

GUADALUPE COUNTY, TEXAS

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

***FISCAL YEAR ENDED
SEPTEMBER 30, 2008***



GUADALUPE COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>PAGE</u>
TITLE PAGE	i
TABLE OF CONTENTS	ii
LETTER OF TRANSMITTAL	x
PRINCIPAL OFFICIALS	xv
ORGANIZATIONAL CHARTS	xvi

FINANCIAL SECTION

INTRODUCTORY LETTER.....	1
MANAGEMENT’S DISCUSSION AND ANALYSIS	3
BASIC FINANCIAL STATEMENTS	14
STATEMENT OF NET ASSETS	15
STATEMENT OF ACTIVITIES	17
BALANCE SHEET - GOVERNMENTAL FUNDS.....	18
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET TO THE STATEMENT OF NET ASSETS	20
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS.....	21
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES....	23
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS.....	24
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS	25
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS.....	26
STATEMENT OF FIDUCIARY NET ASSETS	27
NOTES TO BASIC FINANCIAL STATEMENTS	28

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND - SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	47
--	----

GUADALUPE COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
GENERAL FUND - SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL.....	48
ROAD AND BRIDGE FUND - SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL.....	55
JUVENILE SERVICES FUND - SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL.....	56
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL.....	57
INFRASTRUCTURE ASSETS (ROADS) UNDER THE MODIFIED APPROACH.....	58
REQUIRED SUPPLEMENTARY INFORMATION	60
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM - ANALYSIS OF FUNDING PROGRESS - LAST THREE FISCAL YEARS	60
 OTHER SUPPLEMENTARY INFORMATION 	
GENERAL FUND - COMPARATIVE BALANCE SHEET.....	62
GENERAL FUND - COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE.....	63
ROAD AND BRIDGE FUND - COMPARATIVE BALANCE SHEET.....	64
ROAD AND BRIDGE FUND - COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE	65
JUVENILE SERVICES FUND - COMPARATIVE BALANCE SHEET.....	66
JUVENILE SERVICES FUND - COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE	67
CAPITAL PROJECTS FUND - COMPARATIVE BALANCE SHEET.....	68
CAPITAL PROJECTS FUND - COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE	69
COMBINING FINANCIAL STATEMENTS - NON-MAJOR GOVERNMENTAL FUNDS.....	70

GUADALUPE COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
NONMAJOR GOVERNMENTAL FUNDS - COMBINING BALANCE SHEET	73
NONMAJOR GOVERNMENTAL FUNDS - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	75
COUNTY SHERIFF FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.....	77
COUNTY ATTORNEY FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.....	78
LAW ENFORCEMENT TRAINING FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	79
THIRD ADMINISTRATIVE DISTRICT COMBINED GRANT FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	80
DISTRICT ATTORNEY GRANT - COMBINED GRANT FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	81
HELP AMERICANS VOTE ACT - COMBINED GRANT FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	82
LOCAL LAW ENFORCEMENT BLOCK GRANT COMBINED GRANT FUND - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	83
MISCELLANEOUS GRANT – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	84
ALTERNATIVE DISPUTE FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	85
ANIMAL REGISTRATION FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	86
COURTHOUSE REPORTER FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	87
COURTHOUSE SECURITY FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	88
COURT INITIATED GUARDIANSHIP FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	89

GUADALUPE COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
ELECTIONS CONTRACTS FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	90
EMPLOYEE FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	91
FAMILY FEE PROTECTION FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	92
VEHICLE INVENTORY TAX SPECIAL INTEREST FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.....	93
JUSTICE OF THE PEACE - COURT SECURITY FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.....	94
JUSTICE COURT TECHNOLOGY FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	95
LAW LIBRARY FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	96
RECORD ARCHIVE FEE FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	97
RECORDS MANAGEMENT FEE FUND – OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	98
VITATL STATISTICS FUND - OTHER NONMAJOR FUNDS - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	99
DEBT SERVICE FUND - COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.....	100
INTERNAL SERVICE FUNDS - COMBINING STATEMENT OF NET ASSETS.....	101
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS	102
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS	103

GUADALUPE COUNTY, TEXAS
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
STATISTICAL SECTION	
NET ASSETS BY COMPONENT - LAST FIVE FISCAL YEARS	107
CHANGES IN NET ASSETS - LAST FIVE FISCAL YEARS	108
FUND BALANCES, GOVERNMENTAL FUNDS - LAST FIVE FISCAL YEARS	110
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS - LAST FIVE FISCAL YEARS.....	111
TAX REVENUES BY SOURCE - LAST FIVE FISCAL YEARS	112
ASSESSED VALUE AND ACTUAL VALUE OF PROPERTY - LAST FIVE FISCAL YEARS.....	113
PROPERTY TAX RATES – ALL OVERLAPPING GOVERNMENTS - LAST TEN FISCAL YEARS	114
PRINCIPAL TAXPAYERS - CURRENT YEAR AND NINE YEARS AGO	116
PROPERTY TAX LEVIES AND COLLECTIONS - LAST FIVE FISCAL YEARS	117
RATIOS OF OUTSTANDING DEBT BY TYPE - LAST FIVE FISCAL YEARS	118
RATIOS OF GENERAL BONDED DEBT OUTSTANDING - LAST FIVE FISCAL YEARS.....	119
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT	120
COMPUTATION OF LEGAL DEBT MARGIN	121
DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST EIGHT FISCAL YEARS	122
PRINCIPAL EMPLOYERS - CURRENT YEAR	123
OPERATING INDICATORS BY FUNCTION - CAPITAL ASSETS - LAST FIVE FISCAL YEARS...	124
TAX RATE CHART - LAST TEN FISCAL YEARS.....	125
INSURANCE AND BOND COVERAGE	126
SURETY BONDS OF PRINCIPAL OFFICERS.....	130
MISCELLANEOUS STATISTICS/OPERATING INDICATORS BY FUNCTION - LAST SIX FISCAL YEARS	131

GUADALUPE COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2008

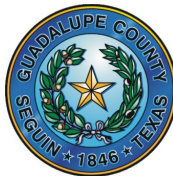
TABLE OF CONTENTS (Continued)

PAGE

FEDERAL AWARD SECTION

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	134
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	136
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS.....	138
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	139
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	140
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS.....	141

KRISTEN KLEIN, CPA
COUNTY AUDITOR



Guadalupe County Administration Building
307 West Court Street, Suite 205
Seguin, Texas 78155
(830) 303-8876
kris@co.guadalupe.tx.us

March 16, 2009

The Honorable Dwight E. Peschel, Judge, 25th Judicial District Court
The Honorable W.C. Kirkendall, Judge, 2nd 25th Judicial District Court
The Honorable Gary Steel, Judge, 274th Judicial District Court
Honorable County Commissioners' Court
Mike Wiggins, County Judge
Roger K. Baenziger, County Commissioner, Precinct 1
Cesareo Guadarrama, III, County Commissioner, Precinct 2
Jim Wolverton, County Commissioner, Precinct 3
Judy Cope, County Commissioner, Precinct 4

Dear Judges and Commissioners:

The County Auditor's office is pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Guadalupe, Texas, (County) for the fiscal year ended September 30, 2008. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County.

The accompanying financial statements were prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB) and this report submitted is in compliance with Section 114.025, Vernon's Texas Codes Annotated (V.T.C.A.), Local Government Code. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have also been included.

The CAFR is presented in four sections: Introductory, Financial, Statistical and Single Audit.

- The **Introductory Section**, which is unaudited, contains this letter of transmittal, the organizational chart of the County and a list of elected and certain appointed officials.
- The **Financial Section** includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), and the Basic Financial Statements (including notes), and required supplementary information. The Basic Financial Statements include the government-wide financial statements that provide an overview of the County's entire financial operations and the fund financial statements that present financial information of each of the County's major funds, as well as nonmajor funds, fiduciary funds and other funds.
- The **Statistic Section** includes selected financial, demographic, and statistical data that are generally presented on a multi-year basis and other information, which includes supplemental disclosures to comply with the Securities Exchange Commission Rule 15c2-12.

- The **Single Audit Section** contains information related to the County’s Single Audit which is required by the federal government under the provisions of the Single Audit Act of 1984 as amended by the Act of 1996. The Act comes under the oversight of the Office of Management and Budget Circular A-133, *Audits of States and Local Governments, and Non-Profit Organizations*. Information related to this single audit includes: Independent Auditor’s Report on Internal Controls over Financial Reporting and on Compliance based on an Audit of Financial Statements performed in accordance with Government Auditing Standards; Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Program; Schedule of Findings and Questioned Costs; Supplemental Schedule of Federal and State Awards; and Notes to Schedule of Expenditures of Federal and State Awards.

Armstrong, Vaughan, & Associates, P.C., a firm of licensed certified public accountants, has audited the County’s financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County, for the fiscal year ended September 30, 2008, are free of material misstatement. The examination was conducted in accordance with generally accepted governmental auditing standards. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified (“clean”) opinion that the County’s financial statement for the fiscal year ended September 30, 2008 are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

Immediately following the independent auditors report is a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the 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 independent audit of the financial statements of the County was part of the broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and legal requirements involving the administration of federal awards. These reports are included in the Single Audit section of this report.

Profile of Guadalupe County

Guadalupe County is located approximately one hundred miles inland from the Gulf of Mexico in south central Texas and is bounded by Comal, Hays, Caldwell, Gonzales, Wilson, and Bexar counties and is a component of the “San Antonio Area Metropolitan Statistical Area” (MSA) by the Texas Comptroller of Public Accounts. The County covers 715 square miles of flat to rolling terrain with local depressions and escarpments, and its elevation ranges from 450 to 800 feet above sea level. The area has a mild subtropical climate, with temperatures ranging from an average high of 96° in July and an average low of 42° in January.



History. The central Texas region, including Guadalupe County, has supported human habitation for several thousand years. Archaeologists believe some of the artifacts found in the area to be from the Archaic Period (ca. 5000 B.C. to 500 A.D.); other pieces are more recent, dating from 1200 to 1500 A.D. Indian tribes in the area included the Karankawas, Tonkawas, Comanches, and Lipan Apaches.

Guadalupe County takes its name from the Guadalupe River, which Alonso de Leon named in 1689 in honor of the Lady of Guadalupe depicted on his standard. In 1838 a group of former Texas Rangers and other settlers founded the community of Walnut Springs, which changed its name to Seguin in 1839 to honor Juan Nepumocemo Seguin, a hero in the Texas Revolution, who had served as mayor of San Antonio and had been a senator for the Republic of Texas. When Texas became part of the Union in 1846, the Texas legislature established Guadalupe County from parts of Bexar and Gonzales counties with Seguin as its county seat.

Population. The County population has grown significantly since 1850. In 1850 the U.S. Census Bureau shows the County population at 1511, by 1900 the population had grown to 21,835, and in 2000 the population was 89,023 and an estimated population in 2007 of 112,777. The increased growth is evident in the increased demand for service at the county level.

Highway System. The County is traversed, along its northwestern border, by Interstate Highway 35 and bisected centrally by Interstate Highway 10 (east to west). US highway 90 and US Highway 90A both branch off Interstate Highway 10 in Seguin and continue eastward to the county line toward Luling and Gonzales, respectively. Additionally, the County has two major state highways (State Highway 46 and State Highway 123) that both bisect the County (north to south).

Governmental Entity. Guadalupe County is a public corporation and political subdivision of the State of Texas. The county seat is the City of Seguin. The general governing body of the County is an elected five-member Commissioners' Court (Court) in accordance with Article 5, Paragraph 18 of the Texas Constitution. The Court is comprised of the County Judge, who is the presiding officer, and four Commissioners. The County Judge is elected at large to serve a four-year term. Commissioners serve four-year staggered terms, two members elected every two years.

The Court, which generally meets three times per month, sets the calendar for regularly scheduled commissioners' court dates on an annual basis. This calendar is available from the County Judge's office or from the County Clerk.

The Court sets the tax rate, approves contracts for the County, and adopts the County budget within the resources as estimated by the County Auditor. The Court is also responsible for development of policies, approves financial commitments, and makes appointments of various department heads. The management and leadership provided by members of the Court, and elected and appointed officials of other departments, is crucial to the success of the County's financial management and growth.

The County Auditor has responsibilities for prescribing the systems and procedures for handling the finances of the County and "examining, auditing and approving" all disbursements from County funds prior to their submission to the Commissioners' Court for approval. The district judges of Guadalupe County appoint the County Auditor for a two-year term.

The County serves an estimated 2007 population of 112,777 and provides many varied services for the public it serves. These services include, but are not limited to, the operation of the district, county and justices of the peace judicial systems, voting operations for national, state and some local elections, maintenance on and construction of county owned roads and bridges, recording functions relating to property rights and vital statistics, operation of law enforcement agencies (sheriff and constables), operation of the county jail, property tax collections for multiple agencies and general governmental administration. The County, while not directly providing the service, does provide funding for Emergency Medical Services (EMS), Volunteer Fire Departments, and Libraries.

The annual budget serves as the foundation for the County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Judge during May each year. The County Judge, whom is the budget officer for the County, then uses these requests as the starting point for developing the County Judge's Recommended Budget. This budget is presented to the County Commissioners for their review. From the County Judge's Recommended Budget, the County Commissioners and the County Judge prepare the proposed budget which is filed with the County Clerk. The Court then holds the public hearings on the proposed budget. The County is required to adopt a final budget by the first day of the new fiscal year. The appropriated budget is prepared by fund, department, and budget summary (personnel, operations, and capital outlay). The Court approves the budget on a summary line basis with any changes to personnel or capital outlay required to be approved by commissioners' court. A more detailed, line item, budget is included with the adopted budget for informational purposes.

