

CALHOUN COUNTY, TEXAS
Annual Financial Report
For the Fiscal Year Ended December 31, 2014

Prepared by

Cindy Mueller,
County Auditor

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CALHOUN COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014

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INTRODUCTORY SECTION

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

July 15, 2015

Honorable Jack Marr
Judge, 24th Judicial District

Honorable Stephen Williams
Judge, 135th Judicial District

Honorable Skipper Koetter
Judge, 267th Judicial District

Honorable Members of Commissioners Court
Calhoun County, Texas

Gentlemen:

In compliance with the statutory duties of the County Auditor as prescribed by Vernon's Texas Codes Annotated – Local Government Code, Title 3, Subtitle B, Chapter 84, I submit herewith the annual financial report of the government of Calhoun County, Texas for the fiscal year ended December 31, 2014.

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

ACCOUNTING SYSTEMS AND REPORTS

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

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

INDEPENDENT AUDIT

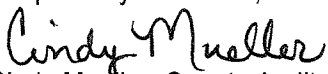
The Calhoun County Commissioners Court selected the firm of Rutledge Crain & Company, PC, Certified Public Accountants, to make an independent audit for fiscal year 2014 and their report is included in this annual report.

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, 2014, 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, 2014

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	Anita Fricke 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, 2014

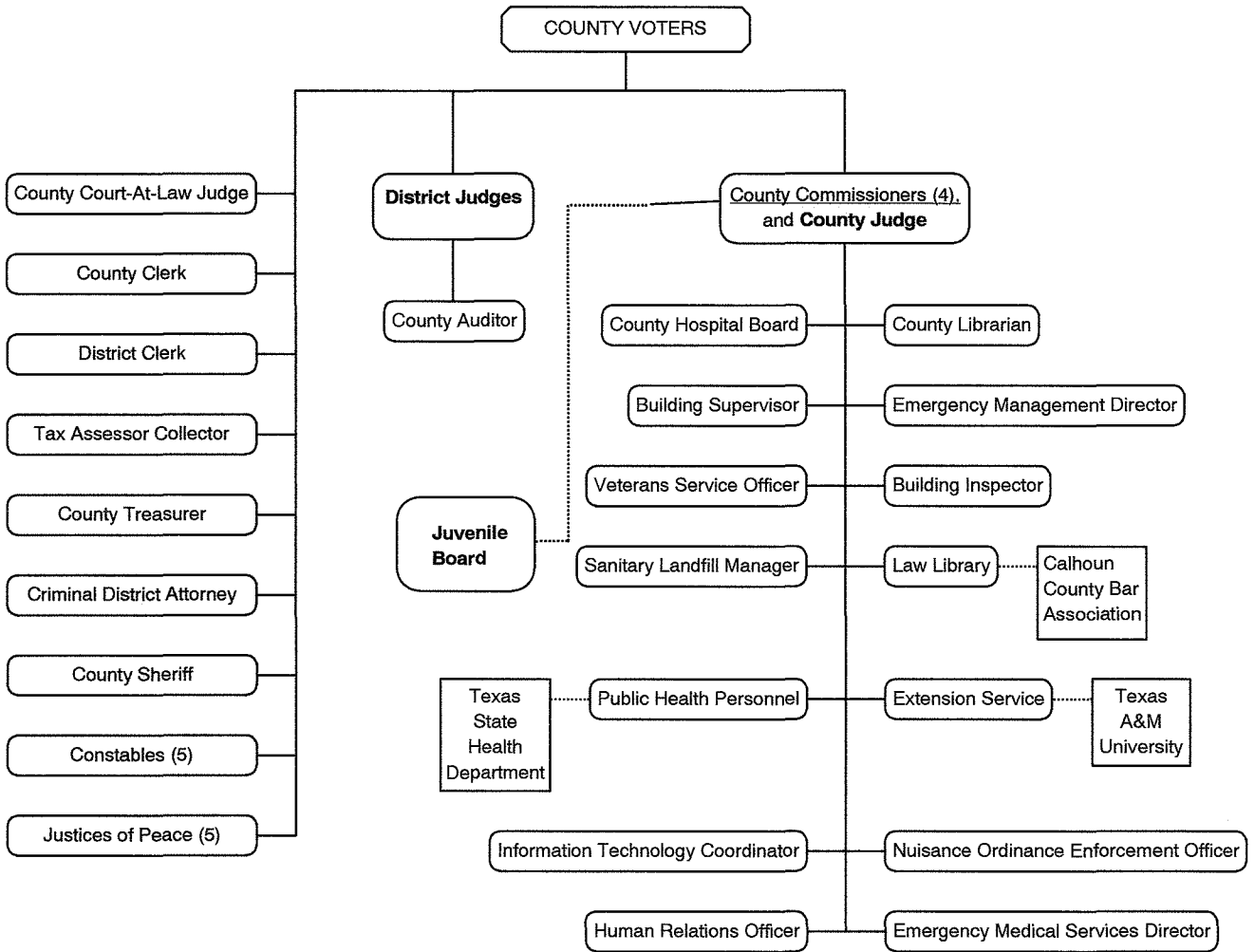
Elected Precinct Officials

Justice of Peace, Precinct One	Hope D. Kurtz 113 Milwaukee Port Lavaca, Texas
Justice of Peace, Precinct Two	James W. Duckett P.O. Box 1307 Port Lavaca, Texas
Justice of Peace, Precinct Three	Gary W. Noska P.O. Box 543 Point Comfort, Texas
Justice of Peace, Precinct Four (Temporary Appointee)	Nancy J. Pomykal P.O. Box 141 Seadrift, Texas
Justice of Peace, Precinct Five	Nancy J. Pomykal P.O. Box 454 Port O'Connor, Texas
Constable, Precinct One	Eugene Menchaca 218 Suncrest Drive Port Lavaca, Texas
Constable, Precinct Two	William Billings 1539 School Road Port Lavaca, Texas
Constable, Precinct Three	Bruce A. Blevins 826 Westwood Port Lavaca, Texas
Constable, Precinct Four	Kevin C. Koliba 548 Clark Lane Port Lavaca, Texas
Constable, Precinct Five (Temporary Appointee)	Kevin C. Koliba 548 Clark Lane Port Lavaca, Texas
<u>Appointed Personnel</u>	
Building Inspector	LaDonna Thigpen Calhoun County Courthouse Port Lavaca, Texas
Building Superintendent	W. Everett Wood Calhoun County Courthouse Port Lavaca, Texas
Chief Probation Officer	Manuel Pena 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, 2014

County Agricultural Agent	Vacant 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	Katelynn N. Curry P.O. Box 86 Port Lavaca, Texas
County Librarian	Noemi Cruz 200 W. Mahan Port Lavaca, Texas
County Librarian, Seadrift	Roberta A. Bess Seadrift Library Seadrift, Texas
County Librarian, Point Comfort	Anna G. Bradley Point Comfort Library Point Comfort, Texas
County Librarian, Port O'Connor	Shirley H. Gordon Port O'Connor Library Port O'Connor, Texas
County Health Officer	Bain C. Cate, M.D. 117 West Ash Port Lavaca, Texas
County Waste Management Supervisor	Patricia Kalisek Rosenbaum Road Port Lavaca, Texas
County Election Administrator	Dora E. Garcia Calhoun County Courthouse Port Lavaca, Texas
County Nuisance Ordinance enforcement Officer	Bruce A. Blevins Calhoun County Courthouse Port Lavaca, Texas
Emergency Medical Services Director	Henry J. Barber 705 CR101 Port Lavaca, Texas

CALHOUN COUNTY ORGANIZATION CHART
December 31, 2014



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FINANCIAL SECTION

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RUTLEDGE CRAIN & COMPANY, PC
CERTIFIED PUBLIC ACCOUNTANTS
2401 Garden Park Court, Suite B
Arlington, Texas 76013

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Calhoun County, Texas as of and for the year ended December 31, 2014, 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, 2014, 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 45-47, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental

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

Other Information

Our audit was performed for the purpose of forming opinions on the financial statements which collectively comprise Calhoun County, Texas' financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Rutledge Crain & Company, PC

July 15, 2015

Management's Discussion and Analysis

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Calhoun County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- ❖ The assets of the County exceeded its liabilities at the close of the fiscal year ended December 31, 2014, by \$60,259,568 (net position). Of this amount, \$29,508,310 (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 \$21,721,561 or 105% of total General Fund expenditures and transfers out.
- ❖ The County's governmental funds reported combined ending fund balances of \$28,737,210 an increase of \$3,299,606 in comparison to the previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis

December 31, 2014

(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 59 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 58 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 107-109.

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 2014, the County's net position (assets and deferred outflows exceeding liabilities and deferred resources inflows) totaled \$60,259,568. 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, \$29,354,062 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, \$1,397,196 or 2%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$29,508,310 or 49%, may be used to meet the government's ongoing obligations to citizens and creditors.

CALHOUN COUNTY, TEXAS
Management's Discussion and Analysis
December 31, 2014
(Unaudited)

Table 1
 Condensed Statement of Net Position

	2014	2013	Change
Current and other assets	\$ 50,786,537	\$ 48,189,676	\$ 2,596,861
Capital assets (net of accumulated depreciation)	38,887,459	39,333,645	(446,186)
Total assets	<u>89,673,996</u>	<u>87,523,321</u>	<u>2,150,675</u>
Deferred outflows of resources	<u>419,763</u>	<u>462,263</u>	<u>(42,500)</u>
Current and other liabilities	3,286,997	3,958,662	(671,665)
Long-term liabilities	9,683,632	10,645,468	(961,836)
Total liabilities	<u>12,970,629</u>	<u>14,604,130</u>	<u>(1,633,501)</u>
Deferred inflows of resources	<u>16,863,562</u>	<u>16,720,235</u>	<u>143,327</u>
Net position			
Invested in capital assets, net of related debt	29,354,062	29,287,186	66,876
Restricted	1,397,196	1,141,134	256,062
Unrestricted debt	29,508,310	26,232,899	3,275,411
Total net position	<u>\$ 60,259,568</u>	<u>\$ 56,661,219</u>	<u>\$ 3,598,349</u>

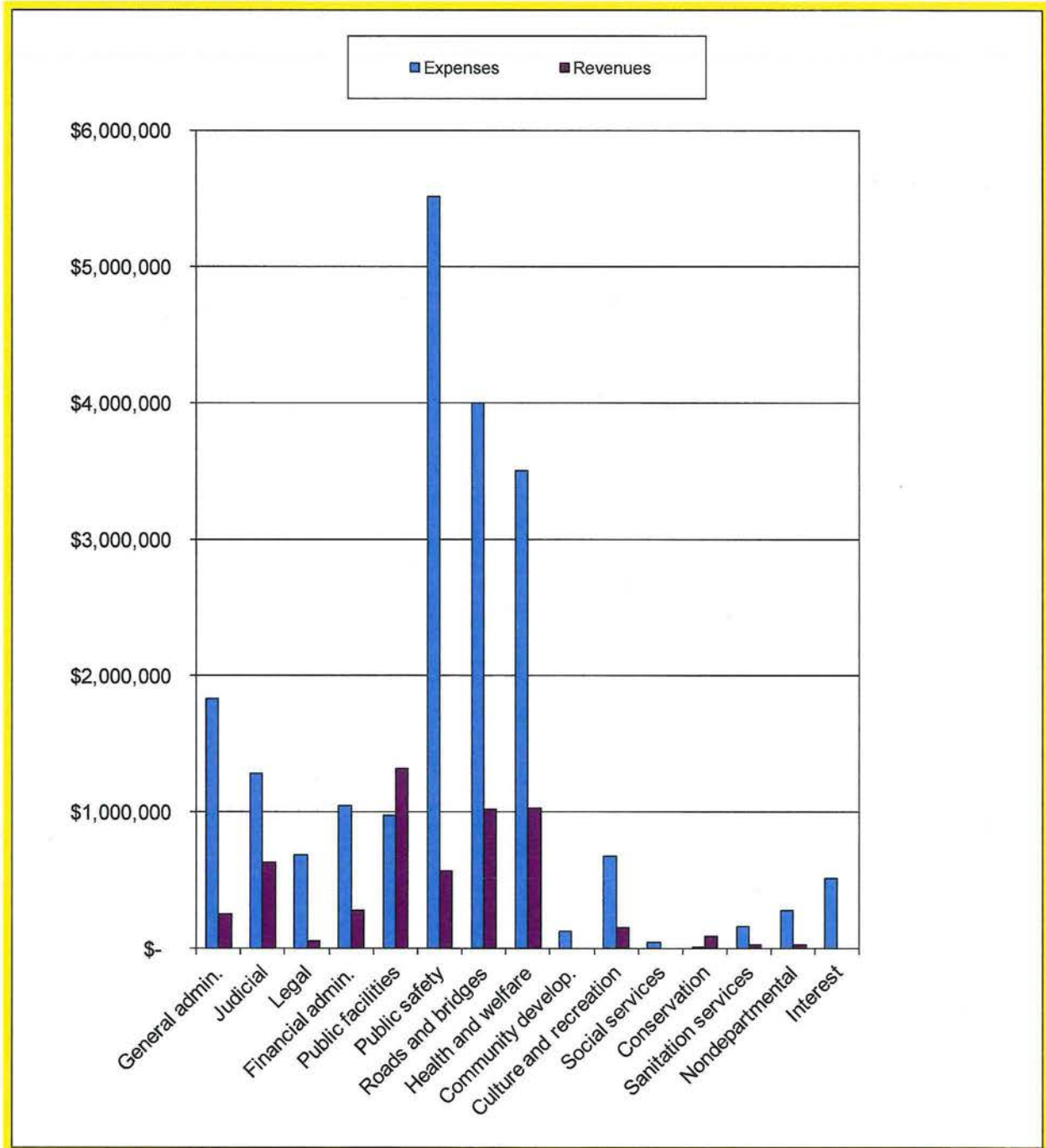
CALHOUN COUNTY, TEXAS
Management's Discussion and Analysis
 December 31, 2014
 (Unaudited)

Changes in Net position. The net position of the County increased by \$3,598,349 for the fiscal year ended December 31, 2014. Table 2 provides an analysis of revenues and expenditures comprising the increase.

