<u>4,326</u>	<u>134</u>
Net change in fund balances	(225)	(1)	224
Fund balance, January 1	<u>4,321</u>	<u>4,322</u>	<u>1</u>
Fund balance, December 31	<u>\$ 4,096</u>	<u>\$ 4,321</u>	<u>\$ 225</u>

**CALHOUN COUNTY, TEXAS**  
*LATERAL ROAD FUND PRECINCT #4*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-25

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,318	\$ 88
<i>Interest</i>	5	7	2
Total revenues	<u>4,235</u>	<u>4,325</u>	<u>90</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	<u>4,460</u>	<u>4,326</u>	134
Total expenditures	<u>4,460</u>	<u>4,326</u>	134
Net change in fund balances	(225)	(1)	224
Fund balance, January 1	<u>4,321</u>	<u>4,322</u>	1
Fund balance, December 31	<u>\$ 4,096</u>	<u>\$ 4,321</u>	<u>\$ 225</u>

**CALHOUN COUNTY, TEXAS**

JUROR DONATIONS COUNTY HUMANE SOCIETY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-26

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Gifts and contributions</i>	\$ 150	\$ --	\$ 150
Total revenues	<u>150</u>	<u>--</u>	<u>(150)</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	<u>150</u>	<u>--</u>	<u>150</u>
Total expenditures	<u>150</u>	<u>--</u>	<u>150</u>
Net change in fund balances	--	--	--
Fund balance, January 1	<u>--</u>	<u>--</u>	<u>--</u>
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>



**CALHOUN COUNTY, TEXAS**  
*PRETRIAL SERVICES FUND*  
*SPECIAL REVENUE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-27

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 2,000	\$ 5,300	\$ 3,300
<i>Interest</i>	<u>150</u>	<u>137</u>	<u>(13)</u>
Total revenues	<u>2,150</u>	<u>5,437</u>	<u>3,287</u>
Net change in fund balances	2,150	5,437	3,287
Fund balance, January 1	<u>63,439</u>	<u>63,747</u>	<u>308</u>
Fund balance, December 31	<u>\$ 65,589</u>	<u>\$ 69,184</u>	<u>\$ 3,595</u>

**CALHOUN COUNTY, TEXAS**

EXHIBIT C-28

LAW LIBRARY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 10,000	\$ 11,453	\$ 1,453
<i>Interest</i>	<u>300</u>	<u>406</u>	<u>106</u>
Total revenues	<u>10,300</u>	<u>11,859</u>	<u>1,559</u>
Expenditures:			
Current:			
<i>Legal</i>	<u>26,400</u>	<u>9,923</u>	<u>16,477</u>
Total expenditures	<u>26,400</u>	<u>9,923</u>	<u>16,477</u>
Net change in fund balances	(16,100)	1,936	18,036
Fund balance, January 1	<u>191,259</u>	<u>192,267</u>	<u>1,008</u>
Fund balance, December 31	<u>\$ 175,159</u>	<u>\$ 194,203</u>	<u>\$ 19,044</u>

**CALHOUN COUNTY, TEXAS**  
 PORT O'CONNOR COMMUNITY CENTER  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-29

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>Revenues:</b>			
<i>Interest</i>	\$ 50	\$ 134	\$ 84
<i>Gifts and contributions</i>	1	--	(1)
<i>Rents and leases</i>	<u>10,000</u>	<u>14,450</u>	<u>4,450</u>
<b>Total revenues</b>	<u>10,051</u>	<u>14,584</u>	<u>4,533</u>
<b>Expenditures:</b>			
<b>Current:</b>			
<i>Culture and recreation</i>	<u>45,277</u>	<u>33,364</u>	<u>11,913</u>
<b>Total expenditures</b>	<u>45,277</u>	<u>33,364</u>	<u>11,913</u>
 Excess (deficiency) of revenues over (under) expenditures	 (35,226)	 (18,780)	 16,446
<b>Other financing sources (uses):</b>			
<i>Transfers in</i>	<u>23,000</u>	<u>23,000</u>	<u>--</u>
<b>Total other financing sources (uses)</b>	<u>23,000</u>	<u>23,000</u>	<u>--</u>
 Net change in fund balances	 (12,226)	 4,220	 16,446
 Fund balance, January 1	 <u>47,823</u>	 <u>45,206</u>	 <u>(2,617)</u>
 Fund balance, December 31	 <u>\$ 35,597</u>	 <u>\$ 49,426</u>	 <u>\$ 13,829</u>