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the Supplemental Nonmajor Governmental Funds subsection of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy. The County is transitioning from a primarily rural community to a suburban community servicing the San Antonio/Austin corridor. During the past ten years, there has been large-scale growth in the northwestern region of the County, primarily in the cities of Schertz and Cibolo. However, this growth has slowed in the past year. There had been double-digit growth in sales tax revenue in past years, however in FY 2007-2008 there was a 1.3 percent increase compared to the prior year's 14.0 percent gain. The half-cent (.005) County sales tax adopted by the voters of the County directly reduces the County property taxes.

Cash Management Policies and Practices. The Court has adopted a formal investment policy for the County and has designated the County Treasurer as the County's investment officer. The general objectives set forth in the policy provide for financial security and optimum liquidity of County funds while achieving the maximum yield on funds invested and maximum levels of invested funds.

Risk Management. The County provides for the management of risks through a combination of self-insurance and traditional insurance.

The County insures through private carriers against catastrophic losses to its infrastructure and certain major items of person property. Items so insured include buildings and contents, data media and valuable papers.

The County has elected to self-insure against risks from claim from workers' compensation and health and dental insurance. Third-party coverage is currently maintained to protect against excess and/or catastrophic loss.

Pension and Other Post Employment Benefits. The County provides retirement, disability, and death benefits for all of its regular employees through a nontraditional, joint-contributory, defined contribution pension plan in the statewide Texas County and District Retirement System (TCDRS). The County, within the options available in the state statutes governing TCDRS, adopts specific plan provisions. 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 within the actuarial constraints

imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed. Detailed information on the retirement plan can be found in the notes to the financial statements.

Acknowledgments. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Auditor's Office, and the professional services provide by our Independent Auditors, Armstrong, Vaughan & Associates, P.C. We also wish to commend the county officials, department heads, and all members of the departments who assisted and contributed to the preparation of this report. Furthermore, it is important to recognize the members of the Commissioners Court for their interest and support in planning and conducting the financial operations of the County. I should also like to thank the District Judges of Guadalupe County for their unwavering support, enabling this office to perform its duties in a responsible and progressive manner. I am very honored to serve the citizens of this County and work with the outstanding officials and employees that help make Guadalupe County one of the best in Texas.

Request for Information. This financial report is designated to provide an overview of the County's finances for individuals who are interested in this information. Questions concerning any of the data provided in this report or requests for additional financial information should be addressed to the Guadalupe County Auditor, 307 W. Court, Suite 205, Seguin, Texas 78155.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kristen Klein', with a stylized flourish at the end.

Kristen Klein, CPA
Guadalupe County Auditor



GUADALUPE COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2008

PRINCIPAL OFFICIALS

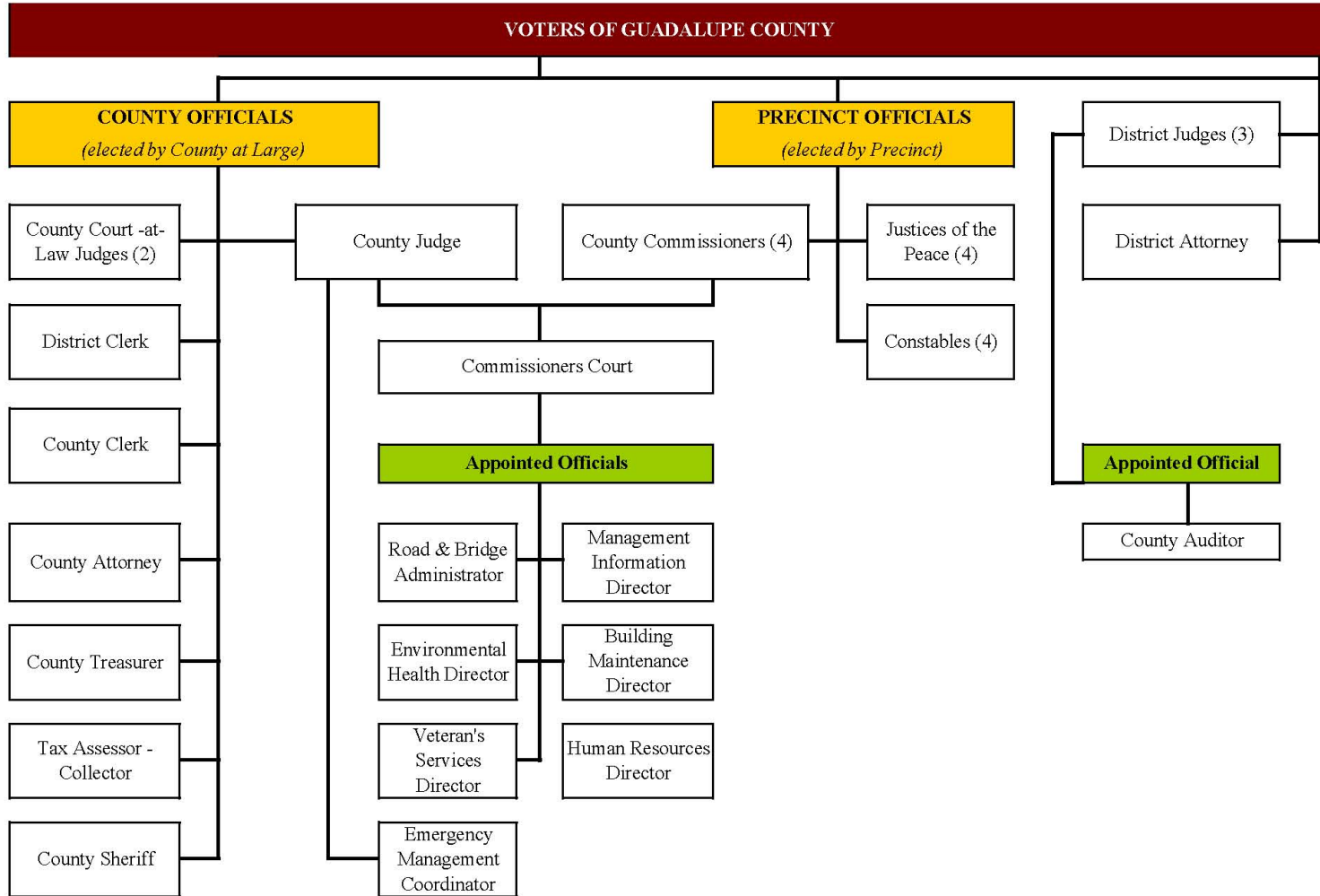
COUNTY JUDGE	MIKE WIGGINS
COMMISSIONER, PRECINCT 1	ROGER BAENZIGER
COMMISSIONER, PRECINCT 2	CESAREO GUADARRAMA III
COMMISSIONER, PRECINCT 3	JIM WOLVERTON
COMMISSIONER, PRECINCT 4	JUDY COPE
COUNTY AUDITOR	KRISTEN KLEIN
COUNTY TREASURER	LINDA DOUGLASS
ASSESSOR-COLLECTOR OF TAXES	TAVIE MURPHY
COUNTY CLERK	TERESA KIEL
DISTRICT CLERK	DEBRA CROW
SHERIFF	ARNOLD ZWICKE
COUNTY ROAD ADMINISTRATOR	LARRY TIMMERMANN
COUNTY ATTORNEY	ELIZABETH MURRAY-KOLB
DISTRICT ATTORNEY	VICKI PATILLO
COUNTY COURT-AT-LAW JUDGE	LINDA Z. JONES
COUNTY COURT-AT-LAW JUDGE NO. 2	FRANK FOLLIS

OFFICIAL ISSUING REPORT

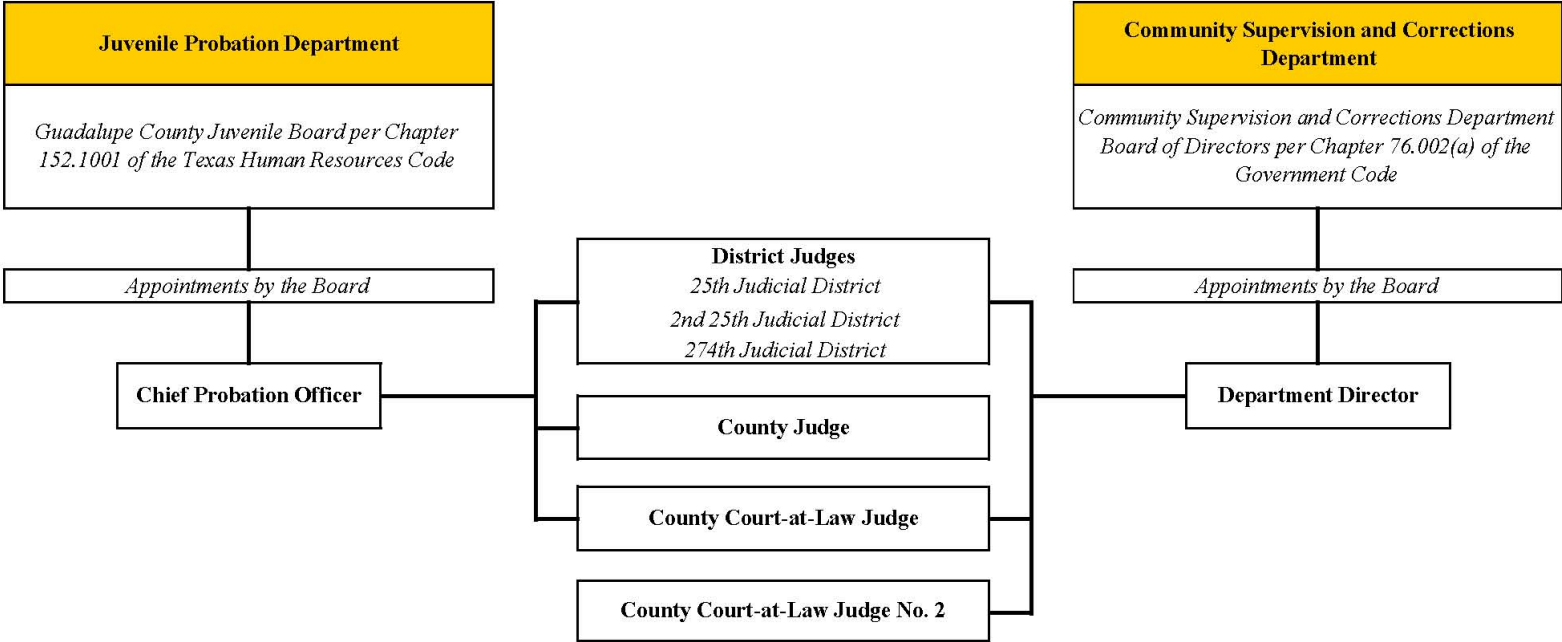
COUNTY AUDITOR



GUADALUPE COUNTY ORGANIZATIONAL CHART



SPECIALIZED LOCAL ENTITIES ORGANIZATIONAL CHART





INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and
Members of the Commissioner's Court
Guadalupe County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Guadalupe County, Texas, as of and for the year ended September 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Guadalupe County, Texas', management. Our responsibility is to express an opinion 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 Guadalupe County, Texas, as of September 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 15, 2008, on our consideration of Guadalupe County, Texas', internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 44 through 56, 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 required 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 Guadalupe County, Texas', basic financial statements. The introductory section, other supplementary information, and statistical tables are presented for purposes of additional analysis and are not a required part of these basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is also presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations* and is not a required part of the basic financial statements. The other supplementary information, as well as the Schedule of Expenditures of Federal Awards, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is 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.

A handwritten signature in black ink that reads "Armstrong, Vaughan & Assoc, P.C." in a cursive script.

Armstrong, Vaughan & Assoc., P.C.

March 16, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Guadalupe (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2008. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, basic financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

Net Assets

- The total government-wide assets of the County exceeded the liabilities at September 30, 2008 by \$55,306,689 (net assets), an increase from the previous year of 15%.
- Of this amount, \$156,723 is restricted for debt service, \$29,640,339 is invested in capital assets, net of related debt, and \$25,509,627 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

Statement of Activities

- During the year, the County's expenses were \$38,692,377, which was \$7,378,427 less than the \$46,070,804 generated in taxes and other revenues for governmental activities.

Sales Tax

- Sales tax collections for the fiscal year were \$4.7 million, which was 1.3% greater than the previous year.
- Note: January 1, 1988 the voters of Guadalupe County enacted a ½ cents (.005) sales and use tax for property tax relief. The county tax is collected in addition to state tax and any other local taxes (city, transit, and special purpose district) when applicable.

Inmate Board Bills

- Revenues from Inmate Board Bills (out of county paying inmates at the Adult Detention Facility) were \$2,587,000, which exceeded the original budget by \$787,000. However, the amount of funds received from inmate board bills in FY08 was \$731,000 less than FY07.
- The reduction in board bill revenue was a result of the closure of "A Hall," which is an older section of the Adult Detention Facility, for a renovation project. This section of the facility holds 97 inmates and the project is schedule for completion in the March of 2009.

Other Revenues

- The general fund current property taxes collected was \$20,632,000 which was less than the budgeted amount by 1.6%, for a total amount under budget of \$338,000.
- The County received \$107,400 more than anticipated in vehicle registration. This was due to the changes in Tax Code Section 152.123 and Transportation Code Section 502.1025 which established a schedule for shifting from registration fees to motor vehicle sales and use tax collections and TERP tax surcharge collections and changes the recipient of the funds from Road and Bridge Fund to the General Fund.
- The County Clerk fees of office were \$736,600, which was 12.7% less than the previous year. This decrease is attributable to a reduction of multiple items, including property recording deed transactions, vital statistic filings, and civil cases.
- Interest income for the general fund was \$641,800, which was over 24.2% less than the previous year. This decrease is attributable mainly to the decrease in the federal funds rate. (The federal funds rate, set by the Federal Reserve, was at 5.25% in October 1, 2006 however beginning in January 2008 began decreasing steadily and was down to 2.0% by September 30, 2008.)