Table 2
 Changes in Net Position

	2014	2013	Change
Revenues:			
Net Program Revenues:			
Charges for services	\$ 3,035,593	\$ 2,795,718	\$ 239,875
Operating grants and contributions	574,722	490,227	84,495
Capital grants and contributions	2,453,662	2,462,879	(9,217)
General Revenues:			
Property taxes	17,223,131	16,993,433	229,698
Sales taxes	2,189,966	1,885,967	303,999
Other taxes	25,416	18,041	7,375
Unrestricted investments earnings	62,924	65,945	(3,021)
Miscellaneous	180,423	253,650	(73,227)
Total revenues	<u>25,745,837</u>	<u>24,965,860</u>	<u>779,977</u>
Expenses:			
General administration	1,838,070	1,832,202	5,868
Judicial	1,527,624	1,447,753	79,871
Legal	765,218	733,688	31,530
Financial administration	1,182,289	1,077,665	104,624
Public facilities	1,068,893	1,093,671	(24,778)
Public safety	6,129,476	5,544,172	585,304
Roads and bridges	4,571,268	4,430,001	141,267
Health and welfare	3,519,061	3,017,500	501,561
Community development	155,256	168,560	(13,304)
Culture and recreation	859,632	801,846	57,786
Social services	38,444	37,346	1,098
Conservation	11,554	16,742	(5,188)
Sanitation services	162,834	160,803	2,031
Nondepartmental	-	253,789	(253,789)
Interest and fiscal charges	317,869	326,943	(9,074)
Total expenses	<u>22,147,488</u>	<u>20,942,681</u>	<u>1,204,807</u>
Change in net position	3,598,349	4,023,179	<u>\$ (424,830)</u>
Net position - beginning	56,661,219	52,638,040	
Net position - ending	<u>\$ 60,259,568</u>	<u>\$ 56,661,219</u>	

Program Expenses and Revenues



The cost of the county's programs exceeded program revenues of \$6,063,977 by \$16,083,511 as illustrated above. Program revenues amounted to 27% of program costs.

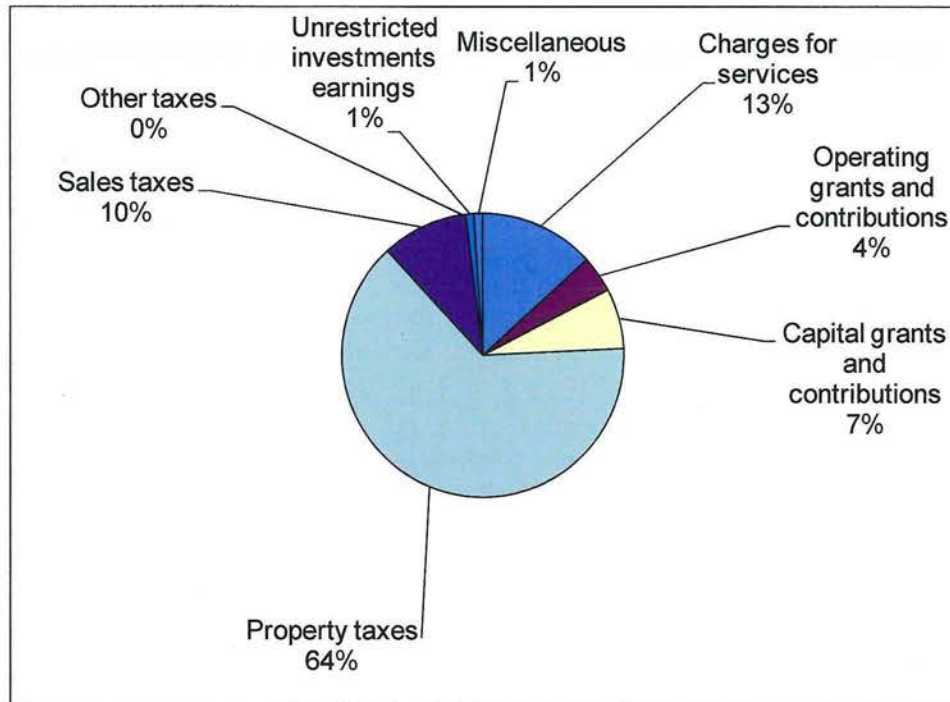
CALHOUN COUNTY, TEXAS

Management's Discussion and Analysis

December 31, 2014

(Unaudited)

Revenues by Source



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, 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 \$28,737,210 an increase of \$3,299,606 from 2013.

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 \$21,721,561. The fund balance increased by \$2,987,502 during the current fiscal year. Revenues increased 14% from the prior year and exceeded expenditures by \$2,839,596.

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 \$3,520,533 positive variance between the final amended budget and actual expenditures, comprised primarily of the following:

- \$545,538 decrease from budgeted General Administration expenditures related to personnel vacancies and services.
- \$81,227 decrease from budgeted Judicial expenditures related to personnel vacancies and services.
- \$160,402 decrease from Public Facilities expenditures related to personnel vacancies and services.
- \$359,211 decrease from budgeted Public Safety expenditures related to personnel vacancies.
- \$130,051 decrease from Roads and Bridges expenditures related to supplies.
- \$2,071,784 decrease from budgeted Health and Welfare expenditures related to personnel vacancies and services.

The key factors in the \$1,766,969 positive budget variance in total revenues were increases in property and sales taxes and charges for services.

The positive budget variances resulted in \$5,287,502 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, 2014, amounts to \$38,887,459 (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 12/31/14	Balance 12/31/13
Capital assets, not being depreciated:		
Land	\$ 2,223,166	\$ 2,223,168
Construction in progress	4,993,774	5,585,560
Capital assets, being depreciated		
Buildings	16,076,519	16,065,177
Improvements other than buildings	4,776,850	4,989,125
Furniture, fixtures and equipment	5,001,527	4,640,780
Infrastructure	5,815,623	5,829,835
	<u>\$ 38,887,459</u>	<u>\$ 39,333,645</u>

Additional information on Capital Assets is available at page 33.

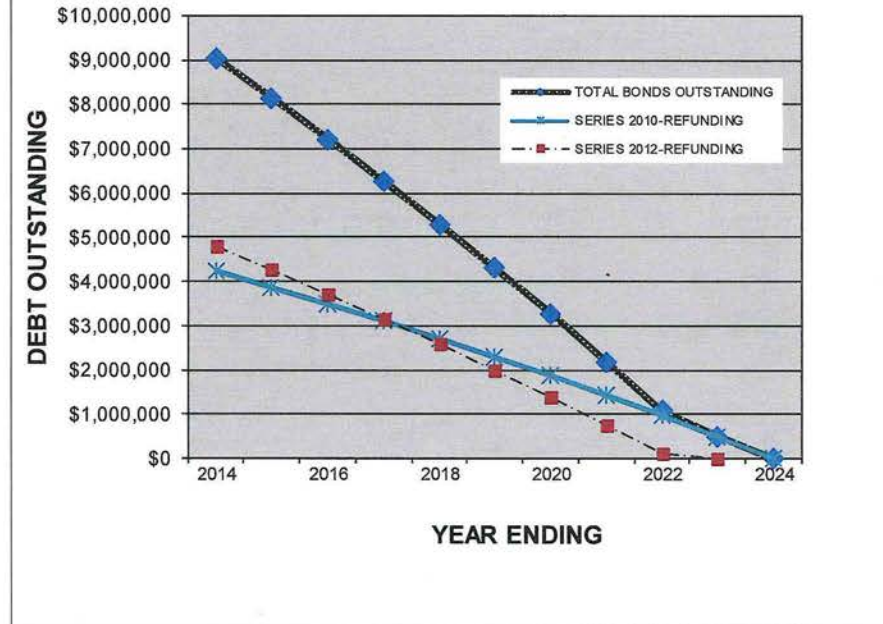
Debt Administration.

Table 4
 Long-Term Debt at Year End

	12/31/14	12/31/13
GOVERNMENTAL ACTIVITIES:		
General obligation bonds	\$ 9,030,000	\$ 9,910,000
Bond premium/discount	458,460	483,317
Capital lease obligation	44,936	115,405
Compensated absences payable	150,236	136,746
	<u>\$ 9,683,632</u>	<u>\$ 10,645,468</u>

\$9,030,000 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 35.

**TABLE 5
 BONDS OUTSTANDING**



ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for the 2015 budget increased 2% from 2014. The Commissioners Court maintained the same total tax rate of \$0.4900, resulting in a .02% increase in the General Fund tax rate. Projected use of fund balance is \$2,636,000 while maintaining an estimated fund balance of 59% of expenditures at the end of the fiscal year.

Appraised values are expected to decrease slightly for the year 2016.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Calhoun County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Cindy Mueller, County Auditor, 202 S. Ann Street, Suite B, Port Lavaca, Texas 77979.

BASIC FINANCIAL STATEMENTS

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CALHOUN COUNTY, TEXAS

STATEMENT OF NET POSITION

DECEMBER 31, 2014

	Primary Government Governmental Activities	Component Unit
ASSETS		
<i>Cash and cash equivalents</i>	\$ 28,965,505	4,275,602
<i>Investments</i>	--	500,000
<i>Receivables (net of allowances for uncollectibles)</i>	9,010,869	2,459,647
<i>Intergovernmental receivable</i>	655,689	--
<i>Inventories</i>	355,772	--
<i>Prepaid items and other current assets</i>	137,544	3,505,933
<i>Loan to component unit</i>	500,000	--
Restricted assets:		
<i>Cash and cash equivalents</i>	11,161,158	--
Capital assets (net, where applicable, of accumulated depreciation)		
<i>Land</i>	2,223,166	320,593
<i>Construction in progress</i>	4,993,774	353,068
<i>Buildings</i>	16,076,519	1,539,758
<i>Improvements other than buildings</i>	4,776,850	--
<i>Furniture, fixtures and equipment</i>	5,001,527	2,201,239
<i>Infrastructure</i>	5,815,623	--
Total Assets	89,673,996	15,155,840
DEFERRED OUTFLOWS OF RESOURCES		
<i>Deferred amount from refunded bonds</i>	419,763	--
Total Deferred Outflows of Resources	419,763	--
LIABILITIES		
<i>Accounts payable</i>	587,168	696,897
<i>Accrued and other liabilities</i>	685,297	2,906,410
<i>Due to primary government</i>	--	500,000
<i>Due to other governments</i>	1,274,216	--
<i>Due to others</i>	740,316	--
Noncurrent liabilities:		
<i>Due in one year</i>	1,126,517	252,554
<i>Due in more than one year</i>	8,557,115	372,558
Total Liabilities	12,970,629	4,728,419
DEFERRED INFLOWS OF RESOURCES		
<i>Unearned revenue</i>	16,863,562	--
Total Deferred Inflows of Resources	16,863,562	--
NET POSITION:		
Net Investment in Capital Assets	29,354,062	3,789,546
Restricted For:		
Debt Service	170,358	--
Capital Projects	1,226,838	--
Unrestricted	29,508,310	6,637,875
Total Net Position	\$ 60,259,568	10,427,421

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
<i>General administration</i>	\$ 1,838,070	\$ 411,054	\$ 3,452	\$ 2,000,000
<i>Judicial</i>	1,527,624	416,833	132,337	--
<i>Legal</i>	765,218	22,679	--	--
<i>Financial administration</i>	1,182,289	546,424	--	--
<i>Public facilities</i>	1,068,893	9,384	9,939	14,907
<i>Public safety</i>	6,129,476	169,887	281,529	--
<i>Roads and bridges</i>	4,571,268	546,971	2,000	245,350
<i>Health and welfare</i>	3,519,061	835,633	89,531	--
<i>Community development</i>	155,256	--	--	--
<i>Culture and recreation</i>	859,632	50,242	27,509	157,430
<i>Social services</i>	38,444	1,740	1,232	--
<i>Conservation</i>	11,554	--	27,193	35,975
<i>Sanitation services</i>	162,834	24,746	--	--
<i>Interest and fiscal charges</i>	317,869	--	--	--
Total governmental activities	<u>22,147,488</u>	<u>3,035,593</u>	<u>574,722</u>	<u>2,453,662</u>
Total Primary Government	<u>\$ 22,147,488</u>	<u>\$ 3,035,593</u>	<u>\$ 574,722</u>	<u>\$ 2,453,662</u>
 COMPONENT UNIT:				
Memorial Medical Center	<u>\$ 23,737,375</u>	<u>\$ 22,740,815</u>	<u>\$ 2,380,910</u>	<u>\$ 321,870</u>

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

The accompanying notes are an integral part of this statement.