**CALHOUN COUNTY, TEXAS**

RECORDS MGMT/PRESERVATION DISTRICT CLERK FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-30

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 1,000	\$ 1,742	\$ 742
<i>Interest</i>	1	12	11
Total revenues	<u>1,001</u>	<u>1,754</u>	<u>753</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	<u>2,500</u>	--	<u>2,500</u>
Total expenditures	<u>2,500</u>	<u>--</u>	<u>2,500</u>
Net change in fund balances	(1,499)	1,754	3,253
Fund balance, January 1	<u>4,695</u>	<u>4,838</u>	<u>143</u>
Fund balance, December 31	<u>\$ 3,196</u>	<u>\$ 6,592</u>	<u>\$ 3,396</u>

**CALHOUN COUNTY, TEXAS**

COUNTY CLERK RECORDS MANAGEMENT FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-31

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 5,000	\$ 355	\$ (4,645)
<i>Interest</i>	200	214	14
Total revenues	<u>5,200</u>	<u>569</u>	<u>(4,631)</u>
Expenditures:			
Current:			
<i>General administration</i>	<u>40,889</u>	<u>22,311</u>	<u>18,578</u>
Total expenditures	<u>40,889</u>	<u>22,311</u>	<u>18,578</u>
Net change in fund balances	(35,689)	(21,742)	13,947
Fund balance, January 1	<u>113,886</u>	<u>114,503</u>	<u>617</u>
Fund balance, December 31	<u>\$ 78,197</u>	<u>\$ 92,761</u>	<u>\$ 14,564</u>

**CALHOUN COUNTY, TEXAS**

RECORDS MANAGEMENT AND PRESERVATION FUND  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-32

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 22,500	\$ 51,889	\$ 29,389
<i>Interest</i>	150	417	267
Total revenues	<u>22,650</u>	<u>52,306</u>	<u>29,656</u>
Expenditures:			
Current:			
<i>General administration</i>	6,500	110	6,390
Total expenditures	<u>6,500</u>	<u>110</u>	<u>6,390</u>
Net change in fund balances	16,150	52,196	36,046
Fund balance, January 1	<u>174,647</u>	<u>178,750</u>	<u>4,103</u>
Fund balance, December 31	<u>\$ 190,797</u>	<u>\$ 230,946</u>	<u>\$ 40,149</u>

**CALHOUN COUNTY, TEXAS**  
ROAD AND BRIDGE FUND GENERAL  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-33

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 10,000	\$ 50,176	\$ 40,176
<i>Charges for services</i>	120,000	256,010	136,010
<i>Permits and licenses</i>	300,000	263,742	(36,258)
<i>Fines and forfeitures</i>	51,200	51,704	504
<i>Interest</i>	<u>2,000</u>	<u>3,097</u>	<u>1,097</u>
Total revenues	<u>483,200</u>	<u>624,729</u>	<u>141,529</u>
Other financing sources (uses):			
<i>Transfers out</i>	<u>(600,000)</u>	<u>(600,000)</u>	<u>--</u>
Total other financing sources (uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>--</u>
Net change in fund balances	(116,800)	24,729	141,529
Fund balance, January 1	<u>1,621,101</u>	<u>1,628,436</u>	<u>7,335</u>
Fund balance, December 31	<u>\$ 1,504,301</u>	<u>\$ 1,653,165</u>	<u>\$ 148,864</u>

