

ELLIS COUNTY, TEXAS
Comprehensive Annual Financial
Report

For the Year Ended
September 30, 2007

Prepared by: Ellis County Auditor's Office

**ELLIS COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 SEPTEMBER 30, 2007**

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ELLIS COUNTY AUDITOR'S OFFICE

Michael S. Navarro, CPA
County Auditor

Audit Division

Cheryl Chambers
1st Assistant

Beth Allen
Assistant

Misty Hudson
Assistant

Linda Lake
Assistant

MIS Division

Teral Crawford
MIS Director

Matt Edington
MIS Technician

Jocelyn King
MIS Technician

March 24, 2008

Honorable District Judges of Ellis County and

Honorable Members of the Ellis County Commissioners Court:

As prescribed by Local Government Code Section 114.025 of the State of Texas, the Comprehensive Annual Financial Report of the government of Ellis County, Texas for the fiscal year ended September 30, 2007 is hereby submitted. These general purpose financial statements are the responsibility of the County's management. It is my belief that the data, as presented, is accurate in all material aspects; that it is presented in a manner to fairly set forth the financial position and results of operations of the County; and that all disclosures necessary to enable the readers to gain the maximum understanding of the County's financial affairs have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

The County provides a full range of services authorized by statute. These services include general governmental services such as recording and licensing, maintaining the county and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation and maintaining county roads and bridges.

Profile of the Government

Ellis County is located in north central Texas, 20 miles south of Dallas. The County is a public corporation and political subdivision of the State of Texas, officially established by the State legislature on December 20, 1849. Waxahachie is the county seat and home of the historic Ellis County Courthouse built in 1895 and recognized by many as one of the most picturesque buildings in the state. William Hawkins was the first chief justice (county judge). Judge Oran Milo Roberts presided over the first term of the Ellis County district court during the fall of 1850. The 2006 estimated population for the County was 139,300. The general governing body of the County is the elected five-member Commissioners Court in accordance with Article, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, therefore, every two years two are up for election. The County Judge is elected at large to serve a four-year term.

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Local Economy

Ellis County is transitioning from a rural to a more urbanized economy, however, agriculture is still an important economic factor. Other major industries include honey processing, steel fabricators, automobile shipping, power generation, and manufacturers of fiberglass insulation, cement, vinyl siding and much more. The County comprises 939 square miles of the Blackland Prairie. Two major north-south interstates, I-35E and I-45, run through Ellis County, and east-west traffic is enhanced by State Highway 287. Local industry benefits from proximity to two major airports as well as railway hubs. The County is home to several institutions of higher education as well as recognized and exemplary public school districts. One of the County's two outstanding hospitals recently moved into a new, state-of-the-art facility, while the other completed a large expansion project. Although population growth has slowed, Ellis County is faring well compared to other areas in terms of housing.

According to the US Census Bureau, the estimated population of Ellis County is 143,468. This represents a 2.99% increase from the prior year. At the last official census, Ellis County experienced a 30.8% increase from 1990 to 2000. The most recent data from the US Census Bureau shows that of persons age 25+, 77.8% in Ellis County are high school graduates compared to the state rate of 75.7%. 17.1% hold a bachelor's degree or higher compared to the state rate of 23.2%. The mean travel time to work for workers age 16+ is 30.3 minutes compared to the 25.4 minutes for Texas. Residents are continuing to be drawn to the County due to the small, hometown values and relaxed atmosphere combined with the close proximity to the metroplex that the County offers.

The most recent estimates from the US Census Bureau show that the median household money income in Ellis County is \$52,355 compared to the state median of \$42,165. The per capita money income is \$20,212 compared to the state average of \$19,617. The home ownership rate in Ellis County is 76.2% compared to the state rate of 63.8%. In Ellis County, 10.1% of the population is below the poverty level compared to the state rate of 16.2%. The median value of owner-occupied housing units is \$91,400 compared to the median value in Texas of \$82,500. These statistics clearly show that the economic condition in Ellis County makes the area attractive.

Taxable property value increased from \$7,964,625,979 in 2005 to \$8,563,061,401 in 2006. Past aggressive tax abatement policies will continue to pay dividends for the taxing jurisdictions in the future. The tax abatement on the 2006 assessed value is \$419,951,302.

Based on current projections by the North Central Texas Council of Governments, the County is once again expected to continue to grow. They estimate the population in 2010 to be 180,617, in 2015 to be 241,778, in 2020 to be 329,476, in 2025 to be 378,161 and in 2030 to be 448,588. This growth, while having a positive impact on the local economic community as a whole, presents real challenges for the County government. If the County is to continue to provide the level of service it has established, it will need to explore all avenues of increasing revenues as well as finding more efficient ways to operate and to keep up with demands imposed by the constituents. Currently, Ellis County has one of the lower tax rates of the 254

Texas counties. Innovative leadership has enabled the County to govern effectively as well as efficiently.

Long term financial planning

Ellis County, because of its continued growth, is faced with many challenges in delivering services to its citizens, while maintaining a conservative financial approach. County administration has been committed to meeting increasing needs for services and facilities as well as making its revenue collection process more efficient. As part of this commitment to make services more accessible, the Commissioners Court has provided for a new financial accounting system, human resources system, and purchasing system, as well as new software systems for Justice Courts and Department of Development. The County believes that these new systems will better streamline its operations as well as make data and services more readily accessible to citizens. On facilities issues, the citizens of the County passed a \$53,875,000 bond issue on May 12, 2007. Proceeds from this issue will be used to fund a detention center, a parking garage, and a justice center to house courts and related functions. This is phase 1 of a planned 3 phase capital improvement program, which will take the County through the year 2025. The County has retained the services of The Staubach Group, to provide guidance and assistance throughout this process. The County has also created a citizens' oversight committee to insure the process is thorough and efficient. On revenue collections, the Court has entered into an agreement with a third party collection firm, to assist the County in collecting on outstanding fines, and the County and District Clerk are beginning collection programs within their respective offices, to insure that the County is maximizing its collections. The County has also recently begun to accept credit card payments over the Internet in the Tax Office, County Clerk, Department of Development, and Justice Court locations. This will make it easier for the citizens to conduct business during non-traditional office hours. The County has also started the process of developing and implementing fund balance and debt management policies, which can be used to help guide decisions of future Commissioners Courts.

Financial Information

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognized that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Budgeting

The County Judge, the Budget Officer, prepares the County's budget with the assistance of the County Auditor's office. Each department submits a budget request to the County Judge. Formal public hearings are held by the Commissioners Court and department heads are encouraged to attend to explain their requests. The County Judge compiles these requests and presents his recommendations to the Commissioners Court. Before determining the final budget, the Commissioners Court may increase or decrease the amounts requested by the various departments. Budgeted expenditures may not exceed the estimate of revenues and available fund balance. Appropriations lapse at the end of the fiscal year.

Budgeting Controls

Budgetary control is maintained at the fund level. Estimated amounts in departmental requests for purchases are verified against available amounts in departmental budgets before purchase orders are issued. Requests that would result in budget overruns at the fund level are not approved until additional budgetary appropriations are made, either by transfer or formal budget amendment. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Financial Administration

The officials responsible for the financial administration of the County are the County Auditor, the County Judge and four County Commissioners (the Commissioners Court), the Tax Assessor-Collector, and the County Treasurer.

The County Auditor is the chief financial officer of the County and is responsible for substantially all County financial and accounting control functions. The Auditor's responsibilities include accounting, auditing, and financial operations. The Auditor also serves as the County Investment Officer. The Auditor does not have disbursement responsibilities.

The Commissioners Court is the governing body of the County. It has only powers expressly granted to it by the legislature and powers necessarily implied from such grant. Among other things, it approves the County budget, determines the County tax rate, approves contracts in the name of the County, determines whether a proposition to insure bonds should be submitted to the voters, and appoints certain County officials. The County Judge is the presiding officer of the Commissioners Court. Each Commissioner represents one of the four precincts into which the County is divided and is elected by the voters of his precinct. The County Commissioners are responsible for maintaining road and bridges, personnel and equipment for their precincts.

The Tax Collector is responsible for collecting ad valorem taxes, certain State and County fees and other revenues.

The County Treasurer is responsible for depositing money received by the County in the depository selected by the Commissioners Court. The Treasurer is also responsible for bank reconciliation and distributing disbursements.

Cash Management

Ellis County invests deposits to meet cash flow needs. Most cash on hand is held in interest bearing checking accounts at the County's depository bank. Interest rates on bank deposits are governed by the depository bank bid contract, which last for a period of two years. All funds not held at the depository bank are invested in accordance with the County's Investment Policy. Currently the funds are diversified among several Local Government Investment Pools (LGIP's), S&P aaam rated money market mutual funds, and certificates of deposit. The LGIP's currently used by the County are the Lone Star Investment Pool sponsored by the Texas Association of School Boards, and the CLASS Pool managed by MBIA, and Texstar. The aaam money market mutual funds used are Investors Cash Trust from the Fund's Management Group, and T-Fund from Provident Distributors. All pools and mutual funds used by the county invest in direct obligations for the U.S. Treasury, such as Treasury bills and notes and repurchase agreements relating to direct Treasury obligations. Certificates of deposit are purchased from the County's depository, Comerica Bank of Texas. All securities purchased meet the Ellis County Investment Policy. Any residual money held at Merrill Lynch is invested into the Merrill Lynch Institutional Fund, which is a mutual fund investing in repurchase agreements, U.S. government Agency issues and commercial paper.

The County's Investment Policy is to assure safety of principle while maintaining liquidity and deriving a competitive yield on its investments. This has all been accomplished by diversifying the portfolio so that no more than 40% of the County's money is held at any one investment location. All County investments meet the current Texas law for public funds investing, and meet the investment criteria established by the Ellis County's Investment Policy.

Independent Audit

State statutes do not require an annual audit by independent, certified public accountants. However, the accounting firm of Pattillo, Brown and Hill, L.L.P., was engaged by the County to perform an annual audit in accordance with local policy. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Ellis County, Texas' financial statements for the period ended September 30, 2007, are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ellis County, Texas for its comprehensive annual financial report for the fiscal year ended September 30, 2006. This was the eleventh consecutive year that this government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Auditor's Office staff consisting of Cheryl Chambers, Beth Allen, Linda Lake, and Misty Hudson. Assistance in gathering information was obtained from numerous sources including the Ellis County Treasurer, Ellis County Judge, Ellis County Tax Assessor-Collector, Ellis County Central Appraisal District, our outside auditing firm, Pattillo, Brown and Hill, L.L.P., and the North Central Texas Council of Governments.

I would like to express my appreciation to all Ellis County Elected Officials and Department Heads for their cooperation and leadership in conducting the financial affairs of the County.

Special thanks are being extended to my staff that worked so diligently throughout the year.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael S. Navarro, CPA". The signature is stylized and written in a cursive-like font.

Michael S. Navarro, CPA
County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Ellis County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2006

Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



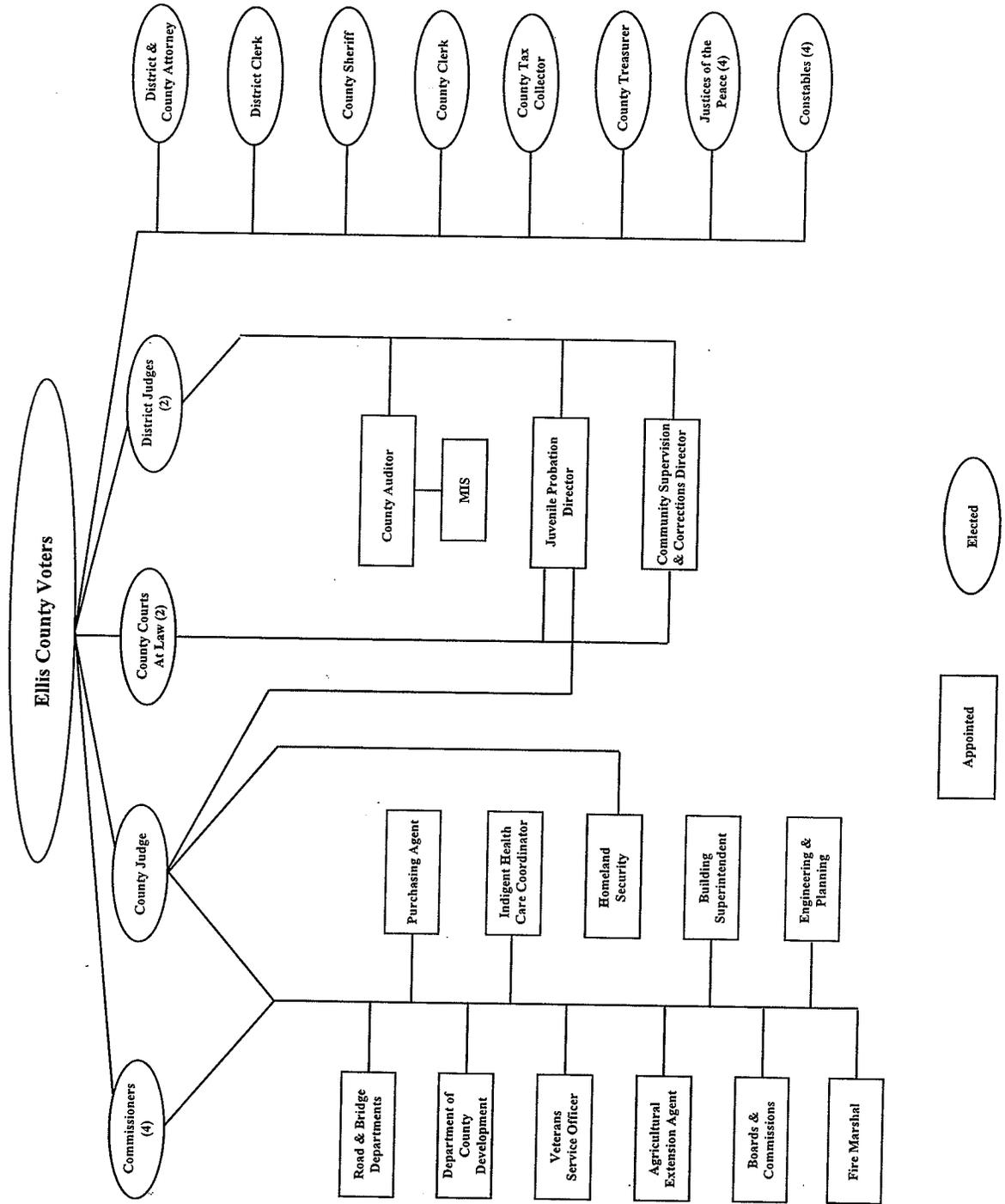
Charles S. Cox

President

Jeffrey R. Emen

Executive Director

ELLIS COUNTY, TEXAS ORGANIZATIONAL CHART



Appointed

Elected

DIRECTORY OF PUBLIC OFFICIALS

COMMISSIONERS COURT

COUNTY JUDGE

Chad Adams

COUNTY COMMISSIONERS

Precinct 1

Dennis Robinson

Precinct 2

Bill Dodson

Precinct 3

Heath Sims

Precinct 4

Ron Brown

JUDICIAL

DISTRICT JUDGE

40th Judicial District

Gene Knize

378th Judicial District

Al Scoggins

COUNTY COURT AT LAW JUDGE I

Greg Wilhelm

COUNTY COURT AT LAW JUDGE II

Gene Calvert

JUSTICE OF THE PEACE

Precinct 1

Bill Woody

Precinct 2

Jackie Miller

Precinct 3

Curtis Polk

Precinct 4

Linda Sibley

LAW ENFORCEMENT AND LEGAL

SHERIFF

Ray Stewart

COUNTY ATTORNEY

Joe Grubbs

CONSTABLES

Precinct 1

Ben Fry

Precinct 2

Terry Nay

Precinct 3

Jimmie Ray

Precinct 4

Steve McKinney

ADULT PROBATION OFFICER*

Alfred Mims

JUVENILE PROBATION OFFICER*

Chris Aldama

FINANCIAL ADMINISTRATION

COUNTY AUDITOR*

Michael S. Navarro

COUNTY TREASURER

Judy Burden

TAX COLLECTOR

John Bridges

PURCHASING AGENT*

Richard Denniston

RECORDING OFFICIALS

DISTRICT CLERK

Melanie Reed

COUNTY CLERK

Cindy Polley

*Denotes appointed officials. All others are elected officials.



PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable County Judge and
Commissioners' Court
Ellis County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ellis County, Texas as of and for the year ended September 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Ellis County, Texas' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Ellis County, Texas, as of September 30, 2007, and the respective changes in financial position thereof, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 37 through 48 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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

Pattillo, Brown & Hill, L.L.P.

March 24, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Ellis County, we offer readers of Ellis County's financial statements this narrative overview and analysis of the financial activities of Ellis County for the fiscal year ended September 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-vi this report.

FINANCIAL HIGHLIGHTS

The assets of the Ellis County exceeded its liabilities at the close of the most recent fiscal year by \$33,613,635 (*net assets*). Of this amount, \$28,550,632 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

- The government's total net assets increased by \$4,021,811.
- As of the close of the current fiscal year, Ellis County's governmental funds reported combined ending fund balances of \$82,266,543, an increase of \$57,213,068 in comparison with the prior year. The majority of this increase was due to the issuance of \$53,875,000 in general obligation bonds. \$81,446,343 is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$8,666,051 and 29.12% of total General Fund expenditures.
- The Ellis County's total debt increased by \$53,289,988 (259.84%) during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Ellis County's basic financial statements. Ellis County's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) 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 readers with a broad overview of Ellis County's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. 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).

Both of the government-wide financial statements distinguish functions of Ellis County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Ellis County include general government, public safety, roads and highways, public safety, and health and welfare.

The government-wide financial statements can be found on pages 11 – 12 of this report.

Fund financial statements. 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. Ellis County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Ellis County can be divided into two categories: governmental 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 *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.

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 financing 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*

Ellis County maintains 39 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 considered to be a major fund. Data from the other 39 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Ellis County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 – 17 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Ellis County's own programs.

The basic fiduciary fund financial statements can be found on page 18 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 – 36 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Ellis County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 37 – 48 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 49 – 100 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Ellis County, assets exceeded liabilities by \$33,613,635 at the close of the most recent fiscal year.

Ellis County's investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, is 12.6% of net assets. Ellis County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Ellis County's investment in its capital assets is reported net of related debt, it should be noted that 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.

Ellis County's Net Assets

	Governmental Activities	
	2007	2006
Current and other assets	\$ 87,736,065	\$ 28,651,420
Capital assets	22,863,110	22,974,274
Total assets	<u>110,599,175</u>	<u>51,625,694</u>
Long-term liabilities	73,799,126	20,509,138
Other liabilities	3,186,414	1,524,732
Total liabilities	<u>76,985,540</u>	<u>22,033,870</u>
Net assets:		
Invested in capital assets, net of related debt	4,243,073	3,318,214
Restricted	820,200	738,058
Unrestricted	<u>28,550,362</u>	<u>25,535,552</u>
Total net assets	<u>\$ 33,613,635</u>	<u>\$ 29,591,824</u>

An additional portion of Ellis County's net assets (2.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$28,550,632) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Ellis County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

Governmental activities. Governmental activities increased Ellis County's net assets by \$4,021,811, thereby accounting for 11.96% of the total net assets of Ellis County.