Net (Expense) Changes in	Revenue and Net Position
<u>Governmental Activities</u>	<u>Component Unit</u>
\$ 576,436	
(978,454)	
(742,539)	
(635,865)	
(1,034,663)	
(5,678,060)	
(3,776,947)	
(2,593,897)	
(155,256)	
(624,451)	
(35,472)	
51,614	
(138,088)	
(317,869)	
<u>(16,083,511)</u>	
<u>(16,083,511)</u>	
	\$ <u>1,706,220</u>
17,223,131	--
2,189,966	--
25,416	--
62,924	9,074
180,423	--
<u>19,681,860</u>	<u>9,074</u>
3,598,349	1,715,294
56,661,219	8,712,127
<u>\$ 60,259,568</u>	<u>\$ 10,427,421</u>

CALHOUN COUNTY, TEXASBALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
<i>Cash and cash equivalents</i>	\$ 23,842,338	\$ 5,123,164	\$ 28,965,502
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Taxes</i>	5,062,207	354,060	5,416,267
<i>Accounts</i>	3,280,074	314,528	3,594,602
<i>Intergovernmental receivable</i>	498,245	157,444	655,689
<i>Due from other funds</i>	612,264	--	612,264
<i>Inventories</i>	355,772	--	355,772
<i>Prepaid items and other current assets</i>	137,544	--	137,544
<i>Loan to component unit</i>	500,000	--	500,000
Restricted assets:			
<i>Cash and cash equivalents</i>	10,419,331	741,827	11,161,158
Total Assets	\$ 44,707,775	\$ 6,691,023	\$ 51,398,798
LIABILITIES			
<i>Accounts payable</i>	\$ 487,748	\$ 99,420	\$ 587,168
<i>Accrued and other liabilities</i>	564,474	12,245	576,719
<i>Due to other funds</i>	--	612,264	612,264
<i>Due to other governments</i>	1,274,216	--	1,274,216
<i>Due to others</i>	724,923	15,393	740,316
Total Liabilities	3,051,361	739,322	3,790,683
DEFERRED INFLOWS OF RESOURCES			
<i>Deferred revenue</i>	17,441,538	1,429,367	18,870,905
Total Deferred Inflows of Resources	17,441,538	1,429,367	18,870,905
FUND BALANCE			
<i>Nonspendable</i>	993,316	--	993,316
<i>Restricted</i>	--	3,711,032	3,711,032
<i>Assigned</i>	1,500,000	702,460	2,202,460
<i>Unassigned</i>	21,721,560	108,842	21,830,402
Total Fund Balance	24,214,876	4,522,334	28,737,210
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 44,707,775	\$ 6,691,023	\$ 51,398,798

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, 2014

Total fund balances - governmental funds balance sheet	\$ 28,737,210
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	38,887,459
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	286,427
Payables for bond principal which are not due in the current period are not reported in the funds.	(8,602,646)
Payables for capital leases which are not due in the current period are not reported in the funds.	(930,751)
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.	(150,235)
Other long-term assets are not available to pay for current period expenditures and are deferred in the funds.	419,763
Court fines receivable unavailable to pay for current period expenditures are deferred in the funds.	1,421,280
Ambulance receivables unavailable to pay for current period expenditures are deferred in the funds.	<u>299,639</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 60,259,568</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, 2014

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
<i>Ad valorem taxes</i>	\$ 16,117,392	\$ 1,140,033	\$ 17,257,425
<i>Sales taxes</i>	2,189,966	--	2,189,966
<i>Other taxes</i>	25,416	--	25,416
<i>Intergovernmental</i>	290,457	557,819	848,276
<i>Charges for services</i>	1,829,386	455,927	2,285,313
<i>Permits and licenses</i>	13,673	270,231	283,904
<i>Fines and forfeitures</i>	304,724	64,831	369,555
<i>Interest</i>	56,520	56,403	112,923
<i>Gifts and contributions</i>	--	95,269	95,269
<i>Rents and leases</i>	11,490	29,600	41,090
<i>Miscellaneous</i>	2,252,087	138,419	2,390,506
Total revenues	23,091,111	2,808,532	25,899,643
Expenditures:			
Current:			
<i>General administration</i>	1,411,173	106,630	1,517,803
<i>Judicial</i>	1,476,754	22,056	1,498,810
<i>Legal</i>	732,911	30,321	763,232
<i>Financial administration</i>	1,172,524	--	1,172,524
<i>Public facilities</i>	895,289	43,105	938,394
<i>Public safety</i>	5,670,092	288,236	5,958,328
<i>Roads and bridges</i>	4,243,900	306,369	4,550,269
<i>Health and welfare</i>	3,649,595	33,145	3,682,740
<i>Community development</i>	161,022	--	161,022
<i>Culture and recreation</i>	565,852	263,086	828,938
<i>Social services</i>	37,941	503	38,444
<i>Conservation</i>	7,750	--	7,750
<i>Sanitation services</i>	153,620	--	153,620
<i>Nondepartmental</i>	--	40,103	40,103
Capital outlay	--	48,613	48,613
Debt service:			
<i>Principal</i>	--	880,000	880,000
<i>Interest and fiscal charges</i>	73,092	305,150	378,242
Total expenditures	20,251,515	2,367,317	22,618,832
Excess (deficiency) of revenues over (under) expenditures	2,839,596	441,215	3,280,811
Other financing sources (uses):			
<i>Transfers in</i>	626,153	703,855	1,330,008
<i>Transfers out</i>	(497,042)	(832,966)	(1,330,008)
<i>Gain on sale of capital assets</i>	18,795	--	18,795
Total other financing sources (uses)	147,906	(129,111)	18,795
Net change in fund balances	2,987,502	312,104	3,299,606
Fund balance, January 1	21,227,374	4,210,230	25,437,604
Fund balance, December 31	\$ 24,214,876	\$ 4,522,334	\$ 28,737,210

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, 2014

Net change in fund balances - total governmental funds	\$ 3,299,606
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,794,823
The depreciation of capital assets used in governmental activities is not reported in the funds.	(2,349,817)
The gain or loss on the sale of capital assets is not reported in the funds.	(57,974)
Donations of capital assets increase net position in the SOA but not in the funds.	157,429
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	(34,294)
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	880,000
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	69,427
(Increase) decrease in accrued interest from beginning of period to end of period.	(9,054)
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	(13,492)
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.	<u>(131,426)</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ 3,598,349</u>

The accompanying notes are an integral part of this statement.

CALHOUN COUNTY, TEXAS
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 DECEMBER 31, 2014

	Agency Funds
ASSETS	
<i>Cash and cash equivalents</i>	\$ 1,277,930
Receivables (net of allowances for uncollectibles):	
<i>Accounts</i>	3,906
<i>Intergovernmental receivable</i>	368,493
<i>Due from other funds</i>	219,024
<i>Due from others</i>	7,790
	<hr/>
Total Assets	\$ 1,877,143
	<hr/>
LIABILITIES	
<i>Due to other funds</i>	\$ 219,024
<i>Due to other governments</i>	1,113,229
<i>Due to others</i>	544,890
	<hr/>
Total Liabilities	\$ 1,877,143
	<hr/>

The accompanying notes are an integral part of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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.

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2014

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, 2014 are intended to finance the County's budget for the fiscal year beginning January 1, 2015; 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.

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2014

5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds (excluding certain funds), Debt Service and Capital Projects Funds. No expenditures in excess of budgeted amounts can be made.
6. Budgets are adopted on the GAAP basis of accounting. Amounts shown in the original adopted budget column as beginning fund balance represent estimated available cash. Amounts shown in the final adopted budget column as beginning fund balance represent actual cash available less adjustments for prior year accruals. Annual appropriated budgets are adopted for the general fund, and certain special revenue and debt service funds as listed in the table of contents. Capital projects funds are budgeted on a project length basis rather than on a fiscal year basis. All annual appropriations lapse at fiscal year end.

F. Assets, liabilities, and net position or equity

1. Cash and cash equivalents

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

2. Interest Capitalization

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

Expenditures for the capital asset have been made.

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

Interest cost is being incurred.

The amount of interest cost to be capitalized is based on the weighted average amount of accumulated expenditures for the period multiplied by the interest rate for the obligation incurred specifically to finance the construction of the capital asset net of interest earned on funds borrowed to finance the project. During 2014, MMC capitalized no interest.

3. Investments

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

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

4. Receivables and Payables

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

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

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

5. Capital Assets

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

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

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

6. Compensated Absences

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

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

Vested or accumulated vacation leave and compensation time that is expected to be paid with expendable available financial resources is reported as expenditures and fund liabilities of the General Fund. Amounts of vested or accumulated vacation leave and compensation time that are not expected to be paid with expendable available financial resources are reported in the in the government wide

statement of assets and expense is recorded for the net change in the government wide statement of changes in net position. A liability for these amounts is reported in governmental funds only if they are matured, for example, unused reimbursable leave payable as a result of employee resignations and retirements.

7. Fund Equity

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

- a. Invested in capital assets, net of related debt** – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- 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, 2014

	Major Governmental Fund		Total
	General Fund	Nonmajor Funds	
Fund Balances:			
Nonspendable:			
Inventory	\$ 493,316	\$ -	\$ 493,316
Loan to MMC	500,000	-	500,000
Restricted for:			
Airport operations	-	16,037	16,037
Capital projects	-	77,695	77,695
Culture and recreation	-	147,840	147,840
Conservation	-		-
Debt service	-	155,681	155,681
Election services	-	66,872	66,872
Justice administration	-	415,226	415,226
Legal administration	-	240,287	240,287
Preservation	-	368,839	368,839
Public facilities	-	45,206	45,206
Public safety	-	117,311	117,311
Road & bridge maintenance	-	1,645,724	1,645,724
Health and welfare	-		-
Other purposes	-	91,798	91,798
Assigned to:			
Capital projects	-	1,133,818	1,133,818
Future loan to MMC	1,500,000	-	1,500,000
Unassigned:	21,721,560	-	21,721,560
	<u>\$ 24,214,876</u>	<u>\$ 4,522,334</u>	<u>\$ 28,737,210</u>

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Inventories	\$ 355,772
Prepaid items	137,544
Loan to component unit	<u>500,000</u>
	<u>\$ 993,316</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 \$45,680,195 (including \$1,277,930 for agency funds and \$4,275,602 for MMC) and the bank balance was \$39,161,680. 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 \$55,019,724 and fair value of \$56,271,814.

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 2014, the County's investing activities were limited to certificates of deposit which are classified as cash.

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

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

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

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

IV. PROPERTY TAXES AND OTHER RECEIVABLES

A. Property Tax Calendar/Taxes Collected In Advance

The County's property tax is levied and recorded as a receivable each October 1, on the assessed value listed as of the prior January 1, for all real and business property located in the County. Taxes are delinquent on February 1 following the October 1 levy date. A statutory lien becomes effective on all property with unpaid taxes as of January 1 of the year following the assessment. The County is prohibited from using taxes collected between October 1 and December 31 until the first day of the budget year for 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

CALHOUN COUNTY, TEXAS*Notes to Basic Financial Statements**December 31, 2014*

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, 2014 were as follows:

	<u>General</u>	<u>Nonmajor Funds</u>	<u>Primary Government</u>	<u>DCU</u>
Taxes receivable	\$ 5,328,639	\$ 372,695	\$ 5,701,334	\$ -
Allowance for uncollectible taxes	<u>(266,432)</u>	<u>(18,635)</u>	<u>(285,067)</u>	<u>-</u>
	<u>5,062,207</u>	<u>354,060</u>	<u>5,416,267</u>	<u>-</u>
Accounts receivable	7,705,697	666,536	8,372,233	6,324,647
Allowance for uncollectible	<u>(4,425,623)</u>	<u>(352,008)</u>	<u>(4,777,631)</u>	<u>(3,865,000)</u>
	<u>3,280,074</u>	<u>314,528</u>	<u>3,594,602</u>	<u>2,459,647</u>
Total	<u>\$ 8,342,281</u>	<u>\$ 668,588</u>	<u>\$ 9,010,869</u>	<u>\$ 2,459,647</u>

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

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Tax levy receivable			
General Fund	\$ 271,751	\$ 4,692,486	\$ 4,964,237
Taxes collected in advance			
General Fund	-	11,049,248	11,049,248
2010 Refunding	4,556	528,170	532,726
2012 Refunding	10,120	590,308	600,428
Fines receivable			
General Fund	1,127,318	-	1,127,318
County and District Court Technology	1,270	-	1,270
Courthouse Security	15,734	-	15,734
Drug/DWI Court Program	742	-	742
Juvenile Case Manager	3,072	-	3,072
Justice Court Technology	13,796	-	13,796
Justice Court Building Security	1,379	-	1,379
Pretrial Services	1,462	-	1,462
District Clerk Records Management/Preservation	910	-	910
County Clerk Records Management	1,365	-	1,365
Records Management and Preservation	18,673	-	18,673
Road and Bridge	235,560	-	235,560
Ambulance fees receivable			
General Fund	299,635	-	299,635
Other revenue collected in advance			
General Fund	-	1,100	1,100
Port O'Connor Community Center	-	2,250	2,250
	<u>\$ 2,007,343</u>	<u>\$ 16,863,562</u>	<u>\$ 18,870,905</u>

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 2015. The balance at December 31, 2014 was \$500,000.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

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, 2014:

	Balance 12/31/2013	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/2014
GOVERNMENTAL ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 2,223,166	\$ -	\$ -	\$ -	\$ 2,223,166
Construction in progress	5,585,985	115,137	-	(707,348)	4,993,774
Total capital assets not being depreciated	<u>7,809,151</u>	<u>115,137</u>	<u>-</u>	<u>(707,348)</u>	<u>7,216,940</u>
Capital assets, being depreciated					
Buildings	21,859,090	17,938		520,736	22,397,764
Improvements other than buildings	9,893,064	132,181	(37,441)	-	9,987,804
Furniture, fixtures and equipment	14,178,745	1,418,809	(742,605)	-	14,854,949
Infrastructure	19,527,727	268,186	-	186,612	19,982,525
Total capital assets being depreciated	<u>65,458,626</u>	<u>1,837,114</u>	<u>(780,046)</u>	<u>707,348</u>	<u>67,223,042</u>
Less accumulated depreciation for:					
Buildings	(5,793,913)	(527,332)	-	-	(6,321,245)
Improvements other than buildings	(4,903,938)	(340,926)	33,910	-	(5,210,954)
Furniture, fixtures and equipment	(9,537,966)	(1,012,549)	697,093	-	(9,853,422)
Infrastructure	(13,697,892)	(469,010)	-	-	(14,166,902)
Total accumulated depreciation	<u>(33,933,709)</u>	<u>(2,349,817)</u>	<u>731,003</u>	<u>-</u>	<u>(35,552,523)</u>
Total capital assets being depreciated, net	<u>31,524,917</u>	<u>(512,703)</u>	<u>(49,043)</u>	<u>707,348</u>	<u>31,670,519</u>
Governmental activities capital assets, net	<u>\$ 39,334,068</u>	<u>\$ (397,566)</u>	<u>\$ (49,043)</u>	<u>\$ -</u>	<u>\$ 38,887,459</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
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Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

Functions/Programs	
General administration	\$ 299,309
Judicial	39,798
Legal	898
Financial administration	14,516
Public facilities	249,341
Public safety	542,616
Roads and bridges	765,789
Health and welfare	216,791
Community development	826
Culture and recreation	208,341
Sanitation services	11,592
	<u> </u>
Total expenditures	<u>\$ 2,349,817</u>