- The County received \$400,000 in the settlement of *Guadalupe County V. Burns Fletcher Gill Architects*, (Cause No. 05-0184-CV) regarding the 1999 construction of the Law Enforcement Center and Adult Detention Facility.

Services

- The total services provided by the County were virtually unchanged from last year, and no new programs were added this year.

Fund Balance

- The general fund unreserved fund balance of \$10.3 million equals 30% of the FY 2008 total general fund original budget. The county’s target budgetary fund balance target is 25% to 33% (three to four months) of operating revenue. (A portion of the unreserved fund balance is planned to be used to reduce the property tax rate to offset the increase from the tax anticipation notes that the commissioners court plans to issue for the renovation of the Justice Center.)

Long-term Debt

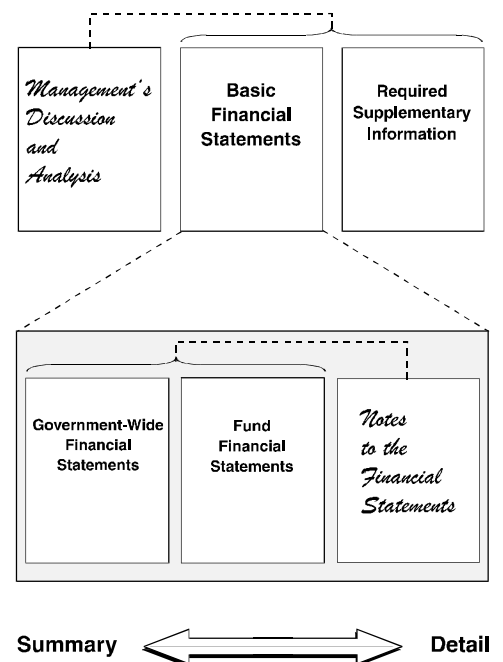
- The County did not incur any additional debt. The total principal amount of long term debt outstanding, for the two outstanding debt issues, was \$10,865,000 as of September 30, 2008. The County is planning to issue Tax Anticipation Notes for the remodeling/renovation of the Justice Center and for the construction of an adjacent parking garage.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Figure A-1F, Required Components of the County’s Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2. Major Features of the County's Government-wide and Fund Financial Statements

<i>Type of Statements</i>	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire County's government (except fiduciary funds) and the County's component units	The activities of the County that are not proprietary or fiduciary	Activities the County operates similar to private businesses: self insurance	Instances in which the county is the trustee or agent for someone else's resources
<i>Required financial statements</i>	• Statement of net assets	• Balance Sheet	• Statement of net assets	• Statement of fiduciary net assets
	• Statement of activities	• Statement of revenues, expenditures & changes in fund balances	• Statement of revenues, expenses & changes in fund net assets • Statement of cash flows	Statement of changes in fiduciary net assets
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term, the Agency's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

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

Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County (except for infrastructure) and all liabilities. Additionally, certain adjustments have occurred to eliminate interfund transactions.

The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

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

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, judicial, public safety, infrastructure, etc. Property taxes and charges for services finance most of these activities.

Fund Financial Statements

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

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

The County has the following kinds of funds:

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

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net assets. The County's combined net assets were \$55,306,689 at September 30, 2008. (See Table A-1).

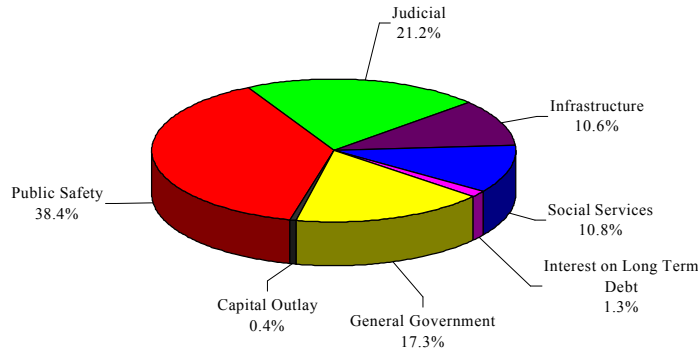
Table A-1
Guadalupe County's Net Assets
(In millions/thousands dollars)

	Governmental Activities		Total	
	2008	2007	2008	2007
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 23.9	\$ 20.9	\$ 23.9	\$ 20.9
<i>Receivables:</i>				
Taxes	1.4	1.5	1.4	1.5
Accounts	2.2	3.0	2.2	3.0
Prepaid Expenses	0.4	0.4	0.4	0.4
Deferred Charges	0.2	0.2	0.2	0.2
Deposits				
Inventories - Supplies and Materials (at Cost)	0.2	0.1	0.2	0.1
Bond Issue Costs	-	-	-	-
<i>Total Current Assets:</i>	<u>28.3</u>	<u>26.1</u>	<u>28.3</u>	<u>26.1</u>
<i>Non-Current Assets:</i>				
Land	1.3	1.3	1.3	1.3
Infrastructure - Roads	16.6	14.7	16.6	14.7
Infrastructure - Bridges	1.3	1.3	1.3	1.3
Buildings and Improvements	27.0	26.4	27.0	26.4
Furniture and Equipment	10.8	10.1	10.8	10.1
Construction in Progress	1.4	0.0	1.4	0.0
Less: Accumulated Depreciation	(18.0)	(16.7)	(18.0)	(16.7)
<i>Total Non-Current Assets:</i>	<u>40.4</u>	<u>37.1</u>	<u>40.4</u>	<u>37.1</u>
<i>Total Assets</i>	<u>\$ 68.7</u>	<u>\$ 63.2</u>	<u>\$ 68.7</u>	<u>\$ 63.2</u>
<i>Current Liabilities:</i>				
Accounts Payable and				
Accrued Liabilities	\$ 1.5	\$ 3.0	\$ 1.5	\$ 3.0
Accrued Wages & Benefits	0.5	-	0.5	-
Deferred/Unearned Revenue	0.1	0.1	0.1	0.1
Accrued Interest Payable	0.1	0.1	0.1	0.1
Due to Other Governments	-	0.2	-	0.2
<i>Total Current Liabilities</i>	<u>2.2</u>	<u>3.4</u>	<u>2.2</u>	<u>3.4</u>
<i>Long-Term Liabilities:</i>				
Long Term Debt	11.2	11.8	11.2	11.8
<i>Total Liabilities</i>	<u>13.4</u>	<u>15.2</u>	<u>13.4</u>	<u>15.2</u>
<i>Net Assets:</i>				
Invested in Capital Assets	29.6	25.7	29.6	25.7
Reserved for Inventory	-	-	-	-
Reserved for Debt Service	0.2	0.3	0.2	0.3
Restricted for Prepaid Insurance	-	-	-	-
Restricted for Workers Comp Claims	-	-	-	-
Unrestricted	25.5	22.0	25.5	22.0
<i>Total Net Assets</i>	<u>\$ 55.3</u>	<u>\$ 48.0</u>	<u>\$ 55.3</u>	<u>\$ 48.0</u>

The County's assets exceeded liabilities by \$55.3 million at the close of the current fiscal year. Of this amount \$29.6 million represents the portion the County has invested in capital assets (e.g. land, buildings, machinery and equipment), net of accumulated depreciation less any outstanding debt used to construct or acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these

funds are not available for future spending. An additional portion of the County's net assets, \$156,723, represents funds that are restricted to the Debt Service Fund. These proceeds are raised from property taxes and are restricted for payment of the long-term debt (certificates of obligation and bonds) owed by the County.

Figure A-4 County Expenditures for Fiscal Year 2008

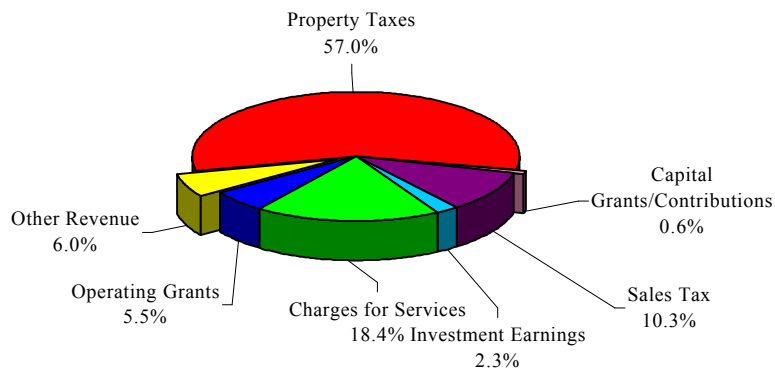


Statement of Activities - Expenditures

The total cost of all programs and services was \$38,692,377 (See Figure A-5). Of these costs 38% are for Public Safety, 21% for Judicial, 17% for General Government and 12% for Infrastructure.

- General Government includes the general administration, Commissioners Court, Auditor's Office, County Treasurer, Tax Assessor Collector, and Elections Administration.
- Public Safety includes the Sheriff's office, Constables, County Jail, Community Supervision and Corrections (Adult Probation), Juvenile Probation and Detention Service, Fire Protection costs, Emergency Management and County's expenses related to the Department of Public Safe.
- Judicial includes the judicial branch (justice, county and district courts).
- Infrastructure includes the Road and Bridge department.
- Social Services include EMS, indigent health care, Veteran's Services Office, Senior Volunteers, Animal Control, Collection Stations and Environmental Health.
- Conservation includes Agricultural Extension Service and Soil and Water Conservation departments.

Figure A-5 County Revenues for Fiscal Year 2008



Statement of Activities - Revenues.

The County's total revenues were \$46,070,804. A significant portion, 72%, of the County's revenue comes from taxes, including primarily property tax and sales tax. (See Figure A-4). Other revenue sources include 18% from charges for services, with only 6% from grants and contributions.

Table A-2
Changes in Guadalupe County's Net Assets
(In millions/thousands dollars)

	Governmental Activities		Total	
	2008	2007	2008	2007
Program Revenues:				
Charges for Services	\$ 8.5	\$ 10.0	\$ 8.5	\$ 10.0
Operating Grants and Contributions	2.5	2.7	2.5	2.7
Capital Grants and Contributions	0.3	-	0.3	-
General Revenues:				
Property Taxes	26.3	25.2	26.3	25.2
Sales Tax	4.7	4.7	4.7	4.7
Other Taxes	2.3	0.1	2.3	0.1
Investment Earnings	1.1	1.2	1.1	1.2
Special Item-Loss on Disposal of Capital Assets	-	(0.8)	-	(0.8)
Other	0.4	0.1	0.4	0.1
Total Program Revenues:	46.1	43.2	46.1	43.2
General Government	6.7	5.9	6.7	5.9
Judicial	8.2	7.5	8.2	7.5
Public Safety	14.9	13.8	14.9	13.8
Infrastructure	4.1	4.3	4.1	4.3
Social Services	4.2	4.4	4.2	4.4
Capital Outlay	0.1	0.4	0.1	0.4
Interest on Long Term Debt	0.5	0.5	0.5	0.5
Total Expenses	38.7	36.8	38.7	36.8
 Increase (Decrease) in Net Assets	 \$ 7.4	 \$ 6.4	 \$ 7.4	 \$ 6.4

Table A-3 presents the cost of each of the County's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all *governmental* activities this year was \$36.8 million.
- However, the amount that our taxpayers paid for these activities through property taxes was \$25.2 million.
- The cost paid by those who directly benefited from the programs was \$10.0 million.
- The total received by the County for grants and contributions was \$2.7 million.

Table A-3
 Net Cost of Selected County Functions
(In millions of dollars)

	Total Cost of Services		Net Cost of Services	
	2008	2007	2008	2007
General Government	6.7	5.9	(3.9)	(2.5)
Judicial	8.2	7.5	(5.7)	(5.3)
Public Safety	14.8	13.8	(11.0)	(9.2)
Infrastructure	4.1	4.3	(3.3)	(3.5)
Social Services	4.2	4.4	(2.9)	(2.7)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

General Fund and Major Funds Budgetary Highlights

Over the course of the year, the County revised its budget 106 times compared to the previous year's budget of 142 times, a 25% decrease in number of budget amendments. This reduction was primarily due to a change in the change in fiscal policy. The major unanticipated expenditures were as follows:

- The County amended the budget to transfer funds from the General Fund to the Capital Projects Fund to fund part of the costs for the Justice Center renovation (\$1,500,000) and the Schertz Annex addition (\$78,000).
- The bid for the renovation of the "A Hall" (an older section of the Adult Detention Facility) came in higher than budget. The increase of \$600,000 was funded through General Fund unreserved fund balance.
- Escalating gas prices required the County to amend its budget \$350,000 for the gasoline/fuel budgets for county vehicles for the Road and Bridge Department.
- The County amended the Employee Health Benefits Fund, by \$310,000 for additional expenses, however the additional funds were not needed.
- The Adult Detention Center (Jail) did a budget amendment to transfer funds from personnel and operation to fund the replacing the kitchen flooring with skid resistant flooring and to add a curb to the inmate shower stalls.
- In October 2007, the County created a new Human Resources department. This department was funded through budgeted contingency funds (\$74,000).

Major items affecting revenues were as follows:

- Interest earnings were less than expected by \$258,000.
- Property tax collections were less than budget by \$338,000.
- Inmate Board Bills (revenue from inmates from other jurisdictions) exceeded the original budget by \$787,000.

In the original budget, the expenditures equaled revenues. Historically the County departments have been careful when expending of their budgets, leaving 1-2% of their expenditure budget remaining at the end of the year. That accompanied by the conservative approach to estimating revenues, therefore it could be reasonably estimated that the County would not decrease their fund balance during the fiscal year.

However, due to the funding of major projects like the Justice Center renovation, and other amendments noted above, the General Fund unreserved fund balance decreased by \$324,000, which differs the predicted increase of previous years.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2008, the County had invested \$40.4 million in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of \$3.3 million or 9% percent more than last year.