Ellis County's Changes in Net Assets

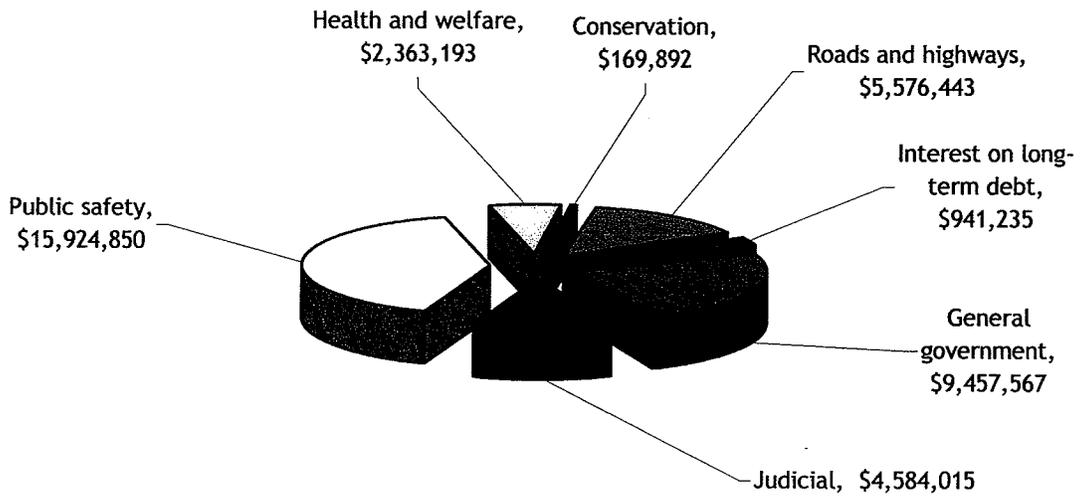
	Governmental Activities	
	2007	2006
REVENUES		
Program revenues:		
Charges for services	\$ 8,747,617	\$ 8,258,546
Operating grants and contributions	1,474,198	1,414,288
General revenues:		
Property taxes	29,338,844	27,387,525
Investment earnings	1,911,951	1,190,279
Miscellaneous	1,465,894	1,575,759
Other taxes	100,502	69,299
Total Revenues	<u>43,039,006</u>	<u>39,895,696</u>
EXPENSES		
General government	9,457,567	9,232,072
Judicial	4,584,015	4,185,014
Public safety	15,924,850	14,306,479
Health and welfare	2,363,193	2,585,252
Conservation	169,892	161,970
Roads and highways	5,576,443	6,330,052
Interest on long-term debt	941,235	907,828
Total Expenses	<u>39,017,195</u>	<u>37,708,667</u>
Loss on disposal of assets	-	(4,463,528)
INCREASE (DECREASE) IN NET ASSETS	4,021,811	(2,276,499)
NET ASSETS, BEGINNING	<u>29,591,824</u>	<u>31,820,189</u>
PRIOR PERIOD ADJUSTMENT	<u>-</u>	<u>48,134</u>
NET ASSETS, ENDING	<u>\$ 33,613,635</u>	<u>\$ 29,591,824</u>

Property taxes increased by \$1,951,319 (7.12%) during the year. This is the result of two factors: 1) an increase in homestead values; and 2) new property on the tax rolls due to growth.

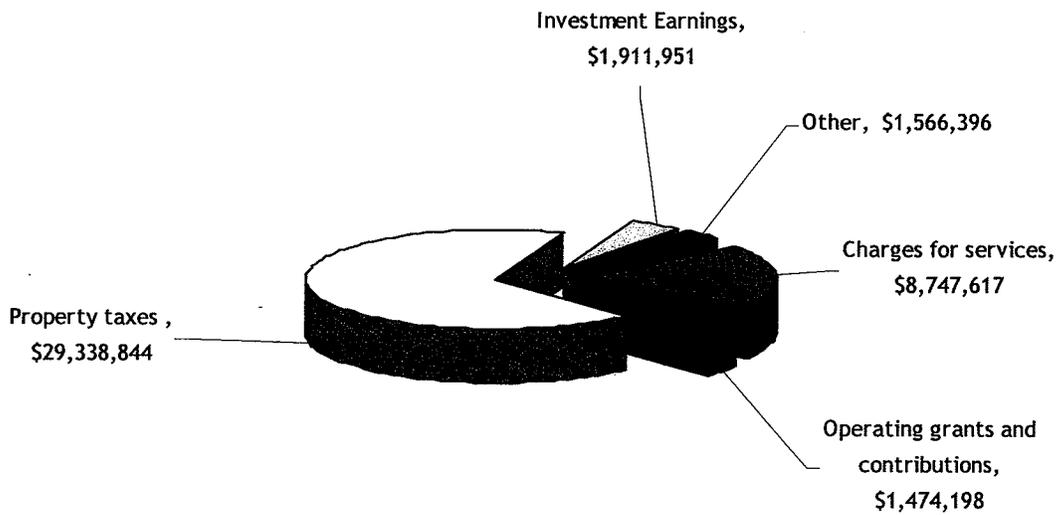
Investment income increased due to several reasons. There was an increase in funds available to be invested and an increase in interest rates.

Expenses increased in 2007, due to the continued growth the County is facing and additional resources allocated to public safety.

Expenses By Source



Revenues By Source



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, Ellis County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The General Fund is the chief operating fund of Ellis County. At the end of the current fiscal year, unreserved total fund balance of the General Fund was \$8,666,051. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved total fund balance represents 29.12% of total General Fund expenditures.

The fund balance of Ellis County's General Fund increased by \$1,715,860 during the current fiscal year. Key factors in this growth are primarily due to tax revenue along with other revenues exceeding projections.

The Permanent Improvement Fund has an ending fund balance of \$11,699,150, an increase of \$100,691 from the prior year. This increase is a result from interest earnings.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$1,307,808 increase in appropriations) and can be briefly summarized as follows:

- The County was forced to add additional detention staff due to mandates from the Texas Commission on Jail Standards. Additionally, the County wanted to assure safety of our law enforcement officers by updating an aging patrol fleet.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Ellis County's investment in capital assets for its governmental activities as of September 30, 2007, amount to \$22,863,110 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, roads, highways, and bridges.

**Ellis County's Capital Assets
(net of depreciation)**

	Governmental Activities	
	2007	2006
Land	\$ 598,249	\$ 598,249
Construction work in progress	402,800	121,109
Buildings and improvements	18,236,098	19,054,179
Machinery and equipment	3,625,963	3,200,737
Total	\$ 22,863,110	\$ 22,974,274

The County had the following additions to fixed asset:

Addition to construction in progress for stage one of building projects	\$ 281,691
Purchase of vehicles and equipment	\$ 1,080,217

Additional information on Ellis County's capital assets can be found in note 4 on pages 30 – 31 of this report.

Long-term debt. At the end of the current fiscal year, Ellis County had total debt outstanding of \$73,799,126.

**Ellis County's Outstanding Debt
General Obligation Bonds**

Certificates of Obligation	
Bonds	\$ 57,381,080
Refunding Bonds 2002	15,111,055
Total	\$ 72,492,135

The County also had vacation payable of \$1,119,700.

The County's overall debt increased from the prior year. This was due to the voter approved bond issue of \$53,875,000. The increase was made larger by an increase in debt amounts as interest accrued on capital appreciation bonds held by the County in the amount of \$212,180.

Ellis County's bond rating increased to an "AA-" rating from Fitch and an "Aa3" rating from Moody's due to a variety of factors including strong financial management.

Additional information on Ellis County's long-term debt can be found in note 4 on pages 31 – 33 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Based on current projections by the North Central Texas Council of Governments, the County is once again expected to continue to grow. This growth, while having a positive impact on the local economic community as a whole, presents real challenges for the County government. If the County is to continue to provide the level of service it has established, it will need to explore all avenues of incoming revenue, as well as finding more efficient ways to operate and to keep up with the demands imposed by the constituents.
- Estimated Revenue for fiscal year 2008 is \$33,412,970 for the General Fund, and estimated expenditures are \$33,412,970.

All of these factors were considered in preparing Ellis County's budget for the 2008 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Ellis 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 the Auditor's office, 101 West Main, Suite 301, Waxahachie, Texas 75165.

ELLIS COUNTY, TEXAS
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2007

	Primary Government
	Governmental Activities
ASSETS	
Cash and investments	\$ 85,003,730
Receivables, net of allowances for uncollectibles	
Taxes	1,258,406
Other	997,849
Deferred Charges	476,080
Capital assets:	
Land	598,249
Buildings and improvements	37,416,573
Furniture and equipment	10,889,709
Construction in progress	402,800
Accumulated depreciation	(26,444,221)
Total capital assets, net of accumulated depreciation	22,863,110
 Total assets	 110,599,175
LIABILITIES	
Accounts payable	2,284,586
Accrued liabilities	392,064
Accrued interest	509,764
Noncurrent liabilities:	
Due within one year	3,087,445
Due in more than one year	70,711,681
Total liabilities	76,985,540
NET ASSETS	
Invested in capital assets, net of related debt	4,243,073
Restricted for:	
Debt service	820,200
Unrestricted	28,550,362
 Total net assets	 \$ 33,613,635

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2007

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Assets
					Primary Government
					Governmental Activities
Primary Government:					
Governmental Activities:					
General government	\$ 9,457,567	\$ 3,555,362	\$ 635,406	\$ -	\$(5,266,799)
Judicial	4,584,015	2,236,916	37,825	-	(2,309,274)
Public safety	15,924,850	744,251	739,715	-	(14,440,884)
Health and welfare	2,363,193	-	-	-	(2,363,193)
Conservation	169,892	-	-	-	(169,892)
Roads and highways	5,576,443	2,211,088	61,252	-	(3,304,103)
Interest on long-term debt	941,235	-	-	-	(941,235)
Total governmental activities	<u>39,017,195</u>	<u>8,747,617</u>	<u>1,474,198</u>	<u>-</u>	<u>(28,795,380)</u>
Total primary government	\$ <u>39,017,195</u>	\$ <u>8,747,617</u>	\$ <u>1,474,198</u>	\$ <u>-</u>	\$ <u>(28,795,380)</u>
General Revenues:					
Taxes:					
Property taxes, levied for general purposes				\$ 27,184,801	
Property taxes, levied for debt service				2,154,043	
Other taxes				100,502	
Miscellaneous				1,465,894	
Investment earnings				<u>1,911,951</u>	
Total general revenues				<u>32,817,191</u>	
					Change in net assets 4,021,811
					Net assets, beginning <u>29,591,824</u>
					Net assets, ending \$ <u>33,613,635</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2007

	<u>General</u>	<u>Sheriff HIDTA</u>	<u>Permanent Improvement</u>	<u>2007 Construction Project</u>
ASSETS				
Cash and investments	\$ 10,302,363	\$ 410,081	\$ 11,837,557	\$ 53,681,619
Receivables, net of allowances for uncollectibles:		-		
Taxes receivable	975,611	-	-	-
Accounts receivable	<u>76,550</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>11,354,524</u>	\$ <u>410,081</u>	\$ <u>11,837,557</u>	\$ <u>53,681,619</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,514,289	\$ 390,043	\$ 37,716	\$ -
Accrued liabilities	344,530	-	-	-
Deferred revenue	<u>829,654</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,688,473</u>	<u>390,043</u>	<u>37,716</u>	<u>-</u>
Fund balances:				
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
General fund	8,666,051	-	-	-
Capital projects	-	-	11,799,841	53,681,619
Special revenue funds	<u>-</u>	<u>20,038</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>8,666,051</u>	<u>20,038</u>	<u>11,799,841</u>	<u>53,681,619</u>
Total liabilities and fund balances	\$ <u>11,354,524</u>	\$ <u>410,081</u>	\$ <u>11,837,557</u>	\$ <u>53,681,619</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Net assets of governmental activities

The notes to the financial statements are an integral part of this statement.

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 8,772,110	\$ 85,003,730
282,795	1,258,406
<u>9,894</u>	<u>86,444</u>
\$ <u>9,064,799</u>	\$ <u>86,348,580</u>
\$ 675,347	\$ 2,617,395
47,534	392,064
<u>242,924</u>	<u>1,072,578</u>
<u>965,805</u>	<u>4,082,037</u>
820,200	820,200
-	8,666,051
1,546,139	67,027,599
<u>5,732,655</u>	<u>5,752,693</u>
<u>8,098,994</u>	<u>82,266,543</u>
\$ <u>9,064,799</u>	
	22,863,110
	1,918,902
	(<u>73,434,920</u>)
	\$ <u>33,613,635</u>

ELLIS COUNTY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>General</u>	<u>Sheriff HIDTA</u>	<u>Permanent Improvement</u>	<u>2007 Capital Projects</u>
REVENUES				
Taxes	\$ 23,264,448	\$ -	\$ 6,348	\$ -
Intergovernmental	602,269	738,978	-	-
Licenses and permits	-	-	-	-
Fees of office	3,729,260	-	-	-
Fines and forfeitures	2,124,310	-	-	-
Interest earnings	815,503	11,256	600,615	98,311
Other	833,730	-	-	-
Total revenues	<u>31,369,520</u>	<u>750,234</u>	<u>606,963</u>	<u>98,311</u>
EXPENDITURES				
Current:				
General government	8,055,898	-	-	-
Judicial	4,257,279	-	-	-
Public safety	14,927,500	748,095	-	-
Health and welfare	2,357,797	-	-	-
Conservation	164,409	-	-	-
Roads and highways	-	-	-	-
Capital outlay	-	-	506,272	281,692
Debt service:				
Bond issuance costs	-	-	-	476,080
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>29,762,883</u>	<u>748,095</u>	<u>506,272</u>	<u>757,772</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,606,637</u>	<u>2,139</u>	<u>100,691</u>	<u>(659,461)</u>
OTHER FINANCING SOURCES (USES)				
Capital lease	-	-	-	-
General obligation bonds issued	-	-	-	53,875,000
Premium on debt issuance	-	-	-	466,080
Transfers in	109,223	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>109,223</u>	<u>-</u>	<u>-</u>	<u>54,341,080</u>
NET CHANGE IN FUND BALANCES	1,715,860	2,139	100,691	53,681,619
FUND BALANCES, BEGINNING	<u>6,950,191</u>	<u>17,899</u>	<u>11,699,150</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 8,666,051</u>	<u>\$ 20,038</u>	<u>\$ 11,799,841</u>	<u>\$ 53,681,619</u>

The notes to the financial statements are an integral part of this statement.

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,194,205	\$ 29,465,001
132,951	1,474,198
2,211,088	2,211,088
446,557	4,175,817
411,851	2,536,161
386,266	1,911,951
<u>632,164</u>	<u>1,465,894</u>
<u>10,415,082</u>	<u>43,240,110</u>
479,750	8,535,648
298,766	4,556,045
45,723	15,721,318
-	2,357,797
-	164,409
5,686,867	5,686,867
-	787,964
	476,080
1,582,594	1,582,594
<u>663,974</u>	<u>663,974</u>
<u>8,757,674</u>	<u>40,532,696</u>
<u>1,657,408</u>	<u>2,707,414</u>
164,574	164,574
-	53,875,000
-	466,080
1,877	111,100
<u>(111,100)</u>	<u>(111,100)</u>
<u>55,351</u>	<u>54,505,654</u>
1,712,759	57,213,068
<u>6,386,235</u>	<u>25,053,475</u>
<u>\$ 8,098,994</u>	<u>\$ 82,266,543</u>

ELLIS COUNTY, TEXAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

Amounts reported for governmental activities in the Statement of Activities (pages 24 - 25) are different because:

Net change in fund balances - total governmental funds (page 27)	\$ 57,213,068
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(111,164)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(201,104)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(52,923,060)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>44,071</u>
Change in net assets of governmental activities (pages 24 - 25)	<u>\$ 4,021,811</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2007

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ <u>8,046,458</u>
Total assets	\$ <u>8,046,458</u>
LIABILITIES	
Due to other governments	\$ 2,135,520
Due to beneficiaries	<u>5,910,938</u>
Total liabilities	\$ <u>8,046,458</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Ellis County is a political subdivision of the State of Texas. The County provides a full range of services authorized by statute. Such services include general governmental services such as recording and licensing, maintaining the County and district court systems, maintaining public facilities, ensuring public safety, maintaining public health and welfare, aiding conservation, and maintaining County roads and bridges. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the government's operations and so data from those units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Ellis County has neither of these items. The Commissioners' Court, consisting of four Commissioners and the County Judge, all elected by the voters of Ellis County, is the policy-making body of the County, which operates under provisions of state statutes.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenue, fines and fees are reported separately from business-type activities, which rely primarily on fees and charges from services provided for support. Ellis County has no business type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities. Program revenue includes 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 revenue are reported instead as general revenue.

The fund financial statements provide information about the County's funds. The emphasis of fund financial statements is on major governmental and non-major governmental funds each displayed in a separate column.

(continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. The County has no proprietary funds at this time. The agency funds of the County have no measurement focus. Revenue is 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 revenue 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. 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.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The government reports the following major governmental funds:

The General Fund is the primary operating fund to the County. All general tax revenues and other receipts that are not allocated by law, by budget or by contractual agreement to some other fund are accounted for in this fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid from the General Fund. This is considered the major governmental fund of the County.

The Sheriff HIDTA Fund is used to account for seizures of funds from drug confiscations and the related disbursements to other governmental entities.

The Permanent Improvement Fund is used to account for the renovation of existing county buildings as well as for planning for future county facility needs. It is the primary capital projects fund for the County.

The 2007 Construction Project Fund is used to account for the construction of a Detention Center, Parking Garage, and Justice Center to house courts and related functions. Financing is provided primarily by the sale of general obligation bonds.

(continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Additionally, the government reports the following fund types:

Governmental Funds:

Special Revenue Funds – *Special Revenue Funds* account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specific purposes. Included as a Special Revenue Fund is the Road and Bridge Fund which accounts for revenues and expenditures specifically designated for the maintenance and construction of County roads and bridges.

Debt Service Funds – The *Debt Service Funds* account for the accumulation of resources for, and payment of interest and principal on, the County's general long-term bonded debt.

Capital Projects Funds – The *Capital Projects Funds* account for all resources used in the acquisition and construction of major capital facilities other than road and bridge maintenance and construction.

Fiduciary Funds:

Trust and Agency Funds – *Trust and Agency Funds* account for assets held by the County in a trustee, custodian, or agent capacity. The Trust Funds are accounted for in essentially the same manner as governmental funds. The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. County offices such as the treasurer, tax collector, county attorney, sheriff, district clerk, county clerk, justice of the peace and juvenile and adult probations have trust accounts.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *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, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenue. Likewise, general revenue includes all taxes.

D. Assets, Liabilities and Net Assets or Equity

Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(continued)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. Assets, Liabilities and Net Assets or Equity (Continued)

Deposits and Investments (Continued)

State statutes authorize the County to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the County are reported at fair value in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. All investment income is recognized as revenue in the appropriate fund's financial statement of activity or statement of revenues, expenditures and changes in fund balance.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 25% of outstanding property taxes at September 30, 2007.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost 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.

(continued)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Assets, Liabilities and Net Assets or Equity (Continued)

Capital Assets

GASB Statement 34 requires the County to report and depreciate new infrastructure assets effective with the beginning of the current year. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first required for the fiscal year ending in 2007. The County has implemented the general provisions of GASB Statement No. 34 in the current year and hopes to implement the retroactive infrastructure provisions in future fiscal years.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Improvements	20-50
Equipment	5-20
Infrastructure (streets and drainage)	35-50

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements. The general fund typically has been used in prior years to liquidate the liability for compensated absences.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. The government has no business-type activities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(continued)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Assets, Liabilities and Net Assets or Equity (Continued)

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in the General, Special Revenue and Capital Projects Funds. At the end of September 30, 2007, encumbrances lapsed and were subject to reappropriation in the budget of the subsequent year.

Insurance

The County maintains third party insurance coverage for general liability, property, automobile liability, public official liability and worker's compensation. The County also provides group health insurance coverage for fulltime employees. There was no significant change in coverage from the prior year. Settlements have not exceeded insurance coverage for each of the past four fiscal years.

2. **RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains, "Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds."