**CALHOUN COUNTY, TEXAS**  
 SHERIFF FORFEITED PROPERTY FUND  
 SPECIAL REVENUE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-34

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
<i>Fines and forfeitures</i>	\$ 2	\$ 5,810	\$ 5,808
<i>Interest</i>	2	3	1
<i>Miscellaneous</i>	1	821	820
Total revenues	<u>5</u>	<u>6,634</u>	<u>6,629</u>
Expenditures:			
Current:			
<i>Public safety</i>	<u>15,557</u>	<u>5,975</u>	<u>9,582</u>
Total expenditures	<u>15,557</u>	<u>5,975</u>	<u>9,582</u>
Net change in fund balances	(15,552)	659	16,211
Fund balance, January 1	<u>15,559</u>	<u>22,066</u>	<u>6,507</u>
Fund balance, December 31	<u>\$ 7</u>	<u>\$ 22,725</u>	<u>\$ 22,718</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, 2015

EXHIBIT C-35

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Interest</i>	\$ 60	\$ 110	\$ 50
Total revenues	<u>60</u>	<u>110</u>	<u>50</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	<u>56,431</u>	<u>5,521</u>	<u>50,910</u>
Total expenditures	<u>56,431</u>	<u>5,521</u>	<u>50,910</u>
Net change in fund balances	(56,371)	(5,411)	50,960
Fund balance, January 1	<u>56,610</u>	<u>56,618</u>	<u>8</u>
Fund balance, December 31	<u>\$ 239</u>	<u>\$ 51,207</u>	<u>\$ 50,968</u>

**CALHOUN COUNTY, TEXAS**

COMBINING BALANCE SHEET

NONMAJOR DEBT SERVICE FUNDS

DECEMBER 31, 2015

	2010 Refunding Debt Service	Debt Service Refunding 2012	Total Nonmajor Debt Service Funds (See Exhibit C-1)
<b>ASSETS</b>			
<i>Cash and cash equivalents</i>	\$ 77,997	\$ 91,017	\$ 169,014
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Taxes</i>	157,308	179,559	336,867
Restricted assets:			
<i>Cash and cash equivalents</i>	<u>322,410</u>	<u>420,440</u>	<u>742,850</u>
<b>Total Assets</b>	<u>\$ 557,715</u>	<u>\$ 691,016</u>	<u>\$ 1,248,731</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ 505,847</u>	<u>\$ 634,110</u>	<u>\$ 1,139,957</u>
<b>FUND BALANCE</b>			
<i>Restricted</i>	<u>51,868</u>	<u>56,906</u>	<u>108,774</u>
<b>Total Fund Balance</b>	<u>51,868</u>	<u>56,906</u>	<u>108,774</u>
<b>Total Deferred Inflows of Resources,     and Fund Balance</b>	<u>\$ 557,715</u>	<u>\$ 691,016</u>	<u>\$ 1,248,731</u>

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	2010 Refunding Debt Service	Debt Service Refunding 2012	Total Nonmajor Debt Service Funds (See Exhibit C-2)
Revenues:			
<i>Ad valorem taxes</i>	\$ 489,449	\$ 662,563	\$ 1,152,012
Total revenues	<u>489,449</u>	<u>662,563</u>	<u>1,152,012</u>
Expenditures:			
Debt service:			
<i>Principal</i>	365,000	540,000	905,000
<i>Interest and fiscal charges</i>	153,854	133,750	287,604
Total expenditures	<u>518,854</u>	<u>673,750</u>	<u>1,192,604</u>
Net change in fund balances	(29,405)	(11,187)	(40,592)
Fund balance, January 1	<u>46,496</u>	<u>109,185</u>	<u>155,681</u>
Fund balance, December 31	<u>\$ 17,091</u>	<u>\$ 97,998</u>	<u>\$ 115,089</u>