Table A-4
County's Long-Term Debt
(In thousands dollars)

	Governmental Activities		Total	
	2008	2007	2008	2007
Land	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3
Infrastructure - Roads	16.6	14.7	16.6	14.7
Infrastructure - Bridges	1.3	1.3	1.3	1.3
Buildings and Improvements	27.0	26.4	27.0	26.4
Construction In Progress	1.4	-	1.4	-
Equipment	10.8	10.1	10.8	10.1
Totals at Historical Cost	58.4	53.8	58.4	53.8
Total Accumulate Depreciation	(18.0)	(16.7)	(18.0)	(16.7)
Net Capital Assets	<u>\$ 40.4</u>	<u>\$ 37.1</u>	<u>\$ 40.4</u>	<u>\$ 37.1</u>

The County has elected to report infrastructure using the depreciation method for the bridges and the "Modified Approach," as defined by the Government Accounting Standards Board Statement No. 34, for reporting the 693 miles county roads, right-of-way and culverts.

In order to meet the requirements of the "Modified Approach," the Guadalupe County Road and Bridge Department performs condition assessments of county road continually throughout the year and evaluates and prioritizes the results annually. The condition of the road pavement is measured using the Pavement Condition Ratings and Images (PCR) management system, which is based on a weighted average of six distress factors found in pavement surfaces. The County has made a commitment to incur the maintenance expenses necessary to preserve 80% of its road system at a good (3.3) or better condition level, on a scale of zero to five with five as the highest. For the 2007-2008 fiscal year, the County had 97% of the County roads at this level or above. See the *Infrastructure Assets (Roads) Under the Modified Approach* in the Required Supplementary Information after the Notes for more information.

Capital Projects/Expenditures for FY09

The County's fiscal year 2008 Capital Projects Fund estimates spending \$9,005,000 for capital projects, the major projects are as follows:

- \$8,900,000 – Renovation of the Justice Center and construction of a new parking garage (anticipated funding through proceeds from Tax Anticipation Notes)
- \$325,000 – Animal Control Facility
- \$75,000 – Elections Department building
- \$70,000 – Construction of an additional floor in the Records Storage/Maintenance building.
- \$35,000 – Completion of the new financial software and hardware, a multi year project

The Road and Bridge fund has budgeted \$273,000 in capital equipment purchases for replacement equipment and vehicles for the Road and Bridge Department. The General Fund has budgeted \$268,000 for new vehicles for the Sheriff’s office. More detailed information about the County’s capital assets is available under the ‘Capital Outlay’ in the County’s Budget.

Bond Ratings

The County’s bonds presently carry “AAA” ratings with underlying ratings as follows: Moody’s Investor Services “A1” and Standard & Poors “AAA”.

Long Term Debt

At year-end the County had \$11.5 million in bonds and notes outstanding as shown in Table A-5. More detailed information about the County’s debt is presented in the Notes to the financial statements.

Table A-5
County's Long Term Debt
(In millions of dollars)

	Governmental Activities		Total	
	2008	2007	2008	2007
1999 Certificates of Obligation	\$ 1.50	\$ 2.30	\$ 1.50	\$ 2.30
2005 Refunding Bonds	9.2	9.3	9.2	9.3
Compensated Absences	0.4	0.3	0.4	0.3
	<u>\$ 11.10</u>	<u>\$ 11.90</u>	<u>\$ 11.10</u>	<u>\$ 11.90</u>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The annual budget is developed to provide efficient, effective and economic uses of the County’s resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Commissioners Court sets the direction of the county, allocates its resources, and establishes its priorities.

In calculating the taxes for the FY09 budget, as of July 25, 2008, Guadalupe County had a net taxable appraised value, freeze adjusted, of \$7.0 billion. The net taxable value includes new improvements/construction of \$427 million.

These indicators were taken into account when adopting the general fund budget for 2008. Property tax revenue increased due to new property and tax increase over the effective tax rate of 6.02%, which set tax rate for the new fiscal year at \$0.3895 per hundred dollar valuation. Before the adjustment for newly added property, the effective tax rate adjusts to only allow the county to receive the same tax levy as the previous year. Therefore, additional property tax revenue is generated from new property and tax rate increases in accordance with the State of Texas’ Truth-In Taxation laws.

The general operating fund spending increases in the 2009 budget to \$36.7 from \$34.9 million in the 2008 budget. This is a 5.3% increase. The largest increases are from additional staffing, raises for existing employees, increased cost of oil and oil related products (oil, gasoline, diesel, asphalt, etc.) and construction and renovation projects. Included in the FY09 budget are a number of construction and renovation projects that address the growth issues of the County and the need to maintain the County’s infrastructure. These projects include the renovation of the Economy Furniture Building into a Justice Center for the court system, the construction of an Animal Control Facility and the construction of an Elections Department Building.

In order to help fund current and future construction and renovation projects, the County adopted a budget with the intent that there would be a net increase estimated in fund balance between budgeted revenues and budgeted expenditures. The additional funds, a portion of the current fund balance, and debt will be used to fund current and future construction and renovation projects.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office at:

County of Guadalupe, Texas
Office of County Auditor
County Administration Building
307 W. Court, Suite 205
Seguin, Texas 78155
(830) 303-4188 Ext. 328



GUADALUPE COUNTY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2008

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
 - Governmental funds
 - Proprietary (Internal Service) funds
 - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.



GUADALUPE COUNTY, TEXAS
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2008

ASSETS	<u>Governmental Activities</u>
Cash and Investments	\$ 23,879,383
Receivables (Net of Allowances for Uncollectibles)	
Taxes	1,363,691
Other Receivables	2,234,930
Due From Other Governments	3,700
Inventories	169,500
Prepays	433,138
Deferred Charges	183,380
Capital Assets:	
Land	1,262,410
Infrastructure:	
Roads	16,565,483
Bridges	1,322,350
Buildings and Improvements	27,033,217
Equipment	10,843,847
Construction in Progress	1,413,833
Accumulated Depreciation	<u>(18,037,856)</u>
 TOTAL ASSETS	 <u>\$ 68,671,006</u>

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
STATEMENT OF NET ASSETS (CONTINUED)
SEPTEMBER 30, 2008

LIABILITIES AND NET ASSETS	<u>Governmental Activities</u>
<i>Liabilities:</i>	
Accounts Payable and Other Current Liabilities	\$ 1,484,789
Accrued Wages & Benefits	494,666
Deferred/Unearned Revenue	91,859
Accrued Interest Payable	72,163
Due to Other Governments	22,792
<i>Noncurrent Liabilities:</i>	
Due Within One Year	1,210,826
Due in More than One Year	9,987,222
<i>Total Liabilities</i>	<u>13,364,317</u>
<i>Net Assets:</i>	
Invested in Capital Assets, Net of Related Debt	29,640,339
Restricted for:	
Debt Service	156,723
Unrestricted	25,509,627
<i>Total Net Assets</i>	<u>55,306,689</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 68,671,006</u></u>

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

<u>Functions and Programs</u>	<u>Expenditures</u>	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Assets
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:					
General Government	\$ 6,706,150	\$ 2,546,800	\$ 227,125	\$ -	\$ (3,932,225)
Judicial	8,197,806	1,503,238	1,028,502	-	(5,666,066)
Public Safety	14,849,005	3,705,631	141,323	10,937	(10,991,114)
Infrastructure	4,101,436	539,205	38,807	267,223	(3,256,201)
Social Services	4,186,228	168,551	1,084,357	-	(2,933,320)
Capital Outlay	148,244	-	-	-	(148,244)
Interest on Long-Term Debt	503,508	-	-	-	(503,508)
Total Governmental Activities	<u>\$ 38,692,377</u>	<u>\$ 8,463,425</u>	<u>\$ 2,520,114</u>	<u>\$ 278,160</u>	<u>(27,430,678)</u>
General Revenues and Special Items:					
Taxes					
General Property Taxes					26,253,635
Sales Taxes					4,748,085
Other Taxes					2,270,859
Interest and Investment Earnings					1,056,795
Miscellaneous					441,014
Gain (Loss) on Disposal of Capital Assets					38,717
Total General Revenues and Special Items					<u>34,809,105</u>
Change in Net Assets					7,378,427
Net Assets at Beginning of Year					<u>47,928,262</u>
Net Assets at End of Year					<u>\$ 55,306,689</u>

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2008

ASSETS	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Juvenile Services Fund</u>	<u>Capital Projects Fund</u>
Cash and Investments	\$ 9,952,971	\$ 1,410,434	\$ 2,403,117	\$ 2,768,479
Receivables (Net of Allowances for Uncollectibles):				
Taxes	1,080,292	186,126	-	-
Other	1,654,107	20,663	35,955	-
Due from Other Governments	-	-	-	-
Due from Other Funds	137,290	20,562	1,424	-
Inventories	-	148,428	-	-
Prepaid Items	316,860	17,528	287	-
	<u>316,860</u>	<u>17,528</u>	<u>287</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 13,141,520</u>	<u>\$ 1,803,741</u>	<u>\$ 2,440,783</u>	<u>\$ 2,768,479</u>
 LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable and Other				
Current Liabilities	\$ 909,902	\$ 162,523	\$ 72,037	\$ 166,063
Due to Other Funds	8,399	2,183	357	-
Accrued Wages & Benefits	369,935	62,912	55,420	-
Due to Other Governments	22,792	-	-	-
Deferred/Unearned Revenues	1,172,151	186,126	-	-
<i>Total Liabilities</i>	<u>2,483,179</u>	<u>413,744</u>	<u>127,814</u>	<u>166,063</u>
 <i>Fund Balances:</i>				
Reserved for:				
Inventory & Prepays	316,860	165,956	287	-
Debt Service	-	-	-	-
Unreserved, reported in:				
General Fund	10,341,481	-	-	-
Road & Bridge Fund	-	1,224,041	-	-
Special Revenue Funds	-	-	2,312,682	-
Capital Projects Funds	-	-	-	2,602,416
<i>Total Fund Balances</i>	<u>10,658,341</u>	<u>1,389,997</u>	<u>2,312,969</u>	<u>2,602,416</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 13,141,520</u>	<u>\$ 1,803,741</u>	<u>\$ 2,440,783</u>	<u>\$ 2,768,479</u>

See accompanying notes to basic financial statements.

Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,606,758	\$ 19,141,759
97,273	1,363,691
105,863	1,816,588
3,700	3,700
935	160,211
21,072	169,500
2,075	336,750
<u>\$ 2,837,676</u>	<u>\$ 22,992,199</u>

\$ 68,816	\$ 1,379,341
20,603	31,542
5,173	493,440
-	22,792
97,273	1,455,550
<u>191,865</u>	<u>3,382,665</u>

23,147	506,250
59,450	59,450
-	10,341,481
-	1,224,041
2,563,214	4,875,896
-	2,602,416
<u>2,645,811</u>	<u>19,609,534</u>
<u>\$ 2,837,676</u>	<u>\$ 22,992,199</u>



GUADALUPE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS

SEPTEMBER 30, 2008

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ 19,609,534

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. 40,403,284

Internal service funds are used by management to charge costs related to employee insurance. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets. 4,624,321

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 1,363,688

Outstanding receivables for the district and county clerks are not considered a current financial resource and therefore not represented in the fund statements 392,693

Unamortized bond issue costs are not available to pay for current-period expenditures and, therefore, are not reported in the funds. 183,380

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds. (11,198,048)

Uncompensated Absences	435,103
Bonds Payable	10,865,000
Bond Premium	236,976
Deferred Difference on Bond Refunding	(339,031)

Accrued interest payable on long-term-bonds is not due and payable in the current period and, therefore, not reported in the funds. (72,163)

TOTAL NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 55,306,689

GUADALUPE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	General Fund	Road and Bridge Fund	Juvenile Services Fund	Capital Projects Fund
REVENUES				
Taxes	\$26,634,405	\$ 5,695,915	\$ -	\$ -
Licenses and Permits	135,259	38,807	-	-
Intergovernmental	1,452,218	39,333	739,061	-
Charges for Services	5,148,255	-	417,777	-
Fines and Forfeits	955,648	490,923	-	-
Miscellaneous	1,337,602	130,662	72,552	37,673
TOTAL REVENUES	<u>35,663,387</u>	<u>6,395,640</u>	<u>1,229,390</u>	<u>37,673</u>
EXPENDITURES				
<i>Current:</i>				
General Government	7,079,909	-	-	-
Judicial	4,490,855	-	3,120,866	-
Public Safety	14,280,406	-	-	-
Infrastructure	-	5,888,136	-	-
Social Services	4,038,785	-	-	-
Capital Projects/Outlay	985,189	251,256	48,769	1,476,679
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest and Other Charges	-	-	-	-
TOTAL EXPENDITURES	<u>30,875,144</u>	<u>6,139,392</u>	<u>3,169,635</u>	<u>1,476,679</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,788,243</u>	<u>256,248</u>	<u>(1,940,245)</u>	<u>(1,439,006)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	24,999	2,500,113	2,614,628
Transfers (Out)	<u>(5,139,740)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(5,139,740)</u>	<u>24,999</u>	<u>2,500,113</u>	<u>2,614,628</u>
Net Change in Fund Balance	(351,497)	281,247	559,868	1,175,622
Fund Balances at Beginning of Year	11,009,838	1,108,750	1,753,101	1,426,794
Fund Balances at End of Year	<u>\$10,658,341</u>	<u>\$ 1,389,997</u>	<u>\$ 2,312,969</u>	<u>\$ 2,602,416</u>

See accompanying notes to basic financial statements.

Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,029,717	\$ 33,360,037
-	174,066
284,876	2,515,488
650,742	6,216,774
175,487	1,622,058
341,242	1,919,731
<u>2,482,064</u>	<u>45,808,154</u>
83,338	7,163,247
289,325	7,901,046
449,185	14,729,591
-	5,888,136
138,919	4,177,704
122,247	2,884,140
745,000	745,000
467,872	467,872
<u>2,295,886</u>	<u>43,956,736</u>
<u>186,178</u>	<u>1,851,418</u>
409	5,140,149
<u>(409)</u>	<u>(5,140,149)</u>
<u>-</u>	<u>-</u>
186,178	1,851,418
2,459,633	17,758,116
<u>\$ 2,645,811</u>	<u>\$ 19,609,534</u>

GUADALUPE COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 1,851,418

Amounts reported for governmental activities in the Statement of Activities are different because:

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 outlay exceeded depreciation. 3,244,435

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (87,456)

The issuance of long-term-debt (e.g. bonds) 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. Also, governmental funds report the net effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term-debt and related items.

Bond Principal Payments 745,000

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.

Compensated Absences (50,556)

Bond Issue Costs (31,883)

Accrued Interest on Bond 5,524

Amortization of Bond Premium 21,544

Amortization of Deferred Difference on Refunding (30,821)

In the Statement of Activities, the gain or loss on the disposal of capital assets is reported, while in the governmental funds only the proceeds (if any) are reported. (4,712)

Internal service funds are used by management to charge the costs of employee insurance to individual funds. The net revenue/(loss) is reported with governmental activities. 1,715,934

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 7,378,427

GUADALUPE COUNTY, TEXAS
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS
SEPTEMBER 30, 2008

	Governmental Activities
	Internal Service Funds
ASSETS	
<i>Current Assets:</i>	
Cash and Investments	\$ 4,737,624
Receivables (Net of Allowances for Uncollectibles):	
Accounts	25,651
Due from Other Funds	9,188
Prepaid Expense	96,388
<i>Total Current Assets</i>	4,868,851
 <i>Capital Assets:</i>	
Equipment	7,384
Accumulated Depreciation	(7,384)
<i>Total Capital Assets</i>	-
 TOTAL ASSETS	\$ 4,868,851
 LIABILITIES AND NET ASSETS	
<i>Current Liabilities:</i>	
Outstanding Claims and Payables	\$ 105,448
Due to Other Funds	137,856
Accrued Wages & Benefits	1,226
TOTAL LIABILITIES	244,530
 <i>Net Assets:</i>	
Restricted for:	
Future Claims	2,908,386
Unrestricted	1,715,935
TOTAL NET ASSETS	4,624,321
 TOTAL LIABILITIES & NET ASSETS	\$ 4,868,851

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Governmental Activities <hr/> Internal Service Funds <hr/>
OPERATING REVENUES	
Premiums and Reimbursements	\$ 5,191,857
TOTAL OPERATING REVENUES	<hr/> 5,191,857 <hr/>
 OPERATING EXPENSES	
Personnel Services	86,483
Claims Paid	2,497,728
Administrative Fees	313,056
Premiums for Excess Coverage	671,429
TOTAL OPERATING EXPENSES	<hr/> 3,568,696 <hr/>
 OPERATING INCOME (LOSS)	 <hr/> 1,623,161 <hr/>
 NONOPERATING REVENUES (EXPENSES)	
Interest Income	92,773
TOTAL NONOPERATING REVENUES (EXPENSES)	<hr/> 92,773 <hr/>
 CHANGE IN NET ASSETS	 1,715,934
 NET ASSETS AT BEGINNING OF YEAR	 2,908,387
NET ASSETS AT END OF YEAR	<hr/> \$ 4,624,321 <hr/>

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Governmental Activities
	Internal Service Funds
Cash Flows From Operating Activities:	
Cash Received From Participants	\$ 5,984,695
Cash Paid for Employee Wages & Benefits	(87,560)
Cash Paid to Benefit Claims & Excess Coverage	(3,617,279)
Cash Paid Excess Coverage	(671,429)
Net Cash Provided (Used) by Operating Activities	1,608,427
 Cash Flows From Investing Activities:	
Interest Received	92,773
Net Cash Provided (Used) by Investing Activities	92,773
 Net Increase (Decrease) in Cash and Cash Equivalents	 1,701,200
 Cash and Equivalents at Beginning of Year	 3,036,424
 Cash and Equivalents at End of Year	 \$ 4,737,624
 Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ 1,623,161
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:	
(Increase) Decrease in Operating Assets:	
Accounts Receivable	792,838
Due from Other Funds	(9,188)
Prepaid Expenses	(76,387)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	(858,776)
Accrued Wages & Benefits	(1,077)
Due to Other Funds	137,856
Net Cash Provided (Used) by Operating Activities	\$ 1,608,427

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
SEPTEMBER 30, 2008

ASSETS	<u>Agency Funds</u>
Cash and Investments	\$ 3,359,891
TOTAL ASSETS	<u>\$ 3,359,891</u>
LIABILITIES & NET ASSETS	
<i>Liabilities:</i>	
Accounts Payable	\$ 1,618,183
Due to Other Governments	1,741,708
<i>Total Liabilities</i>	<u>3,359,891</u>
<i>Net Assets:</i>	
<i>Total Net Assets</i>	<u>-</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 3,359,891</u>

See accompanying notes to basic financial statements.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Proprietary type funds apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, APB opinions, and ARB pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The more significant of the County's accounting policies are described below:

1. REPORTING ENTITY

Primary Government

Guadalupe County (the County) is a public corporation and political subdivision of the State of Texas. The Commissioners Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general government (e.g. administration, judicial & legal, elections administration, and financial administration), public safety (fire protection, law enforcement and corrections), infrastructure (highways and streets), social services and conservation.

In evaluating how to define the government, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14, "The Financial Reporting Entity." The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government.

Excluded from the Reporting Entity:

Guadalupe Regional Medical Center. The Hospital is governed by a Board of Directors, appointed by Guadalupe County and the City of Seguin. The annual budget is submitted for approval to both the Seguin City Council and the Guadalupe County Commissioner's Court. The Hospital is intended to be self-supporting, however, with the County and City contingently liable for operating losses. Therefore, financial information pertaining to the Hospital is included under Note K entitled Contingencies, rather than as part of this reporting entity as it is classified as a joint venture.

The **government-wide financial statements** include the statement of net assets and the statement of activities. Government-wide statements report information on all of the activities of the County (except for County fiduciary activity). The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and charges for services.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function 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 in program revenues are reported as general revenues.

Separate **fund and financial statements** are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, Road and Bridge (Special Revenue) Fund, Juvenile Services Fund (Special Revenue), Capital Projects Fund meets the criteria as **major governmental funds**. Each major fund is reported in separate columns in the fund financial statements. Nonmajor funds include other Special Revenue and Debt Service. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within Combining and Individual Fund Statements and Schedules.

3. 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. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental fund level financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued.)

The government reports the following major governmental funds:

The General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, social services, and capital acquisition.

Road and Bridge Fund accounts for taxes assessed, along with fines and forfeitures associated with the support of the development and maintenance of County highways, streets and bridges.

Juvenile Services Fund accounts for federal and state grants and county match of grant funds for juvenile services within the County.

Capital Projects Fund accounts for money transferred from the general fund to account for the construction of the Justice Center, Election Building, A Hall and Computer Software Package.

Nonmajor funds include special revenue funds and debt service fund.

Proprietary fund level financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The County's only proprietary fund is the Internal Service Fund used to account for the County's group medical insurance program and workers compensation benefits. Revenues are derived from charges for County contributions, employee and retiree/cobra premiums, investment of idle funds and stop loss collections. Expenses are claims, premiums for stop loss coverage and administrative expenses.

The **Proprietary Fund** is accounted for using the accrual basis of accounting as follows:

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

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations (e.g. insurance payments).

Fiduciary fund level financial statements include fiduciary funds which are classified into private purpose trust and agency funds. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued.)

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business type activities subject to this same limitation. The County has elected not to follow subsequent private sector guidance.

4. CASH AND INVESTMENTS

Cash and investments include amounts in demand deposits, short-term certificates of deposit with a maturity date within three months of the date acquired by the government, and deposits in TexPool and MBIA, local government investment pools.

State statutes authorize the government to invest in obligations of the U.S. Government, federal agency and instrumentality obligations, and certificates of deposit collateralized by obligations of the U.S. Treasury. Investments are stated at fair market value, except for deposits in local government investment pools and participating interest-earning investment contracts (U.S. Treasuries) that have a remaining maturity at time of purchase of one year or less. Those investments are stated at amortized cost.

For purposes of the statement of cash flows, the Internal Service Funds consider all highly liquid investments including cash in banks, cash on hand, money market accounts, and deposits in local government investment pools to be cash equivalents.

5. ACCOUNTS RECEIVABLE

Property taxes are levied based on taxable value at January 1 and become due October 1, 2007 and past due after January 31, 2008. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

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

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

GUADALUPE COUNTY, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund statements.

7. INVENTORIES AND PREPAID ITEMS

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent “available spendable resources”.

8. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>ASSETS</u>	<u>YEARS</u>
Buildings and improvements	20 to 40 years
Improvements other than buildings	20 to 40 years
Bridges	30 to 50 years
Machinery and equipment	5 to 15 years

The County uses the modified approach to report its infrastructure assets in the government-wide statements of net assets. Road infrastructure assets in the government are listed at historical costs but they are not depreciated. Rather, under the modified approach allowed by GASB Statement No. 34, the County reports annual expenses for maintaining roads and the estimated costs for preserving them at a 3.3 level out of a 5.0 scale. Bridge infrastructure is recorded at historical costs and depreciated over the estimated life of the bridge.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. COMPENSATED ABSENCES

The County permits employees to accumulate earned but unused vacation pay benefits up to 80 hours. Upon resignation, an employee may receive pay for any unused accrued vacation provided the employee is not subject to discharge for misconduct. Unused sick leave may be accumulated to certain limits. In the event of termination, no reimbursement is made for accumulated sick leave. No liability is reported for unpaid accumulated sick leave.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

10. DEFERRED/UNEARNED REVENUE

Property tax revenues are recognized when they become both measurable and available in the fund statements. Available means when due, or past due, and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Property tax revenues not expected to be available for the current period are reflected as deferred revenue.

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grant and reimbursement revenues received in advance of expenses/expenditures are reflected as unearned revenue.

11. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. 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.

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.

12. 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. Fund reservations include encumbrances, capital projects, debt service, inventories and prepaids. Designation of fund balance represents tentative management plans that are subject to change.

GUADALUPE COUNTY, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2008

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. 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 legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

14. USE OF ESTIMATES

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

NOTE B -- DEPOSITS AND INVESTMENTS

The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledge securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

State statutes authorize the County to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. The County investments are as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
MBIA Texas Class Portfolio (Local Government Investment Pool)	\$ 11,183,311	0.12
TexPool (Local Government Investment Pool)	4,417,598	0.12
Certificates of Deposit	<u>3,000,000</u>	<u>0.93</u>
	<u>\$ 18,600,909</u>	
Portfolio Weighted Average to Maturity		<u>0.39</u>

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE B -- CASH AND INVESTMENTS (Continued)

Investment Rate Risk. The County manages investment rate risk by limiting the weighted average maturity of its investments to less than one year.

Credit Risk. The County's investment policy limits investments to obligations of the United States or its instrumentalities; direct obligation of the State of Texas, the principle and interest that are unconditionally guaranteed or insured by this state or state rated as to investment quality of not less than AAA by a nationally recognized investment rating firm.

The County may also invest its funds in state law authorized government investment pools provided the pool maintains an AAA rating, the pool maintains a stable asset value, and the average dollar weighted maturity does not exceed 90 days, and Commissioner's Court must approve of the investment. As of September 30, 2008, the investment in TexPool was rated AAAm and the investment in MBIA was rated AAA/VI+.

The County may also invest in certificates of deposit or share certificates issued by a depository institution which has its main office or a branch office in this state and is guaranteed or insured by FDIC or the NCUSIC, or is secured by collateral or other method provided for by state law.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of September 30, 2008, the government's deposits were insured and collateralized with securities held by the pledging financial institution's agent (American Bank of Texas – Marble Falls) as pledged to Guadalupe County.

Custodial Credit Risk - Investment. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2008, the County's investments were held in government investment pools.

NOTE C -- PROPERTY TAX CALENDAR

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are payable in full by the following January 31. The County bills and collects its own property taxes and also the taxes for several other taxing agencies. The County acts only as an intermediary in the collection and distribution of property taxes to other entities. Tax collections deposited for the County are distributed as collected to the General, Road and Bridge and Debt Service Funds of the County. The distribution is based upon the tax rate established for each fund by Commissioner's Court for the tax year for which the collections are made.

The County is authorized by the tax laws for the State of Texas to levy taxes up to .80 per \$100 of the assessed valuation for general government invoices and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under article 3, Section 52 of the Texas Constitution. Net taxes receivable at the end of the fiscal year are treated as deferred revenues.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE C -- PROPERTY TAX CALENDAR (Continued)

The combined tax rate assessed on the 2007 tax roll (Guadalupe County and Special Road) to finance operations and debt service for the fiscal year ended September 30, 2008, was \$.3845 per \$100 assessed valuation. The total tax levy for the fiscal year 2008 was \$22,009,651, of which \$461,852 remained outstanding in current delinquent taxes as of September 30, 2008.