(continued)

2. **RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**
(Continued)

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets (Continued)

The details of this \$73,434,920 difference are as follows:

Capital Leases, Tax Anticipation Notes, and Certificates of Obligation	\$ 71,420,427
Accreted interest payable	894,793
Compensated absences	<u>1,119,700</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ 73,434,920</u>

Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenue, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental fund* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this (\$111,164) difference are as follows:

Capital outlay	\$ 1,361,908
Disposals	(4,507)
Depreciation expense	<u>(1,468,565)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$(111,164)</u>

Another element of that reconciliation states, "The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The details of this \$52,923,060 difference are as follows:

Capital lease and bond payments	\$(1,582,594)
General obligation bonds	54,341,080
Capital lease	<u>164,574</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 52,923,060</u>

(continued)

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets, as required by state statute, are adopted on a basis consistent with generally accepted accounting principles for all governmental funds, except the Trust and Agency Funds. All annual appropriations lapse at year-end.

The government's department heads may make transfers of appropriations within a department. Transfers of appropriation between departments require the approval of the governing council. The legal level of control is exercised at the fund level. The Graffiti Fund does not have a legally adopted budget. State law provides that amendments approved by the Commissioners' Court may be made to the original budget provided that funds are available for the added disbursements. The original approved budget is issued in a separate report. Reported budgeted amounts reflect the budget as originally adopted and all budget amendments approved by the Commissioners' Court.

4. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U. S. Treasury, certain U. S. Agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

Investments are stated at fair value including the investments in the Texas Local Government Investment Pool, the MBIA Local Government Investment Pool, the Tex Star Investment Pool, the Lone Star Investment Pool, the Blackrock Investment Pool and various money market funds. The fair value of the County's investments in these pools is the same as the value of pool shares. All external investment pools in which the County participates have a credit quality rating of "AAA."

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

In compliance with the **Public Funds Investment Act**, the County has adopted a deposit and investment policy. That policy does address the following risks:

Interest Rate Risk: In accordance with the County's investment policy, the County manages its exposure to declines in fair values by limiting the maximum allowable stated maturity of any individual investment to two years and the weighted average maturity of its pooled investments to 90 days or less, dependent on market conditions.

Custodial Credit Risk: 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. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2007, all of the County's \$10,445,405 deposit balance was covered by FDIC insurance or collateralized with securities held by the pledging financial institution.

Credit Risk: It is the County's policy to limit investments to investment types with an investment quality rating no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days. The County's investments were rated AAAM by Standard and Poor's Investors Services

Concentration of Credit Risk: The government's investment policy requires the County to diversify its portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investments.

Under provisions of state and local statutes, the County's investment policies, and provisions of the County's depository contracts with an area financial institution, the County is authorized to place available deposits and investments in the following:

1. Obligations of the U. S., its agencies and instrumentalities;
2. Certificates of Deposit issued by state and national banks or savings or loan associations domiciled in this state that are guaranteed or insured by the Federal Deposit Insurance Corporation or collateralized in accordance with Section 2256.09, the Texas Government Code;
3. Commercial paper that has a maturity of 270 days or less and is rated at least an A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized credit rating and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state;

(continued)

4. **DETAILED NOTES ON ALL FUNDS (Continued)**

Deposits and Investments (Continued)

4. No-load money market mutual funds; and
5. TexPool, Lone Star Investment Pool, Tex Star, Blackrock Provident, Investors Cash Trust and MBIA Class.

As of September 30, 2007, the County had the following investments:

	<u>Carrying Amount</u>
General Fund	
Lone Star Pool	\$ 4,684,765
MBIA - Investment Pool	1,912,374
Blackrock Pool	56,123
Merrill Lynch - Institutional Fund MM	8,385
Investors' Cash Trust - MMM	103,998
TEXSTAR	309,155
Comerica Bank - MM	830,893
Total general fund	<u>7,905,692</u>
Permanent Improvement Fund	
Lone Star Pool	488,364
Investors' Cash Trust - MMM	461,658
TEXSTAR	10,384,189
Total nonmajor funds	<u>11,334,211</u>
Series 2007 Construction Fund	
Lone Star Pool	13,024,453
MBIA - Investment Pool	14,878,064
Investors' Cash Trust - MMM	13,022,734
TEXSTAR	13,023,047
Total Series 2007 Construction Fund	<u>53,948,297</u>
Nonmajor Funds	
Lone Star Pool	3,245,046
Investors' Cash Trust - MMM	1,676,464
TEXSTAR	1,429,957
MBIA - Investment Pool	993,975
Blackrock Pool	589,183
Comerica Bank - MM	561,872
Total nonmajor funds	<u>8,496,497</u>
Agency Funds	
Lone Star Pool	1,063
Investors Cash Trust - MMM	29,291
Total Agency Funds	<u>30,354</u>
Totals	
Investments Not Subject to Categorization	
Investments Pools/MM	<u>81,715,052</u>
Totals	<u>\$ 81,715,052</u>

(continued)

4. **DETAILED NOTES ON ALL FUNDS (Continued)**

Property Tax

Property taxes attach as liens on property as of January 1. Taxes are levied on October 1, are due by January 31 and become delinquent on February 1. County property tax revenues are recognized when levied to the extent that they result in available spendable resources. The County is permitted by the Municipal Finance Law of the state to levy taxes up to \$.80 per \$100 of assessed valuation for general government services, permanent improvement, road and bridge and jury fund purposes other than the payment of principal and interest on long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. The combined tax-rate to finance general government services, permanent improvements, road and bridge and jury fund purposes including payment of principal and interest on long-term debt for the year ended September 30, 2007, was \$.349500 per \$100 of assessed valuation.

- (1) The County's Tax Collector acts as an agent in the billing and collecting of taxes for other taxing authorities. These transactions are recorded in an agency account.
- (2) The tax rates for the County, computed per \$100 from the present taxable assessed valuation of \$8,563,061,401 for 2006, which funds 2007 is as follows:

General Maintenance and Operations Rate:		
Interest and Sinking (Debt Rate)		\$0.025489
Operations Rate		0.295002
Farm to Market Rate		<u>0.029009</u>
Total Tax Rate		<u>\$0.349500</u>

Receivables

Receivables as of year-end for the government's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Nonmajor Funds	Total
Receivables:			
Taxes	\$ 1,300,815	\$ 377,060	\$ 1,677,875
Accounts receivable	<u>76,550</u>	<u>9,894</u>	<u>86,444</u>
Gross receivables	1,377,365	386,954	1,764,319
Less: allowance for uncollectibles	<u>325,204</u>	<u>94,265</u>	<u>419,469</u>
Net Total Receivables	<u>\$ 1,052,161</u>	<u>\$ 292,689</u>	<u>\$ 1,344,850</u>

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Receivables (Continued)

Governmental funds report *deferred revenue* in connection with receivables for revenue that is 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>Total</u>
General fund:		
Delinquent property taxes receivable	\$ 829,654	\$ 829,654
Nonmajor funds:		
Delinquent property taxes receivable	<u>242,924</u>	<u>242,924</u>
Governmental Funds	<u>\$ 1,072,578</u>	<u>\$ 1,072,578</u>

Capital Assets

Capital asset activity for the year ended September 30, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 598,249	\$ -	\$ -	\$ 598,249
Construction work in progress	<u>121,109</u>	<u>281,691</u>	<u>-</u>	<u>402,800</u>
Total capital assets, not being depreciated	<u>719,358</u>	<u>281,691</u>	<u>-</u>	<u>1,001,049</u>
Capital assets, being depreciated:				
Buildings and improvements	37,416,573	-	-	37,416,573
Machinery and equipment	<u>10,206,398</u>	<u>1,080,217</u>	<u>396,906</u>	<u>10,889,709</u>
Total capital assets, being depreciated	<u>47,622,971</u>	<u>1,080,217</u>	<u>396,906</u>	<u>48,306,282</u>
Less accumulated depreciation for:				
Buildings and improvements	18,362,394	818,081	-	19,180,475
Machinery and equipment	<u>7,005,661</u>	<u>650,484</u>	<u>392,399</u>	<u>7,263,746</u>
Total accumulated depreciation	<u>25,368,055</u>	<u>1,468,565</u>	<u>392,399</u>	<u>26,444,221</u>
Total capital assets, being depreciated, net	<u>22,254,916</u>	<u>(388,348)</u>	<u>4,507</u>	<u>21,862,061</u>
Governmental activities capital assets, net	<u>\$ 22,974,274</u>	<u>\$ (106,657)</u>	<u>\$ 4,507</u>	<u>\$ 22,863,110</u>

(continued)

4. **DETAILED NOTES ON ALL FUNDS (Continued)**

Capital Assets (Continued)

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

Governmental activities:	
General government	\$ 395,877
Judicial	5,759
Public safety	642,594
Health and welfare	5,396
Conservation	5,483
Roads and highways	<u>413,456</u>
Total depreciation expense - governmental activities	<u>\$ 1,468,565</u>

Capital Leases

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities
Machinery and equipment	\$ 366,149
Less: Accumulated depreciation	<u>13,438</u>
Total	<u>\$ 352,711</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2007, were as follows:

<u>Year Ending September 30</u>	Governmental Activities
2008	\$ 103,870
2090	103,870
2010	<u>-</u>
Total minimum lease payments	207,740
Less: amount representing interest	<u>20,449</u>
Present value of minimum lease payments	<u>\$ 187,291</u>

Long-term Debt

Long-term Debt Walk-forward

	Payable Amounts Outstanding 10/01/06	Issued	Retired	Accretion	Outstanding 09/30/07
General obligation bonds	\$ 3,470,000	\$ 53,875,000	\$ 430,000	\$ -	\$ 56,915,000
Premium on issuance	-	466,080	-	-	466,080
Refunding bonds	15,913,875	-	1,015,000	212,180	15,111,055
Capital leases	160,311	164,574	137,594	-	187,291
Compensated absences	<u>964,952</u>	<u>1,208,004</u>	<u>1,053,256</u>	<u>-</u>	<u>1,119,700</u>
Totals	<u>\$ 20,509,138</u>	<u>\$ 55,713,658</u>	<u>\$ 2,635,850</u>	<u>\$ 212,180</u>	<u>\$ 73,799,126</u>

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt (Continued)

A summary of the changes in long-term debt for the year ended September 30, 2007, is as follows:

Description	Interest Rate Payable	Amounts Original Issue	Interest Current Year	Payable Amounts Outstanding 10/01/06	Issued	Retired	Accretion on Bonds	Outstanding 09/30/07	Amounts Due Within One Year
General Obligation, Bonds, 1998	4.0-6.0%	\$ 5,000,000	\$ 149,527	\$ 3,470,000	\$ -	\$ 430,000	\$ -	\$ 3,040,000	\$ 450,000
General Obligation, Bonds, 2007	4.0-5.25%	53,875,000	-	-	53,875,000	-	-	53,875,000	1,210,000
Premium on Issuance					466,080			466,080	-
General Obligation Refunding Bonds, Series 2002	3.0-5.56%	17,146,262	501,419	15,913,875	-	1,015,000	212,180	15,111,055	1,055,000
Compensated absences	N/A	N/A	-	964,952	1,208,004	1,053,256	-	1,119,700	279,925
Totals			\$ 650,946	\$ 20,348,827	\$ 55,549,084	\$ 2,498,256	\$ 212,180	\$ 73,611,835	\$ 2,994,925

Bonds

General Long-term Debt consists of various issues of General Obligation Bonds, Certificates of Obligation and Tax Notes; the County's accrued liability for compensated absences; and other payables such as capital leases for vehicles and equipment. General Obligation Bonds, Certificates of Obligation and Tax Notes are direct obligations of the County with the County's full faith and credit pledged towards payments of those obligations. Principal and interest payments on the County's bonded debt are secured solely by ad valorem taxes levied on all taxable property within the County.

The debt service requirements on the bonded debt is as follows:

Year Ended August 31,	General Obligations		Total Requirements
	Principal	Interest	
2008	\$ 1,505,000	\$ 590,841	\$ 2,095,841
2009	1,570,000	527,942	2,097,942
2010	1,635,000	461,513	2,096,513
2011	1,705,000	391,183	2,096,183
2012-2016	8,900,999	1,593,098	10,494,097
2017-2021	2,622,876	2,307,124	4,930,000
Total	\$ 17,938,875	\$ 5,871,701	\$ 23,810,576

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt (Continued)

Accretion on Premium Compound Interest Bonds

A portion of the bonds sold in the Series 2002 refunding bond issue was premium compound interest bonds. These obligations have par values of \$3,181,262 and maturity values of \$7,030,000. The interest on these obligations will be paid upon maturity in the fiscal years ending September 30, 2016 through 2019. The accreted values of these bonds at September 30, 2007, are approximately \$894,793. Accordingly, accretion on these bonds of approximately \$212,180 has been recorded in the current year.

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the County is in compliance with all significant limitations and restrictions.

Other Information

Risk Management

Ellis County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, errors and omissions and personnel risks which relate to workers' compensation. The County carries commercial insurance in order to manage the above listed risks. Amounts of coverage for the above types of risk have not been subject to a significant reduction in the past year. The amounts of settlements have not exceeded insurance coverage for the past three fiscal years.

Health Care Coverage

During the year ended September 30, 2007, employees of the County were covered by a health insurance plan (the "Plan"). The County contributed 100% of the premium for each employee to the Plan. Employees, at their option, authorized payroll withholdings to pay contributions for dependents. All contributions were paid to a Health Maintenance Organization. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. The contract between the County and the licensed insurer is renewable, and terms of coverage and contribution costs are included in the contractual provisions.

The latest financial statements for the self-insurance fund are available for the year ended September 30, 2007, have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

Litigation

Various claims and lawsuits are pending against the County. The evaluation of County management is that any liability to the County relating to such claims and lawsuits will not have a material impact on the County's financial position. Historically, the County has not incurred significant losses from claims or lawsuits which arise during the ordinary course of business.

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Other Information (Continued)

Grants

The County has received Federal and State financial assistance in the form of grants and entitlements that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agencies for expenditures disallowed under terms and conditions specified in the grant agreements. In the opinion of County management such disallowance, if any, will not be significant to the County's financial position.

Retirement Plan

Plan Description

Ellis County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide 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 573 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 the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan 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 governing body of the employer within the actuarial 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 contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is 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 9.24% for calendar year 2007. The contribution rate payable by employee members is the rate of 7.00% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

(continued)

4. **DETAILED NOTES ON ALL FUNDS (Continued)**

Retirement Plan (Continued)

Annual Pension Cost

For the employer's accounting year ending September 30, 2007, the annual pension cost for the TCDRS plan for its employees was \$3,039,686 and the actual contributions were \$3,039,686.

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, 2004, the basis for determining the contribution rate for calendar year 2007. The December 31, 2006, actuarial valuation is the most recent valuation.

Actuarial Valuation Information

Actuarial Valuation Date	12/31/04	12/31/05	12/31/06
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, open	level percentage of payroll, open	level percentage of payroll, open
Amortization period	20	20	20
Asset valuation method	long-term appreciation with adjustment	long-term appreciation with adjustment	long-term appreciation with adjustment
Actuarial Assumptions:			
Investment return (1)	8.00%	8.00%	8.00%
Projected salary increases (1)	5.5%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

(1) includes inflation at the stated rate

Trend Information

For the Retirement Plan for the Employees of Ellis County

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/06	\$ 3,039,686	100%	\$ -
12/31/05	2,624,830	100%	-
12/31/04	2,548,950	100%	-

(continued)

4. DETAILED NOTES ON ALL FUNDS (Continued)

Retirement Plan (Continued)

**Schedule of Funding Progress for the Retirement Plan
For the Employees of Ellis County**

Year	Actuarial Value of Assets (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (1) (c)	Percentage of Covered Payroll ((b-a)/c)
12/31/04	\$ 21,837,630	\$ 25,952,676	\$ 4,115,046	84.14%	\$ 14,476,664	28.43%
12/31/05	24,597,263	29,117,727	4,520,464	84.48%	15,654,743	28.88%
12/31/06	28,653,317	32,581,776	3,928,459	87.94%	16,966,755	23.15%

(1) The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Ad valorem tax	\$ 23,021,251	\$ 23,021,251	\$ 23,163,946	\$ 142,695
Mixed drink tax	92,000	92,000	100,502	8,502
Total taxes	23,113,251	23,113,251	23,264,448	151,197
Intergovernmental:				
State - hazardous waste fees	120,000	120,000	305,884	185,884
Other	150,000	150,737	296,385	145,648
Total intergovernmental	270,000	270,737	602,269	331,532
Fees of Office:				
District Clerk	355,900	355,900	416,117	60,217
County Clerk	1,365,500	1,365,500	1,507,674	142,174
Sheriff	196,300	196,300	190,855	(5,445)
County Attorney	49,900	49,900	48,592	(1,308)
Tax Collector	453,600	573,600	681,408	107,808
County Court-At-Law	83,700	83,000	99,926	16,926
Justice of the Peace, Precinct #1	67,100	67,100	47,701	(19,399)
Justice of the Peace, Precinct #2	69,800	69,800	69,568	(232)
Justice of the Peace, Precinct #3	26,900	26,900	21,793	(5,107)
Justice of the Peace, Precinct #4	52,100	52,100	33,142	(18,958)
Constable, Precinct #1	55,000	55,000	41,541	(13,459)
Constable, Precinct #2	75,000	75,000	70,361	(4,639)
Constable, Precinct #3	13,000	13,000	21,321	8,321
Constable, Precinct #4	45,000	45,000	49,493	4,493
Elections	2,100	2,100	11,168	9,068
Public Works Administration	466,100	466,100	418,600	(47,500)
Total Fees of Office	3,377,000	3,496,300	3,729,260	232,960
Fines and forfeitures	2,035,000	2,035,000	2,124,310	89,310
Interest earnings	570,000	570,000	815,503	245,503
Miscellaneous:				
Jail pay phone commission	96,000	96,000	42,081	(53,919)
Miscellaneous	612,000	520,310	791,649	271,339
Total miscellaneous	708,000	616,310	833,730	217,420
Total revenues	\$ 30,073,251	\$ 30,101,598	\$ 31,369,520	\$ 1,267,922