Discretely Presented Component Unit

	Balance 12/31/2013	Additions	Retirements	Transfers and Completed Construction	Balance 12/31/2014
BUSINESS-TYPE ACTIVITIES:					
Capital assets, not being depreciated:					
Land	\$ 320,593	\$ -	\$ -	\$ -	\$ 320,593
Construction in progress	12,700	340,368	-	-	353,068
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total capital assets not being depreciated	333,293	340,368	-	-	673,661
Capital assets, being depreciated					
Buildings and improvements	9,409,247	120,236	-	-	9,529,483
Equipment	13,954,314	864,334	-	-	14,818,648
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total capital assets being depreciated	23,363,561	984,570	-	-	24,348,131
Less accumulated depreciation for:					
Buildings and improvements	(7,849,715)	(140,010)	-	-	(7,989,725)
Equipment	(11,792,643)	(824,766)	-	-	(12,617,409)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total accumulated depreciation	(19,642,358)	(964,776)	-	-	(20,607,134)
Total capital assets being depreciated, net	3,721,203	19,794	-	-	3,740,997
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Business-type activities capital assets, net	<u>\$ 4,054,496</u>	<u>\$ 360,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,414,658</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

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, 2014, the County had the following outstanding bonded debt:

<u>Purpose</u>	<u>Original Amount</u>	<u>Year of Issue</u>	<u>Final Maturity</u>	<u>Average Annual Payment</u>	<u>Interest Rate</u>	<u>Balance 12/31/2014</u>
GOVERNMENTAL TYPE ACTIVITIES DEBT						
General Obligation Bonds:						
Refunding	4,985,000	2010	2024	467,000	2.00 % - 4.00%	\$ 4,220,000
Refunding	5,480,000	2012	2023	467,000	2.00 % - 4.00%	4,810,000
						<u>9,030,000</u>
Bond premium/discount						<u>457,865</u>
Total Governmental Type Activities Debt						<u>\$ 9,487,865</u>

Annual debt service requirements to maturity for general debt:

<u>Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 905,000	\$ 287,050	\$ 1,192,050
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 - 2024	<u>4,290,000</u>	<u>409,600</u>	<u>4,699,600</u>
	<u>\$ 9,030,000</u>	<u>\$ 1,605,600</u>	<u>\$ 10,635,600</u>

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

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

B. Obligations under Capital Lease

The County also finances acquisition of equipment through capital leases which are paid by the fund acquiring the underlying asset. At December 31, 2014 the County had the following obligations under capital lease:

\$180,270 capital lease obligation with annual payments of \$46,977 through April 12, 2015 including interest accruing at 2.83%, secured by equipment with a cost of \$180,270 and accumulated depreciation of \$8,723 \$ 45,716

Discrete Component Unit

Capital lease obligations, at varying rates of imputed interest, collateralized by leased equipment with a cost of \$2,120,397 and accumulated depreciation of \$1,547,059 \$ 625,112

Annual debt service requirements to maturity for capital lease obligations:

Year Ending December 31,	Primary Government	Discrete Component Unit
2015	\$ 46,977	\$ 281,418
2016	-	145,287
2017	-	119,087
2018	-	109,797
2019	-	39,311
	<u>46,977</u>	<u>694,900</u>
Less: interest	<u>(1,446)</u>	<u>(69,788)</u>
	<u>\$ 45,531</u>	<u>\$ 625,112</u>

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

C. Schedule of Changes in Long-Term Debt

Description	December 31, 2013	Additions	Retirements	December 31, 2014	Due Within One Year
Primary Government:					
General obligation bonds	\$ 9,910,000	\$ -	\$ (880,000)	\$ 9,030,000	\$ 905,000
Bond premium/discount	483,317	-	(25,452)	457,865	25,750
Capital lease obligation	115,405	-	(69,874)	45,531	45,531
Accrued compensated absences	136,746	-	13,490	150,236	150,236
	<u>\$ 10,645,468</u>	<u>\$ -</u>	<u>\$ (961,836)</u>	<u>\$ 9,683,632</u>	<u>\$ 1,126,517</u>

Description	December 31, 2013	Additions	Additions	December 31, 2014	Due Within One Year
Discrete Component Unit:					
Capital lease obligation	\$ 505,724	\$ 467,697	\$ (348,309)	\$ 625,112	\$ 252,554
	<u>\$ 505,724</u>	<u>\$ 467,697</u>	<u>\$ (348,309)</u>	<u>\$ 625,112</u>	<u>\$ 252,554</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, 2014 were as follows:

Fund	Interfund Receivable	Interfund Payable
Major Governmental Funds		
General Fund	\$ 612,264	\$ -
Nonmajor Governmental Funds	-	612,264
Total Governmental Funds	<u>612,264</u>	<u>612,264</u>
Agency Funds	<u>219,024</u>	<u>219,024</u>
Total Due From/To Other Funds	<u>\$ 831,288</u>	<u>\$ 831,288</u>

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

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

Operating transfers during 2014 were as follows:

	Transfers	
	In	Out
Major Governmental funds		
General Fund	\$ 626,153	\$ (497,042)
Nonmajor governmental funds	703,855	(832,966)
	<u>\$ 1,330,008</u>	<u>\$ (1,330,008)</u>

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

VIII. RETIREMENT COMMITMENTS

A. Plan Description

The County and Memorial Medical Center (MMC) provide retirement, disability, and death benefits for all of their respective full-time employees through nontraditional defined benefit plans in the state-wide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over 600 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-2034.

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

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

B. Funding Policy

The County and MMC have elected the annually determined contribution rate (Variable-Rate) plan provisions of the TCDRS Act. The plans are funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 10.72% and 7.46%, respectively for the County and MMC for 2014.

The contribution rate payable by the employee members for calendar year 2014 is the rate of 7% as adopted by the County Commissioners' Court and MMC's Board. The employee contribution rate and the employer contribution rate may be changed by the County Commissioners' Court and MMC's Board within the options available in the TCDRS Act.

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

For the fiscal year ended December 31, 2014, the annual pension cost for the TCDRS plans for employees and the employer's actual contributions were \$849,407 and \$565,712, respectively, for the County and MMC.

The annual required contributions were actuarially determined as a percent of the covered payroll of the participating employees, and were in compliance with the GASB Statement No. 27 parameters based on the actuarial valuation as of December 31, 2010, the basis for determining the contribution rate for calendar year 2014. The December 31, 2013 actuarial valuation is the most recent valuation.

Actuarial Valuation Information

	<u>12/31/11</u>	<u>12/31/12</u>	<u>12/31/13</u>
Actuarial valuation date	entry age	entry age	entry age
Actuarial cost method	level percentage of payroll, closed (MMC - closed)	level percentage of payroll, closed (MMC - closed)	level percentage of payroll, closed (MMC - closed)
Amortization method			
Amortization period in years			
County	20	20	20
MMC	20	20	20
Asset valuation method (Subdivision Accumulation Fund; Employees Saving Fund)	SAF: 10-yr smoothed value ESF: Fund value	SAF: 10-yr smoothed value ESF: Fund value	SAF: 5-yr smoothed value ESF: Fund value
Assumptions:			
Investment return	8.0%	8.0%	8.0%
Projected salary increases	5.4%	5.4%	4.9%
Inflation (County / MMC)	3.5%	3.5% / 3%	3% / 3%
Cost of living adjustments	0.0%	0.0%	0.0%

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

Fiscal Year Ended	<u>12/31/12</u>	<u>12/31/13</u>	<u>12/31/14</u>
Annual Pension Cost (APC)			
County	\$ 849,407	\$ 925,002	\$ 925,002
MMC	\$ 590,398	\$ 633,060	\$ 708,827
Percentage of APC Contributed	100.0%	100.0%	100.0%
Net Pension Obligation	\$ -	\$ -	\$ -

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

IX. RISK MANAGEMENT

Primary Government

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of 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

CALHOUN COUNTY, TEXAS
Notes to Basic Financial Statements
 December 31, 2014

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, 2014, 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.

	<u>2014</u>	<u>2013</u>
Liability at beginning of year	\$ 269,054	\$ 267,869
Current year claims and changes in estimates	1,243,415	1,127,249
Claims payments	<u>(1,304,415)</u>	<u>(1,126,064)</u>
Liability at end of year	<u>\$ 208,054</u>	<u>\$ 269,054</u>

X. COMMITMENTS AND CONTINGENCIES

Primary Government and Discrete Component Unit

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

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

Discrete Component Unit

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

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

XI. OTHER DISCLOSURES

A. Patient Revenue

Discrete Component Unit

Uncompensated Care – Memorial Medical Center maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, the estimated cost of those services and supplies, and equivalent service statistics. Additionally, MMC foregoes charges relating to Medicare, Medicaid and other third-party payers. The cost of charity care during 2014 was approximately \$447,000.

CALHOUN COUNTY, TEXAS

Notes to Basic Financial Statements

December 31, 2014

B. Concentrations of Credit Risk / Business Concentrations

Primary Government

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

C. Discrete Component Unit

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

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

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

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REQUIRED SUPPLEMENTARY INFORMATION

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CALHOUN COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT B-1

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
<i>Ad valorem taxes</i>	\$ 15,823,585	\$ 15,862,000	\$ 16,117,392	\$ 255,392
<i>Sales taxes</i>	1,800,000	1,800,000	2,189,966	389,966
<i>Other taxes</i>	12,000	12,000	25,416	13,416
<i>Intergovernmental</i>	219,068	264,092	290,457	26,365
<i>Charges for services</i>	1,057,760	1,057,760	1,829,386	771,626
<i>Permits and licenses</i>	9,510	9,510	13,673	4,163
<i>Fines and forfeitures</i>	169,000	169,000	304,724	135,724
<i>Interest</i>	50,000	50,000	56,520	6,520
<i>Rents and leases</i>	9,000	9,000	11,490	2,490
<i>Miscellaneous</i>	65,702	2,090,780	2,252,087	161,307
Total revenues	<u>19,215,625</u>	<u>21,324,142</u>	<u>23,091,111</u>	<u>1,766,969</u>
Expenditures:				
Current:				
<i>General administration</i>	1,984,772	1,956,711	1,411,173	545,538
<i>Judicial</i>	1,489,853	1,557,981	1,476,754	81,227
<i>Legal</i>	733,933	755,119	732,911	22,208
<i>Financial administration</i>	1,192,317	1,235,931	1,172,524	63,407
<i>Public facilities</i>	1,055,691	1,055,691	895,289	160,402
<i>Public safety</i>	5,901,892	6,029,303	5,670,092	359,211
<i>Roads and bridges</i>	4,440,458	4,373,951	4,243,900	130,051
<i>Health and welfare</i>	3,560,290	5,721,379	3,649,595	2,071,784
<i>Community development</i>	183,741	184,960	161,022	23,938
<i>Culture and recreation</i>	582,033	595,722	565,852	29,870
<i>Social services</i>	45,622	45,622	37,941	7,681
<i>Conservation</i>	7,750	7,750	7,750	--
<i>Sanitation services</i>	177,614	178,835	153,620	25,215
Debt service:				
<i>Interest and fiscal charges</i>	72,733	73,093	73,092	21
Total expenditures	<u>21,428,699</u>	<u>23,772,048</u>	<u>20,251,515</u>	<u>3,520,533</u>
Excess (deficiency) of revenues over (under) expenditures	(2,213,074)	(2,447,906)	2,839,596	5,287,502
Other financing sources (uses):				
<i>Transfers in</i>	600,000	626,153	626,153	--
<i>Transfers out</i>	(331,000)	(497,043)	(497,042)	1
<i>Gain on sale of capital assets</i>	50,000	50,000	18,795	(31,205)
Total other financing sources (uses)	<u>319,000</u>	<u>179,110</u>	<u>147,906</u>	<u>(31,204)</u>
Net change in fund balances	(1,894,074)	(2,268,796)	2,987,502	5,256,298
Fund balance, January 1	<u>15,900,000</u>	<u>15,471,989</u>	<u>21,227,374</u>	<u>5,755,385</u>
Fund balance, December 31	<u>\$ 14,005,926</u>	<u>\$ 13,203,193</u>	<u>\$ 24,214,876</u>	<u>\$ 11,011,683</u>

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CALHOUN COUNTY, TEXAS*Notes to Required Supplementary Information**December 31, 2014***A. Schedule of Funding Progress – Calhoun County Retirement Plan within the TCDRS**

<u>Valuation Date</u>	<u>Actuarial Valuation of Assets (AVA)</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Asset (Liability) (UAAL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as % of Payroll</u>
December 31, 2013	\$24,983,234	\$28,098,453	\$3,115,219	88.9%	\$ 8,028,544	38.8%
December 31, 2012	\$23,033,813	\$26,639,466	\$3,605,653	86.5%	\$ 7,686,545	46.9%
December 31, 2011	\$22,263,848	\$25,653,853	\$3,390,005	86.8%	\$ 7,842,817	43.2%

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

<u>Valuation Date</u>	<u>Actuarial Valuation of Assets (AVA)</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Asset (Liability) (UAAL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as % of Payroll</u>
December 31, 2013	\$21,700,727	\$23,499,550	\$ 1,798,823	92.3%	\$ 8,147,521	22.1%
December 31, 2012	\$20,232,437	\$22,156,007	\$ 1,923,570	91.3%	\$ 7,914,094	24.3%
December 31, 2011	\$18,787,462	\$20,308,106	\$ 1,520,644	92.5%	\$ 7,868,071	19.3%