NOTE D -- CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2008, was as follows:

<u>Governmental Activities</u>	Balance 9/30/2007	Additions/ Transfers	Disposals/ Transfers	Balance 9/30/2008
<i>Capital Assets Not Depreciated:</i>				
Construction in Progress	\$ 42,420	\$ 1,413,833	\$ (42,420)	\$ 1,413,833
Land	1,262,410	-	-	1,262,410
Infrastructure - Roads	14,721,898	1,876,961	(33,376)	16,565,483
<i>Total Capital Assets Not Depreciated</i>	<u>16,026,728</u>	<u>3,290,794</u>	<u>(75,796)</u>	<u>19,241,726</u>
<i>Capital Assets Being Depreciated:</i>				
Infrastructure - Bridges	1,288,974	33,376	-	1,322,350
Buildings and Improvements	26,450,006	583,211	-	27,033,217
Equipment	10,106,213	1,184,613	(446,979)	10,843,847
<i>Total Capital Assets Depreciated</i>	<u>37,845,193</u>	<u>1,801,200</u>	<u>(446,979)</u>	<u>39,199,414</u>
Totals at Historical Cost	<u>53,871,921</u>	<u>5,091,994</u>	<u>(522,775)</u>	<u>58,441,140</u>
<i>Less Accumulated Depreciation:</i>				
Infrastructure - Bridges	(305,413)	(26,054)	-	(331,467)
Buildings and Improvements	(10,041,116)	(645,389)	-	(10,686,505)
Equipment	(6,361,834)	(1,100,317)	442,267	(7,019,884)
<i>Total Accumulated Depreciation</i>	<u>(16,708,363)</u>	<u>(1,771,760)</u>	<u>442,267</u>	<u>(18,037,856)</u>
Governmental Capital Assets, Net	<u>\$ 37,163,558</u>	<u>\$ 3,320,234</u>	<u>\$ (80,508)</u>	<u>\$ 40,403,284</u>

Depreciation was charged to the governmental functions as follows:

General Government	\$ 213,756
Judicial	226,868
Public Safety	941,506
Infrastructure	27,119
Social Services	362,511
Total Depreciation Expense - Governmental Activities	<u>\$ 1,771,760</u>

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE E -- LONG-TERM DEBT

The County had the following changes in long-term debt outstanding for the year ended September 30, 2008:

	Original Issue Interest Rates	Balance Outstanding 9/30/2007	Added During Year	Retired During Year	Balance Outstanding 9/30/2008	Due Within One Year
General Long-Term Debt						
Certificate of Obligation, Series 1999	14,000,000 4.35-5.6%	\$ 2,255,000	\$ -	\$ 715,000	\$ 1,540,000	\$ 750,000
General Obligation Refunding Bonds Series 2005	9,495,000 3.25-4.00%	9,355,000	-	30,000	9,325,000	35,000
Bond Premium Series 2005		258,520	-	21,544	236,976	21,544
Less:						
Deferred Difference Refunding		(369,852)	-	30,821	(339,031)	(30,821)
Employee Compensated Absences		384,547	50,556	-	435,103	435,103
		<u>\$ 11,883,215</u>	<u>\$ 50,556</u>	<u>\$ 797,365</u>	<u>\$ 11,198,048</u>	<u>\$ 1,210,826</u>

General Obligation Refunding Bonds and Certificates of Obligation require that taxes collected for the annual principal and interest payments be deposited in an interest and sinking fund. Annual interest payments are due in semi-annual installments on February 1st and August 1st. Principal payments are due annually on August 1st.

Following is a summary of debt service requirements to maturity for long-term bonds:

Year Ending December 31,	Principal	Interest	Total Principal and Interest	Premiums	Difference on Refunding	Total
2009	785,000	433,524	1,218,524	21,544	(30,821)	1,209,247
2010	825,000	398,151	1,223,151	21,544	(30,821)	1,213,874
2011	860,000	362,625	1,222,625	21,544	(30,821)	1,213,348
2012	900,000	327,425	1,227,425	21,544	(30,821)	1,218,148
2013	940,000	327,425	1,267,425	21,544	(30,821)	1,258,148
Thereafter	6,555,000	780,813	7,335,813	129,256	(184,926)	7,280,143
	<u>\$ 10,865,000</u>	<u>\$ 2,629,963</u>	<u>\$ 13,494,963</u>	<u>\$ 236,976</u>	<u>\$ (339,031)</u>	<u>\$ 13,392,908</u>

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE F -- DEFEASEMENT OF BOND

On October 13, 2005, the county issued \$9,495,000 in General Obligation refunding bonds with an average interest rate of 3.74% to advance refund \$9,175,000 of outstanding Series 1999 Bonds which had an average interest rate of 5%. The total proceeds included \$301,608 in premium and \$186,064 in underwriting and other issuance costs. Net proceeds of \$9,606,494 were used to purchase state and local securities to be held in irrevocable trust with the escrow agent. Subsequent debt service payments on the refunded bonds will be paid from the irrevocable trust. Tax revenue will be used to pay the remaining debt service due on the unrefunded bonds of \$2,255,000. As a result, the refunded bonds are considered to be defeased as of issuance date and the liability for the defeased bonds of \$9,175,000 removed from the financial statements. The County advance refunded these bonds to benefit from declines in interest rates and achieved an economic gain of \$332,747.

NOTE G -- EMPLOYEES' RETIREMENT SYSTEM

Texas County and District Retirement System

Plan Description

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

Plan Description (Continued)

The plan provisions are adopted by the governing body of the County, 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 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 the employer.

Pension Plan Obligations

A. Plan Description

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 County 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.

GUADALUPE COUNTY, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2008

NOTE G -- EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Pension Plan Obligations (Continued)

B. Funding Policy

The employer has elected the annually determined contribution rate (Variable Rate) 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. The employer contributed using the actuarially determined rate of 9.09% for the months of the accounting year in 2007, and 8.99% for the months of the accounting year in 2008.

The deposit rate payable by the employee members for calendar year 2007 and 2008 is the rate of 7% as adopted by the governing body of the County. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

C. Annual Pension Cost

For the employer's accounting year ending September 30, 2008, the annual pension cost for the TCDRS plan for its employees was \$1,200,023 and the actual contributions were \$1,543,270.

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 valuations as of December 31, 2005 and December 31, 2006, the basis for determining contribution rates for calendar years 2007 and 2008. The December 31, 2006 actuarial valuation is the most recent valuation.

Texas County and District Retirement System (Continued)

D. Actuarial Valuation Information

Actuarial Valuation Date	<u>12/31/2005</u>	<u>12/31/2006</u>	<u>12/31/2007</u>
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, closed
Amortization Period in Years	20	15	15
Asset Valuation Method	long-term appreciation with adjustment	SAF: 10 year smoothed value:ESF Fund	SAF: 10 year smoothed value:ESF Fund
Actuarial Assumptions:			
Investment Return	8.00%	8.00%	8.00%
Projected Salary Increases	5.30%	5.30%	5.30%
Inflation	3.50%	3.50%	3.50%
Cost of Living Adjustment	0.00%	0.00%	0.00%

GUADALUPE COUNTY, TEXAS
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2008

NOTE G -- EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

D. Actuarial Valuation Information (Continued)

Trend Information

For the Retirement Plan for the Employees of Guadalupe County

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2005	\$1,243,609	100%	\$0
September 30, 2006	\$1,543,270	100%	\$0
September 30, 2007	\$1,731,396	100%	\$0

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (c)</u>	<u>UAAL as a Percentage Of Covered Payroll ((b-a)/c)</u>
12/31/2005	\$ 21,328,771	\$ 25,538,218	\$ 4,209,447	83.52%	\$ 14,816,804	28.41%
12/31/2006	25,126,801	28,638,801	3,511,649	87.74%	15,856,873	22.15%
12/31/2007	28,739,961	32,555,975	3,816,014	88.28%	17,594,185	21.69%

NOTE H -- EMPLOYEE BENEFITS

Substantially all employees of the County are compensated on an hourly basis. There are a few employees (salaried elected and appointed officials) who are compensated on a salary basis.

Vacation leave is accrued by each hourly employee of the County as follows:

1st year employed	1.5385 hours per biweekly pay period
13th month thru 10th anniversary	3.0769 hours per biweekly pay period
10 years and 1 month thru 20th anniversary	4.6154 hours per biweekly pay period
20 years plus one month forward	6.1538 hours per biweekly pay period

Earned vacation leave may be used only after 12 months of employment. Employees may accrue and retain vacation days of not more than ten (10) working days. Each year on January 1, all unused vacation leave in excess of 10 days is dropped from the employee's account without compensation. No payment is made in lieu of vacation time. As employees leave the service of the County, they will be paid for the accrued vacation leave balance up to a maximum of 10 days or 80 hours.

Sick leave accrues at the rate of 2.1538 hours per biweekly pay period, up to a maximum balance of 480 days. No payment is made for any unused sick leave. Employees are authorized personal leave of 24 hours per year. No payment is made for any unused personal leave.

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE H -- EMPLOYEE BENEFITS (Continued)

Medical insurance coverage is provided by the County at its expense for each official and full-time employee. These officials and employees may, at their own option and expense, have their families included in the insurance coverage. Dental insurance is also available and the County will pay half of the premium. All insurance is available immediately to elected and appointed officials and after three (3) months for all full-time employees. The County has elected to self-insure for this coverage (see Note L).

\$20,000 term life insurance coverage is provided to all full-time employees at County expense.

The County is required by state statute to provide workers' compensation coverage for its employees. The County has elected to self-insure for this coverage through a separate internal service fund (see Note L).

The County is also required by state statute to provide unemployment insurance coverage for its employees on either a reimbursing basis or a tax basis. To comply with this requirement, the County has elected to participate as a reimbursing employer in the Texas Association of Counties' Unemployment Insurance Fund.

The costs to the County have been substantially less than they would have been under any other option available to the County.

NOTE I -- INTERFUND RECEIVABLE/PAYABLE/TRANSFERS

During the course of its operations, the County has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of September 30, 2008, balances of interfund amounts receivable or payable have been recorded as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund		
Juvenile Services	\$ 357	\$ 1,424
Nonmajor Governmental Funds	20,573	-
Internal Service	116,360	6,975
	<u>137,290</u>	<u>8,399</u>
Road & Bridge Fund:		
Internal Service Fund	20,562	2,183
	<u>20,562</u>	<u>2,183</u>
Juvenile Services Funds:		
General Fund	1,424	357
Internal Service Fund	-	-
	<u>1,424</u>	<u>357</u>
Nonmajor Governmental Funds:		
Internal Service Fund	935	20,603
	<u>935</u>	<u>20,603</u>
Internal Service:		
General Fund	6,975	116,360
Road & Bridge Fund	2,183	20,562
Juvenile Services		
Nonmajor Fund	30	935
	<u>\$ 9,188</u>	<u>\$ 137,857</u>
Total	<u>\$ 169,399</u>	<u>\$ 169,399</u>

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE J -- OPERATING TRANSFERS

Operating transfers during the year ended September 30, 2008, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government		
General Fund	\$ -	\$ 5,139,740
Road and Bridge Fund:		
General Fund	24,999	-
	<u>24,999</u>	<u>-</u>
Juvenile Services		
General Fund	2,500,113	-
	<u>2,500,113</u>	<u>-</u>
Capital Projects Fund		
General Fund	2,614,628	-
	<u>2,614,628</u>	<u>-</u>
Nonmajor Governmental Funds		
Grant Funds	409	409
	<u>409</u>	<u>409</u>
 Total	 <u>\$ 5,140,149</u>	 <u>\$ 5,140,149</u>

NOTE K -- COMMITMENTS AND CONTINGENCIES

Litigation

The County is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the County's liability in these cases, if decided adversely to the County, will not have a material effect on the County's financial position.

Guadalupe Regional Medical Center

Guadalupe County is contingently liable for 50% of operating deficits produced by Guadalupe Valley Hospital, if any, with the City of Seguin contingently responsible for the remainder. In addition, the County would be responsible for 50% of any long-term obligations should the Hospital be in default (See Note A1). The following is a summary of financial data as reported in the Guadalupe Valley Hospital's most recent audited financial statements dated September 30, 2008:

ASSETS:	
Current Assets	\$ 13,026,196
Other Assets	95,969,329
Property, Plant and Equipment (Net)	<u>35,864,058</u>
TOTAL ASSETS	<u>\$ 144,859,583</u>
LIABILITIES & NET ASSETS	
Current Liabilities	\$ 7,657,254
Other Liabilities	<u>103,540,026</u>
TOTAL LIABILITIES	<u>111,197,280</u>
Net Assets	<u>33,662,303</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 144,859,583</u>

GUADALUPE COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE K -- COMMITMENTS AND CONTINGENCIES (Continued)

Guadalupe Regional Medical Center (Continued)

Operating Revenues:	
Net Revenues from Patient Services	\$ 62,172,847
Other Operating Revenues	<u>1,029,134</u>
Total Operating Revenues	63,201,981
Operating Expenses	<u>58,431,793</u>
Operating Income	4,770,188
Nonoperating Revenues and (Expenses)	529,435
Increase (Decrease) in Net Assets	<u><u>\$ 5,299,623</u></u>

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County carries commercial insurance for all such risks. During the year ended September 30, 2008, settled claims resulting from these risks did not exceed commercial insurance coverage.

Federal Financial Assistance

The County receives significant financial assistance from the U.S. Government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to audits by the grantors. Findings from these audits could result in disallowances that become a liability of the fund that received the grant.

GUADALUPE COUNTY, TEXAS
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2008

NOTE L -- SELF-INSURANCE FUND

1. Medical Benefits Fund

The County has established a medical self-insurance fund to pay medical, dental and claims of all full-time County employees and their covered dependents, and to minimize the total cost of annual medical insurance to the County. The costs are accounted for as quasi-external interfund transactions. Premium rates are established by an actuary, and recorded as expenditures of the governmental fund paying them. Corresponding revenues are recorded in the self-insurance fund, with actual claims paid from the self-insurance fund recorded as an expense.

The County has assumed the risk of claims up to \$75,000 per employee/dependent unit per annum up to an aggregate claim for all County employees/dependents of \$1,000,000 for 2008. Claims over and above these amounts were insured by a private insurance carrier. The County is also responsible for employees who are deemed uninsurable by the private carrier or have been assigned separate specific retentions and aggregate loss fund limitations. As of September 30, 2008, the County had four participants in this category, with specific deductibles of \$225,000, \$200,000, \$150,000 and \$75,000, respectively.