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
GENERAL GOVERNMENT				
County Clerk:				
Salaries	\$ 582,227	\$ 578,268	\$ 514,258	\$ 64,010
Benefits	214,421	214,421	199,516	14,905
Supplies	22,000	19,567	19,567	-
Capital outlay	1,500	5,125	5,125	-
Other	26,100	28,867	28,867	-
Total County Clerk	<u>846,248</u>	<u>846,248</u>	<u>767,333</u>	<u>78,915</u>
County Judge:				
Salaries	123,910	113,807	109,020	4,787
Benefits	32,975	32,975	31,333	1,642
Supplies	5,500	1,600	1,523	77
Other	17,830	27,333	26,151	1,182
Total County Judge	<u>180,215</u>	<u>175,715</u>	<u>168,027</u>	<u>7,688</u>
Juvenile Services:				
Salaries	195,999	135,760	135,760	-
Benefits	126,863	187,989	187,989	-
Supplies	4,500	5,133	5,133	-
Capital outlay	7,000	4,848	4,848	-
Other	45,950	41,413	41,413	-
Juvenile detention service	442,811	461,347	461,347	-
Nonresidential	40,000	79,129	79,129	-
Total Juvenile Services	<u>863,123</u>	<u>915,619</u>	<u>915,619</u>	<u>-</u>
Department of Development:				
Salaries	466,559	451,752	447,871	3,881
Benefits	165,331	160,252	157,331	2,921
Supplies	5,000	5,000	2,999	2,001
Capital outlay	4,500	8,648	7,813	835
Other	12,600	12,700	6,887	5,813
Automobile	20,500	20,200	17,005	3,195
Total Department of Development	<u>\$ 674,490</u>	<u>\$ 658,552</u>	<u>\$ 639,906</u>	<u>\$ 18,646</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
GENERAL GOVERNMENT (Continued)				
Veterans Services:				
Salaries	\$ 23,138	\$ 23,138	\$ 22,873	\$ 265
Benefits	5,214	5,214	5,138	76
Supplies	350	200	117	83
Other	1,150	1,300	1,263	37
Total Veterans Services	<u>29,852</u>	<u>29,852</u>	<u>29,391</u>	<u>461</u>
Commissioners' Court:				
Salaries	338,803	338,803	337,754	1,049
Benefits	87,589	89,089	87,806	1,283
Supplies	600	600	415	185
Other	1,100	4,100	3,695	405
Total Commissioners' Court	<u>428,092</u>	<u>432,592</u>	<u>429,670</u>	<u>2,922</u>
Communications:				
Salaries	29,794	29,786	29,786	-
Benefits	11,521	11,434	11,434	-
Postage	120,000	131,329	131,329	-
Other	3,300	2,473	2,473	-
Total Communications	<u>164,615</u>	<u>175,022</u>	<u>175,022</u>	<u>-</u>
Community Supervision/Corrections:				
Capital outlay	500	287	287	-
Utilities	500	1,279	1,279	-
Other	100	-	-	-
Total Community Supervision/Correction	<u>1,100</u>	<u>1,566</u>	<u>1,566</u>	<u>-</u>
Nondepartmental:				
Payroll insurance expense	370,000	247,738	247,738	-
Other	391,281	717,687	717,687	-
Organizational dues/subscriptions	239,000	225,765	225,765	-
Comprehensive insurance	355,000	239,743	239,743	-
Tax appraisal fee	272,000	281,563	281,563	-
Legal/professional fees	85,000	56,351	56,351	-
Lawsuit settlement	25,000	4,057	4,057	-
Total Nondepartmental	<u>1,737,281</u>	<u>1,772,904</u>	<u>1,772,904</u>	<u>-</u>
Purchasing:				
Salaries	123,099	123,099	121,040	2,059
Benefits	38,777	38,777	38,108	669
Capital outlay - for all departments	400	400	-	400
Other	31,550	31,550	24,487	7,063
Total Purchasing	<u>\$ 193,826</u>	<u>\$ 193,826</u>	<u>\$ 183,635</u>	<u>\$ 10,191</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
GENERAL GOVERNMENT (Continued)				
Elections:				
Salaries	\$ 139,710	\$ 142,745	142,745	\$ -
Benefits	50,387	50,259	50,259	-
Capital outlay	1,000	0	-	-
Election workers salaries/benefits	36,400	52,263	52,263	-
Other	65,050	98,721	98,721	-
Total Elections	<u>292,547</u>	<u>343,988</u>	<u>343,988</u>	<u>-</u>
County Auditor:				
Salaries	226,353	250,130	235,183	14,947
Benefits	63,484	67,730	64,120	3,610
Supplies	3,768	4,723	4,723	-
Capital outlay	3,000	2,840	1,698	1,142
Other	8,557	8,757	5,571	3,186
Total County Auditor	<u>305,162</u>	<u>334,180</u>	<u>311,295</u>	<u>22,885</u>
Tax Assessor/Collector:				
Salaries	538,329	543,315	539,232	4,083
Benefits	202,208	202,208	198,109	4,099
Supplies	16,000	28,000	27,258	742
Other	34,240	17,254	6,240	11,014
Telephone	11,900	11,900	11,019	881
Postage	42,000	42,000	37,801	4,199
Computer	-	-	-	-
Capital outlay	1,200	1,200	61	1,139
Total Tax Assessor/Collector	<u>845,877</u>	<u>845,877</u>	<u>819,720</u>	<u>26,157</u>
Treasurer:				
Salaries	97,767	99,312	99,312	-
Benefits	28,509	28,574	28,138	436
Other	10,100	8,490	8,260	230
Capital outlay	500	500	100	400
Total Treasurer	<u>\$ 136,876</u>	<u>\$ 136,876</u>	<u>\$ 135,810</u>	<u>\$ 1,066</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
GENERAL GOVERNMENT (Continued)				
Courthouse/Office Building:				
Salaries	\$ 161,635	\$ 160,592	\$ 160,592	\$ -
Benefits	64,585	63,730	63,730	-
Supplies	11,050	11,940	11,940	-
Capital outlay	2,000	2,151	2,151	-
Other	23,890	24,155	24,155	-
Utilities	230,000	285,907	285,907	-
Telephone	70,000	94,654	94,654	-
Repairs and maintenance	74,050	74,175	74,175	-
Total Courthouse/Office Buildings	<u>637,210</u>	<u>717,304</u>	<u>717,304</u>	<u>-</u>
Engineering:				
Salaries	193,163	210,604	206,767	3,837
Benefits	50,955	56,485	55,520	965
Supplies	750	1,353	1,353	-
Capital outlay	850	2,988	2,544	444
Other	32,750	58,546	49,990	8,556
Utilities	2,500	2,906	2,906	-
Total Engineering	<u>280,968</u>	<u>332,882</u>	<u>319,080</u>	<u>13,802</u>
Human Resources:				
Salaries	73,052	80,142	76,623	3,519
Benefits	24,569	25,510	24,606	904
Supplies	2,100	2,338	2,338	-
Capital outlay	1,150	550	233	317
Other	3,500	3,460	2,874	586
Utilities	200	162	153	9
Repairs and maintenance	3,500	2,350	1,709	641
Total Human Resources	<u>108,071</u>	<u>114,512</u>	<u>108,536</u>	<u>5,976</u>
MIS:				
Salaries	161,868	153,192	152,970	222
Benefits	45,492	44,012	43,315	697
Supplies	11,480	11,480	10,342	1,138
Capital outlay	4,480	8,472	7,964	508
Other	6,160	6,160	2,501	3,659
Total Computer	<u>229,480</u>	<u>223,316</u>	<u>217,092</u>	<u>6,224</u>
Total General Government	<u>\$ 7,955,033</u>	<u>\$ 8,250,831</u>	<u>\$ 8,055,898</u>	<u>\$ 194,933</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
JUDICIAL				
40th Judicial District Judge:				
Salaries	\$ 92,266	\$ 78,303	57,150	\$ 21,153
Benefits	34,115	34,477	27,473	7,004
Supplies	6,500	6,500	1,219	5,281
Capital outlay	3,500	3,500	97	3,403
Other	16,400	39,915	39,915	-
Total 40th Judicial District Judge	<u>152,781</u>	<u>162,695</u>	<u>125,854</u>	<u>36,841</u>
378th Judicial District Judge:				
Salaries	34,159	34,159	34,154	5
Benefits	18,594	18,814	18,814	-
Supplies	6,000	6,000	538	5,462
Capital outlay	3,000	2,780	110	2,670
Other	12,900	12,900	8,256	4,644
Total 378th Judicial District Judge	<u>74,653</u>	<u>74,653</u>	<u>61,872</u>	<u>12,781</u>
District Clerk:				
Salaries	377,817	374,331	353,334	20,997
Benefits	137,994	137,994	131,721	6,273
Supplies	10,500	14,615	14,615	-
Capital outlay	2,300	1,950	1,949	1
Other	17,750	17,471	17,347	124
Total District Clerk	<u>546,361</u>	<u>546,361</u>	<u>518,966</u>	<u>27,395</u>
County Court-at-Law:				
Salaries	211,255	211,262	211,262	-
Benefits	54,045	54,038	53,836	202
Capital outlay	1,500	370	369	1
Other	21,031	22,161	21,738	423
Total County Court-at-Law	<u>\$ 287,831</u>	<u>\$ 287,831</u>	<u>\$ 287,205</u>	<u>\$ 626</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
JUDICIAL (Continued)				
County Court-at-Law #2:				
Salaries	\$ 210,684	\$ 210,687	\$ 210,687	\$ -
Benefits	54,017	54,017	53,716	301
Other	12,425	14,198	14,010	188
Utilities	850	850	462	388
Supplies	5,000	3,424	3,424	-
Capital outlay	900	2,587	1,882	705
Repairs and maintenance	-	-	-	-
Total County Court-at-Law #2	<u>283,876</u>	<u>285,763</u>	<u>284,181</u>	<u>1,582</u>
Justice of the Peace #1:				
Salaries	143,814	143,834	143,834	-
Benefits	49,590	49,570	48,852	718
Capital outlay	1,000	1,700	200	1,500
Other	22,850	22,150	20,583	1,567
Total Justice of the Peace #1	<u>217,254</u>	<u>217,254</u>	<u>213,469</u>	<u>3,785</u>
Justice of the Peace #2:				
Salaries	170,367	170,367	168,444	1,923
Benefits	58,942	58,942	58,166	776
Capital outlay	2,500	1,538	1,000	538
Other	17,390	18,352	18,352	-
Total Justice of the Peace #2	<u>249,199</u>	<u>249,199</u>	<u>245,962</u>	<u>3,237</u>
Justice of the Peace #3:				
Salaries	111,952	119,688	119,688	-
Benefits	32,267	33,514	33,250	264
Capital outlay	1,000	4,300	824	3,476
Other	11,596	11,099	9,858	1,241
Total Justice of the Peace #3	<u>156,815</u>	<u>168,601</u>	<u>163,620</u>	<u>4,981</u>
Justice of the Peace #4:				
Salaries	128,093	130,566	130,566	-
Benefits	41,386	41,374	41,374	-
Capital outlay	2,500	1,983	1,983	-
Other	20,350	20,364	20,364	-
Total Justice of the Peace #4	<u>\$ 192,329</u>	<u>\$ 194,287</u>	<u>\$ 194,287</u>	<u>\$ -</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
JUDICIAL (Continued)				
Court Reporter:				
Other	\$ 63,000	\$ 75,775	\$ 75,775	\$ -
Total Court Reporter	<u>63,000</u>	<u>75,775</u>	<u>75,775</u>	<u>-</u>
County and District Attorney:				
Salaries	1,461,743	1,461,743	1,457,767	3,976
Benefits	471,232	469,058	462,266	6,792
Supplies	15,000	15,000	14,801	199
Capital outlay	17,000	15,682	13,840	1,842
Other	<u>131,670</u>	<u>137,414</u>	<u>137,414</u>	<u>-</u>
Total County and District Attorney	<u>2,096,645</u>	<u>2,098,897</u>	<u>2,086,088</u>	<u>12,809</u>
Total Judicial	<u>4,320,744</u>	<u>4,361,316</u>	<u>4,257,279</u>	<u>104,037</u>
PUBLIC SAFETY				
Sheriff:				
Salaries	4,398,885	4,395,515	4,391,391	4,124
Benefits	1,335,009	1,326,609	1,321,015	5,594
Supplies	45,000	39,500	38,218	1,282
Capital outlay	3,000	15,063	11,082	3,981
Other	349,900	363,001	333,452	29,549
Telephone	73,000	85,890	85,890	-
Automobile Purchases/Expenses	<u>364,733</u>	<u>891,772</u>	<u>835,533</u>	<u>56,239</u>
Total Sheriff	<u>6,569,527</u>	<u>7,117,350</u>	<u>7,016,581</u>	<u>100,769</u>
Highway Patrol:				
Salaries	59,114	59,114	59,114	-
Benefits	23,031	23,096	23,096	-
Supplies	1,500	2,285	2,272	13
Other	<u>6,732</u>	<u>5,882</u>	<u>5,310</u>	<u>572</u>
Total Highway Patrol	<u>\$ 90,377</u>	<u>\$ 90,377</u>	<u>\$ 89,792</u>	<u>\$ 585</u>
Fire Marshall:				
Salaries	121,802	117,802	69,697	48,105
Benefits	38,578	38,578	29,463	9,115
Auto	5,400	5,400	3,903	1,497
Capital outlay	1,100	7,100	4,384	2,716
Other	<u>13,200</u>	<u>11,200</u>	<u>7,487</u>	<u>3,713</u>
Total Fire Marshall	<u>\$ 180,080</u>	<u>\$ 180,080</u>	<u>\$ 114,934</u>	<u>\$ 65,146</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
PUBLIC SAFETY (Continued)				
Constable #1:				
Salaries	\$ 93,567	\$ 93,567	\$ 93,558	\$ 9
Benefits	27,956	27,956	-27,320	636
Capital outlay	1,150	1,150	337	813
Other	8,960	11,772	9,905	1,867
Automobile	9,025	8,525	7,226	1,299
Total Constable #1	140,658	142,970	138,346	4,624
Constable #2:				
Salaries	93,567	94,044	94,044	-
Benefits	28,096	27,939	27,939	-
Capital outlay	500	3,696	3,696	-
Other	8,760	8,157	8,157	-
Automobile	12,450	9,461	9,461	-
Total Constable #2	143,373	143,297	143,297	-
Constable #3:				
Salaries	91,947	92,405	92,405	-
Benefits	28,171	27,711	27,612	99
Capital outlay	700	2,743	1,046	1,697
Other	6,860	7,322	5,620	1,702
Automobile	6,150	5,105	5,105	-
Total Constable #3	133,828	135,286	131,788	3,498
Constable #4:				
Salaries	92,667	92,330	92,330	-
Benefits	27,732	28,057	28,057	-
Capital outlay	2,550	3,650	2,922	728
Other	10,310	13,524	12,029	1,495
Automobile	10,215	7,170	7,170	-
Total Constable #4	\$ 143,474	\$ 144,731	\$ 142,508	\$ 2,223

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
PUBLIC SAFETY (Continued)				
Homeland Security::				
Salaries	\$ 68,161	\$ 68,156	\$ 68,156	\$ -
Benefits	24,436	24,388	24,388	-
Capital outlay	2,000	-	-	-
Other	7,000	46,947	46,947	-
Automobile	3,900	4,761	4,761	-
Total Emergency Management	<u>105,497</u>	<u>144,252</u>	<u>144,252</u>	<u>-</u>
Jail				
Salaries	3,753,687	3,549,800	3,412,031	137,769
Benefits	1,290,781	1,290,781	1,233,870	56,911
Utilities	325,000	439,947	439,947	-
Repairs	126,400	147,289	146,506	783
Supplies	1,490,000	1,621,389	1,621,389	-
Capital outlay	22,500	12,950	10,649	2,301
Other	123,100	145,152	141,610	3,542
Total Jail	<u>7,131,468</u>	<u>7,207,308</u>	<u>7,006,002</u>	<u>201,306</u>
Total Public Safety	<u>14,638,282</u>	<u>15,305,651</u>	<u>14,927,500</u>	<u>378,151</u>
HEALTH AND WELFARE				
Indigent Health Care:				
Salaries	83,606	83,706	81,338	2,368
Benefits	26,512	26,512	25,008	1,504
Supplies	1,180	1,205	1,045	160
Capital outlay	500	270	270	-
Other	26,535	27,240	24,783	2,457
Indigent care - medical	1,541,379	1,541,379	414,264	1,127,115
Total Indigent Health Care	<u>\$ 1,679,712</u>	<u>\$ 1,680,312</u>	<u>\$ 546,708</u>	<u>\$ 1,133,604</u>

(continued)

ELLIS COUNTY, TEXAS

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
(Continued)**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES (Continued)				
HEALTH AND WELFARE (Continued)				
Mental Health/Juvenile Expense:				
Other	\$ 10,000	\$ 10,000	\$ 7,620	\$ 2,380
Total Mental Health/Juvenile Expenses	<u>10,000</u>	<u>10,000</u>	<u>7,620</u>	<u>2,380</u>
Indigent Legal:				
Other	26,500	43,863	43,863	-
Legal and professional fees	<u>1,473,500</u>	<u>1,759,606</u>	<u>1,759,606</u>	<u>-</u>
Total Pauper	<u>1,500,000</u>	<u>1,803,469</u>	<u>1,803,469</u>	<u>-</u>
Total Health and Welfare	<u>3,189,712</u>	<u>3,493,781</u>	<u>2,357,797</u>	<u>1,135,984</u>
CONSERVATION				
Agricultural Extension Service:				
Salaries	98,381	98,381	98,375	6
Benefits	46,399	45,263	40,504	4,759
Supplies	6,000	5,803	5,803	-
Capital outlay	2,100	1,775	1,775	-
Other	13,100	13,116	12,853	263
Auto	1,300	2,942	2,942	-
Telephone	<u>2,200</u>	<u>2,200</u>	<u>2,157</u>	<u>43</u>
Total Agricultural Extension Service	<u>169,480</u>	<u>169,480</u>	<u>164,409</u>	<u>5,071</u>
Total Conservation	<u>169,480</u>	<u>169,480</u>	<u>164,409</u>	<u>5,071</u>
Total Expenditures	<u>30,273,251</u>	<u>31,581,059</u>	<u>29,762,883</u>	<u>1,818,176</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(200,000)</u>	<u>(1,479,461)</u>	<u>1,606,637</u>	<u>3,086,098</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>109,223</u>	<u>(90,777)</u>
Total other financing sources (uses)	<u>200,000</u>	<u>200,000</u>	<u>109,223</u>	<u>(90,777)</u>
NET CHANGE IN FUND BALANCES	-	(1,279,461)	1,715,860	2,995,321
FUND BALANCES, BEGINNING	<u>6,950,191</u>	<u>6,950,191</u>	<u>6,950,191</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 6,950,191</u>	<u>\$ 5,670,730</u>	<u>\$ 8,666,051</u>	<u>\$ 2,995,321</u>

ELLIS COUNTY, TEXAS

SHERIFF HIDTA FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Seizures	\$ 394,500	\$ 740,000	\$ 738,978	\$(1,022)
Interest	<u>-</u>	<u>12,000</u>	<u>11,256</u>	<u>(744)</u>
Total revenues	<u>394,500</u>	<u>752,000</u>	<u>750,234</u>	<u>(1,766)</u>
EXPENDITURES				
Public safety:				
Other	<u>394,500</u>	<u>752,000</u>	<u>748,095</u>	<u>3,905</u>
Total expenditures	<u>394,500</u>	<u>752,000</u>	<u>748,095</u>	<u>3,905</u>
NET CHANGE IN FUND BALANCES	-	-	2,139	2,139
FUND BALANCES, BEGINNING OF YEAR	<u>17,899</u>	<u>17,899</u>	<u>17,899</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 17,899</u>	<u>\$ 17,899</u>	<u>\$ 20,038</u>	<u>\$ 2,139</u>

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2007

	Special Revenue				
	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Farm to Market #1
ASSETS					
Cash and investments	\$ 243,285	\$ 423,831	\$ 560,171	\$ 801,479	\$ 655,479
Taxes receivable	13,070	19,610	18,930	12,923	31,221
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 256,355</u>	<u>\$ 443,441</u>	<u>\$ 579,101</u>	<u>\$ 814,402</u>	<u>\$ 686,700</u>
LIABILITIES					
Accounts payable	\$ 7,276	\$ 6,837	\$ 17,377	\$ 21,092	\$ 50,045
Accrued liabilities	11,989	12,672	12,114	9,356	-
Deferred revenue	11,114	16,676	16,098	10,990	27,159
Total liabilities	<u>30,379</u>	<u>36,185</u>	<u>45,589</u>	<u>41,438</u>	<u>77,204</u>
FUND BALANCES					
Reserved for debt service	-	-	-	-	-
Unreserved, undesignated	<u>225,976</u>	<u>407,256</u>	<u>533,512</u>	<u>772,964</u>	<u>609,496</u>
Total fund balances	<u>225,976</u>	<u>407,256</u>	<u>533,512</u>	<u>772,964</u>	<u>609,496</u>
Total liabilities and fund balances	<u>\$ 256,355</u>	<u>\$ 443,441</u>	<u>\$ 579,101</u>	<u>\$ 814,402</u>	<u>\$ 686,700</u>