**CALHOUN COUNTY, TEXAS**  
 2010 REFUNDING DEBT SERVICE  
 DEBT SERVICE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED DECEMBER 31, 2015

EXHIBIT C-38

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 469,660	\$ 489,449	\$ 19,789
<i>Interest</i>	10	--	(10)
Total revenues	<u>469,670</u>	<u>489,449</u>	<u>19,779</u>
Expenditures:			
Debt service:			
<i>Principal</i>	365,000	365,000	--
<i>Interest and fiscal charges</i>	<u>154,600</u>	<u>153,854</u>	746
Total expenditures	<u>519,600</u>	<u>518,854</u>	<u>746</u>
Net change in fund balances	(49,930)	(29,405)	20,525
Fund balance, January 1	<u>81,151</u>	<u>46,496</u>	<u>(34,655)</u>
Fund balance, December 31	<u>\$ 31,221</u>	<u>\$ 17,091</u>	<u>\$ (14,130)</u>

**CALHOUN COUNTY, TEXAS**  
*DEBT SERVICE REFUNDING 2012 FUND*  
*DEBT SERVICE FUND*  
*BUDGETARY COMPARISON SCHEDULE*  
*FOR THE YEAR ENDED DECEMBER 31, 2015*

EXHIBIT C-39

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Ad valorem taxes</i>	\$ 634,510	\$ 662,563	\$ 28,053
<i>Interest</i>	10	--	(10)
Total revenues	<u>634,520</u>	<u>662,563</u>	<u>28,043</u>
Expenditures:			
Debt service:			
<i>Principal</i>	540,000	540,000	--
<i>Interest and fiscal charges</i>	<u>134,450</u>	<u>133,750</u>	<u>700</u>
Total expenditures	<u>674,450</u>	<u>673,750</u>	<u>700</u>
Net change in fund balances	(39,930)	(11,187)	28,743
Fund balance, January 1	<u>68,114</u>	<u>109,185</u>	<u>41,071</u>
Fund balance, December 31	<u>\$ 28,184</u>	<u>\$ 97,998</u>	<u>\$ 69,814</u>

**CALHOUN COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 DECEMBER 31, 2015

	Pct #1 Ocean Dr Imprv/TCDBG DRS010020	Road and Bridge Infrastructure	County Energy TRZ #1	Airport Runway Improvements
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 1	\$ 204,841	\$ 385,382	\$ 78,472
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Intergovernmental receivable</i>	789	--	--	--
<i>Loan to component unit</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Assets</b>	<b><u>\$ 790</u></b>	<b><u>\$ 204,841</u></b>	<b><u>\$ 385,382</u></b>	<b><u>\$ 78,472</u></b>
<b>LIABILITIES</b>				
<i>Accounts payable</i>	\$ --	\$ 5,198	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	790	--	338,244	--
<b>Total Liabilities</b>	<u>790</u>	<u>5,198</u>	<u>338,244</u>	<u>--</u>
<b>FUND BALANCE</b>				
<i>Nonspendable</i>	--	--	--	--
<i>Restricted</i>	--	199,643	47,138	--
<i>Assigned</i>	--	--	--	78,472
<i>Unassigned</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Fund Balance (Deficit)</b>	<u>--</u>	<u>199,643</u>	<u>47,138</u>	<u>78,472</u>
<b>Total Liabilities and Fund Balance (Deficit)</b>	<b><u>\$ 790</u></b>	<b><u>\$ 204,841</u></b>	<b><u>\$ 385,382</u></b>	<b><u>\$ 78,472</u></b>