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

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2014

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS				
<i>Cash and cash equivalents</i>	\$ 3,397,728	\$ 192,948	\$ 1,532,488	\$ 5,123,164
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Taxes</i>	--	354,060	--	354,060
<i>Accounts</i>	314,528	--	--	314,528
<i>Intergovernmental receivable</i>	48,907	--	108,537	157,444
Restricted assets:				
<i>Cash and cash equivalents</i>	--	741,827	--	741,827
Total Assets	<u>\$ 3,761,163</u>	<u>\$ 1,288,835</u>	<u>\$ 1,641,025</u>	<u>\$ 6,691,023</u>
LIABILITIES				
<i>Accounts payable</i>	\$ 17,620	\$ --	\$ 81,800	\$ 99,420
<i>Accrued and other liabilities</i>	3,779	--	8,466	12,245
<i>Due to other funds</i>	273,019	--	339,245	612,264
<i>Due to others</i>	15,393	--	--	15,393
Total Liabilities	<u>309,811</u>	<u>--</u>	<u>429,511</u>	<u>739,322</u>
DEFERRED INFLOWS OF RESOURCES				
<i>Deferred revenue</i>	296,213	1,133,154	--	1,429,367
Total Deferred Inflows of Resources	<u>296,213</u>	<u>1,133,154</u>	<u>--</u>	<u>1,429,367</u>
FUND BALANCE				
<i>Restricted</i>	3,046,297	155,681	509,054	3,711,032
<i>Assigned</i>	--	--	702,460	702,460
<i>Unassigned</i>	108,842	--	--	108,842
Total Fund Balance	<u>3,155,139</u>	<u>155,681</u>	<u>1,211,514</u>	<u>4,522,334</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 3,761,163</u>	<u>\$ 1,288,835</u>	<u>\$ 1,641,025</u>	<u>\$ 6,691,023</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
<i>Ad valorem taxes</i>	\$ --	\$ 1,140,033	\$ --	\$ 1,140,033
<i>Intergovernmental</i>	261,587	--	296,232	557,819
<i>Charges for services</i>	460,009	--	--	460,009
<i>Permits and licenses</i>	270,231	--	--	270,231
<i>Fines and forfeitures</i>	60,749	--	--	60,749
<i>Interest</i>	56,403	--	--	56,403
<i>Gifts and contributions</i>	94,102	--	1,167	95,269
<i>Rents and leases</i>	29,600	--	--	29,600
<i>Miscellaneous</i>	135,446	--	2,973	138,419
Total revenues	<u>1,368,127</u>	<u>1,140,033</u>	<u>300,372</u>	<u>2,808,532</u>
Expenditures:				
Current:				
<i>General administration</i>	106,630	--	--	106,630
<i>Judicial</i>	7,457	--	--	7,457
<i>Legal</i>	30,321	--	--	30,321
<i>Public facilities</i>	28,198	--	14,907	43,105
<i>Public safety</i>	288,236	--	--	288,236
<i>Roads and bridges</i>	17,860	--	288,509	306,369
<i>Health and welfare</i>	--	--	33,145	33,145
<i>Culture and recreation</i>	237,135	--	25,951	263,086
<i>Nondepartmental</i>	15,102	--	40,103	55,205
Capital outlay	--	--	48,613	48,613
Debt service:				
<i>Principal</i>	--	880,000	--	880,000
<i>Interest and fiscal charges</i>	--	305,150	--	305,150
Total expenditures	<u>730,939</u>	<u>1,185,150</u>	<u>451,228</u>	<u>2,367,317</u>
Excess (deficiency) of revenues over (under) expenditures	637,188	(45,117)	(150,856)	441,215
Other financing sources (uses):				
<i>Transfers in</i>	34,182	126,269	543,404	703,855
<i>Transfers out</i>	(600,397)	(126,269)	(106,300)	(832,966)
Total other financing sources (uses)	<u>(566,215)</u>	<u>--</u>	<u>437,104</u>	<u>(129,111)</u>
Net change in fund balances	70,973	(45,117)	286,248	312,104
Fund balance, January 1	<u>3,084,166</u>	<u>200,798</u>	<u>925,266</u>	<u>4,210,230</u>
Fund balance, December 31	<u>\$ 3,155,139</u>	<u>\$ 155,681</u>	<u>\$ 1,211,514</u>	<u>\$ 4,522,334</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Airport	Appellate Judicial System	Coastal Protection	County & District Court Technology
ASSETS				
<i>Cash and cash equivalents</i>	\$ 24,551	\$ 2,237	\$ 39,094	\$ 2,464
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	--	1,271
<i>Intergovernmental receivable</i>	--	--	--	--
Total Assets	\$ 24,551	\$ 2,237	\$ 39,094	\$ 3,735
LIABILITIES				
<i>Accounts payable</i>	\$ 8,514	\$ 2,097	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	8,514	2,097	--	--
DEFERRED INFLOWS OF RESOURCES				
<i>Deferred revenue</i>	--	--	--	1,270
Total Deferred Inflows of Resources	--	--	--	1,270
FUND BALANCE				
<i>Restricted</i>	16,037	140	39,094	2,465
<i>Unassigned</i>	--	--	--	--
Total Fund Balance	16,037	140	39,094	2,465
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 24,551	\$ 2,237	\$ 39,094	\$ 3,735

County Child Abuse Prevention	County Child Welfare Board	Court House Security Fund	Court Initiated Guardianship	Court Records Preservation
\$ 279	\$ 1,314	\$ 235,204	\$ 3,066	\$ 9,480
--	--	15,735	--	--
--	--	--	--	--
<u>\$ 279</u>	<u>\$ 1,314</u>	<u>\$ 250,939</u>	<u>\$ 3,066</u>	<u>\$ 9,480</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	15,734	--	--
--	--	15,734	--	--
279	1,314	235,205	3,066	9,480
--	--	--	--	--
<u>279</u>	<u>1,314</u>	<u>235,205</u>	<u>3,066</u>	<u>9,480</u>
<u>\$ 279</u>	<u>\$ 1,314</u>	<u>\$ 250,939</u>	<u>\$ 3,066</u>	<u>\$ 9,480</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	County Clerk Records Archive	District Attorney Forfeiture	DA Hot Check	Donations
ASSETS				
<i>Cash and cash equivalents</i>	\$ 61,268	\$ 46,873	\$ 1,413	\$ 77,931
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	--	--	300
<i>Intergovernmental receivable</i>	--	--	--	--
Total Assets	\$ 61,268	\$ 46,873	\$ 1,413	\$ 78,231
LIABILITIES				
<i>Accounts payable</i>	\$ --	\$ --	\$ 267	\$ 599
<i>Accrued and other liabilities</i>	--	--	--	296
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	--	--	267	895
DEFERRED INFLOWS OF RESOURCES				
<i>Deferred revenue</i>	--	--	--	--
Total Deferred Inflows of Resources	--	--	--	--
FUND BALANCE				
<i>Restricted</i>	61,268	46,873	1,146	77,336
<i>Unassigned</i>	--	--	--	--
Total Fund Balance	61,268	46,873	1,146	77,336
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 61,268	\$ 46,873	\$ 1,413	\$ 78,231

Drug/DWI Court Program	Juvenile Case Manager	Family Protection	Graffiti Eradication	Grants
\$ 9,103	\$ 9,025	\$ 6,241	\$ 8,581	\$ 243,763
743	3,072	--	--	--
--	--	--	--	48,907
<u>\$ 9,846</u>	<u>\$ 12,097</u>	<u>\$ 6,241</u>	<u>\$ 8,581</u>	<u>\$ 292,670</u>
\$ --	\$ --	\$ --	\$ --	\$ 1,720
--	49	--	--	3,469
--	--	--	--	273,019
--	--	--	--	--
--	49	--	--	278,208
742	3,072	--	--	--
<u>742</u>	<u>3,072</u>	<u>--</u>	<u>--</u>	<u>--</u>
9,104	8,976	6,241	8,581	14,462
--	--	--	--	--
<u>9,104</u>	<u>8,976</u>	<u>6,241</u>	<u>8,581</u>	<u>14,462</u>
<u>\$ 9,846</u>	<u>\$ 12,097</u>	<u>\$ 6,241</u>	<u>\$ 8,581</u>	<u>\$ 292,670</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2
ASSETS				
<i>Cash and cash equivalents</i>	\$ 60,793	\$ 15,314	\$ 4,322	\$ 4,322
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	13,797	1,379	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ 74,590	\$ 16,693	\$ 4,322	\$ 4,322
LIABILITIES				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	--	--	--	--
DEFERRED INFLOWS OF RESOURCES				
<i>Deferred revenue</i>	13,796	1,379	--	--
Total Deferred Inflows of Resources	13,796	1,379	--	--
FUND BALANCE				
<i>Restricted</i>	60,794	15,314	4,322	4,322
<i>Unassigned</i>	--	--	--	--
Total Fund Balance	60,794	15,314	4,322	4,322
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 74,590	\$ 16,693	\$ 4,322	\$ 4,322

Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4	Pretrial Services	Law Library Fund	LEOSE Education
\$ 4,322	\$ 4,322	\$ 63,747	\$ 193,704	\$ 23,664
--	--	1,462	--	--
--	--	--	--	--
<u>\$ 4,322</u>	<u>\$ 4,322</u>	<u>\$ 65,209</u>	<u>\$ 193,704</u>	<u>\$ 23,664</u>
\$ --	\$ --	\$ --	\$ 1,436	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	1,436	--
--	--	1,462	--	--
--	--	1,462	--	--
4,322	4,322	63,747	192,268	23,664
--	--	--	--	--
<u>4,322</u>	<u>4,322</u>	<u>63,747</u>	<u>192,268</u>	<u>23,664</u>
<u>\$ 4,322</u>	<u>\$ 4,322</u>	<u>\$ 65,209</u>	<u>\$ 193,704</u>	<u>\$ 23,664</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Port O'Conner Community Center	Records Mgmt/Preservation District Clerk	County Clerk Records Management	Records Mgmt. and Preservation
ASSETS				
<i>Cash and cash equivalents</i>	\$ 49,183	\$ 4,837	\$ 113,925	\$ 178,750
<i>Receivables (net of allowances for uncollectibles):</i>				
<i>Accounts</i>	--	911	1,364	18,673
<i>Intergovernmental receivable</i>	--	--	--	--
Total Assets	\$ 49,183	\$ 5,748	\$ 115,289	\$ 197,423
LIABILITIES				
<i>Accounts payable</i>	\$ 1,183	\$ --	\$ --	\$ --
<i>Accrued and other liabilities</i>	544	--	(579)	--
<i>Due to other funds</i>	--	--	--	--
<i>Due to others</i>	--	--	--	--
Total Liabilities	1,727	--	(579)	--
DEFERRED INFLOWS OF RESOURCES				
<i>Deferred revenue</i>	2,250	910	1,365	18,673
Total Deferred Inflows of Resources	2,250	910	1,365	18,673
FUND BALANCE				
<i>Restricted</i>	45,206	4,838	114,503	178,750
<i>Unassigned</i>	--	--	--	--
Total Fund Balance	45,206	4,838	114,503	178,750
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 49,183	\$ 5,748	\$ 115,289	\$ 197,423

Road and Bridge Fund General	Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/Maint (Alcoa)	Election Services Contract
\$ 1,628,436	\$ 37,459	\$ 69,644	\$ 56,619	\$ 48,415
235,560	--	--	--	20,261
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 1,863,996</u>	<u>\$ 37,459</u>	<u>\$ 69,644</u>	<u>\$ 56,619</u>	<u>\$ 68,676</u>
\$ --	\$ --	\$ --	\$ --	\$ 1,804
--	--	--	--	--
--	--	--	--	--
--	15,393	--	--	--
<u>--</u>	<u>15,393</u>	<u>--</u>	<u>--</u>	<u>1,804</u>
235,560	--	--	--	--
<u>235,560</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
1,628,436	22,066	69,644	56,619	3,449
--	--	--	--	63,423
<u>1,628,436</u>	<u>22,066</u>	<u>69,644</u>	<u>56,619</u>	<u>66,872</u>
<u>\$ 1,863,996</u>	<u>\$ 37,459</u>	<u>\$ 69,644</u>	<u>\$ 56,619</u>	<u>\$ 68,676</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2014

	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
ASSETS			
<i>Cash and cash equivalents</i>	\$ 1,937	\$ 52,126	\$ 3,397,728
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Accounts</i>	--	--	314,528
<i>Intergovernmental receivable</i>	--	--	48,907
	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>1,937</u>	\$ <u>52,126</u>	\$ <u>3,761,163</u>
LIABILITIES			
<i>Accounts payable</i>	\$ --	\$ --	\$ 17,620
<i>Accrued and other liabilities</i>	--	--	3,779
<i>Due to other funds</i>	--	--	273,019
<i>Due to others</i>	--	--	15,393
Total Liabilities	<u> </u>	<u> </u>	<u>309,811</u>
DEFERRED INFLOWS OF RESOURCES			
<i>Deferred revenue</i>	--	--	296,213
Total Deferred Inflows of Resources	<u> </u>	<u> </u>	<u>296,213</u>
FUND BALANCE			
<i>Restricted</i>	--	8,644	3,046,297
<i>Unassigned</i>	1,937	43,482	108,842
Total Fund Balance	<u>1,937</u>	<u>52,126</u>	<u>3,155,139</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ <u>1,937</u>	\$ <u>52,126</u>	\$ <u>3,761,163</u>

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CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Airport	Appellate Judicial System	Coastal Protection	County & District Court Technology
Revenues:				
<i>Intergovernmental</i>	\$ 9,939	\$ --	\$ 5,071	\$ --
<i>Charges for services</i>	--	1,955	--	720
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	62	3	86	5
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	2,700	--	--	--
<i>Miscellaneous</i>	--	--	--	--
Total revenues	<u>12,701</u>	<u>1,958</u>	<u>5,157</u>	<u>725</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	--	2,097	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	28,198	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>28,198</u>	<u>2,097</u>	<u>--</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(15,497)	(139)	5,157	725
Other financing sources (uses):				
<i>Transfers in</i>	8,000	--	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>8,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(7,497)	(139)	5,157	725
Fund balance, January 1	<u>23,534</u>	<u>279</u>	<u>33,937</u>	<u>1,740</u>
Fund balance, December 31	<u>\$ 16,037</u>	<u>\$ 140</u>	<u>\$ 39,094</u>	<u>\$ 2,465</u>