As of September 30, 2008, outstanding claims amounted to \$92,055 and were recorded as a current liability of the medical benefit fund. A reconciliation of outstanding claims is as follows:

Outstanding Claims at October 1, 2007	\$ 956,560
Claims Submitted for FY 2008	1,516,703
Claims Paid	<u>(2,381,208)</u>
 Outstanding Claims at September 30, 2008	 <u><u>\$ 92,055</u></u>

2. Workers' Compensation Fund

In January 2008, the County eliminated the self funded Workman's Compensation Fund and has contracted with the Texas Association of Counties (TAC) to handle the workman's compensation claims process. However, the County will be responsible for the outstanding claims as a result of the self insured funds until those claims are fully paid.

The County will continue to pay the outstanding claims as a result of the self funded insurance until the time they entered into the aforementioned contract with the Texas Association of Counties. As of September 30, 2008, outstanding claims amounted to \$13,393 and were recorded as a current liability of the workers' compensation fund. Also, based on actuarial calculations, the estimated reserve for future claims is \$779,056 which has been recorded as a reserve in the workers' compensation fund as of September 30, 2008.

GUADALUPE COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2008

NOTE M -- COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year has been provided for the Governmental wide statement of activities and Governmental fund types in the fund financial statements in order to provide an understanding of the changes in the financial position and operation of these funds.

Certain reclassifications have been made to the 2007 financial statements to conform to the 2008 financial statement presentation. The reclassifications had no effect on the changes in financial position.

NOTE N -- SUBSEQUENT EVENTS

In January 2009 the Commissioners' Court approved offering retiree medical insurance to employees who retire from Guadalupe County. The cost for retirees will be the current Cobra Cost. The program will result in no additional expense to the County. At age sixty five, employees will no longer be eligible to continue with the County insurance plan. A supplemental insurance policy may then be obtained from the County Silver Choice program.

In January 2009 the County approved participation in an agreement with Tyler Technologies for the installation, maintenance and support of the Odyssey software programs for approximately \$1,586,695 to be paid over the next three years as the program is implemented in several stages.

In January 2009 the County signed a "guaranteed maximum price" contract with the Koehler Company for \$7,972,000 for the construction of the Justice Center and parking lot on 211 West Court Street.

On March 3, 2009, the Commissioners' Court approved authorizing the issuance of Tax Notes, Series 2009 for \$9,900,000.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules – General Fund
- Budgetary Comparison Schedule – Road and Bridge Fund
- Budgetary Comparison Schedule – Juvenile Services Fund
- Notes to Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
- Infrastructure Assets Under Modified Approach
- Schedule of Funding Progress Defined Benefit Retirement Plan

GUADALUPE COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE TOTALS FOR 2007)

	Budget Amounts		2008 Actual	Variance With Final Budget	2007 Actual
	Original	Final		Positive (Negative)	
REVENUES					
Taxes	\$ 26,526,500	\$ 26,419,500	\$ 26,634,405	\$ 214,905	\$ 23,864,444
Licenses and Permits	534,900	529,200	135,259	(393,941)	461,666
Intergovernmental	1,494,133	1,177,604	1,452,218	274,614	1,296,294
Charges for Services	4,449,652	4,721,960	5,148,255	426,295	6,208,153
Fines and Forfeits	954,000	954,000	955,648	1,648	917,508
Miscellaneous	913,000	1,111,400	1,337,602	226,202	1,195,475
TOTAL REVENUES	34,872,185	34,913,664	35,663,387	749,723	33,943,540
EXPENDITURES					
General Government	7,056,602	7,728,010	7,079,909	648,101	4,423,886
Judicial	4,740,970	4,828,976	4,490,855	338,121	4,056,334
Public Safety	15,506,410	15,409,097	14,280,406	1,128,691	12,928,502
Social Services	4,096,730	4,124,684	4,038,785	85,899	3,887,864
Capital Outlay	633,251	1,040,475	985,189	55,286	2,045,997
TOTAL EXPENDITURES	32,033,963	33,131,242	30,875,144	2,256,098	27,342,583
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,838,222	1,782,422	4,788,243	3,005,821	6,600,957
OTHER FINANCING SOURCES (USES)					
Transfers In	-	23,424	-	(23,424)	-
Transfers Out	(2,825,113)	(3,937,649)	(5,139,740)	(1,202,091)	(3,938,701)
TOTAL OTHER FINANCING SOURCES (USES)	(2,825,113)	(3,914,225)	(5,139,740)	(1,225,515)	(3,938,701)
Net Change in Fund Balance	13,109	(2,131,803)	(351,497)	1,780,306	2,662,256
Fund Balance at Beginning of Year	11,009,838	11,009,838	11,009,838	-	8,347,582
Fund Balance at End of Year	\$ 11,022,947	\$ 8,878,035	\$ 10,658,341	\$ 1,780,306	\$ 11,009,838

GUADALUPE COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
GENERAL GOVERNMENT				
<i>General Administration:</i>				
<i>County Judge:</i>				
Personal Services	\$ 158,712	\$ 171,309	\$ 169,537	\$ 1,772
Operations	8,250	10,450	6,507	3,943
<i>Total County Judge</i>	<u>166,962</u>	<u>181,759</u>	<u>176,044</u>	<u>5,715</u>
<i>County Commissioners:</i>				
Personal Services	322,161	268,433	263,988	4,445
Operations	33,345	85,046	76,072	8,974
<i>Total County Commissioners</i>	<u>355,506</u>	<u>353,479</u>	<u>340,060</u>	<u>13,419</u>
<i>County Clerk:</i>				
Personal Services	842,051	842,051	778,258	63,793
Operations	82,750	73,550	24,969	48,581
Capital Outlay	-	12,000	30,027	(18,027)
<i>Total County Clerk</i>	<u>924,801</u>	<u>927,601</u>	<u>833,254</u>	<u>94,347</u>
<i>General Expense:</i>				
(Non-Departmental)				
Personal Services	45,000	45,000	3,528	41,472
Operations	1,485,368	2,069,427	1,807,772	261,655
<i>Total General Expense</i>	<u>1,530,368</u>	<u>2,114,427</u>	<u>1,811,300</u>	<u>303,127</u>
<i>Facility Operations/Repairs:</i>				
Personal Services	453,815	453,815	441,637	12,178
Operations	180,640	221,190	210,377	10,813
<i>Total Facility Operations/Repairs</i>	<u>\$ 634,455</u>	<u>\$ 675,005</u>	<u>\$ 652,014</u>	<u>\$ 22,991</u>

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
GENERAL GOVERNMENT				
<i>General Administration:</i>				
<i>Computer Operations/Repairs:</i>				
Personal Services	\$ 395,232	\$ 395,232	\$ 389,892	\$ 5,340
Operations	708,679	716,479	631,897	84,582
Capital Outlay	59,000	68,000	67,990	10
<i>Total Computer Operations/Repairs</i>	<u>1,162,911</u>	<u>1,179,711</u>	<u>1,089,779</u>	<u>89,932</u>
 <i>Total General Administration</i>	 <u>4,775,003</u>	 <u>5,431,982</u>	 <u>4,902,451</u>	 <u>529,531</u>
 <i>Elections Administration:</i>				
Personal Services	332,602	332,602	297,339	35,263
Operations	121,466	145,466	147,536	(2,070)
<i>Total Elections Administration</i>	<u>454,068</u>	<u>478,068</u>	<u>444,875</u>	<u>33,193</u>
 <i>Financial Administration:</i>				
<i>County Auditor:</i>				
Personal Services	486,585	486,585	473,241	13,344
Operations	28,000	28,000	22,543	5,457
<i>Total County Auditor</i>	<u>514,585</u>	<u>514,585</u>	<u>495,784</u>	<u>18,801</u>
 <i>County Treasurer:</i>				
Personal Services	253,890	244,883	236,001	8,882
Operations	26,025	35,800	32,450	3,350
Capital Outlay	10,520	9,752	9,742	10
<i>Total County Treasurer</i>	<u>290,435</u>	<u>290,435</u>	<u>278,193</u>	<u>12,232</u>
 <i>Human Resources Dept:</i>				
Personal Services	61,538	61,538	61,681	(143)
Operations	16,950	16,950	13,623	3,327
<i>Total Human Resources Dept.</i>	<u>78,488</u>	<u>78,488</u>	<u>75,304</u>	<u>3,184</u>
 <i>County Tax Assessor-Collector:</i>				
Personal Services	920,668	925,329	896,567	28,762
Operations	92,875	98,875	94,494	4,381
<i>Total County Tax Assessor-Collector</i>	<u>1,013,543</u>	<u>1,024,204</u>	<u>991,061</u>	<u>33,143</u>
 <i>Total Financial Administration</i>	 <u>1,897,051</u>	 <u>1,907,712</u>	 <u>1,840,342</u>	 <u>67,360</u>
TOTAL GENERAL GOVERNMENT	<u>\$ 7,126,122</u>	<u>\$ 7,817,762</u>	<u>\$ 7,187,668</u>	<u>\$ 630,084</u>

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

JUDICIAL	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
<i>County Court at Law:</i>				
Personal Services	\$ 521,419	\$ 521,419	\$ 517,551	\$ 3,868
Operations	251,849	251,849	225,208	26,641
<i>Total County Court at Law</i>	773,268	773,268	742,759	30,509
 <i>District Courts:</i>				
Personal Services	389,774	384,830	384,138	692
Operations	591,548	596,421	433,181	163,240
<i>Total District Courts</i>	981,322	981,251	817,319	163,932
 <i>District Clerk:</i>				
Personal Services	548,381	539,881	523,369	16,512
Operations	48,526	48,526	46,442	2,084
Capital Outlay	10,520	19,020	17,736	1,284
<i>Total District Clerk</i>	607,427	607,427	587,547	19,880
 <i>Justice of the Peace - Precinct 1:</i>				
Personal Services	272,526	272,526	270,148	2,378
Operations	34,170	34,170	29,379	4,791
<i>Total Justice of the Peace - Precinct 1</i>	306,696	306,696	299,527	7,169
 <i>Justice of the Peace - Precinct 2:</i>				
Personal Services	149,079	149,079	148,774	305
Operations	8,250	8,250	6,820	1,430
<i>Total Justice of the Peace - Precinct 2</i>	157,329	157,329	155,594	1,735
 <i>Justice of the Peace - Precinct 3:</i>				
Personal Services	148,160	148,160	144,930	3,230
Operations	7,207	7,207	5,597	1,610
<i>Total Justice of the Peace - Precinct 3</i>	\$ 155,367	\$ 155,367	\$ 150,527	\$ 4,840

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
JUDICIAL (Cont.)				
<i>Justice of the Peace - Precinct 4:</i>				
Personal Services	\$ 189,256	\$ 189,436	\$ 184,598	\$ 4,838
Operations	21,850	21,850	16,730	5,120
<i>Total Justice of the Peace - Precinct 4</i>	<u>211,106</u>	<u>211,286</u>	<u>201,328</u>	<u>9,958</u>
 <i>Juvenile Probation:</i>				
Personal Services	28,083	28,083	27,920	163
Operations	-	91,600	75,546	16,054
<i>Total Juvenile Probation</i>	<u>28,083</u>	<u>119,683</u>	<u>103,466</u>	<u>16,217</u>
 <i>Legal:</i>				
<i>County Attorney:</i>				
Personal Services	923,552	922,410	897,689	24,721
Operations	56,900	62,821	52,342	10,479
Capital Outlay	18,711	16,790	16,789	1
<i>Total County Attorney</i>	<u>999,163</u>	<u>1,002,021</u>	<u>966,820</u>	<u>35,201</u>
 <i>Criminal District Attorney:</i>				
Other Services and Charges	550,440	550,440	500,493	49,947
<i>Total Criminal Dist. Attorney</i>	<u>550,440</u>	<u>550,440</u>	<u>500,493</u>	<u>49,947</u>
 <i>Total Legal</i>	<u>1,549,603</u>	<u>1,552,461</u>	<u>1,467,313</u>	<u>85,148</u>
 TOTAL JUDICIAL	<u>\$ 4,770,201</u>	<u>\$ 4,864,768</u>	<u>\$ 4,525,380</u>	<u>\$ 339,388</u>

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	<u>Budgeted Amounts</u>		Actual	Variance With
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
PUBLIC SAFETY				
<i>Fire Protection:</i>				
Operations	\$ 517,348	\$ 517,348	\$ 517,348	\$ -
<i>Total Fire Protection</i>	<u>517,348</u>	<u>517,348</u>	<u>517,348</u>	<u>-</u>
<i>Law Enforcement:</i>				
<i>Constable Precinct 1</i>				
Personal Services	58,942	58,734	58,383	351
Operations	<u>20,250</u>	<u>20,458</u>	<u>17,762</u>	<u>2,696</u>
<i>Total Constable Precinct 1</i>	<u>79,192</u>	<u>79,192</u>	<u>76,145</u>	<u>3,047</u>
<i>Constable Precinct 2:</i>				
Personal Services	50,662	50,662	50,388	274
Operations	<u>5,700</u>	<u>5,700</u>	<u>2,154</u>	<u>3,546</u>
<i>Total Constable Precinct 2</i>	<u>56,362</u>	<u>56,362</u>	<u>52,542</u>	<u>3,820</u>
<i>Constable Precinct 3:</i>				
Personal Services	73,518	73,518	72,152	1,366
Operations	<u>9,018</u>	<u>9,018</u>	<u>7,621</u>	<u>1,397</u>
<i>Total Constable Precinct 3</i>	<u>82,536</u>	<u>82,536</u>	<u>79,773</u>	<u>2,763</u>
<i>Constable Precinct 4:</i>				
Personal Services	59,178	59,178	59,111	67
Operations	<u>10,908</u>	<u>10,908</u>	<u>7,125</u>	<u>3,783</u>
<i>Total Constable Precinct 4</i>	<u>70,086</u>	<u>70,086</u>	<u>66,236</u>	<u>3,850</u>
<i>County Sheriff:</i>				
Personal Services	5,681,036	5,840,893	5,527,235	313,658
Operations	689,150	917,484	806,585	110,899
Capital Outlay	<u>321,500</u>	<u>331,500</u>	<u>328,173</u>	<u>3,327</u>
<i>Total County Sheriff</i>	<u>\$ 6,691,686</u>	<u>\$ 7,089,877</u>	<u>\$ 6,661,993</u>	<u>\$ 427,884</u>