Capital Proj. County Road 101	EMS Substation	Emergency Communications System	Green Lake Park	Haterius Park/Boat Ramp
\$ 85,445	\$ 340,835	\$ 30,848	\$ 21,730	\$ 21,064
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 85,445</u>	<u>\$ 340,835</u>	<u>\$ 30,848</u>	<u>\$ 21,730</u>	<u>\$ 21,064</u>
\$ 4,598	\$ --	\$ --	\$ 6,038	\$ --
--	--	--	--	--
80,847	--	--	--	--
<u>85,445</u>	<u>--</u>	<u>--</u>	<u>6,038</u>	<u>--</u>
--	--	--	--	--
--	340,835	--	15,692	--
--	--	30,848	--	21,064
--	--	--	--	--
<u>--</u>	<u>340,835</u>	<u>30,848</u>	<u>15,692</u>	<u>21,064</u>
<u>\$ 85,445</u>	<u>\$ 340,835</u>	<u>\$ 30,848</u>	<u>\$ 21,730</u>	<u>\$ 21,064</u>

**CALHOUN COUNTY, TEXAS**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 DECEMBER 31, 2015

	Port Alto Public Beach	Capital Improvements Projects
<b>ASSETS</b>		
<i>Cash and cash equivalents</i>	\$ 6,485	\$ 155,231
<i>Receivables (net of allowances for uncollectibles):</i>		
<i>Intergovernmental receivable</i>	--	--
<i>Loan to component unit</i>	--	--
	<u>          </u>	<u>          </u>
<b>Total Assets</b>	<b><u>\$ 6,485</u></b>	<b><u>\$ 155,231</u></b>
<b>LIABILITIES</b>		
<i>Accounts payable</i>	\$ --	\$ 1,133
<i>Accrued and other liabilities</i>	--	--
<i>Due to other funds</i>	--	--
	<u>          </u>	<u>          </u>
<b>Total Liabilities</b>	<b><u>--</u></b>	<b><u>1,133</u></b>
<b>FUND BALANCE</b>		
<i>Nonspendable</i>	--	--
<i>Restricted</i>	--	--
<i>Assigned</i>	6,485	154,098
<i>Unassigned</i>	--	--
	<u>          </u>	<u>          </u>
<b>Total Fund Balance (Deficit)</b>	<b><u>6,485</u></b>	<b><u>154,098</u></b>
<b>Total Liabilities and Fund Balance (Deficit)</b>	<b><u>\$ 6,485</u></b>	<b><u>\$ 155,231</u></b>



Port O'Connor Library	Courthouse Annex II	MMC Nursing Home UPL Program Loan	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
\$ 1,167	\$ --	\$ 93,241	\$ 1,424,742
--	--	--	789
<u>    --</u>	<u>    --</u>	<u>1,906,759</u>	<u>1,906,759</u>
<u>\$ 1,167</u>	<u>\$ --</u>	<u>\$ 2,000,000</u>	<u>\$ 3,332,290</u>
\$ --	\$ --	\$ --	\$ 16,967
--	8,466	--	8,466
--	--	--	419,881
<u>    --</u>	<u>    8,466</u>	<u>    --</u>	<u>    445,314</u>
--	--	1,906,759	1,906,759
1,167	--	--	1,167
--	--	93,241	253,824
<u>    --</u>	<u>    (8,466)</u>	<u>    --</u>	<u>    (8,466)</u>
<u>1,167</u>	<u>(8,466)</u>	<u>2,000,000</u>	<u>2,153,284</u>
<u>\$ 1,167</u>	<u>\$ --</u>	<u>\$ 2,000,000</u>	<u>\$ 3,332,290</u>

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Pct #1 Ocean Dr Imprv/TCDBG DRS010020	Road and Bridge Infrastructure	County Energy TRZ #1	Swan Point Park
Revenues:				
Intergovernmental	\$ 24,546	\$ 863,881	\$ 90,200	\$ --
Gifts and contributions	--	--	--	--
Total revenues	<u>24,546</u>	<u>863,881</u>	<u>90,200</u>	<u>--</u>
Expenditures:				
Current:				
Roads and bridges	--	1,761,820	100,222	--
Health and welfare	--	--	--	--
Culture and recreation	--	--	--	--
Conservation	24,546	--	--	5,096
Nondepartmental	--	--	--	--
Total expenditures	<u>24,546</u>	<u>1,761,820</u>	<u>100,222</u>	<u>5,096</u>
Excess (deficiency) of revenues over (under) expenditures	--	(897,939)	(10,022)	(5,096)
Other financing sources (uses):				
Transfers in	--	1,024,983	--	--
Transfers out	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>1,024,983</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	127,044	(10,022)	(5,096)
Fund balance, January 1	<u>--</u>	<u>72,599</u>	<u>57,160</u>	<u>5,096</u>
Fund balance (deficit), December 31	<u>\$ --</u>	<u>\$ 199,643</u>	<u>\$ 47,138</u>	<u>\$ --</u>