Special Revenue

Farm to Market #2	Farm to Market #3	Farm to Market #4	Lateral Road	District Clerk Archives	Justice Court Technology Fund	Jury	Law Library	District Attorney Hot Check	District Attorney Seizure
\$ 412,266	\$ 527,603	\$ 345,891	\$ 12,433	\$ 8,418	\$ 9,045	\$ 5,175	\$ 185,338	\$ 147,406	\$ -
31,220	31,221	31,220	-	-	-	3,230	-	-	-
-	-	-	-	-	-	9,894	-	-	-
<u>\$ 443,486</u>	<u>\$ 558,824</u>	<u>\$ 377,111</u>	<u>\$ 12,433</u>	<u>\$ 8,418</u>	<u>\$ 9,045</u>	<u>\$ 18,299</u>	<u>\$ 185,338</u>	<u>\$ 147,406</u>	<u>\$ -</u>
\$ 44,142	\$ 148,338	\$ 34,890	\$ -	\$ -	\$ -	\$ 1,943	\$ 6,059	\$ 135	\$ -
-	-	-	-	-	-	-	934	-	-
27,159	27,159	27,159	-	-	-	2,747	-	-	-
<u>71,301</u>	<u>175,497</u>	<u>62,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,690</u>	<u>6,993</u>	<u>135</u>	<u>-</u>
-	-	-	-	-	-	-	-	-	-
372,185	383,327	315,062	12,433	8,418	9,045	13,609	178,345	147,271	-
<u>372,185</u>	<u>383,327</u>	<u>315,062</u>	<u>12,433</u>	<u>8,418</u>	<u>9,045</u>	<u>13,609</u>	<u>178,345</u>	<u>147,271</u>	<u>-</u>
<u>\$ 443,486</u>	<u>\$ 558,824</u>	<u>\$ 377,111</u>	<u>\$ 12,433</u>	<u>\$ 8,418</u>	<u>\$ 9,045</u>	<u>\$ 18,299</u>	<u>\$ 185,338</u>	<u>\$ 147,406</u>	<u>\$ -</u>

(continued)

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2007

	Special Revenue				
	District Attorney Forfeiture	Sheriff Seizure	Sheriff Drug Forfeiture	Constable Precinct #1 Forfeiture	Constable Precinct #2 Forfeiture
ASSETS					
Cash and investments	\$ 371,673	\$ 189,171	\$ 131,430	\$ 149	\$ 1,044
Taxes receivable	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 371,673</u>	<u>\$ 189,171</u>	<u>\$ 131,430</u>	<u>\$ 149</u>	<u>\$ 1,044</u>
LIABILITIES					
Accounts payable	\$ 331	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	469	-	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	<u>800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Reserved for debt service	-	-	-	-	-
Unreserved, undesignated	<u>370,873</u>	<u>189,171</u>	<u>131,430</u>	<u>149</u>	<u>1,044</u>
Total fund balances	<u>370,873</u>	<u>189,171</u>	<u>131,430</u>	<u>149</u>	<u>1,044</u>
Total liabilities and fund balances	<u>\$ 371,673</u>	<u>\$ 189,171</u>	<u>\$ 131,430</u>	<u>\$ 149</u>	<u>\$ 1,044</u>

Special Revenue

Constable Precinct #4 Forfeiture	Records Management	General Record Management Preservation	Courthouse Security	Sheriff Federal Forfeiture	Graffiti	Solid Waste	County Clerk Archives Management	Law Enforcement Block Fund
\$ 108	\$ 53,028	\$ 32,559	\$ -	\$ 365,105	\$ 20	\$ -	\$ 587,431	\$ 16,911
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 108</u>	<u>\$ 53,028</u>	<u>\$ 32,559</u>	<u>\$ -</u>	<u>\$ 365,105</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 587,431</u>	<u>\$ 16,911</u>
\$ -	\$ 4,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	<u>4,073</u>	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>108</u>	<u>48,955</u>	<u>32,559</u>	<u>-</u>	<u>365,105</u>	<u>20</u>	<u>-</u>	<u>587,431</u>	<u>16,911</u>
<u>108</u>	<u>48,955</u>	<u>32,559</u>	<u>-</u>	<u>365,105</u>	<u>20</u>	<u>-</u>	<u>587,431</u>	<u>16,911</u>
<u>\$ 108</u>	<u>\$ 53,028</u>	<u>\$ 32,559</u>	<u>\$ -</u>	<u>\$ 365,105</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 587,431</u>	<u>\$ 16,911</u>

(continued)

ELLIS COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
SEPTEMBER 30, 2007

	Debt Service	
	Debt Service	2007 Debt Service
ASSETS		
Cash and investments	\$ 806,132	\$ 333,390
Taxes receivable	90,150	-
Accounts receivable	-	-
Total assets	\$ 896,282	\$ 333,390
LIABILITIES		
Accounts payable	\$ -	\$ 332,809
Accrued liabilities	-	-
Deferred revenue	76,663	-
Total liabilities	76,663	332,809
FUND BALANCES		
Reserved for debt service	819,619	581
Unreserved, undesignated	-	-
Total fund balances	819,619	581
Total liabilities and fund balances	\$ 896,282	\$ 333,390

Capital Projects				
<u>Right of Way</u>	<u>Road District #1</u>	<u>Road District #5</u>	<u>Road District #16</u>	<u>Totals</u>
\$ 113,604	\$ 1,160,018	\$ 96,856	\$ 175,661	\$ 8,772,110
-	-	-	-	282,795
-	-	-	-	9,894
<u>\$ 113,604</u>	<u>\$ 1,160,018</u>	<u>\$ 96,856</u>	<u>\$ 175,661</u>	<u>\$ 9,064,799</u>
\$ -	\$ -	\$ -	\$ -	\$ 675,347
-	-	-	-	47,534
-	-	-	-	242,924
-	-	-	-	965,805
-	-	-	-	820,200
<u>113,604</u>	<u>1,160,018</u>	<u>96,856</u>	<u>175,661</u>	<u>7,278,794</u>
<u>113,604</u>	<u>1,160,018</u>	<u>96,856</u>	<u>175,661</u>	<u>8,098,994</u>
<u>\$ 113,604</u>	<u>\$ 1,160,018</u>	<u>\$ 96,856</u>	<u>\$ 175,661</u>	<u>\$ 9,064,799</u>

ELLIS COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Special Revenue					
	Road and Bridge #1	Road and Bridge #2	Road and Bridge #3	Road and Bridge #4	Farm to Market #1	Farm to Market #2
REVENUES						
Taxes	\$ 308,646	\$ 464,167	\$ 448,665	\$ 305,483	\$ 609,102	\$ 609,102
Intergovernmental	-	-	-	-	-	-
Auto registration	547,455	554,988	549,616	559,029	-	-
Fees of office	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest earnings	15,913	27,082	33,168	37,706	29,056	31,659
Other	38,282	2,122	68,517	1,011	-	65,520
Total revenues	<u>910,296</u>	<u>1,048,359</u>	<u>1,099,966</u>	<u>903,229</u>	<u>638,158</u>	<u>706,281</u>
EXPENDITURES						
General government	-	-	-	-	-	-
Judicial	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Roads and highways	775,282	856,516	955,860	779,544	504,632	871,911
Debt service:						
Principal	-	-	-	-	-	57,320
Interest and fiscal charges	-	-	-	-	-	707
Total expenditures	<u>775,282</u>	<u>856,516</u>	<u>955,860</u>	<u>779,544</u>	<u>504,632</u>	<u>929,938</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>135,014</u>	<u>191,843</u>	<u>144,106</u>	<u>123,685</u>	<u>133,526</u>	<u>(223,657)</u>
OTHER FINANCING SOURCES (USES)						
Capital leases	-	-	-	-	-	164,574
Transfers out	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,574</u>
NET CHANGE IN FUND BALANCES	135,014	191,843	144,106	123,685	133,526	(59,083)
FUND BALANCES, BEGINNING	<u>90,962</u>	<u>215,413</u>	<u>389,406</u>	<u>649,279</u>	<u>475,970</u>	<u>431,268</u>
FUND BALANCES, ENDING	<u>\$ 225,976</u>	<u>\$ 407,256</u>	<u>\$ 533,512</u>	<u>\$ 772,964</u>	<u>\$ 609,496</u>	<u>\$ 372,185</u>

Special Revenue

Farm to Market #3	Farm to Market #4	Lateral Road	District Clerk Archives	Justice Court Technology Fund	Jury	Law Library	District Attorney Hot Check	District Attorney Seizure
\$ 609,103	\$ 609,102	\$ -	\$ -	\$ -	\$ 76,792	\$ -	\$ -	\$ -
-	-	61,252	-	-	37,825	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	9,893	46,787	-	-	50,754	-
-	-	-	-	-	-	-	-	3,965
29,443	15,863	1,588	-	1,717	1,234	2,492	2,058	2,254
24,833	52,005	-	-	-	14,172	138,083	-	-
<u>663,379</u>	<u>676,970</u>	<u>62,840</u>	<u>9,893</u>	<u>48,504</u>	<u>130,023</u>	<u>140,575</u>	<u>52,812</u>	<u>6,219</u>
-	-	-	-	72,684	-	-	-	-
-	-	-	27,319	-	125,557	95,817	2,211	36,328
-	-	-	-	-	-	-	-	-
492,397	398,085	52,640	-	-	-	-	-	-
80,274	-	-	-	-	-	-	-	-
11,411	-	-	-	-	-	-	-	-
<u>584,082</u>	<u>398,085</u>	<u>52,640</u>	<u>27,319</u>	<u>72,684</u>	<u>125,557</u>	<u>95,817</u>	<u>2,211</u>	<u>36,328</u>
<u>79,297</u>	<u>278,885</u>	<u>10,200</u>	<u>(17,426)</u>	<u>(24,180)</u>	<u>4,466</u>	<u>44,758</u>	<u>50,601</u>	<u>(30,109)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,877
-	-	-	-	-	-	-	-	1,877
79,297	278,885	10,200	(17,426)	(24,180)	4,466	44,758	50,601	(28,232)
<u>304,030</u>	<u>36,177</u>	<u>2,233</u>	<u>25,844</u>	<u>33,225</u>	<u>9,143</u>	<u>133,587</u>	<u>96,670</u>	<u>28,232</u>
<u>\$ 383,327</u>	<u>\$ 315,062</u>	<u>\$ 12,433</u>	<u>\$ 8,418</u>	<u>\$ 9,045</u>	<u>\$ 13,609</u>	<u>\$ 178,345</u>	<u>\$ 147,271</u>	<u>\$ -</u>

(continued)

ELLIS COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	Special Revenue				
	District Attorney Forfeiture	Sheriff Seizure	Sheriff Drug Forfeiture	Constable Precinct #1 Forfeiture	Constable Precinct #2 Forfeiture
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Auto registration	-	-	-	-	-
Fees of office	-	-	-	-	-
Fines and forfeitures	37,206	11,013	6,278	-	-
Interest earnings	20,151	11,502	24,218	53	34
Other	-	-	37,094	-	-
Total revenues	<u>57,357</u>	<u>22,515</u>	<u>67,590</u>	<u>53</u>	<u>34</u>
EXPENDITURES					
General government	-	-	-	-	-
Judicial	11,534	-	-	-	-
Public safety	-	5,743	13,100	-	-
Roads and highways	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>11,534</u>	<u>5,743</u>	<u>13,100</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>45,823</u>	<u>16,772</u>	<u>54,490</u>	<u>53</u>	<u>34</u>
OTHER FINANCING SOURCES (USES)					
Capital leases	-	-	-	-	-
Transfers out	(1,877)	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>(1,877)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	43,946	16,772	54,490	53	34
FUND BALANCES, BEGINNING	<u>326,927</u>	<u>172,399</u>	<u>76,940</u>	<u>96</u>	<u>1,010</u>
FUND BALANCES, ENDING	<u>\$ 370,873</u>	<u>\$ 189,171</u>	<u>\$ 131,430</u>	<u>\$ 149</u>	<u>\$ 1,044</u>

Special Revenue

Constable Precinct #4 Forfeiture	Records Management	General Record Management Preservation	Courthouse Security	Sheriff Federal Forfeiture	Graffiti	Solid Waste	County Clerk Archives Management	Law Enforcement Block Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	33,874	-	-
-	197,321	61,770	80,032	-	-	-	-	-
-	-	-	-	353,389	-	-	-	-
4	4,156	9,117	45	102	-	-	10,782	770
-	-	-	-	-	-	-	190,525	-
<u>4</u>	<u>201,477</u>	<u>70,887</u>	<u>80,077</u>	<u>353,491</u>	<u>-</u>	<u>33,874</u>	<u>201,307</u>	<u>770</u>
-	194,259	169,053	-	-	-	33,874	9,880	-
-	-	-	-	-	-	-	-	-
-	-	-	-	26,880	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	<u>194,259</u>	<u>169,053</u>	<u>-</u>	<u>26,880</u>	<u>-</u>	<u>33,874</u>	<u>9,880</u>	<u>-</u>
<u>4</u>	<u>7,218</u>	<u>(98,166)</u>	<u>80,077</u>	<u>326,611</u>	<u>-</u>	<u>-</u>	<u>191,427</u>	<u>770</u>
-	-	-	-	-	-	-	-	-
-	-	-	(109,223)	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	<u>(109,223)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4	7,218	(98,166)	(29,146)	326,611	-	-	191,427	770
<u>104</u>	<u>41,737</u>	<u>130,725</u>	<u>29,146</u>	<u>38,494</u>	<u>20</u>	<u>-</u>	<u>396,004</u>	<u>16,141</u>
<u>\$ 108</u>	<u>\$ 48,955</u>	<u>\$ 32,559</u>	<u>\$ -</u>	<u>\$ 365,105</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 587,431</u>	<u>\$ 16,911</u>

(continued)

ELLIS COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Debt Service</u>	
	<u>Debt Service</u>	<u>2007 Debt Service</u>
REVENUES		
Taxes	\$ 2,154,043	\$ -
Intergovernmental	-	-
Auto registration	-	-
Fees of office	-	-
Fines and forfeitures	-	-
Interest earnings	24,374	581
Other	-	-
Total revenues	<u>2,178,417</u>	<u>581</u>
EXPENDITURES		
General government	-	-
Judicial	-	-
Public safety	-	-
Roads and highways	-	-
Debt service:		
Principal	1,445,000	-
Interest and fiscal charges	<u>651,856</u>	-
Total expenditures	<u>2,096,856</u>	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>81,561</u>	<u>581</u>
OTHER FINANCING SOURCES (USES)		
Capital leases	-	-
Transfers out	-	-
Transfers in	-	-
Total other financing sources (uses)	-	-
NET CHANGE IN FUND BALANCES	81,561	581
FUND BALANCES, BEGINNING	<u>738,058</u>	-
FUND BALANCES, ENDING	<u>\$ 819,619</u>	<u>\$ 581</u>

Capital Projects

Right of Way	Road District #1	Road District #5	Road District #16	Totals
\$ -	\$ -	\$ -	\$ -	\$ 6,194,205
-	-	-	-	132,951
-	-	-	-	2,211,088
-	-	-	-	446,557
-	-	-	-	411,851
5,787	29,532	4,957	8,868	386,266
-	-	-	-	632,164
<u>5,787</u>	<u>29,532</u>	<u>4,957</u>	<u>8,868</u>	<u>10,415,082</u>
-	-	-	-	479,750
-	-	-	-	298,766
-	-	-	-	45,723
-	-	-	-	5,686,867
-	-	-	-	1,582,594
-	-	-	-	663,974
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,757,674</u>
<u>5,787</u>	<u>29,532</u>	<u>4,957</u>	<u>8,868</u>	<u>1,657,408</u>
-	-	-	-	164,574
-	-	-	-	(111,100)
-	-	-	-	1,877
-	-	-	-	55,351
5,787	29,532	4,957	8,868	1,712,759
<u>107,817</u>	<u>1,130,486</u>	<u>91,899</u>	<u>166,793</u>	<u>6,386,235</u>
<u>\$ 113,604</u>	<u>\$ 1,160,018</u>	<u>\$ 96,856</u>	<u>\$ 175,661</u>	<u>\$ 8,098,994</u>

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Road and bridge taxes	\$ 307,938	\$ 308,646	\$ 708
License and permits	544,000	547,455	3,455
Interest earnings	7,500	15,913	8,413
Other	<u>6,000</u>	<u>38,282</u>	<u>32,282</u>
Total revenues	<u>865,438</u>	<u>910,296</u>	<u>44,858</u>
EXPENDITURES			
Roads and highways:			
Salaries	540,534	511,920	28,614
Benefits	196,011	186,957	9,054
Other	<u>213,658</u>	<u>76,405</u>	<u>137,253</u>
Total expenditures	<u>950,203</u>	<u>775,282</u>	<u>174,921</u>
NET CHANGE IN FUND BALANCE	(84,765)	135,014	219,779
FUND BALANCE, BEGINNING	<u>90,962</u>	<u>90,962</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 6,197</u>	<u>\$ 225,976</u>	<u>\$ 219,779</u>

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #2

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Road and bridge taxes	\$ 462,913	\$ 464,167	\$ 1,254
License and permits	544,000	554,988	10,988
Interest earnings	9,000	27,082	18,082
Other	<u>11,400</u>	<u>2,122</u>	<u>(9,278)</u>
Total revenues	<u>1,027,313</u>	<u>1,048,359</u>	<u>21,046</u>
 EXPENDITURES			
Roads and highways:			
Salaries	671,538	563,439	108,099
Benefits	244,397	218,587	25,810
Other	111,352	71,482	39,870
Capital outlay	3,000	2,982	18
Bridges	<u>26</u>	<u>26</u>	<u>-</u>
Total expenditures	<u>1,030,313</u>	<u>856,516</u>	<u>173,797</u>
 NET CHANGE IN FUND BALANCE	 (3,000)	 191,843	 194,843
 FUND BALANCE, BEGINNING	 <u>215,413</u>	 <u>215,413</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 212,413</u>	 <u>\$ 407,256</u>	 <u>\$ 194,843</u>

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #3

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Road and bridge taxes	\$ 448,098	\$ 448,665	\$ 567
License and permits	544,000	549,616	5,616
Interest earnings	16,000	33,168	17,168
Other	<u>30,000</u>	<u>68,517</u>	<u>38,517</u>
Total revenues	<u>1,038,098</u>	<u>1,099,966</u>	<u>61,868</u>
EXPENDITURES			
Roads and highways:			
Salaries	562,267	536,127	26,140
Benefits	218,628	201,505	17,123
Other	<u>257,203</u>	<u>218,228</u>	<u>38,975</u>
Total expenditures	<u>1,038,098</u>	<u>955,860</u>	<u>82,238</u>
NET CHANGE IN FUND BALANCE	-	144,106	144,106
FUND BALANCE, BEGINNING	<u>389,406</u>	<u>389,406</u>	-
FUND BALANCE, ENDING	<u>\$ 389,406</u>	<u>\$ 533,512</u>	<u>\$ 144,106</u>

ELLIS COUNTY, TEXAS

ROAD AND BRIDGE FUND, PRECINCT #4

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Road and bridge taxes	\$ 304,913	\$ 305,483	\$ 570
License and permits	544,000	559,029	15,029
Interest earnings	25,000	37,706	12,706
Other	<u>3,000</u>	<u>1,011</u>	<u>(1,989)</u>
Total revenues	<u>876,913</u>	<u>903,229</u>	<u>26,316</u>
EXPENDITURES			
Roads and highways:			
Salaries	513,023	424,413	88,610
Benefits	182,140	160,972	21,168
Other	<u>818,351</u>	<u>194,159</u>	<u>624,192</u>
Total expenditures	<u>1,513,514</u>	<u>779,544</u>	<u>733,970</u>
NET CHANGE IN FUND BALANCE	(636,601)	123,685	760,286
FUND BALANCE, BEGINNING	<u>649,279</u>	<u>649,279</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 12,678</u>	<u>\$ 772,964</u>	<u>\$ 760,286</u>

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Farm to market taxes	\$ 601,948	\$ 609,102	\$ 7,154
Interest earnings	21,000	29,056	8,056
Total revenues	<u>622,948</u>	<u>638,158</u>	<u>15,210</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	101,988	26,285	75,703
Other	181,088	40,362	140,726
Road repairs and materials	755,954	436,060	319,894
Bridge repairs	50,000	1,925	48,075
Total roads and highways	<u>1,089,030</u>	<u>504,632</u>	<u>584,398</u>
Total expenditures	<u>1,089,030</u>	<u>504,632</u>	<u>584,398</u>
NET CHANGE IN FUND BALANCE	(466,082)	133,526	599,608
FUND BALANCE, BEGINNING	<u>475,970</u>	<u>475,970</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 9,888</u>	<u>\$ 609,496</u>	<u>\$ 599,608</u>