County Child Abuse Prevention	County Child Welfare Board	Court House Security Fund	Court Initiated Guardianship	Court Records Preservation
\$ --	\$ --	\$ --	\$ --	\$ --
64	--	15,016	1,600	2,805
--	--	--	--	--
--	--	--	--	--
1	2	523	5	18
--	--	--	--	--
--	--	--	--	--
--	1,308	--	--	--
<u>65</u>	<u>1,310</u>	<u>15,539</u>	<u>1,605</u>	<u>2,823</u>
--	--	3,247	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	503	--	--	--
<u>--</u>	<u>503</u>	<u>3,247</u>	<u>--</u>	<u>--</u>
65	807	12,292	1,605	2,823
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
65	807	12,292	1,605	2,823
214	507	222,913	1,461	6,657
<u>\$ 279</u>	<u>\$ 1,314</u>	<u>\$ 235,205</u>	<u>\$ 3,066</u>	<u>\$ 9,480</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	County Clerk Records Archive	District Attorney Forfeiture	DA Hot Check	Donations
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ --	\$ --	\$ --
<i>Charges for services</i>	43,785	--	2,405	--
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	3,763	--	--
<i>Interest</i>	120	--	--	199
<i>Gifts and contributions</i>	--	--	--	92,926
<i>Rents and leases</i>	--	--	--	--
<i>Miscellaneous</i>	--	--	--	10,173
Total revenues	<u>43,905</u>	<u>3,763</u>	<u>2,405</u>	<u>103,298</u>
Expenditures:				
Current:				
<i>General administration</i>	47,600	--	--	--
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	15,038	6,267	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	113,737
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>47,600</u>	<u>15,038</u>	<u>6,267</u>	<u>113,737</u>
Excess (deficiency) of revenues over (under) expenditures	(3,695)	(11,275)	(3,862)	(10,439)
Other financing sources (uses):				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(3,695)	(11,275)	(3,862)	(10,439)
Fund balance, January 1	<u>64,963</u>	<u>58,148</u>	<u>5,008</u>	<u>87,775</u>
Fund balance, December 31	<u>\$ 61,268</u>	<u>\$ 46,873</u>	<u>\$ 1,146</u>	<u>\$ 77,336</u>

Drug/DWI Court Program	Juvenile Case Manager	Family Protection	Graffiti Eradication	Grants
\$ --	\$ --	\$ --	\$ --	\$ 203,869
2,144	577	396	--	--
--	--	--	--	--
--	--	--	--	--
18	20	14	20	50,035
--	--	--	--	--
--	--	--	--	--
<u>2,162</u>	<u>597</u>	<u>410</u>	<u>20</u>	<u>253,904</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	--	262,444
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>262,444</u>
2,162	597	410	20	(8,540)
--	--	--	--	3,182
--	--	--	--	(397)
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,785</u>
2,162	597	410	20	(5,755)
<u>6,942</u>	<u>8,379</u>	<u>5,831</u>	<u>8,561</u>	<u>20,217</u>
<u>\$ 9,104</u>	<u>\$ 8,976</u>	<u>\$ 6,241</u>	<u>\$ 8,581</u>	<u>\$ 14,462</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1	Lateral Road Fund Precinct #2
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ --	\$ 4,319	\$ 4,319
<i>Charges for services</i>	12,367	4,082	--	--
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	133	33	8	8
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	--	--	--	--
<i>Miscellaneous</i>	--	11,600	--	--
Total revenues	<u>12,500</u>	<u>15,715</u>	<u>4,327</u>	<u>4,327</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	--	--
<i>Judicial</i>	5,360	--	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	4,465	4,465
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	14,599	--	--
Total expenditures	<u>5,360</u>	<u>14,599</u>	<u>4,465</u>	<u>4,465</u>
Excess (deficiency) of revenues over (under) expenditures	7,140	1,116	(138)	(138)
Other financing sources (uses):				
<i>Transfers in</i>	--	--	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	7,140	1,116	(138)	(138)
Fund balance, January 1	<u>53,654</u>	<u>14,198</u>	<u>4,460</u>	<u>4,460</u>
Fund balance, December 31	<u>\$ 60,794</u>	<u>\$ 15,314</u>	<u>\$ 4,322</u>	<u>\$ 4,322</u>

Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4	Pretrial Services	Law Library Fund	LEOSE Education
\$ 4,319	\$ 4,319	\$ --	\$ --	\$ 6,982
--	--	1,953	12,608	--
--	--	--	--	--
--	--	--	--	--
8	8	144	437	44
--	--	--	--	--
--	--	--	--	--
<u>4,327</u>	<u>4,327</u>	<u>2,097</u>	<u>13,045</u>	<u>7,026</u>
--	--	--	--	--
--	--	--	--	--
--	--	--	9,016	--
--	--	--	--	--
--	--	--	--	7,299
4,465	4,465	--	--	--
--	--	--	--	--
--	--	--	--	--
<u>4,465</u>	<u>4,465</u>	<u>--</u>	<u>9,016</u>	<u>7,299</u>
(138)	(138)	2,097	4,029	(273)
--	--	--	--	--
--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
(138)	(138)	2,097	4,029	(273)
4,460	4,460	61,650	188,239	23,937
<u>\$ 4,322</u>	<u>\$ 4,322</u>	<u>\$ 63,747</u>	<u>\$ 192,268</u>	<u>\$ 23,664</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Port O'Conner Community Center	Records Mgmt/Preservation District Clerk	County Clerk Records Management	Records Mgmt and Preservation
Revenues:				
<i>Intergovernmental</i>	\$ --	\$ --	\$ --	\$ --
<i>Charges for services</i>	--	1,843	382	54,294
<i>Permits and licenses</i>	--	--	--	--
<i>Fines and forfeitures</i>	--	--	--	--
<i>Interest</i>	121	8	285	330
<i>Gifts and contributions</i>	--	--	--	--
<i>Rents and leases</i>	26,900	--	--	--
<i>Miscellaneous</i>	89,670	--	--	--
Total revenues	<u>116,691</u>	<u>1,851</u>	<u>667</u>	<u>54,624</u>
Expenditures:				
Current:				
<i>General administration</i>	--	--	21,493	--
<i>Judicial</i>	--	--	--	--
<i>Legal</i>	--	--	--	--
<i>Public facilities</i>	--	--	--	--
<i>Public safety</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	--
<i>Culture and recreation</i>	122,555	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Total expenditures	<u>122,555</u>	<u>--</u>	<u>21,493</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	(5,864)	1,851	(20,826)	54,624
Other financing sources (uses):				
<i>Transfers in</i>	23,000	--	--	--
<i>Transfers out</i>	--	--	--	--
Total other financing sources (uses)	<u>23,000</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	17,136	1,851	(20,826)	54,624
Fund balance, January 1	<u>28,070</u>	<u>2,987</u>	<u>135,329</u>	<u>124,126</u>
Fund balance, December 31	<u>\$ 45,206</u>	<u>\$ 4,838</u>	<u>\$ 114,503</u>	<u>\$ 178,750</u>

Road and Bridge Fund General	Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/Maint (Alcoa)	Election Services Contract
\$ 18,450	\$ --	\$ --	\$ --	\$ --
263,414	--	--	--	37,599
270,231	--	--	--	--
55,477	1,509	--	--	--
3,312	3	--	131	140
--	--	--	--	--
--	--	--	--	--
--	17	22,678	--	--
<u>610,884</u>	<u>1,529</u>	<u>22,678</u>	<u>131</u>	<u>37,739</u>
--	--	--	--	34,290
--	--	--	--	--
--	--	--	--	--
--	13,782	4,711	--	--
--	--	--	--	--
--	--	--	843	--
--	--	--	--	--
<u>--</u>	<u>13,782</u>	<u>4,711</u>	<u>843</u>	<u>34,290</u>
610,884	(12,253)	17,967	(712)	3,449
--	--	--	--	--
(600,000)	--	--	--	--
<u>(600,000)</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
10,884	(12,253)	17,967	(712)	3,449
<u>1,617,552</u>	<u>34,319</u>	<u>51,677</u>	<u>57,331</u>	<u>63,423</u>
<u>\$ 1,628,436</u>	<u>\$ 22,066</u>	<u>\$ 69,644</u>	<u>\$ 56,619</u>	<u>\$ 66,872</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Law Enforcement Block Grant Trust Fund	Library Gift Memorial	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
Revenues:			
<i>Intergovernmental</i>	\$ --	\$ --	\$ 261,587
<i>Charges for services</i>	--	--	460,009
<i>Permits and licenses</i>	--	--	270,231
<i>Fines and forfeitures</i>	--	--	60,749
<i>Interest</i>	--	119	56,403
<i>Gifts and contributions</i>	--	1,176	94,102
<i>Rents and leases</i>	--	--	29,600
<i>Miscellaneous</i>	--	--	135,446
Total revenues	<u>--</u>	<u>1,295</u>	<u>1,368,127</u>
Expenditures:			
Current:			
<i>General administration</i>	--	--	106,630
<i>Judicial</i>	--	--	7,457
<i>Legal</i>	--	--	30,321
<i>Public facilities</i>	--	--	28,198
<i>Public safety</i>	--	--	288,236
<i>Roads and bridges</i>	--	--	17,860
<i>Culture and recreation</i>	--	--	237,135
<i>Nondepartmental</i>	--	--	15,102
Total expenditures	<u>--</u>	<u>--</u>	<u>730,939</u>
Excess (deficiency) of revenues over (under) expenditures	--	1,295	637,188
Other financing sources (uses):			
<i>Transfers in</i>	--	--	34,182
<i>Transfers out</i>	--	--	(600,397)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>(566,215)</u>
Net change in fund balances	--	1,295	70,973
Fund balance, January 1	<u>1,937</u>	<u>50,831</u>	<u>3,084,166</u>
Fund balance, December 31	<u>\$ 1,937</u>	<u>\$ 52,126</u>	<u>\$ 3,155,139</u>

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CALHOUN COUNTY, TEXAS
JUVENILE CASE MANAGER FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-5

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 400	\$ 577	\$ 177
<i>Interest</i>	10	20	10
Total revenues	<u>410</u>	<u>597</u>	<u>187</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	2	--	2
Total expenditures	<u>2</u>	<u>--</u>	<u>2</u>
Net change in fund balances	408	597	189
Fund balance, January 1	<u>8,271</u>	<u>8,379</u>	<u>108</u>
Fund balance, December 31	<u>\$ 8,679</u>	<u>\$ 8,976</u>	<u>\$ 297</u>

CALHOUN COUNTY, TEXAS
 FAMILY PROTECTION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-6

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 10	\$ 396	\$ 386
<i>Interest</i>	10	14	4
Total revenues	<u>20</u>	<u>410</u>	<u>390</u>
Net change in fund balances	20	410	390
Fund balance, January 1	<u>5,756</u>	<u>5,831</u>	<u>75</u>
Fund balance, December 31	<u>\$ 5,776</u>	<u>\$ 6,241</u>	<u>\$ 465</u>

CALHOUN COUNTY, TEXAS
 GRAFFITI ERADICATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-7

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Interest	\$ 15	\$ 20	\$ 5
Total revenues	<u>15</u>	<u>20</u>	<u>5</u>
Net change in fund balances	15	20	5
Fund balance, January 1	<u>8,561</u>	<u>8,561</u>	<u>--</u>
Fund balance, December 31	<u>\$ 8,576</u>	<u>\$ 8,581</u>	<u>\$ 5</u>

CALHOUN COUNTY, TEXAS
 JUSTICE COURT TECHNOLOGY
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-8

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 13,462	\$ 12,367	\$ (1,095)
<i>Interest</i>	130	133	3
Total revenues	<u>13,592</u>	<u>12,500</u>	<u>(1,092)</u>
Expenditures:			
Current:			
<i>Judicial</i>	65,460	5,360	60,100
Total expenditures	<u>65,460</u>	<u>5,360</u>	<u>60,100</u>
Net change in fund balances	(51,868)	7,140	59,008
Fund balance, January 1	<u>51,873</u>	<u>53,654</u>	<u>1,781</u>
Fund balance, December 31	<u>\$ 5</u>	<u>\$ 60,794</u>	<u>\$ 60,789</u>

CALHOUN COUNTY, TEXAS
JUSTICE COURT BUILDING SECURITY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-9

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 650	\$ 4,082	\$ 3,432
<i>Interest</i>	15	33	18
<i>Miscellaneous</i>	11,600	11,600	—
Total revenues	<u>12,265</u>	<u>15,715</u>	<u>3,450</u>
Expenditures:			
Current:			
<i>Nondepartmental</i>	17,000	14,599	2,401
Total expenditures	<u>17,000</u>	<u>14,599</u>	<u>2,401</u>
Net change in fund balances	(4,735)	1,116	5,851
Fund balance, January 1	<u>13,825</u>	<u>14,198</u>	<u>373</u>
Fund balance, December 31	<u>\$ 9,090</u>	<u>\$ 15,314</u>	<u>\$ 6,224</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #1
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-10

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,319	\$ 89
<i>Interest</i>	5	8	3
Total revenues	<u>4,235</u>	<u>4,327</u>	<u>92</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,465	4,465	--
Total expenditures	<u>4,465</u>	<u>4,465</u>	<u>--</u>
Net change in fund balances	(230)	(138)	92
Fund balance, January 1	<u>4,460</u>	<u>4,460</u>	<u>--</u>
Fund balance, December 31	<u>\$ 4,230</u>	<u>\$ 4,322</u>	<u>\$ 92</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #2
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-11

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,319	\$ 89
<i>Interest</i>	5	8	3
Total revenues	<u>4,235</u>	<u>4,327</u>	<u>92</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,465	4,465	--
Total expenditures	<u>4,465</u>	<u>4,465</u>	<u>--</u>
Net change in fund balances	(230)	(138)	92
Fund balance, January 1	<u>4,460</u>	<u>4,460</u>	<u>--</u>
Fund balance, December 31	<u>\$ 4,230</u>	<u>\$ 4,322</u>	<u>\$ 92</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #3
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-12

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,319	\$ 89
<i>Interest</i>	5	8	3
Total revenues	<u>4,235</u>	<u>4,327</u>	<u>92</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	<u>4,465</u>	<u>4,465</u>	--
Total expenditures	<u>4,465</u>	<u>4,465</u>	--
Net change in fund balances	(230)	(138)	92
Fund balance, January 1	<u>4,460</u>	<u>4,460</u>	--
Fund balance, December 31	<u>\$ 4,230</u>	<u>\$ 4,322</u>	<u>\$ 92</u>