Airport Runway Improvements	Capital Proj. County Road 101	EMS Substation	Emergency Communications System	Green Lake Park
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	123,153	--	--	--
--	--	6,564	--	--
--	--	--	--	15,037
--	--	--	--	--
--	--	--	--	--
--	123,153	6,564	--	15,037
--	(123,153)	(6,564)	--	(15,037)
--	54,000	--	--	--
(14,305)	(80,847)	--	--	--
(14,305)	(26,847)	--	--	--
(14,305)	(150,000)	(6,564)	--	(15,037)
92,777	150,000	347,399	30,848	30,729
\$ 78,472	\$ --	\$ 340,835	\$ 30,848	\$ 15,692

**CALHOUN COUNTY, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015

	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>Roads and bridges</i>	--	--	--
<i>Health and welfare</i>	--	--	--
<i>Culture and recreation</i>	--	--	--
<i>Conservation</i>	--	--	--
<i>Nondepartmental</i>	--	--	250,557
Total expenditures	<u>          --</u>	<u>          --</u>	<u>          250,557</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	(250,557)
Other financing sources (uses):			
<i>Transfers in</i>	--	--	--
<i>Transfers out</i>	--	--	--
Total other financing sources (uses)	<u>          --</u>	<u>          --</u>	<u>          --</u>
Net change in fund balances	--	--	(250,557)
Fund balance, January 1	<u>          21,064</u>	<u>          6,485</u>	<u>          404,655</u>
Fund balance (deficit), December 31	<u>          \$ 21,064</u>	<u>          \$ 6,485</u>	<u>          \$ 154,098</u>

Port O'Connor Library	Courthouse Annex II	MMC Nursing Home UPL Program Loan	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
\$ --	\$ --	\$ --	\$ 978,627
11,507	--	--	11,507
<u>11,507</u>	<u>--</u>	<u>--</u>	<u>990,134</u>
--	--	--	1,985,195
--	--	--	6,564
11,507	--	--	26,544
--	--	--	29,642
--	--	--	250,557
<u>11,507</u>	<u>--</u>	<u>--</u>	<u>2,298,502</u>
--	--	--	(1,308,368)
--	--	2,000,000	3,078,983
--	--	--	(95,152)
<u>--</u>	<u>--</u>	<u>2,000,000</u>	<u>2,983,831</u>
--	--	2,000,000	1,675,463
1,167	(8,466)	--	1,211,513
<u>\$ 1,167</u>	<u>\$ (8,466)</u>	<u>\$ 2,000,000</u>	<u>\$ 2,886,976</u>

**CALHOUN COUNTY, TEXAS**

## COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

## AGENCY FUNDS

DECEMBER 31, 2015

	County Clerk Funds	District Clerk Funds	Justice of the Peace Funds	District Attorney Funds
<b>ASSETS</b>				
<i>Cash and cash equivalents</i>	\$ 109,607	\$ 85,742	\$ 15,662	\$ 13,517
Receivables (net of allowances for uncollectibles):				
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	1,018	--	211	--
<i>Due from others</i>	<u>1,532</u>	<u>565</u>	<u>1,429</u>	<u>--</u>
<b>Total Assets</b>	<u>\$ 112,157</u>	<u>\$ 86,307</u>	<u>\$ 17,302</u>	<u>\$ 13,517</u>
<b>LIABILITIES</b>				
<i>Due to other funds</i>	\$ 3,485	\$ 2,607	\$ 10,540	\$ --
<i>Due to other governments</i>	3,649	827	2,465	--
<i>Due to others</i>	<u>105,023</u>	<u>82,873</u>	<u>4,297</u>	<u>13,517</u>
<b>Total Liabilities</b>	<u>\$ 112,157</u>	<u>\$ 86,307</u>	<u>\$ 17,302</u>	<u>\$ 13,517</u>