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #2

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Farm to market taxes	\$ 601,948	\$ 609,102	\$ 7,154
Interest earnings	21,000	31,659	10,659
Other	<u>84,517</u>	<u>65,520</u>	(18,997)
Total revenues	<u>707,465</u>	<u>706,281</u>	(1,184)
EXPENDITURES			
Roads and highways:			
Capital outlay	424,647	424,647	-
Other	79,000	47,950	31,050
Road repairs and materials	481,382	397,964	83,418
Bridge repairs	<u>11,207</u>	<u>1,350</u>	<u>9,857</u>
Total roads and highways	<u>996,236</u>	<u>871,911</u>	<u>124,325</u>
Debt service:			
Principal	57,320	57,320	-
Interest and fiscal charges	<u>707</u>	<u>707</u>	-
Total expenditures	<u>996,943</u>	<u>929,938</u>	<u>124,325</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(289,478)</u>	<u>(223,657)</u>	<u>123,141</u>
OTHER FINANCING SOURCES (USES)			
Capital leases	<u>164,574</u>	<u>164,574</u>	<u>329,148</u>
Total other financing sources (uses)	<u>164,574</u>	<u>164,574</u>	<u>329,148</u>
NET CHANGE IN FUND BALANCE	<u>(289,478)</u>	<u>(59,083)</u>	<u>230,395</u>
FUND BALANCE, BEGINNING	<u>431,268</u>	<u>431,268</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 141,790</u>	<u>\$ 372,185</u>	<u>\$ 230,395</u>

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #3

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Farm to market taxes	\$ 601,948	\$ 609,103	\$ 7,155
Interest earnings	<u>27,000</u>	<u>29,443</u>	<u>2,443</u>
Total revenues	<u>628,948</u>	<u>663,379</u>	<u>34,431</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	91,314	91,314	-
Other	306	-	306
Road repairs and materials	380,013	355,953	24,060
Bridge repairs	<u>46,000</u>	<u>45,130</u>	<u>870</u>
Total roads and highways	<u>517,633</u>	<u>492,397</u>	<u>25,236</u>
Debt service:			
Principal	80,274	80,274	-
Interest and fiscal charges	<u>31,041</u>	<u>11,411</u>	<u>19,630</u>
Total expenditures	<u>548,674</u>	<u>584,082</u>	<u>(35,408)</u>
NET CHANGE IN FUND BALANCE	80,274	79,297	(977)
FUND BALANCE, BEGINNING	<u>413,353</u>	<u>304,030</u>	<u>(109,323)</u>
FUND BALANCE, ENDING	<u>\$ 493,627</u>	<u>\$ 383,327</u>	<u>\$(110,300)</u>

ELLIS COUNTY, TEXAS

FARM TO MARKET FUND, PRECINCT #4

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Farm to market taxes	\$ 601,948	\$ 609,102	\$ 7,154
Interest earnings	8,000	15,863	7,863
Other	<u>-</u>	<u>52,005</u>	<u>52,005</u>
Total revenues	<u>609,948</u>	<u>676,970</u>	<u>67,022</u>
EXPENDITURES			
Roads and highways:			
Capital outlay	66,042	21,250	44,792
Other	63,995	44,394	19,601
Road repairs and materials	472,700	311,562	161,138
Bridge repairs	<u>36,653</u>	<u>20,879</u>	<u>15,774</u>
Total expenditures	<u>639,390</u>	<u>398,085</u>	<u>241,305</u>
NET CHANGE IN FUND BALANCE	(29,442)	278,885	308,327
FUND BALANCE, BEGINNING	<u>36,177</u>	<u>36,177</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ 6,735</u></u>	<u><u>\$ 315,062</u></u>	<u><u>\$ 308,327</u></u>

ELLIS COUNTY, TEXAS

LATERAL ROADS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 60,000	\$ 61,252	\$ 1,252
Interest earnings	-	1,588	(1,588)
Total revenues	<u>60,000</u>	<u>62,840</u>	<u>2,840</u>
EXPENDITURES			
Roads and highways:			
Other	<u>60,000</u>	<u>52,640</u>	<u>7,360</u>
Total expenditures	<u>60,000</u>	<u>52,640</u>	<u>7,360</u>
NET CHANGE IN FUND BALANCE	-	10,200	10,200
FUND BALANCE, BEGINNING	<u>2,233</u>	<u>2,233</u>	-
FUND BALANCE, ENDING	<u>\$ 2,233</u>	<u>\$ 12,433</u>	<u>\$ 10,200</u>

ELLIS COUNTY, TEXAS

DISTRICT CLERK ARCHIVES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Fees of office	\$ 34,000	\$ 9,893	\$(24,107)
Total revenues	<u>34,000</u>	<u>9,893</u>	<u>(24,107)</u>
EXPENDITURES			
Judicial:			
Other	<u>34,000</u>	<u>27,319</u>	<u>6,681</u>
Total expenditures	<u>34,000</u>	<u>27,319</u>	<u>6,681</u>
NET CHANGE IN FUND BALANCE	-	(17,426)	(17,426)
FUND BALANCE, BEGINNING	<u>25,844</u>	<u>25,844</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 25,844</u>	<u>\$ 8,418</u>	<u>\$(17,426)</u>

ELLIS COUNTY, TEXAS

JUSTICE COURT TECHNOLOGY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other fees	\$ 46,400	\$ 46,787	\$ 387
Interest	<u>400</u>	<u>1,717</u>	<u>(1,317)</u>
Total revenues	<u>46,800</u>	<u>48,504</u>	<u>1,704</u>
 EXPENDITURES			
General government:			
Other	<u>72,684</u>	<u>72,684</u>	<u>-</u>
Total expenditures	<u>72,684</u>	<u>72,684</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	 (25,884)	 (24,180)	 1,704
 FUND BALANCE, BEGINNING	 <u>33,225</u>	 <u>33,225</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 7,341</u>	 <u>\$ 9,045</u>	 <u>\$ 1,704</u>

ELLIS COUNTY, TEXAS

JURY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 76,500	\$ 76,792	\$ 292
Interest earnings	1,000	1,234	234
Intergovernmental	37,825	37,825	-
Other fees	<u>10,232</u>	<u>14,172</u>	<u>3,940</u>
Total revenues	<u>125,557</u>	<u>130,023</u>	<u>4,466</u>
EXPENDITURES			
Judicial:			
Jurors fees	<u>125,557</u>	<u>125,557</u>	<u>-</u>
Total expenditures	<u>125,557</u>	<u>125,557</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	4,466	4,466
FUND BALANCE, BEGINNING	<u>9,143</u>	<u>9,143</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 9,143</u>	<u>\$ 13,609</u>	<u>\$ 4,466</u>

ELLIS COUNTY, TEXAS

LAW LIBRARY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest earnings	\$ 2,000	\$ 2,492	\$ 492
Other fees	125,000	138,083	13,083
Other	<u>14,918</u>	<u>-</u>	<u>(14,918)</u>
Total revenues	<u>141,918</u>	<u>140,575</u>	<u>(1,343)</u>
EXPENDITURES			
Legal:			
Salaries	41,708	34,938	6,770
Benefits	11,935	8,942	2,993
Other	90,125	49,707	40,418
Capital outlay	<u>4,500</u>	<u>2,230</u>	<u>2,270</u>
Total expenditures	<u>148,268</u>	<u>95,817</u>	<u>52,451</u>
NET CHANGE IN FUND BALANCE	(6,350)	44,758	51,108
FUND BALANCE, BEGINNING	<u>133,587</u>	<u>133,587</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ 127,237</u></u>	<u><u>\$ 178,345</u></u>	<u><u>\$ 51,108</u></u>

ELLIS COUNTY, TEXAS

DISTRICT ATTORNEY'S HOT CHECK FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 1,000	\$ 2,058	\$ 1,058
Other fees	<u>50,000</u>	<u>50,754</u>	<u>754</u>
Total revenues	<u>51,000</u>	<u>52,812</u>	<u>1,812</u>
EXPENDITURES			
Legal:			
Other	49,000	2,211	46,789
Capital outlay	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>51,000</u>	<u>2,211</u>	<u>48,789</u>
NET CHANGE IN FUND BALANCE	-	50,601	50,601
FUND BALANCE, BEGINNING	<u>96,670</u>	<u>96,670</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 96,670</u>	<u>\$ 147,271</u>	<u>\$ 50,601</u>

ELLIS COUNTY, TEXAS

DISTRICT ATTORNEY SEIZURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Seizures	\$ 36,328	\$ 3,965	\$(32,363)
Interest earnings	<u>-</u>	<u>2,254</u>	<u>2,254</u>
Total revenues	<u>36,328</u>	<u>6,219</u>	<u>(30,109)</u>
EXPENDITURES			
Legal:			
Release of seized funds	<u>36,328</u>	<u>36,328</u>	<u>-</u>
Total expenditures	<u>36,328</u>	<u>36,328</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(30,109)</u>	<u>(30,109)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>1,877</u>	<u>1,877</u>
Total other financing sources (uses)	<u>-</u>	<u>1,877</u>	<u>1,877</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>(28,232)</u>	<u>(28,232)</u>
FUND BALANCE, BEGINNING	<u>28,232</u>	<u>28,232</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 28,232</u>	<u>\$ -</u>	<u>\$(28,232)</u>

ELLIS COUNTY, TEXAS

DISTRICT ATTORNEY FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Forfeitures	\$ 10,000	\$ 37,206	\$ 27,206
Other	82,000	-	(82,000)
Interest earnings	<u>10,000</u>	<u>20,151</u>	<u>10,151</u>
Total revenues	<u>102,000</u>	<u>57,357</u>	<u>(44,643)</u>
 EXPENDITURES			
Legal:			
Salaries	5,505	5,505	-
Benefits	2,495	460	2,035
Capital outlay	40,000	-	40,000
Other	<u>54,000</u>	<u>5,569</u>	<u>48,431</u>
Total expenditures	<u>102,000</u>	<u>11,534</u>	<u>90,466</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 <u>-</u>	 <u>45,823</u>	 <u>45,823</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,877)</u>	<u>(1,877)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,877)</u>	<u>(1,877)</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	 -	 43,946	 43,946
 FUND BALANCE, BEGINNING	 <u>326,927</u>	 <u>326,927</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 326,927</u>	 <u>\$ 370,873</u>	 <u>\$ 43,946</u>

ELLIS COUNTY, TEXAS

SHERIFF SEIZURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Seizures	\$ 15,000	\$ 11,013	\$(3,987)
Interest earnings	<u>3,000</u>	<u>11,502</u>	<u>8,502</u>
Total revenues	<u>18,000</u>	<u>22,515</u>	<u>4,515</u>
 EXPENDITURES			
Public safety:			
Forfeited transfers	<u>18,000</u>	<u>5,743</u>	<u>12,257</u>
Total expenditures	<u>18,000</u>	<u>5,743</u>	<u>12,257</u>
 NET CHANGE IN FUND BALANCE	-	16,772	16,772
 FUND BALANCE, BEGINNING	<u>172,399</u>	<u>172,399</u>	-
 FUND BALANCE, ENDING	<u>\$ 172,399</u>	<u>\$ 189,171</u>	<u>\$ 16,772</u>

ELLIS COUNTY, TEXAS

SHERIFF DRUG FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Forfeitures	\$ 10,000	\$ 6,278	\$(3,722)
Interest earnings	3,000	24,218	21,218
Other	<u>30,000</u>	<u>37,094</u>	<u>7,094</u>
Total revenues	<u>43,000</u>	<u>67,590</u>	<u>24,590</u>
EXPENDITURES			
Public safety:			
General	<u>51,000</u>	<u>13,100</u>	<u>37,900</u>
Total expenditures	<u>51,000</u>	<u>13,100</u>	<u>37,900</u>
NET CHANGE IN FUND BALANCE	(8,000)	54,490	62,490
FUND BALANCE, BEGINNING	<u>76,940</u>	<u>76,940</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 68,940</u>	<u>\$ 131,430</u>	<u>\$ 62,490</u>

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #1 FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest	\$ 50	\$ 53	\$ 3
Total revenues	<u>50</u>	<u>53</u>	<u>3</u>
EXPENDITURES			
Public safety:			
General	<u>50</u>	<u>-</u>	<u>50</u>
Total expenditures	<u>50</u>	<u>-</u>	<u>50</u>
NET CHANGE IN FUND BALANCE	-	53	53
FUND BALANCE, BEGINNING	<u>96</u>	<u>96</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 96</u>	<u>\$ 149</u>	<u>\$ 53</u>

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #2 FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other	\$ 1,000	\$ -	\$(1,000)
Interest earnings	<u>-</u>	<u>34</u>	<u>34</u>
Total revenues	<u>1,000</u>	<u>34</u>	<u>(966)</u>
 EXPENDITURES			
Public safety:			
General	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total expenditures	<u>1,000</u>	<u>-</u>	<u>1,000</u>
 NET CHANGE IN FUND BALANCE	 -	 34	 34
 FUND BALANCE, BEGINNING	 <u>1,010</u>	 <u>1,010</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 1,010</u>	 <u>\$ 1,044</u>	 <u>\$ 34</u>

ELLIS COUNTY, TEXAS

CONSTABLE, PRECINCT #4 FORFEITURE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest	\$ 4	\$ 4	\$ -
Total revenues	<u>4</u>	<u>4</u>	<u>-</u>
EXPENDITURES			
Public safety:			
General	<u>4</u>	<u>-</u>	<u>4</u>
Total expenditures	<u>4</u>	<u>-</u>	<u>4</u>
NET CHANGE IN FUND BALANCE	-	4	4
FUND BALANCE, BEGINNING	<u>104</u>	<u>104</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 104</u>	<u>\$ 108</u>	<u>\$ 4</u>

ELLIS COUNTY, TEXAS

RECORDS MANAGEMENT FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Records management fees	\$ 200,000	\$ 197,321	\$(2,679)
Interest earnings	<u>3,000</u>	<u>4,156</u>	<u>1,156</u>
Total revenues	<u>203,000</u>	<u>201,477</u>	<u>(1,523)</u>
EXPENDITURES			
General government:			
Other	<u>203,000</u>	<u>194,259</u>	<u>8,741</u>
Total expenditures	<u>203,000</u>	<u>194,259</u>	<u>8,741</u>
NET CHANGE IN FUND BALANCE	-	7,218	7,218
FUND BALANCE, BEGINNING	<u>41,737</u>	<u>41,737</u>	-
FUND BALANCE, ENDING	<u>\$ 41,737</u>	<u>\$ 48,955</u>	<u>\$ 7,218</u>

ELLIS COUNTY, TEXAS

GENERAL RECORDS MANAGEMENT AND PRESERVATION FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
District Clerk records management fees	\$ 18,000	\$ 20,510	\$ 2,510
County Clerk records management fees	34,000	41,260	7,260
Interest earnings	6,000	9,117	3,117
Other	<u>116,000</u>	<u>-</u>	<u>(116,000)</u>
Total revenues	<u>174,000</u>	<u>70,887</u>	<u>(103,113)</u>
EXPENDITURES			
General government:			
Capital outlay	4,947	-	4,947
Other	<u>169,053</u>	<u>169,053</u>	<u>-</u>
Total expenditures	<u>174,000</u>	<u>169,053</u>	<u>4,947</u>
NET CHANGE IN FUND BALANCE	-	(98,166)	(98,166)
FUND BALANCE, BEGINNING	<u>130,725</u>	<u>130,725</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 130,725</u>	<u>\$ 32,559</u>	<u>\$(98,166)</u>

ELLIS COUNTY, TEXAS

COURTHOUSE SECURITY FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
District clerk courthouse security fees	\$ 11,000	\$ 11,186	\$ 186
County clerk courthouse security fees	52,000	52,721	721
JP court courthouse security fees	37,500	16,125	(21,375)
Other	98,500	-	(98,500)
Interest earnings	<u>1,000</u>	<u>45</u>	<u>(955)</u>
Total revenues	<u>200,000</u>	<u>80,077</u>	<u>(119,923)</u>
EXPENDITURES			
General government:			
Salaries	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>200,000</u>	<u>80,077</u>	<u>(119,923)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(200,000)</u>	<u>(109,223)</u>	<u>90,777</u>
Total other financing sources (uses)	<u>(200,000)</u>	<u>(109,223)</u>	<u>90,777</u>
NET CHANGE IN FUND BALANCE	-	(29,146)	(29,146)
FUND BALANCE, BEGINNING	<u>29,146</u>	<u>29,146</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 29,146</u>	<u>\$ -</u>	<u>\$(29,146)</u>

ELLIS COUNTY, TEXAS

SHERIFF FEDERAL FORFEITURE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Seizures	\$ -	\$ 353,389	\$ 353,389
Interest earnings	<u>5,000</u>	<u>102</u>	<u>(4,898)</u>
Total revenues	<u>5,000</u>	<u>353,491</u>	<u>348,491</u>
 EXPENDITURES			
Public safety:			
Other	10,000	10,000	-
Capital outlay	<u>17,447</u>	<u>16,880</u>	<u>567</u>
Total expenditures	<u>27,447</u>	<u>26,880</u>	<u>567</u>
 NET CHANGE IN FUND BALANCE	 (22,447)	 326,611	 349,058
 FUND BALANCE, BEGINNING	 <u>38,494</u>	 <u>38,494</u>	 <u>-</u>
 FUND BALANCE, ENDING	 <u>\$ 16,047</u>	 <u>\$ 365,105</u>	 <u>\$ 349,058</u>

ELLIS COUNTY, TEXAS

SOLID WASTE

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Intergovernmental	\$ 34,000	\$ 33,874	\$(126)
Total revenues	<u>34,000</u>	<u>33,874</u>	<u>(126)</u>
EXPENDITURES			
General government:			
Other	<u>34,000</u>	<u>33,874</u>	<u>126</u>
Total expenditures	<u>34,000</u>	<u>33,874</u>	<u>126</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ELLIS COUNTY, TEXAS

COUNTY CLERK ARCHIVES MANAGEMENT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 5,000	\$ 10,782	\$ 5,782
Other	<u>200,000</u>	<u>190,525</u>	<u>(9,475)</u>
Total revenues	<u>205,000</u>	<u>201,307</u>	<u>(3,693)</u>
EXPENDITURES			
General government:			
Other	<u>205,000</u>	<u>9,880</u>	<u>195,120</u>
Total expenditures	<u>205,000</u>	<u>9,880</u>	<u>195,120</u>
NET CHANGE IN FUND BALANCE	-	191,427	191,427
FUND BALANCE, BEGINNING	<u>396,004</u>	<u>396,004</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 396,004</u>	<u>\$ 587,431</u>	<u>\$ 191,427</u>

ELLIS COUNTY, TEXAS

LAW ENFORCEMENT BLOCK FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest	\$ 750	770	20
Total revenues	<u>750</u>	<u>770</u>	<u>20</u>
EXPENDITURES			
Public safety:			
Other	<u>750</u>	<u>-</u>	<u>750</u>
Total expenditures	<u>750</u>	<u>-</u>	<u>750</u>
NET CHANGE IN FUND BALANCE	-	770	770
FUND BALANCE, BEGINNING	<u>16,141</u>	<u>16,141</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 16,141</u>	<u>\$ 16,911</u>	<u>\$ 770</u>

ELLIS COUNTY, TEXAS

DEBT SERVICE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Taxes	\$ 2,115,865	\$ 2,154,043	\$ 38,178
Interest earnings	<u>15,000</u>	<u>24,374</u>	<u>9,374</u>
Total revenues	<u>2,130,865</u>	<u>2,178,417</u>	<u>47,552</u>
 EXPENDITURES			
Debt service:			
Principal	1,445,000	1,445,000	-
Interest	650,946	650,946	-
Other	<u>34,919</u>	<u>910</u>	<u>34,009</u>
Total expenditures	<u>2,130,865</u>	<u>2,096,856</u>	<u>34,009</u>
 NET CHANGE IN FUND BALANCE	-	81,561	81,561
 FUND BALANCE, BEGINNING	<u>738,058</u>	<u>738,058</u>	<u>-</u>
 FUND BALANCE, ENDING	<u>\$ 738,058</u>	<u>\$ 819,619</u>	<u>\$ 81,561</u>