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #4
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-13

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 4,230	\$ 4,319	\$ 89
<i>Interest</i>	5	8	3
Total revenues	<u>4,235</u>	<u>4,327</u>	<u>92</u>
Expenditures:			
Current:			
<i>Roads and bridges</i>	4,465	4,465	--
Total expenditures	<u>4,465</u>	<u>4,465</u>	<u>--</u>
Net change in fund balances	(230)	(138)	92
Fund balance, January 1	<u>4,460</u>	<u>4,460</u>	<u>--</u>
Fund balance, December 31	<u>\$ 4,230</u>	<u>\$ 4,322</u>	<u>\$ 92</u>

CALHOUN COUNTY, TEXAS
PRETRIAL SERVICES FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-14

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
<i>Charges for services</i>	\$ 1,000	\$ 1,953	\$ 953
<i>Interest</i>	150	144	(6)
Total revenues	<u>1,150</u>	<u>2,097</u>	<u>947</u>
 Net change in fund balances	 1,150	 2,097	 947
 Fund balance, January 1	 <u>60,925</u>	 <u>61,650</u>	 <u>725</u>
 Fund balance, December 31	 <u>\$ 62,075</u>	 <u>\$ 63,747</u>	 <u>\$ 1,672</u>

CALHOUN COUNTY, TEXAS
LAW LIBRARY FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-15

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 8,000	\$ 12,608	\$ 4,608
<i>Interest</i>	300	437	137
Total revenues	<u>8,300</u>	<u>13,045</u>	<u>4,745</u>
Expenditures:			
Current:			
<i>Legal</i>	26,400	9,016	17,384
Total expenditures	<u>26,400</u>	<u>9,016</u>	<u>17,384</u>
Net change in fund balances	(18,100)	4,029	22,129
Fund balance, January 1	<u>185,894</u>	<u>188,239</u>	<u>2,345</u>
Fund balance, December 31	<u>\$ 167,794</u>	<u>\$ 192,268</u>	<u>\$ 24,474</u>

CALHOUN COUNTY, TEXAS
 PORT O'CONNOR COMMUNITY CENTER
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-16

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 50	\$ 121	\$ 71
<i>Gifts and contributions</i>	1	--	(1)
<i>Rents and leases</i>	10,000	26,900	16,900
<i>Miscellaneous</i>	89,670	89,670	--
Total revenues	<u>99,721</u>	<u>116,691</u>	<u>16,970</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	134,759	122,555	12,204
Total expenditures	<u>134,759</u>	<u>122,555</u>	<u>12,204</u>
Excess (deficiency) of revenues over (under) expenditures	(35,038)	(5,864)	29,174
Other financing sources (uses):			
<i>Transfers in</i>	--	23,000	23,000
Total other financing sources (uses)	<u>--</u>	<u>23,000</u>	<u>23,000</u>
Net change in fund balances	(35,038)	17,136	52,174
Fund balance, January 1	<u>30,086</u>	<u>28,070</u>	<u>(2,016)</u>
Fund balance, December 31	<u>\$ (4,952)</u>	<u>\$ 45,206</u>	<u>\$ 50,158</u>

CALHOUN COUNTY, TEXAS

RECORDS MGMT/PRESERVATION DISTRICT CLERK FUND

SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-17

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 1,000	\$ 1,843	\$ 843
<i>Interest</i>	1	8	7
Total revenues	<u>1,001</u>	<u>1,851</u>	<u>850</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	2,500	--	2,500
Total expenditures	<u>2,500</u>	<u>--</u>	<u>2,500</u>
Net change in fund balances	(1,499)	1,851	3,350
Fund balance, January 1	<u>2,652</u>	<u>2,987</u>	<u>335</u>
Fund balance, December 31	<u>\$ 1,153</u>	<u>\$ 4,838</u>	<u>\$ 3,685</u>

CALHOUN COUNTY, TEXAS
 COUNTY CLERK RECORDS MANAGEMENT FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-18

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 25,000	\$ 382	\$ (24,618)
<i>Interest</i>	200	285	85
Total revenues	<u>25,200</u>	<u>667</u>	<u>(24,533)</u>
Expenditures:			
Current:			
<i>General administration</i>	38,422	21,493	16,929
Total expenditures	<u>38,422</u>	<u>21,493</u>	<u>16,929</u>
Net change in fund balances	(13,222)	(20,826)	(7,604)
Fund balance, January 1	<u>135,216</u>	<u>135,329</u>	<u>113</u>
Fund balance, December 31	<u>\$ 121,994</u>	<u>\$ 114,503</u>	<u>\$ (7,491)</u>

CALHOUN COUNTY, TEXAS
 RECORDS MANAGEMENT AND PRESERVATION FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-19

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Charges for services</i>	\$ 5,300	\$ 54,294	\$ 48,994
<i>Interest</i>	150	330	180
Total revenues	<u>5,450</u>	<u>54,624</u>	<u>49,174</u>
Expenditures:			
Current:			
<i>General administration</i>	6,500	--	6,500
Total expenditures	<u>6,500</u>	<u>--</u>	<u>6,500</u>
Net change in fund balances	(1,050)	54,624	55,674
Fund balance, January 1	<u>118,869</u>	<u>124,126</u>	<u>5,257</u>
Fund balance, December 31	<u>\$ 117,819</u>	<u>\$ 178,750</u>	<u>\$ 60,931</u>

CALHOUN COUNTY, TEXAS
ROAD AND BRIDGE FUND GENERAL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-20

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Intergovernmental</i>	\$ 10,000	\$ 18,450	\$ 8,450
<i>Charges for services</i>	120,000	263,414	143,414
<i>Permits and licenses</i>	300,000	270,231	(29,769)
<i>Fines and forfeitures</i>	51,200	55,477	4,277
<i>Interest</i>	2,000	3,312	1,312
Total revenues	<u>483,200</u>	<u>610,884</u>	<u>127,684</u>
Other financing sources (uses):			
<i>Transfers out</i>	(600,000)	(600,000)	--
Total other financing sources (uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>--</u>
Net change in fund balances	(116,800)	10,884	127,684
Fund balance, January 1	<u>1,607,328</u>	<u>1,617,552</u>	<u>10,224</u>
Fund balance, December 31	<u>\$ 1,490,528</u>	<u>\$ 1,628,436</u>	<u>\$ 137,908</u>

CALHOUN COUNTY, TEXAS
 SHERIFF FORFEITED PROPERTY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-21

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Fines and forfeitures</i>	\$ 2	\$ 1,509	\$ 1,507
<i>Interest</i>	2	3	1
<i>Miscellaneous</i>	1	17	16
Total revenues	<u>5</u>	<u>1,529</u>	<u>1,524</u>
Expenditures:			
Current:			
<i>Public safety</i>	27,507	13,782	13,725
Total expenditures	<u>27,507</u>	<u>13,782</u>	<u>13,725</u>
Net change in fund balances	(27,502)	(12,253)	15,249
Fund balance, January 1	<u>31,254</u>	<u>34,319</u>	<u>3,065</u>
Fund balance, December 31	<u>\$ 3,752</u>	<u>\$ 22,066</u>	<u>\$ 18,314</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, 2014

EXHIBIT C-22

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Interest</i>	\$ 60	\$ 131	\$ 71
Total revenues	<u>60</u>	<u>131</u>	<u>71</u>
Expenditures:			
Current:			
<i>Culture and recreation</i>	56,431	843	55,588
Total expenditures	<u>56,431</u>	<u>843</u>	<u>55,588</u>
Net change in fund balances	(56,371)	(712)	55,659
Fund balance, January 1	<u>57,331</u>	<u>57,331</u>	--
Fund balance, December 31	<u>\$ 960</u>	<u>\$ 56,619</u>	<u>\$ 55,659</u>

CALHOUN COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR DEBT SERVICE FUNDS

DECEMBER 31, 2014

	2010 Refunding Debt Service	Debt Service Refunding 2012	Total Nonmajor Debt Service Funds (See Exhibit C-1)
ASSETS			
<i>Cash and cash equivalents</i>	\$ 61,960	\$ 130,988	\$ 192,948
<i>Receivables (net of allowances for uncollectibles):</i>			
<i>Taxes</i>	164,820	189,240	354,060
Restricted assets:			
<i>Cash and cash equivalents</i>	<u>352,442</u>	<u>389,385</u>	<u>741,827</u>
Total Assets	<u>\$ 579,222</u>	<u>\$ 709,613</u>	<u>\$ 1,288,835</u>
LIABILITIES			
DEFERRED INFLOWS OF RESOURCES			
<i>Deferred revenue</i>	\$ 532,726	\$ 600,428	\$ 1,133,154
Total Deferred Inflows of Resources	<u>532,726</u>	<u>600,428</u>	<u>1,133,154</u>
FUND BALANCE			
<i>Restricted</i>	<u>46,496</u>	<u>109,185</u>	<u>155,681</u>
Total Fund Balance	<u>46,496</u>	<u>109,185</u>	<u>155,681</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 579,222</u>	<u>\$ 709,613</u>	<u>\$ 1,288,835</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	2003 Jail Debt Service	2010 Refunding Debt Service	Debt Service Refunding 2012	Total Nonmajor Debt Service Funds (See Exhibit C-2)
Revenues:				
<i>Ad valorem taxes</i>	\$ 420	\$ 500,301	\$ 639,312	\$ 1,140,033
Total revenues	<u>420</u>	<u>500,301</u>	<u>639,312</u>	<u>1,140,033</u>
Expenditures:				
Debt service:				
<i>Principal</i>	--	355,000	525,000	880,000
<i>Interest and fiscal charges</i>	--	160,900	144,250	305,150
Total expenditures	<u>--</u>	<u>515,900</u>	<u>669,250</u>	<u>1,185,150</u>
Excess (deficiency) of revenues over (under) expenditures	420	(15,599)	(29,938)	(45,117)
Other financing sources (uses):				
<i>Transfers in</i>	--	--	126,269	126,269
<i>Transfers out</i>	(126,269)	--	--	(126,269)
Total other financing sources (uses)	<u>(126,269)</u>	<u>--</u>	<u>126,269</u>	<u>--</u>
Net change in fund balances	(125,849)	(15,599)	96,331	(45,117)
Fund balance, January 1	<u>125,849</u>	<u>62,095</u>	<u>12,854</u>	<u>200,798</u>
Fund balance, December 31	<u>\$ --</u>	<u>\$ 46,496</u>	<u>\$ 109,185</u>	<u>\$ 155,681</u>

CALHOUN COUNTY, TEXAS
 2003 JAIL DEBT SERVICE FUND
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ --	\$ 420	\$ 420
Total revenues	<u> --</u>	<u> 420</u>	<u> 420</u>
Other financing sources (uses):			
<i>Transfers out</i>	(126,270)	(126,269)	1
Total other financing sources (uses)	<u> (126,270)</u>	<u> (126,269)</u>	<u> 1</u>
Net change in fund balances	(126,270)	(125,849)	421
Fund balance, January 1	<u> 124,248</u>	<u> 125,849</u>	<u> 1,601</u>
Fund balance, December 31	<u> (2,022)</u>	<u> --</u>	<u> 2,022</u>

CALHOUN COUNTY, TEXAS
 2010 REFUNDING DEBT SERVICE
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-26

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 516,760	\$ 500,301	\$ (16,459)
<i>Interest</i>	10	--	(10)
Total revenues	<u>516,770</u>	<u>500,301</u>	<u>(16,469)</u>
Expenditures:			
Debt service:			
<i>Principal</i>	355,000	355,000	--
<i>Interest and fiscal charges</i>	161,700	160,900	800
Total expenditures	<u>516,700</u>	<u>515,900</u>	<u>800</u>
Net change in fund balances	70	(15,599)	(15,669)
Fund balance, January 1	<u>63,662</u>	<u>62,095</u>	<u>(1,567)</u>
Fund balance, December 31	<u>\$ 63,732</u>	<u>\$ 46,496</u>	<u>\$ (17,236)</u>

CALHOUN COUNTY, TEXAS
DEBT SERVICE REFUNDING 2012 FUND
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2014

EXHIBIT C-27

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Ad valorem taxes</i>	\$ 580,010	\$ 639,312	\$ 59,302
<i>Interest</i>	10	--	(10)
Total revenues	<u>580,020</u>	<u>639,312</u>	<u>59,292</u>
Expenditures:			
Debt service:			
<i>Principal</i>	525,000	525,000	--
<i>Interest and fiscal charges</i>	145,050	144,250	800
Total expenditures	<u>670,050</u>	<u>669,250</u>	<u>800</u>
Excess (deficiency) of revenues over (under) expenditures	(90,030)	(29,938)	60,092
Other financing sources (uses):			
<i>Transfers in</i>	--	126,269	126,269
Total other financing sources (uses)	<u>--</u>	<u>126,269</u>	<u>126,269</u>
Net change in fund balances	(90,030)	96,331	186,361
Fund balance, January 1	<u>--</u>	<u>12,854</u>	<u>12,854</u>
Fund balance, December 31	<u>\$ (90,030)</u>	<u>\$ 109,185</u>	<u>\$ 199,215</u>

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CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2014

	<u>CIAP Coastal Improvements</u>	<u>Pct #1 Ocean Dr Imprv/TCDBG DRS010020</u>	<u>Road and Bridge Infrastructure</u>	<u>County Energy TRZ #1</u>
ASSETS				
<i>Cash and cash equivalents</i>	\$ 1,000	\$ 1	\$ 72,599	\$ 359,976
<i>Intergovernmental receivable</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>108,537</u>
Total Assets	<u>\$ 1,000</u>	<u>\$ 1</u>	<u>\$ 72,599</u>	<u>\$ 468,513</u>
LIABILITIES				
<i>Accounts payable</i>	\$ --	\$ --	\$ --	\$ 73,109
<i>Accrued and other liabilities</i>	--	--	--	--
<i>Due to other funds</i>	<u>1,000</u>	<u>1</u>	<u>--</u>	<u>338,244</u>
Total Liabilities	<u>1,000</u>	<u>1</u>	<u>--</u>	<u>411,353</u>
FUND BALANCE				
<i>Restricted</i>	--	--	72,599	57,160
<i>Assigned</i>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Fund Balance	<u>--</u>	<u>--</u>	<u>72,599</u>	<u>57,160</u>
Total Liabilities, and Fund Balance	<u>\$ 1,000</u>	<u>\$ 1</u>	<u>\$ 72,599</u>	<u>\$ 468,513</u>