Tax Collector Funds	Sheriff Funds	County Auditor Funds	County Treasurer Funds	Total Agency Funds (See Exhibit A-7)
\$ 899,665	\$ 180,637	\$ 77,802	\$ 65,049	\$ 1,447,681
--	--	--	3,910	3,910
28,622	--	--	--	28,622
--	--	--	20,833	22,062
<u>4,661</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>8,187</u>
<u>\$ 932,948</u>	<u>\$ 180,637</u>	<u>\$ 77,802</u>	<u>\$ 89,792</u>	<u>\$ 1,510,462</u>
\$ 4,425	\$ 1,005	\$ --	\$ --	\$ 22,062
925,880	--	--	63,562	996,383
<u>2,643</u>	<u>179,632</u>	<u>77,802</u>	<u>26,230</u>	<u>492,017</u>
<u>\$ 932,948</u>	<u>\$ 180,637</u>	<u>\$ 77,802</u>	<u>\$ 89,792</u>	<u>\$ 1,510,462</u>

**CALHOUN COUNTY, TEXAS**

STATEMENT OF NET POSITION  
DISCRETE COMPONENT UNIT  
MEMORIAL MEDICAL CENTER  
DECEMBER 31, 2015

	Enterprise Fund <u>Memorial Medical Center</u>
<b>ASSETS</b>	
Current assets:	
<i>Cash and cash equivalents</i>	\$ 4,575,917
Receivables (net of allowances for uncollectibles):	
<i>Accounts (\$3,622,000)</i>	2,750,665
<i>Nursing home resident accounts (\$425,000)</i>	5,210,126
<i>Prepaid items and other current assets</i>	<u>7,375,445</u>
Total current assets	<u>19,912,153</u>
Noncurrent assets:	
Capital assets :	
<i>Land</i>	320,593
<i>Construction in progress</i>	3,796,074
<i>Buildings</i>	9,544,361
<i>Equipment</i>	15,490,735
<i>Accumulated depreciation</i>	<u>(21,533,054)</u>
Total capital assets	<u>7,618,709</u>
Total Assets	<u>27,530,862</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>1,193,358</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 28,724,220</u>
<b>LIABILITIES</b>	
Current liabilities:	
<i>Accounts payable</i>	\$ 1,098,099
<i>Accounts payable - nursing homes</i>	6,662,726
<i>Accrued and other liabilities</i>	3,611,857
<i>Estimated amounts due to third-party payors</i>	68,951
<i>Capital leases payable - current portion</i>	265,632
<i>Loan payable to primary government</i>	<u>3,381,759</u>
Total current liabilities	<u>15,089,024</u>
Noncurrent liabilities:	
<i>Capital leases payable</i>	477,254
<i>Net pension liability</i>	<u>135,344</u>
Total noncurrent liabilities	<u>612,598</u>
Total Liabilities	<u>15,701,622</u>
<b>NET POSITION</b>	
<i>Net investment in capital assets</i>	6,875,823
<i>Unrestricted</i>	<u>6,146,775</u>
Total Net Position	<u>13,022,598</u>
Total Liabilities and Net Position	<u>\$ 28,724,220</u>



**CALHOUN COUNTY, TEXAS**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN FUND NET POSITION -  
 DISCRETE COMPONENT UNIT  
 MEMORIAL MEDICAL CENTER  
 FOR THE YEAR ENDED DECEMBER 31, 2015