ELLIS COUNTY, TEXAS

2007 DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest earnings	\$ <u>581</u>	\$ <u>581</u>	\$ <u>-</u>
Total revenues	<u>581</u>	<u>581</u>	<u>-</u>
EXPENDITURES			
Debt service:			
Other	<u>581</u>	<u>-</u>	<u>581</u>
Total expenditures	<u>581</u>	<u>-</u>	<u>581</u>
NET CHANGE IN FUND BALANCE	-	581	581
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>-</u></u>	\$ <u><u>581</u></u>	\$ <u><u>581</u></u>

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

RIGHT-OF-WAY AVAILABLE FUNDS

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest	\$ <u>3,500</u>	\$ <u>5,787</u>	<u>2,287</u>
Total revenues	<u>3,500</u>	<u>5,787</u>	<u>2,287</u>
EXPENDITURES			
Capital outlay:			
Right-of-way purchase	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Total expenditures	<u>3,500</u>	<u>-</u>	<u>3,500</u>
NET CHANGE IN FUND BALANCE	-	5,787	5,787
FUND BALANCE, BEGINNING	<u>107,817</u>	<u>107,817</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u>107,817</u>	\$ <u>113,604</u>	\$ <u>5,787</u>

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

ROAD DISTRICT #1 AVAILABLE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ 20,000	\$ 29,532	\$ 9,532
Total revenues	<u>20,000</u>	<u>29,532</u>	<u>9,532</u>
EXPENDITURES			
Other	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCE	-	29,532	29,532
FUND BALANCE, BEGINNING	<u>1,130,486</u>	<u>1,130,486</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 1,130,486</u>	<u>\$ 1,160,018</u>	<u>\$ 29,532</u>

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

ROAD DISTRICT #5 AVAILABLE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ <u>3,000</u>	\$ <u>4,957</u>	\$ 1,957
Total revenues	<u>3,000</u>	<u>4,957</u>	<u>1,957</u>
EXPENDITURES			
Other	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total expenditures	<u>3,000</u>	<u>-</u>	<u>3,000</u>
NET CHANGE IN FUND BALANCE	-	4,957	4,957
FUND BALANCE, BEGINNING	<u>91,899</u>	<u>91,899</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>91,899</u></u>	\$ <u><u>96,856</u></u>	\$ <u><u>4,957</u></u>

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

ROAD DISTRICT #16 AVAILABLE FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Interest earnings	\$ <u>5,000</u>	\$ <u>8,868</u>	\$ <u>3,868</u>
Total revenues	<u>5,000</u>	<u>8,868</u>	<u>3,868</u>
EXPENDITURES			
Capital outlay	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>5,000</u>	<u>-</u>	<u>5,000</u>
NET CHANGE IN FUND BALANCE	-	8,868	8,868
FUND BALANCE, BEGINNING	<u>166,793</u>	<u>166,793</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>166,793</u></u>	\$ <u><u>175,661</u></u>	\$ <u><u>8,868</u></u>

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

PERMANENT IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Permanent improvement taxes	\$ 2,000	\$ 6,348	\$ 4,348
Interest earnings	440,000	600,615	160,615
Other	<u>433,882</u>	<u>-</u>	<u>(433,882)</u>
Total revenues	<u>875,882</u>	<u>606,963</u>	<u>(268,919)</u>
EXPENDITURES			
Capital outlay	<u>597,882</u>	<u>506,272</u>	<u>91,610</u>
Total expenditures	<u>597,882</u>	<u>506,272</u>	<u>91,610</u>
NET CHANGE IN FUND BALANCE	278,000	100,691	(177,309)
FUND BALANCE, BEGINNING	<u>11,699,150</u>	<u>11,699,150</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 11,977,150</u>	<u>\$ 11,799,841</u>	<u>\$ (177,309)</u>

ELLIS COUNTY, TEXAS

CAPITAL PROJECTS FUNDS

2007 CONSTRUCTION PROJECT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Interest earnings	\$ 98,311	\$ 98,311	\$ -
Total revenues	<u>98,311</u>	<u>98,311</u>	<u>-</u>
EXPENDITURES			
Capital outlay	281,692	281,692	-
Debt issuance costs	<u>476,080</u>	<u>476,080</u>	<u>-</u>
Total expenditures	<u>757,772</u>	<u>757,772</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(659,461)</u>	<u>(659,461)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
General obligation bonds issued	53,875,000	53,875,000	-
Premium on debt issuance	<u>466,080</u>	<u>466,080</u>	<u>-</u>
Total other financing sources (uses)	<u>54,341,080</u>	<u>54,341,080</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	53,681,619	53,681,619	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 53,681,619</u>	<u>\$ 53,681,619</u>	<u>\$ -</u>

ELLIS COUNTY, TEXAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2007

	<u>Balance September 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2007</u>
<u>COUNTY TREASURER</u>				
Assets:				
Cash and investments	\$ 285,255	\$ 3,378,719	\$ 3,484,860	\$ 179,114
Total assets	<u>\$ 285,255</u>	<u>\$ 3,378,719</u>	<u>\$ 3,484,860</u>	<u>\$ 179,114</u>
Liabilities:				
Due to beneficiaries	\$ 285,255	\$ 3,378,719	\$ 3,484,860	\$ 179,114
Total liabilities	<u>\$ 285,255</u>	<u>\$ 3,378,719</u>	<u>\$ 3,484,860</u>	<u>\$ 179,114</u>
<u>TAX COLLECTOR</u>				
Assets:				
Cash	\$ 1,802,886	\$ 193,994,106	\$ 194,021,623	\$ 1,775,369
Total assets	<u>\$ 1,802,886</u>	<u>\$ 193,994,106</u>	<u>\$ 194,021,623</u>	<u>\$ 1,775,369</u>
Liabilities:				
Due to other governments	\$ 1,763,858	\$ 193,994,106	\$ 193,995,416	\$ 1,762,548
Due to beneficiaries	39,028	-	26,207	12,821
Total liabilities	<u>\$ 1,802,886</u>	<u>\$ 193,994,106</u>	<u>\$ 194,021,623</u>	<u>\$ 1,775,369</u>
<u>COUNTY ATTORNEY</u>				
Assets:				
Cash	\$ 1,083,096	\$ 707,665	\$ 1,682,587	\$ 108,174
Total assets	<u>\$ 1,083,096</u>	<u>\$ 707,665</u>	<u>\$ 1,682,587</u>	<u>\$ 108,174</u>
Liabilities:				
Due to beneficiaries	\$ 1,083,096	\$ 707,665	\$ 1,682,587	\$ 108,174
Total liabilities	<u>\$ 1,083,096</u>	<u>\$ 707,665</u>	<u>\$ 1,682,587</u>	<u>\$ 108,174</u>

(continued)

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

	<u>Balance September 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2007</u>
<u>SHERIFF</u>				
Assets:				
Cash	\$ 72,004	\$ 1,312,479	\$ 1,319,954	\$ 64,529
Total assets	\$ 72,004	\$ 1,312,479	\$ 1,319,954	\$ 64,529
Liabilities:				
Due to beneficiaries	\$ 72,004	\$ 1,312,479	\$ 1,319,954	\$ 64,529
Total liabilities	\$ 72,004	\$ 1,312,479	\$ 1,319,954	\$ 64,529
<u>DISTRICT CLERK</u>				
Assets:				
Cash	\$ 2,093,331	\$ 1,077,276	\$ 740,043	\$ 2,430,564
Total assets	\$ 2,093,331	\$ 1,077,276	\$ 740,043	\$ 2,430,564
Liabilities:				
Due to beneficiaries	\$ 2,093,331	\$ 1,077,276	\$ 740,043	\$ 2,430,564
Total liabilities	\$ 2,093,331	\$ 1,077,276	\$ 740,043	\$ 2,430,564
<u>COUNTY CLERK</u>				
Assets:				
Cash	\$ 1,989,810	\$ 2,242,099	\$ 1,748,096	\$ 2,483,813
Total assets	\$ 1,989,810	\$ 2,242,099	\$ 1,748,096	\$ 2,483,813
Liabilities:				
Due to beneficiaries	\$ 1,989,810	\$ 2,242,099	\$ 1,748,096	\$ 2,483,813
Total liabilities	\$ 1,989,810	\$ 2,242,099	\$ 1,748,096	\$ 2,483,813

(continued)

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

	<u>Balance September 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2007</u>
<u>JUSTICE OF THE PEACE</u>				
Assets:				
Cash	\$ 205,689	\$ 2,103,922	\$ 1,936,639	\$ 372,972
Total assets	<u>\$ 205,689</u>	<u>\$ 2,103,922</u>	<u>\$ 1,936,639</u>	<u>\$ 372,972</u>
Liabilities:				
Due to other governments	\$ 205,689	\$ 2,103,922	\$ 1,936,639	\$ 372,972
Total liabilities	<u>\$ 205,689</u>	<u>\$ 2,103,922</u>	<u>\$ 1,936,639</u>	<u>\$ 372,972</u>
<u>JUVENILE PROBATION AND CORRECTIONS</u>				
Assets:				
Cash and investments	\$ 380,201	\$ 861,550	\$ 846,280	\$ 395,471
Total assets	<u>\$ 380,201</u>	<u>\$ 861,550</u>	<u>\$ 846,280</u>	<u>\$ 395,471</u>
Liabilities:				
Due to beneficiaries	\$ 380,201	\$ 861,550	\$ 846,280	\$ 395,471
Total liabilities	<u>\$ 380,201</u>	<u>\$ 861,550</u>	<u>\$ 846,280</u>	<u>\$ 395,471</u>
<u>ADULT COMMUNITY SUPERVISION AND CORRECTIONS</u>				
Assets:				
Cash and investments	\$ 289,947	\$ 3,712,284	\$ 3,765,779	\$ 236,452
Total assets	<u>\$ 289,947</u>	<u>\$ 3,712,284</u>	<u>\$ 3,765,779</u>	<u>\$ 236,452</u>
Liabilities:				
Due to beneficiaries	\$ 289,947	\$ 3,712,284	\$ 3,765,779	\$ 236,452
Total liabilities	<u>\$ 289,947</u>	<u>\$ 3,712,284</u>	<u>\$ 3,765,779</u>	<u>\$ 236,452</u>

(continued)

ELLIS COUNTY, TEXAS

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
(Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2007**

	<u>Balance September 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance September 30, 2007</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
Assets:				
Cash and investments	\$ <u>8,202,219</u>	\$ <u>209,390,100</u>	\$ <u>209,545,861</u>	\$ <u>8,046,458</u>
Total assets	\$ <u>8,202,219</u>	\$ <u>209,390,100</u>	\$ <u>209,545,861</u>	\$ <u>8,046,458</u>
Liabilities:				
Due to other governments	\$ 1,969,547	\$ 196,098,028	\$ 195,932,055	\$ 2,135,520
Due to beneficiaries	<u>6,232,672</u>	<u>13,292,072</u>	<u>13,613,806</u>	<u>5,910,938</u>
Total liabilities	\$ <u>8,202,219</u>	\$ <u>209,390,100</u>	\$ <u>209,545,861</u>	\$ <u>8,046,458</u>

TABLE 1

ELLIS COUNTY, TEXAS

NET ASSETS BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007		
Governmental activities:										
Invested in capital assets,										
net of related debt	\$ -	\$ -	\$ -	\$ 16,783,393	\$ 18,885,572	\$ 18,225,600	\$ 3,318,214	\$ 4,243,073		
Restricted	-	-	-	4,825,686	5,253,940	655,299	738,058	820,200		
Unrestricted	-	-	-	5,578,868	6,395,700	12,939,290	25,535,552	28,550,362		
Total governmental										
activities net assets	\$ -	\$ -	\$ -	\$ 27,187,947	\$ 30,535,212	\$ 31,820,189	\$ 29,591,824	\$ 33,613,635		

Ten years of information is not available; the County did not implement GASB 34 until 2003

ELLIS COUNTY, TEXAS

CHANGES IN NET ASSETS

LAST TEN FISCAL YEARS¹

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
EXPENSES										
Governmental activities:										
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,662,572	\$ 9,070,809	\$ 8,845,589	\$ 9,232,072	\$ 9,457,567
Judicial	-	-	-	-	-	4,317,576	3,851,390	4,046,313	4,185,014	4,584,015
Public safety	-	-	-	-	-	8,925,462	10,740,789	12,452,447	14,306,479	15,924,850
Health and welfare	-	-	-	-	-	1,956,606	1,959,263	2,445,497	2,585,252	2,363,193
Conservation	-	-	-	-	-	145,802	142,549	142,802	161,970	169,892
Roads and highways	-	-	-	-	-	6,613,357	5,384,181	5,241,732	6,330,052	5,576,443
Interest on long-term debt	-	-	-	-	-	814,526	851,471	931,667	907,828	941,235
Total expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,435,901	\$ 32,000,452	\$ 34,106,047	\$ 37,708,667	\$ 39,017,195

PROGRAM REVENUES

Governmental activities:

Fees, fines and charges for services:

General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,673,664	\$ 3,956,295	\$ 4,617,338	\$ 3,626,361	\$ 3,555,362
Judicial	-	-	-	-	-	2,255,986	2,105,947	1,984,611	2,174,685	2,236,916
Public safety	-	-	-	-	-	960,806	703,170	650,645	405,024	744,251
Health and welfare	-	-	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-	-	-	-
Roads and highways	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-	2,189,522	2,194,936	2,198,230	2,052,476	2,211,088
Capital grants and contributions	-	-	-	-	-	232,055	195,141	82,427	1,414,288	1,474,198
Total governmental activities program revenues	-	-	-	-	-	9,312,033	9,155,489	9,533,251	9,672,834	10,221,815

NET (EXPENSE) REVENUE \$ - \$ - \$ - \$ - \$ - \$ (20,123,868) \$(22,844,963) \$(24,572,796) \$(28,035,833) \$(28,795,380)

ELLIS COUNTY, TEXAS

CHANGES IN NET ASSETS

LAST TEN FISCAL YEARS¹

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental activities:										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$20,881,858	\$23,240,361	\$24,936,383	\$27,456,824	\$29,439,346
Investment earnings	-	-	-	-	-	100,294	187,035	921,390	1,190,279	1,911,951
Loss on disposal of assets	-	-	-	-	-	-	-	-	(4,463,528)	-
Miscellaneous	-	-	-	-	-	-	-	-	1,575,759	1,465,894
Total general revenues	\$ -	\$ 20,982,152	\$ 23,427,396	\$ 25,857,773	\$ 25,759,334	\$ 32,817,191				
Change in assets before extraordinary items										
Extraordinary items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 858,284	\$ 582,433	\$ 1,284,977	\$(2,276,499)	\$ 4,021,811
CHANGE IN NET ASSETS	\$ -	\$ 858,284	\$ 582,433	\$ 1,284,977	\$(2,276,499)	\$ 4,021,811				
Prior period adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,134	\$ -

Source: Comprehensive Annual Financial Report

¹Ten years of information is not available; the county did not implement GASB 34 until 2003

ELLIS COUNTY, TEXAS

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General fund										
Reserved	\$ 2,609,856	\$ 2,779,520	\$ 1,710,495	\$ 4,081,492	\$ 4,378,169	\$ 4,876,449	\$ 5,168,051	\$ 5,288,710	\$ 6,950,191	\$ 8,666,051
Unreserved	-	-	-	-	-	-	-	-	-	-
Total general fund	\$ 2,609,856	\$ 2,779,520	\$ 1,710,495	\$ 4,081,492	\$ 4,378,169	\$ 4,876,449	\$ 5,168,051	\$ 5,288,710	\$ 6,950,191	\$ 8,666,051
Road and bridge fund										
Reserved										
Unreserved	\$ 1,058,054	\$ 1,430,703	\$ 1,332,671	\$ 1,929,875	\$ 1,576,878	\$ 1,108,473	\$ 1,864,675	\$ 2,635,685	\$ 2,594,738	\$ 3,632,211
Total road & bridge	\$ 1,058,054	\$ 1,430,703	\$ 1,332,671	\$ 1,929,875	\$ 1,576,875	\$ 1,108,473	\$ 1,864,675	\$ 2,635,685	\$ 2,594,738	\$ 3,632,211
All other governmental funds										
Reserved for:										
Debt service	\$ 147,559	\$ 202,979	\$ 521,571	\$ 520,553	\$ 588,439	\$ 528,872	\$ 515,570	\$ 681,936	\$ 738,058	\$ 820,200
Unreserved										
Capital projects funds	\$ 7,236,262	\$ 23,360,201	\$ 21,325,075	\$ 13,384,521	\$ 4,755,360	\$ 2,624,952	\$ 2,159,952	\$ 6,551,444	\$ 13,196,145	\$ 67,027,599
Special revenue funds	\$ 720,731	\$ 738,120	\$ 578,186	\$ 706,815	\$ 1,418,161	\$ 1,419,634	\$ 1,439,811	\$ 1,492,455	\$ 1,574,343	\$ 2,120,482
Total other government funds	\$ 8,104,552	\$ 24,301,300	\$ 22,424,832	\$ 14,611,889	\$ 6,761,960	\$ 4,573,458	\$ 4,115,333	\$ 8,725,835	\$ 15,508,546	\$ 69,968,281

Source: Comprehensive Annual Financial Report

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
REVENUES										
Property Taxes	\$ 10,801,932	\$ 11,438,390	\$ 13,843,959	\$ 16,581,262	\$ 18,549,364	\$ 20,871,477	\$ 23,198,533	\$ 25,251,205	\$ 27,347,054	\$ 29,465,001
Intergovernmental	\$ 718,736	\$ 763,899	\$ 723,374	\$ 902,187	\$ 664,249	\$ 561,643	\$ 647,686	\$ 511,101	\$ 1,414,288	\$ 1,474,198
License & Permits	\$ 1,653,315	\$ 1,850,218	\$ 1,847,656	\$ 1,721,797	\$ 2,021,017	\$ 2,025,740	\$ 2,079,994	\$ 2,104,406	\$ 2,052,476	\$ 2,211,088
Fees of Office	\$ 2,142,556	\$ 2,452,372	\$ 2,532,785	\$ 1,815,722	\$ 2,796,287	\$ 2,920,559	\$ 3,207,186	\$ 3,354,366	\$ 4,218,519	\$ 4,175,817
Fines & Forfeitures	\$ 1,112,158	\$ 1,285,852	\$ 1,529,296	\$ 1,069,897	\$ 1,483,836	\$ 2,867,310	\$ 1,998,833	\$ 2,345,817	\$ 1,933,470	\$ 2,536,161
Interest	\$ 802,710	\$ 1,595,273	\$ 2,049,017	\$ 1,177,323	\$ 514,410	\$ 228,415	\$ 193,702	\$ 589,713	\$ 1,190,279	\$ 1,911,951
Other	\$ 1,583,937	\$ 3,645,615	\$ 2,721,884	\$ 4,511,234	\$ 2,317,419	\$ 834,994	\$ 961,323	\$ 5,601,175	\$ 8,037,275	\$ 1,465,894
Total revenues	\$ 18,815,344	\$ 23,031,619	\$ 25,247,971	\$ 27,779,422	\$ 28,346,582	\$ 30,310,138	\$ 32,287,257	\$ 39,757,783	\$ 46,193,361	\$ 43,240,110
EXPENDITURES										
Gen Government	\$ 5,092,766	\$ 5,962,126	\$ 6,188,614	\$ 5,292,408	\$ 6,961,557	\$ 6,238,717	\$ 7,002,691	\$ 7,960,428	\$ 8,305,989	\$ 8,535,648
Judicial	\$ 1,007,718	\$ 1,084,002	\$ 1,208,377	\$ 923,732	\$ 1,306,215	\$ 4,341,153	\$ 3,825,724	\$ 4,052,289	\$ 4,153,553	\$ 4,556,045
Public Safety	\$ 5,195,380	\$ 5,687,885	\$ 7,023,925	\$ 5,632,453	\$ 8,707,048	\$ 8,958,038	\$ 10,531,010	\$ 12,035,044	\$ 13,858,838	\$ 15,721,318
Health & Welfare	\$ 964,118	\$ 1,492,717	\$ 1,899,643	\$ 1,314,790	\$ 1,774,010	\$ 1,953,746	\$ 1,956,403	\$ 2,437,956	\$ 2,579,856	\$ 2,357,797
Conservation	\$ 96,317	\$ 97,330	\$ 111,510	\$ 67,994	\$ 118,515	\$ 145,802	\$ 142,549	\$ 142,802	\$ 177,041	\$ 164,409
Road & Bridge	\$ 6,107,660	\$ 5,111,424	\$ 3,946,182	\$ 3,955,645	\$ 6,002,873	\$ 6,010,235	\$ 4,984,460	\$ 5,263,697	\$ 6,224,065	\$ 5,686,867
Capital Outlay	\$ 878,215	\$ 3,528,513	\$ 5,925,534	\$ 13,432,353	\$ 9,729,813	\$ 2,778,590	\$ 1,099,397	\$ 251,260	\$ 597,882	\$ 787,964
Debt Service										
Principal	\$ 705,254	\$ 816,044	\$ 837,409	\$ 1,074,761	\$ 17,764,635	\$ 1,270,047	\$ 1,334,208	\$ 1,344,597	\$ 1,430,843	\$ 2,058,674
Interest	\$ 154,642	\$ 363,075	\$ 1,301,034	\$ 1,073,136	\$ 1,409,622	\$ 869,060	\$ 821,136	\$ 767,539	\$ 711,758	\$ 663,974
Total expenditures	\$ 20,202,070	\$ 24,143,116	\$ 28,442,228	\$ 32,767,272	\$ 53,774,288	\$ 32,565,388	\$ 31,697,578	\$ 34,255,612	\$ 38,039,825	\$ 40,532,696