Swan Point Park	Airport Runway Improvements	Capital Proj. County Road 101	EMS Substation	Emergency Communications System
\$ 5,096	\$ 92,777	\$ 150,000	\$ 347,399	\$ 30,848
--	--	--	--	--
<u>\$ 5,096</u>	<u>\$ 92,777</u>	<u>\$ 150,000</u>	<u>\$ 347,399</u>	<u>\$ 30,848</u>
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	347,399	--
5,096	92,777	150,000	--	30,848
<u>5,096</u>	<u>92,777</u>	<u>150,000</u>	<u>347,399</u>	<u>30,848</u>
<u>\$ 5,096</u>	<u>\$ 92,777</u>	<u>\$ 150,000</u>	<u>\$ 347,399</u>	<u>\$ 30,848</u>

CALHOUN COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2014

	Green Lake Park	Haterius Park/Boat Ramp	Port Alto Public Beach
ASSETS			
<i>Cash and cash equivalents</i>	\$ 36,729	\$ 21,064	\$ 6,485
<i>Intergovernmental receivable</i>	--	--	--
Total Assets	<u>\$ 36,729</u>	<u>\$ 21,064</u>	<u>\$ 6,485</u>
LIABILITIES			
<i>Accounts payable</i>	\$ 6,000	\$ --	\$ --
<i>Accrued and other liabilities</i>	--	--	--
<i>Due to other funds</i>	--	--	--
Total Liabilities	<u>6,000</u>	<u>--</u>	<u>--</u>
FUND BALANCE			
<i>Restricted</i>	30,729	--	--
<i>Assigned</i>	--	21,064	6,485
Total Fund Balance	<u>30,729</u>	<u>21,064</u>	<u>6,485</u>
Total Liabilities, and Fund Balance	<u>\$ 36,729</u>	<u>\$ 21,064</u>	<u>\$ 6,485</u>

Capital Improvements Projects	Port O'Connor Library	Courthouse Annex II	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
\$ 407,347	\$ 1,167	\$ --	\$ 1,532,488
<u> --</u>	<u> --</u>	<u> --</u>	<u> 108,537</u>
<u>\$ 407,347</u>	<u>\$ 1,167</u>	<u>\$ --</u>	<u>\$ 1,641,025</u>
\$ 2,691	\$ --	\$ --	\$ 81,800
--	--	8,466	8,466
--	--	--	339,245
<u> 2,691</u>	<u> --</u>	<u> 8,466</u>	<u> 429,511</u>
--	1,167	--	509,054
404,656	--	(8,466)	702,460
<u> 404,656</u>	<u> 1,167</u>	<u> (8,466)</u>	<u> 1,211,514</u>
<u>\$ 407,347</u>	<u>\$ 1,167</u>	<u>\$ --</u>	<u>\$ 1,641,025</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	CIAP Coastal Improvements	Parking Lot	Precinct #2 Storm Repairs	Road and Bridge Infrastructure
Revenues:				
<i>Intergovernmental</i>	\$ 35,975	\$ --	\$ --	\$ 15,323
<i>Gifts and contributions</i>	--	--	--	--
<i>Miscellaneous</i>	1,324	--	--	--
Total revenues	<u>37,299</u>	<u>--</u>	<u>--</u>	<u>15,323</u>
Expenditures:				
Current:				
<i>Public facilities</i>	--	--	--	--
<i>Roads and bridges</i>	--	--	--	15,323
<i>Health and welfare</i>	--	--	--	--
<i>Culture and recreation</i>	--	--	--	--
<i>Nondepartmental</i>	--	--	--	--
Capital outlay	44,809	--	3,804	--
Total expenditures	<u>44,809</u>	<u>--</u>	<u>3,804</u>	<u>15,323</u>
Excess (deficiency) of revenues over (under) expenditures	(7,510)	--	(3,804)	--
Other financing sources (uses):				
<i>Transfers in</i>	7,510	--	--	--
<i>Transfers out</i>	--	(80,544)	--	--
Total other financing sources (uses)	<u>7,510</u>	<u>(80,544)</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	(80,544)	(3,804)	--
Fund balance, January 1	<u>--</u>	<u>80,544</u>	<u>3,804</u>	<u>72,599</u>
Fund balance, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 72,599</u>

County Energy TRZ #1	Swan Point Park	Airport Runway Improvements	Capital Proj. County Road 101	EMS Substation
\$ 230,027	\$ --	\$ 14,907	\$ --	\$ --
--	--	--	--	--
--	--	--	--	--
<u>230,027</u>	<u>--</u>	<u>14,907</u>	<u>--</u>	<u>--</u>
--	--	14,907	--	--
273,186	--	--	--	--
--	--	--	--	33,145
--	--	--	--	--
--	--	--	--	--
<u>273,186</u>	<u>--</u>	<u>14,907</u>	<u>--</u>	<u>33,145</u>
(43,159)	--	--	--	(33,145)
100,319	--	--	--	380,544
--	--	--	--	--
<u>100,319</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>380,544</u>
57,160	--	--	--	347,399
--	5,096	92,777	150,000	--
<u>\$ 57,160</u>	<u>\$ 5,096</u>	<u>\$ 92,777</u>	<u>\$ 150,000</u>	<u>\$ 347,399</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Emergency Communications System	Green Lake Park	Haterius Park/Boat Ramp
Revenues:			
Intergovernmental	\$ --	\$ --	\$ --
Gifts and contributions	--	--	--
Miscellaneous	--	1,649	--
Total revenues	<u>--</u>	<u>1,649</u>	<u>--</u>
Expenditures:			
Current:			
Public facilities	--	--	--
Roads and bridges	--	--	--
Health and welfare	--	--	--
Culture and recreation	--	25,951	--
Nondepartmental	--	--	--
Capital outlay	--	--	--
Total expenditures	<u>--</u>	<u>25,951</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	(24,302)	--
Other financing sources (uses):			
Transfers in	--	55,031	--
Transfers out	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>55,031</u>	<u>--</u>
Net change in fund balances	--	30,729	--
Fund balance, January 1	<u>30,848</u>	<u>--</u>	<u>21,064</u>
Fund balance, December 31	<u>\$ 30,848</u>	<u>\$ 30,729</u>	<u>\$ 21,064</u>

Port Alto Public Beach	Capital Improvements Projects	Port O'Connor Library	Courthouse Annex II	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
\$ --	\$ --	\$ --	\$ --	\$ 296,232
--	--	1,167	--	1,167
--	--	--	--	2,973
<u>--</u>	<u>--</u>	<u>1,167</u>	<u>--</u>	<u>300,372</u>
--	--	--	--	14,907
--	--	--	--	288,509
--	--	--	--	33,145
--	--	--	--	25,951
--	40,103	--	--	40,103
--	--	--	--	48,613
<u>--</u>	<u>40,103</u>	<u>--</u>	<u>--</u>	<u>451,228</u>
--	(40,103)	1,167	--	(150,856)
--	--	--	--	543,404
--	--	--	(25,756)	(106,300)
<u>--</u>	<u>--</u>	<u>--</u>	<u>(25,756)</u>	<u>437,104</u>
--	(40,103)	1,167	(25,756)	286,248
<u>6,485</u>	<u>444,759</u>	<u>--</u>	<u>17,290</u>	<u>925,266</u>
<u>\$ 6,485</u>	<u>\$ 404,656</u>	<u>\$ 1,167</u>	<u>\$ (8,466)</u>	<u>\$ 1,211,514</u>

CALHOUN COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

DECEMBER 31, 2014

	County Clerk Funds	District Clerk Funds	Justice of the Peace Funds	District Attorney Funds
ASSETS				
<i>Cash and cash equivalents</i>	\$ 88,821	\$ 149,865	\$ 21,254	\$ 15,010
Receivables (net of allowances for uncollectibles):				
<i>Accounts</i>	--	--	--	--
<i>Intergovernmental receivable</i>	--	--	--	--
<i>Due from other funds</i>	930	--	290	--
<i>Due from others</i>	--	--	1,860	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>89,751</u>	\$ <u>149,865</u>	\$ <u>23,404</u>	\$ <u>15,010</u>
LIABILITIES				
<i>Due to other funds</i>	\$ 3,814	\$ 3,042	\$ 13,460	\$ --
<i>Due to other governments</i>	3,212	827	5,113	--
<i>Due to others</i>	82,725	145,996	4,831	15,010
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	\$ <u>89,751</u>	\$ <u>149,865</u>	\$ <u>23,404</u>	\$ <u>15,010</u>

Tax Collector Funds	Sheriff Funds	County Auditor Funds	County Treasurer Funds	Total Agency Funds (See Exhibit A-7)
\$ 643,007	\$ 190,437	\$ 69,676	\$ 99,860	\$ 1,277,930
--	--	--	3,906	3,906
368,493	--	--	--	368,493
--	--	--	217,804	219,024
5,930	--	--	--	7,790
<u>\$ 1,017,430</u>	<u>\$ 190,437</u>	<u>\$ 69,676</u>	<u>\$ 321,570</u>	<u>\$ 1,877,143</u>
\$ 197,628	\$ 1,080	\$ --	\$ --	\$ 219,024
817,307	--	--	286,770	1,113,229
2,495	189,357	69,676	34,800	544,890
<u>\$ 1,017,430</u>	<u>\$ 190,437</u>	<u>\$ 69,676</u>	<u>\$ 321,570</u>	<u>\$ 1,877,143</u>

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CALHOUN COUNTY, TEXAS

STATEMENT OF NET POSITION
DISCRETE COMPONENT UNIT
ENTERPRISE FUND
DECEMBER 31, 2014

	<u>Memorial Medical Center</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 4,275,602
Investments	500,000
Receivables (net of allowances for uncollectibles):	
Accounts	2,459,647
Prepaid items and other current assets	3,505,933
Total current assets	<u>10,741,182</u>
Capital assets :	
Land	320,593
Construction in progress	353,068
Buildings	9,529,483
Equipment	14,818,648
Accumulated depreciation	<u>(20,607,134)</u>
Total capital assets	<u>4,414,658</u>
Total Assets	<u>15,155,840</u>
LIABILITIES	
Current liabilities:	
Accounts payable	696,897
Accrued and other liabilities	2,906,410
Capital leases payable - current portion	252,554
Loan payable to primary government	500,000
Total current liabilities	<u>4,355,861</u>
Long-term Debt:	
Capital leases payable	<u>372,558</u>
Total noncurrent liabilities	<u>372,558</u>
Total Liabilities	<u>4,728,419</u>
NET POSITION	
Net investment in capital assets	3,789,546
Restricted - expendable for equipment	321,870
Unrestricted	6,316,005
Total Net Position	<u>\$ 10,427,421</u>

CALHOUN COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN FUND NET POSITION
 DISCRETE COMPONENT UNIT
 ENTERPRISE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Memorial Medical Center
OPERATING REVENUES:	
Patient service revenues (net)	\$ 22,098,328
Other operating revenues	642,487
Total Operating Revenues	<u>22,740,815</u>
OPERATING EXPENSES:	
Operating expenses	21,533,415
Depreciation and amortization	964,776
Total Operating Expenses	<u>22,498,191</u>
Operating Income (Loss)	<u>242,624</u>
NON-OPERATING REVENUES (EXPENSES):	
Interest revenue	7,840
Investment return	1,234
Interest expense	(29,580)
Private UPL expense	(1,209,604)
On behalf payments	2,380,910
Total Non-operating Revenues (Expenses)	<u>1,150,800</u>
Net Income (Loss) before Capital Contributions	<u>1,393,424</u>
CAPITAL CONTRIBUTIONS:	
Capital contributions	321,870
Total Capital Contributions	<u>321,870</u>
Increase (decrease) in net position	1,715,294
Net position, January 1	<u>8,712,127</u>
Net position, December 31	<u>\$ 10,427,421</u>

CALHOUN COUNTY, TEXAS
STATEMENT OF CASH FLOWS
DISCRETE COMPONENT UNIT
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Memorial Medical Center
Cash Flows from Operating Activities:	
Receipts from and on-behalf of patients	\$ 23,873,416
Payments to suppliers and contractors	(9,383,000)
Payments to employees	(11,482,187)
Other receipts, net	642,487
Net Cash Provided (Used) by Operating Activities	<u>3,650,716</u>
Cash Flows from Non-capital Financing Activities:	
Private upper-payment limit program payments	(1,981,994)
On-behalf payments	--
Noncapital grants and contributions	7,840
Net Cash Provided (Used) by Non-capital Financing Activities	<u>(1,974,154)</u>
Cash Flows from Capital and Related Financing Activities:	
Capital grants and gifts	321,870
Principal paid on long-term debt	(348,309)
Interest paid on long-term debt	(29,580)
Purchase of capital assets	(857,241)
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>(913,260)</u>
Cash Flows from Investing Activities:	
Interest on investments	1,234
Net Cash Provided (Used) for Investing Activities	<u>1,234</u>
Net Increase (Decrease) in Cash and Cash Equivalents	764,536
Cash and Cash Equivalents at Beginning of Year	3,981,580
Cash and Cash Equivalents at End of Year	<u>\$ 4,746,116</u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities:	
Operating Income (Loss)	\$ 242,624
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities	
Depreciation and amortization	964,776
Provision for uncollectible accounts	9,419,000
On-behalf payments	2,380,910
Change in Assets and Liabilities:	
Patients accounts receivable, net	(9,447,619)
Estimated amounts due from and to third-party payers	664,137
Accounts payable and accrued expenses	300,205
Other assets and liabilities	(873,317)
Total Adjustments	<u>3,408,092</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,650,716</u>

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