	Enterprise Fund <u>Memorial Medical Center</u>
<b>OPERATING REVENUES:</b>	
<i>Patient service revenues (net of provision \$7,434,000)</i>	\$ 22,118,675
<i>Nursing home resident revenue (net of provision \$7,445,000)</i>	44,789,016
<i>Other operating revenues</i>	658,550
<b>Total Operating Revenues</b>	<u>67,566,241</u>
<b>OPERATING EXPENSES:</b>	
<i>Salaries and wages</i>	9,483,984
<i>Employee benefits</i>	3,079,659
<i>Purchased services and professional fees</i>	5,790,273
<i>Insurance</i>	83,245
<i>Supplies and other</i>	5,071,446
<i>Nursing home expenses</i>	43,684,866
<i>Depreciation and amortization</i>	925,920
<b>Total Operating Expenses</b>	<u>68,119,393</u>
<b>Operating Income (Loss)</b>	<u>(553,152)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>	
<i>Investment income</i>	1,245
<i>Interest expense</i>	(43,727)
<i>Private upper payment limit expense</i>	(2,434,521)
<i>On-behalf payments</i>	3,123,679
<b>Total Non-operating Revenues (Expenses)</b>	<u>646,676</u>
<b>Excess of Revenues over Expenses Before Grants for Property and Equipment</b>	93,524
<b>GRANTS FOR PROPERTY AND EQUIPMENT</b>	<u>1,740,236</u>
<b>Increase (decrease) in net position</b>	1,833,760
<b>Net position, January 1</b>	10,427,421
<b>Adjustment for Adoption of New Accounting Standard (Note I. H.)</b>	<u>761,417</u>
<b>Net position, December 31</b>	<u>\$ 13,022,598</u>

**CALHOUN COUNTY, TEXAS**

STATEMENT OF CASH FLOWS  
DISCRETE COMPONENT UNIT  
MEMORIAL MEDICAL CENTER  
FOR THE YEAR ENDED DECEMBER 31, 2015

	Memorial Medical Center
Cash Flows from Operating Activities:	
<i>Receipts from and on-behalf of patients</i>	\$ 58,014,144
<i>Payments to suppliers and contractors</i>	(44,966,784)
<i>Payments to employees</i>	(12,496,813)
<i>Other receipts, net</i>	361,953
Net Cash Provided (Used) by Operating Activities	<u>912,500</u>
Cash Flows from Non-capital Financing Activities:	
<i>Private upper-payment limit program payments</i>	(1,679,501)
<i>Proceeds from issuance of note payable</i>	2,881,759
Net Cash Provided (Used) by Non-capital Financing Activities	<u>1,202,258</u>
Cash Flows from Capital and Related Financing Activities:	
<i>Grants for property and equipment</i>	1,740,236
<i>Principal paid on long-term debt</i>	(260,365)
<i>Interest paid on long-term debt</i>	(43,727)
<i>Purchase of capital assets</i>	(3,751,832)
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>(2,315,688)</u>
Cash Flows from Investing Activities:	
<i>Interest on investments</i>	1,245
Net Cash Provided (Used) for Investing Activities	<u>1,245</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(199,685)
Cash and Cash Equivalents at Beginning of Year	<u>4,775,602</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,575,917</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ (553,152)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
<i>Depreciation and amortization</i>	925,920
<i>Provision for uncollectible accounts</i>	7,879,000
<i>On-behalf payments</i>	3,123,679
Change in Assets and Liabilities:	
<i>Patients accounts receivable, net</i>	(13,380,144)
<i>Estimated amounts due from and to third-party payers</i>	(369,083)
<i>Accounts payable and accrued expenses</i>	7,452,389
<i>Other assets and liabilities</i>	(4,166,109)
Total Adjustments	<u>1,465,652</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 912,500</u>
Supplemental Cash Flows Information	\$ <u>378,139</u>
<i>Capital lease obligation incurred for capital assets</i>	