ELLIS COUNTY, TEXAS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,386,726)	(1,111,497)	(3,194,257)	(4,987,850)	(25,427,706)	(2,255,250)	589,679	5,502,171	8,153,536	2,707,414
OTHER FINANCING SOURCES (USES)										
Transfers in	\$ 350,000		\$ 2,000	\$ 1,738,558	\$ 106,174	\$ 112,487	\$ 455,817		\$ 112,500	\$ 111,100
Transfers out	(350,000)		(2,000)	(1,738,558)	(106,174)	(112,487)	(455,817)		(112,500)	(111,100)
Debt proceeds/ other	4,982,338	18,075,490			17,620,615					53,875,000
	248,000	(200,273)	176,331	114,525		96,623			201,575	630,654
Total other financing sources (uses)	5,230,338	17,875,217	176,331	114,525	17,620,615	96,623	-	-	201,575	54,505,654
NET CHANGE IN FUND BALANCES	\$ 3,843,612	\$ 16,763,720	\$(3,017,926)	\$(4,873,325)	\$(7,807,091)	\$(2,158,627)	\$ 589,679	\$ 5,502,171	\$ 8,355,111	\$ 57,213,068
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.4%	5.7%	9.5%	11.1%	43.5%	7.2%	7.0%	6.2%	5.7%	6.9%

Source: Comprehensive Annual Financial Reports

TABLE 5

**ELLIS COUNTY, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
LAST TEN YEARS**

<u>Tax Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Total Assessed Valuation</u>	<u>Assessment Ratio</u>	<u>Estimated Actual Value</u>
1998	3,318,380,767	1,086,938,330	4,405,319,097	100.0%	4,405,319,097
1999	3,749,437,660	1,135,918,450	4,885,356,110	100.0%	4,885,356,110
2000	4,799,001,853	1,328,638,192	6,127,640,045	100.0%	6,127,640,045
2001	5,746,067,565	1,502,086,422	7,248,153,987	100.0%	7,248,153,987
2002	6,879,481,633	1,402,222,040	8,281,703,673	100.0%	8,281,703,673
2003	7,293,902,060	1,596,064,070	8,889,966,130	100.0%	8,889,966,130
2004	7,659,168,117	1,815,048,890	9,474,217,007	100.0%	9,474,217,007
2005	8,207,129,335	1,956,636,165	10,163,765,500	100.0%	10,163,765,500
2006	8,949,770,368	1,947,251,600	10,897,021,968	100.0%	10,897,021,968
2007	9,879,959,212	2,067,783,745	11,947,742,957	100.0%	11,947,742,957

**ELLIS COUNTY, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS**

TAXING JURISDICTION	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<u>DIRECT</u>										
COUNTY-WIDE:										
Ellis County	\$0.25314	\$0.28374	\$0.29719	\$0.30202	\$0.31017	\$0.31464	\$0.31599	\$0.31891	\$0.32049	\$0.364598
Farm to Market	0.04662	0.047596	0.054304	0.049400	0.041230	0.036656	0.034006	0.031093	0.02901	0.029009
<u>OVERLAPPING GOVERNMENTS</u>										
CITIES:										
Bardwell	0.15494	0.14818	0.15230	0.16250	0.16975	0.16975	0.18536	0.18625	0.18580	0.18580
Cedar Hill	0.64269	0.64269	0.64269	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140	0.64140
Ennis	0.60000	0.60000	0.60000	0.60000	0.63000	0.63000	0.63000	0.73000	0.71000	0.71000
Ferris	0.78000	0.75000	0.71000	0.63793	0.60000	0.58554	0.59275	0.60000	0.60000	0.60000
Garrett	0.35285	0.34000	0.33000	0.31000	0.31000	0.31000	0.31000	0.29991	0.31984	0.33239
Italy	0.76999	0.73700	0.67000	0.64785	0.74500	0.59453	0.59453	0.68000	0.69300	0.77111
Maypearl	0.64106	0.78000	0.78000	0.78000	0.76735	0.75642	0.73716	0.73716	0.73716	0.69217
* Midlothian	0.17452	0.25366	0.29604	0.41346	0.41113	0.41182	0.42404	0.64038	0.65795	0.65000
Milford	0.61367	0.61367	0.58603	0.54935	0.52786	0.49967	0.49967	0.49547	0.50157	0.48550
Oak Leaf	0.19600	0.19600	0.19600	0.21127	0.26000	0.26174	0.35000	0.34156	0.33144	0.34854
Ovilla	0.37522	0.38129	0.39649	0.38780	0.55856	0.66675	0.68250	0.68250	0.68250	0.66800
Palmer	0.59877	0.59878	0.59880	0.59880	0.55893	0.55893	0.57165	0.57165	0.62920	0.62920
Pecan Hill	0.24610	0.23581	0.22498	0.22800	0.23154	0.23937	0.25462	0.25108	0.24066	0.25065
Red Oak	0.67000	0.65000	0.64000	0.61500	0.61500	0.61500	0.61500	0.61380	0.64000	0.63500
Waxahachie	0.64240	0.61250	0.61750	0.61750	0.61250	0.61750	0.61750	0.61500	0.61500	0.61500
SCHOOL DISTRICTS:										
Avalon	1.36000	1.32000	1.36000	1.43300	1.34833	1.34400	1.41910	1.49380	1.37600	1.09958
Ennis	1.50000	1.46000	1.49000	1.59000	1.65190	1.65190	1.65190	1.65190	1.57000	1.40000
Ferris	1.53000	1.49000	1.49000	1.51000	1.53950	1.53700	1.77190	1.77190	1.57070	1.69700
Italy	1.50000	1.46470	1.56000	1.56000	1.50000	1.56000	1.56000	1.56000	1.43300	1.11105
Maypearl	1.58540	1.53000	1.53000	1.55000	1.55000	1.58000	1.77900	1.76900	1.64800	1.34000
Midlothian	1.64000	1.65990	1.70970	1.72000	1.72000	1.72000	1.76450	1.78750	1.69750	1.36750
Milford	1.45860	1.66120	1.66120	1.62398	1.62398	1.62398	1.62398	1.62400	1.49400	1.19000
Palmer	1.50000	1.40068	1.44650	1.56209	1.56209	1.61700	1.61700	1.61000	1.48000	1.50000
Red Oak	1.57000	1.53800	1.53800	1.53000	1.54500	1.57000	1.64000	1.64000	1.51000	1.30000
Waxahachie	1.50110	1.45580	1.54670	1.68000	1.71000	1.63900	1.71650	1.72080	1.59730	1.36000

**ELLIS COUNTY, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS**

TAXING JURISDICTION	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
SPECIAL DISTRICTS:										
EC ESD #3	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000	\$0.03000
EC ESD #2	0.03000	0.03000	0.03000	0.05000	0.05000	0.05750	0.05750	0.06500	0.06750	0.07025
EC ESD #1	0.03000	0.06000	0.06300	0.06500	0.06700	0.06700	0.06700	0.07000	0.07000	0.07350
EC ESD #4	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
EC ESD #5	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
EC ESD #6	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.06000
EC ESD #7	-	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
EC ESD #8	-	-	0.03000	0.03000	0.03000	0.03000	0.03000	0.08000	0.08000	0.10000
EC ESD #9	-	-	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
Ellis Co. W C & ID	0.03000	0.06000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000	0.03000
* Midlothian Water Co.	0.22000	0.19416	0.19416	0.19416	0.19416	0.19416	0.19416	0.00000	0.00000	0.00000

Note: Tax rates are stated per \$100 assessed valuation.

Source: Central Appraisal District of Ellis County

* Midlothian Water Co. tax rate included with City of Midlothian beginning 2005.

TABLE 7

**ELLIS COUNTY, TEXAS
PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2007**

<u>Name</u>	<u>Type of Business</u>	<u>2007 Assessed Valuations</u>	<u>Percentage of Total Assessed Valuation</u>
Midlothian Energy Limited	Utility	\$ 412,015,260	3.45%
Walgreen Company	Distribution Center	271,987,410	2.28%
Texas Industries, Inc.	Cement Plant	254,524,260	2.13%
Chapparral Steel Company	Steel Mill	250,487,360	2.10%
HOLCIM (US), Inc.	Cement Plant	216,731,850	1.81%
TXU Electric Delivery Company	Utility	128,684,650	1.08%
Target Corporation	Distribution Center	113,575,590	0.95%
CVS Texas Distribution LP	Distribution Center	109,670,440	0.92%
Elk Roofing Products	Roofing Products	79,342,440	0.66%
Dartco of Texas, Ltd. Ptnsp.	Manufacturing Facility	71,920,680	0.60%
		<u>\$ 1,908,939,940</u>	<u>15.98%</u>

Note: Total Assessed Valuation of \$ 11,947,742,957

Source: Ellis County Appraisal District

ELLIS COUNTY, TEXAS
BUDGETED PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>% OF LEVY COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>% OF TOTAL TAX COLLECTION TO TAX LEVY</u>
1998	10,479,575	10,219,446	97.51%	550,351	10,769,797	102.76%
1999	11,221,309	10,923,161	97.34%	526,315	11,449,476	102.03%
2000	13,648,716	13,239,870	97.00%	604,089	13,843,959	101.43%
2001	16,778,500	16,136,412	96.17%	444,850	16,581,262	98.82%
2002	* 18,390,426	18,074,500	98.28%	474,864	18,549,364	100.86%
2003	* 20,308,800	19,843,239	97.71%	962,460	20,805,699	102.45%
2004	* 22,639,359	22,031,384	97.31%	1,131,482	23,162,866	102.31%
2005	* 24,485,051	23,673,110	96.68%	1,182,984	24,856,094	101.52%
2006	* 26,832,506	25,965,504	96.77%	1,379,945	27,345,449	101.91%
2007	* 28,609,607	27,966,441	97.75%	863,202	28,829,643	100.77%

(a) Delinquent Tax Collections includes penalty and interest.

* Does not include Tax Increment Reinvestment Zone levy and collection

ELLIS COUNTY, TEXAS

TABLE 9

**RATIO OF NET GENERAL BONDED DEBT
TO ASSESSED VALUES AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Values</u>	<u>General Bonded Debt</u>	<u>Less Amount Available in Debt Service Fund</u>	<u>Net Bonded Debt</u>	<u>Ratio of Bonded Debt to Assessed Values</u>	<u>Net Bonded Debt Per Capita</u>
1998	103,000	4,405,319,097	8,554,029	147,559	8,406,470	0.19%	81.62
1999	105,000	4,885,356,110	25,849,112	202,979	25,646,133	0.52%	244.25
2000	111,360	6,127,640,045	25,169,325	521,207	24,648,118	0.40%	221.34
2001	111,360	7,248,153,987	24,219,027	520,553	23,698,474	0.33%	212.81
2002	116,555	8,281,703,673	24,282,813	588,439	23,694,374	0.29%	203.29
2003	129,250	8,889,966,130	22,801,333	528,872	22,272,461	0.25%	172.32
2004	129,250	9,474,217,007	21,707,073	515,570	21,191,503	0.22%	163.96
2005	131,826	10,163,765,500	20,567,737	681,936	19,885,801	0.20%	150.85
2006	139,300	10,897,021,968	18,701,262	738,058	17,963,204	0.16%	128.95
2007	143,468	11,947,742,957	72,492,135	820,200	71,671,935	0.60%	499.57

ELLIS COUNTY, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2007

<u>Taxing Jurisdiction</u>	<u>Total Funded Debt</u>	<u>Percentage Applicable To Named Government</u>	<u>Overlapping Funded Net Debt</u>
SPECIAL DISTRICTS:			
Ellis County WC&ID #1	\$ 1,270,646	100.00%	\$ 1,270,646
Midlothian Water District	28,630,407	100.00%	28,630,407
CITIES:			
Bardwell	174,000	100.00%	174,000
Ennis	34,461,666	100.00%	34,461,666
Ferris	3,450,000	100.00%	3,450,000
Italy	3,470,267	100.00%	3,470,267
Maypearl	-	100.00%	-
Midlothian	67,013,951	100.00%	67,013,951
Milford	585,000	100.00%	585,000
Ovilla	7,033,165	100.00%	7,033,165
Palmer	1,371,599	100.00%	1,371,599
Red Oak	6,354,246	100.00%	6,354,246
Waxahachie	71,525,064	100.00%	71,525,064
COUNTY-LINE CITIES:			
Cedar Hill	54,165,688	2.35%	1,272,894
Glenn Heights	5,495,000	29.09%	1,598,496
Grand Prairie	167,765,000	5.71%	9,579,382
Mansfield	8,845,500	0.04%	35,382
SCHOOL DISTRICTS:			
Avalon ISD	1,335,000	100.00%	1,335,000
Italy ISD	1,685,000	100.00%	1,685,000
Maypearl ISD	16,662,049	100.00%	16,662,049
Midlothian ISD	168,307,391	100.00%	168,307,391
Palmer ISD	4,969,789	100.00%	4,969,789
Red Oak ISD	56,277,143	100.00%	56,277,143
Waxahachie ISD	105,973,290	100.00%	105,973,290
COUNTY-LINE SCHOOL DISTRICTS:			
Ennis ISD	131,183,220	92.48%	121,318,242
Ferris ISD	25,663,000	94.94%	24,364,452
Frost ISD	1,240,000	6.67%	82,708
Milford ISD	534,269	77.05%	411,654
TOTAL NET OVERLAPPING DEBT			\$ 739,212,883
Ellis County			\$ 72,492,135

Source: Texas Municipal Reports

ELLIS COUNTY, TEXAS
 COMPUTATION OF LEGAL DEBT MARGIN
 September 30, 2007

Assessed Value of Real Property	\$ 9,879,959,212
Assessed Value of Personal and Other Property	<u>2,067,783,745</u>
Total Assessed Value	<u><u>\$ 11,947,742,957</u></u>

**Bonds Issued Under Article III,
Section 52 of the Texas Constitution:**

The County is authorized under Article III, Section 52, of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to the rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the county.

Debt limit, 25% of Real Property Assessed Value	\$ 2,469,989,803
---	------------------

Amount of Debt Applicable to Debt Limit:

Debt Limit:

Total Bonded Debt Applicable	\$ 72,492,135	
Less: Assets in Debt Service Fund available for payment of principal	<u>820,200</u>	<u>71,671,935</u>

**Legal Debt Margin, Bonds Issued Under
 Article III, Section 52 of the Texas
 Constitution**

\$ 2,398,317,868

TABLE 12

**ELLIS COUNTY, TEXAS
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	(1) <u>Population</u>	(2) <u>Per Capita Income</u>	(3) <u>Median Age</u>	(4) <u>School Enrollment</u>	(2) <u>Unemployment Rate</u>
1998	94,223	19,781	32.2	19,539	6.0%
1999	97,054	20,843	32.6	20,126	5.4%
2000	103,000	21,796	32.8	21,359	4.9%
2001	103,000	24,307	32.9	22,670	3.2%
2002	105,000	24,876	33.0	22,910	2.6%
2003	111,360	25,114	33.1	23,105	4.4%
2004	111,360	27,316	33.2	24,645	5.4%
2005	116,555	28,416	33.2	25,591	5.4%
2006	120,052	20,212	33.2	25,866	6.0%
2007	143,468	22,422	33.0	29,464	4.2%

Data Sources:

- (1) Bureau of the Census
- (2) Bureau of Labor Statistics
- (3) State Department of Commerce
- (4) Texas Education Association

ELLIS COUNTY, TEXAS

PRINCIPAL EMPLOYERS

CURRENT YEAR

<u>Employer</u>	2007	
	<u>Employees</u>	<u>% of Total County Employment</u>
Chaparral Steel Company	1,000	1.56%
Sterilite	800	1.24%
Target Distribution Center	700	1.09%
Walgreen's Distribution Center	700	1.09%
Ellis County Government	525	0.82%
Wal-Mart Supercenter Waxahachie	500	0.78%
Dart Container Corp.	470	0.73%
Owens-Corning Fiberglass	450	0.70%
Baylor Medical Center Ellis County	403	0.63%
Wal-Mart Supercenter Midlothian	350	0.54%
Total	<u>5,898</u>	<u>9.18%</u>
Total County Employment	64,280	

Sources: North Central Texas Council of Governments

ELLIS COUNTY, TEXAS

COUNTY FULL TIME EMPLOYEES BY FUNCTION

September 30, 2007

<u>Function/Program</u>	<u>2007</u>
General government	101
Judicial	231
Public safety	74
Health and welfare	8
Roads and highways	<u>64</u>
Total	<u><u>478</u></u>

Source: Ellis County Human Services

ELLIS COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
September 30, 2007

Function/Program	2007
General Government	
Number of A/P checks issued	13,789
Flood Plain/Building Permits	951
Aerobic Septic Permits	690
Other Septic Permits	108
Nuisance Complaints	645
New Subdivisions	61
Judicial	
Hot Check cases	
Number of checks processed	2,787
Number of theft by check cases filed	479
Public Safety	
Number of 911 calls received	32,149
Average Jail daily population	460
Jail bookings	5,993
Jail releases	6,016
Jail inmates at September 30, 07	385
Violations reported by Sheriff office	5,652
Transportation	
Roadway resurfacing (miles)	95.8
Mowing along roadways (equipment miles)	6,826
Ditch and culvert cleaning (miles)	110
Conservation	
Number of people served in programs	106,779
Health and Welfare	
Number of applications filed	350
Number of cases approved	57



PATTILLO, BROWN & HILL, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS ■ BUSINESS CONSULTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Ellis County, Texas

Members of the Board:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ellis County, Texas as of and for the year ended September 30, 2007, which collectively comprise Ellis County, Texas' basic financial statements and have issued our report thereon dated March 24, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ellis County, Texas' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Ellis County, Texas' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Ellis County, Texas' internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ellis County, Texas' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management, others within the entity, and granting entities and is not intended to be used and should not be used by anyone other than these specified parties.

Pattillo, Brown & Hill, L.L.P.

March 24, 2008