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 SCHEDULE OF EXPENDITURES BY DEPARTMENT
 BUDGET AND ACTUAL (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
PUBLIC SAFETY (CONT.)				
<i>Law Enforcement (Cont.):</i>				
<i>Dept. of Public Safety:</i>				
Personal Services	\$ 139,121	\$ 139,121	\$ 129,335	\$ 9,786
Operations	29,771	32,671	23,459	9,212
Capital Outlay	9,000	6,100	6,100	-
<i>Total Dept. of Public Safety</i>	<u>177,892</u>	<u>177,892</u>	<u>158,894</u>	<u>18,998</u>
<i>Total Law Enforcement</i>	<u>7,157,754</u>	<u>7,555,945</u>	<u>7,095,583</u>	<u>460,362</u>
<i>Corrections:</i>				
<i>Feeding and Care of Prisoners:</i>				
Personal Services	6,396,879	5,915,521	5,456,364	459,157
Operations	1,626,100	1,618,654	1,412,201	206,453
Capital Outlay	138,000	468,679	400,379	68,300
<i>Total Feeding and Care of Prisoners</i>	<u>8,160,979</u>	<u>8,002,854</u>	<u>7,268,944</u>	<u>733,910</u>
<i>Adult Probation:</i>				
Operations	51,431	51,431	50,218	1,213
<i>Total Adult Probation</i>	<u>51,431</u>	<u>51,431</u>	<u>50,218</u>	<u>1,213</u>
<i>Total Corrections</i>	<u>8,212,410</u>	<u>8,054,285</u>	<u>7,319,162</u>	<u>735,123</u>
<i>Other Protection:</i>				
<i>Civil Defense:</i>				
Personal Services	68,603	68,603	64,665	3,938
Operations	18,795	19,195	18,300	895
<i>Total Other Protection</i>	<u>87,398</u>	<u>87,798</u>	<u>82,965</u>	<u>4,833</u>
TOTAL PUBLIC SAFETY	<u>\$ 15,974,910</u>	<u>\$ 16,215,376</u>	<u>\$ 15,015,058</u>	<u>\$ 1,200,318</u>

GUADALUPE COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
SOCIAL SERVICES				
<i>Health Services:</i>				
Indigent Care	\$ 2,806,132	\$ 2,808,382	\$ 3,031,944	\$ (223,562)
Other Services	380,706	380,706	109,439	271,267
<i>Total Health Services</i>	<u>3,186,838</u>	<u>3,189,088</u>	<u>3,141,383</u>	<u>47,705</u>
<i>Veterans Services:</i>				
Personal Services	42,349	42,349	42,332	17
Operations	5,525	5,525	4,098	1,427
<i>Total Veterans Services</i>	<u>47,874</u>	<u>47,874</u>	<u>46,430</u>	<u>1,444</u>
<i>Sanitation:</i>				
Personal Services	275,058	275,058	273,531	1,527
Operations	28,700	35,252	29,835	5,417
Capital Outlay	20,000	17,448	17,448	-
<i>Total Sanitation</i>	<u>323,758</u>	<u>327,758</u>	<u>320,814</u>	<u>6,944</u>
<i>Animal Control:</i>				
Personal Services	139,898	138,773	132,597	6,176
Operations	88,550	102,175	89,777	12,398
Capital Outlay	21,000	57,299	56,899	400
<i>Total Animal Control</i>	<u>249,448</u>	<u>298,247</u>	<u>279,273</u>	<u>18,974</u>
<i>Landfill Operation:</i>				
Operations	118,500	127,353	127,352	1
<i>Total Landfill Operation</i>	<u>118,500</u>	<u>127,353</u>	<u>127,352</u>	<u>1</u>
<i>Agricultural Extension:</i>				
Personal Services	179,312	179,312	169,469	9,843
Operations	32,000	29,799	28,411	1,388
Capital Outlay	25,000	33,905	33,906	(1)
<i>Total Agricultural Extension</i>	<u>236,312</u>	<u>243,016</u>	<u>231,786</u>	<u>11,230</u>
TOTAL SOCIAL SERVICES	<u>4,162,730</u>	<u>4,233,336</u>	<u>4,147,038</u>	<u>86,298</u>
TOTAL EXPENDITURES	<u><u>\$ 32,033,963</u></u>	<u><u>\$ 33,131,242</u></u>	<u><u>\$ 30,875,144</u></u>	<u><u>\$ 2,256,088</u></u>

GUADALUPE COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE TOTALS FOR 2007)

	Budgeted Amounts		2008 Actual	Variance With Final Budget Positive (Negative)	2007 Actual
	Original	Final			
REVENUES					
Taxes	\$ 4,988,000	\$ 5,663,000	\$ 5,695,915	\$ 32,915	\$ 4,880,001
Licenses and Permits	666,000	7,500	38,807	31,307	5,125
Intergovernmental	77,000	77,000	39,333	(37,667)	85,183
Fines and Forfeits	481,500	465,000	490,923	25,923	497,878
Miscellaneous Income	115,000	115,000	130,662	15,662	176,415
TOTAL REVENUES	6,327,500	6,327,500	6,395,640	68,140	5,644,602
EXPENDITURES					
Infrastructure:					
Personal Services	3,246,181	3,246,181	3,169,921	76,260	2,922,548
Operations	2,652,580	3,054,700	2,718,215	336,485	2,570,484
Capital Outlay	234,000	251,839	251,256	583	231,135
TOTAL EXPENDITURES	6,132,761	6,552,720	6,139,392	413,328	5,724,167
Excess (Deficiency) of Revenues Over (Under) Expenditures	194,739	(225,220)	256,248	481,468	(79,565)
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	-	24,999	24,999	-	405,000
Net Change in Fund Balance	194,739	(200,221)	281,247	481,468	325,435
Fund Balance at Beginning of Year	1,108,750	1,108,750	1,108,750	-	783,315
Fund Balance at End of Year	\$ 1,303,489	\$ 908,529	\$ 1,389,997	\$ 481,468	\$ 1,108,750

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 JUVENILE SERVICES FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE TOTALS FOR 2007)

	Budgeted Amounts		2008 Amounts	Variance With Final Budget	2007 Amounts
	Original	Final		Positive (Negative)	
REVENUES					
Intergovernmental	\$ 609,719	\$ 200,000	\$ 739,061	\$ 539,061	\$ 659,299
Charges for Service	209,000	189,000	417,777	228,777	311,235
Miscellaneous Income	33,000	33,000	72,552	39,552	67,961
TOTAL REVENUES	851,719	422,000	1,229,390	807,390	1,038,495
EXPENDITURES					
Judicial:					
Personal Services	2,478,448	2,478,448	2,665,834	(187,386)	2,463,499
Operations	608,309	608,309	455,032	153,277	500,017
Capital Outlay	-	-	48,769	(48,769)	12,275
TOTAL EXPENDITURES	3,086,757	3,086,757	3,169,635	(82,878)	2,975,791
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,500,113)	(2,664,757)	(1,940,245)	724,512	(1,937,296)
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	1,526,034	1,526,034	2,500,113	974,079	2,278,048
Net Change in Fund Balance	(974,079)	(1,138,723)	559,868	1,698,591	340,752
Fund Balance at Beginning of Year	1,753,101	1,753,101	1,753,101	-	1,412,349
Fund Balance at End of Year	\$ 779,022	\$ 614,378	\$ 2,312,969	\$ 1,698,591	\$ 1,753,101



GUADALUPE COUNTY, TEXAS
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SEPTEMBER 30, 2008

Budget and Budgetary Accounting

An annual budget is adopted for substantially all governmental funds of the County. Actual expenditures may not legally exceed budgeted appropriations at the summary fund level.

The procedures followed by Guadalupe County in establishing the budgetary data reflected in the financial statements are as follows:

Budget Preparation – The County Judge, assisted by the County Auditor, prepares a proposed operating budget for the fiscal year beginning the following October 1, and files the proposed budget with the County Clerk in whose office it is available for public inspection. The operating budget includes proposed expenditures and the means of financing them.

Public Hearing – After proper publication of notice, a budget hearing is conducted by the Commissioners Court to obtain taxpayer comments.

Budget Adoption – During a regular term of the Commissioners Court the budget is adopted through the passage of an order. A separate order is provided in the budget.

Amendments to Budget – Amendments to the budget to transfer budgeted amounts from one budget classification (summary line) to another may be made by the Commissioners Court at its discretion. Amendments to provide for items not included in the original budget may be made by the Commissioners Court upon finding and declaring the existence of an emergency sufficient to require such action. The final amended budget is presented in this report.

Formal Budgetary Integration – Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service, Capital Projects, and Internal Service Funds.

FEMA Special Revenue Budget is not legally adopted.

Budgets on GAAP Basis – Budgets for all governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

Expenditure Classifications – Budget classifications are adopted by department for personal services, supplies, other services and charges and capital outlay. For management purposes, however, accounting records are maintained to match actual expenditures against several more detailed classifications within each of the budget categories.

Lapse of Appropriations – All budget appropriations lapse at the end of each fiscal period. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at the end of each year and do not constitute expenditures or liabilities because the commitments must be reappropriated and honored during the subsequent year.

GUADALUPE COUNTY, TEXAS
 INFRASTRUCTURE ASSETS (ROADS) UNDER THE MODIFIED APPROACH
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

The county performs periodic physical condition assessments to determine whether infrastructure assets are being maintained at levels requested.

The condition of road pavement is measured using the Pavement Condition Ratings and Images (PCR) management system, which is based on a weighted average of six distress factors found in pavement surfaces. The PCR uses the following scale to measure pavement surfaces.

<u>Condition</u>	<u>Rating</u>	<u>Description</u>
Excellent	5	New or nearly new pavements.
Good to Excellent	4	Free of cracks, patches or rutting. Pavements exhibiting few, if any variable signs of surface deterioration.
Good	3.3	Evidence of initial deterioration, including hairline cracks and minor rutting.
Fair to Poor	2.4	Visible defects, including moderate cracking, distortion and rutting. Some patches may now be present.
Poor	1.2	Extremely deteriorated pavement. Defects include severe cracking, distortion, and rutting. Very extensive patching.
Very Poor	0.8	Pavement is completely deteriorated.

The condition of the county roads is rated according to the PCR in linear feet as follows:

<u>Condition</u>	<u>2008</u>
Excellent	13.04
Good to Excellent	45.09
Good	38.82
Fair to Poor	2.84
Poor	0.21
Very Poor	0

The County policy is to maintain at least 80% of its road system at a good (3.3%) or better condition level.

GUADALUPE COUNTY, TEXAS
 INFRASTRUCTURE ASSETS (ROADS) UNDER THE MODIFIED APPROACH (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2008

The County spends the amount necessary to maintain its infrastructure assets at or above a condition level of 3.3 or above. As a measure of the county’s maintenance efforts, the following chart shows actual to budget infrastructure maintenance expenses of the Road & Bridge Department. These infrastructure maintenance costs consist of all personnel and operating costs within the Road and Bridge Department that are used to maintain roads, as well as resurfacing and roadway landscaping costs.

Budget versus actual infrastructure maintenance costs:

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Budget	\$ 2,815,363	\$ 2,311,241	\$ 2,393,419	\$ 2,283,691
Actual	2,887,027	2,980,569	3,084,479	2,393,419

By using the “modified approach” the County’s accounting practices for infrastructure assets are in agreement with the County’s plans for maintaining its infrastructure at the least overall cost over individual life cycles.

GUADALUPE COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
 ANALYSIS OF FUNDING PROGRESS
 LAST THREE FISCAL YEARS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
12/31/2005	\$ 21,328,771	\$ 25,538,218	\$ 4,209,447	83.52%	\$ 14,816,804	28.41%
12/31/2006	25,126,801	28,638,801	3,511,649	87.74%	15,856,873	22.15%
12/31/2007	28,739,961	32,555,975	3,816,014	88.28%	17,594,185	21.69%

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Comparative Statements – General Fund
- Comparative Statements – Road and Bridge Fund
- Comparative Statements – Juvenile Services Fund
- Comparative Statements – Capital Projects Fund
- Combining Statements – Nonmajor Governmental Funds
- Combining Statements – Internal Service Funds
- Combining Statements – Fiduciary (Agency) Funds

GUADALUPE COUNTY, TEXAS
GENERAL FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2008 AND 2007

	2008	2007
ASSETS		
Cash and Investments	\$ 9,952,971	\$ 10,715,538
Receivables (Net of Allowances for Estimated Uncollectibles of \$29,606 and \$29,606):		
Taxes	1,080,292	1,171,096
Other Receivables	1,654,106	1,685,084
Due from Other Governments	-	5,590
Due from Other Funds	137,291	83,905
Prepaid Items	316,860	344,315
TOTAL ASSETS	\$ 13,141,520	\$ 14,005,528
 LIABILITIES & FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 909,902	\$ 1,162,436
Accrued Wages & Benefits	369,935	350,119
Due to Other Funds	8,399	-
Due to Other Governments	22,792	199,861
Deferred Revenues	1,172,151	1,283,274
<i>Total Liabilities</i>	2,483,179	2,995,690
 <i>Fund Balance:</i>		
Reserved for Prepaid Items	316,860	344,315
Unreserved - Undesignated	10,341,481	10,665,523
<i>Total Fund Balance</i>	10,658,341	11,009,838
TOTAL LIABILITIES AND FUND BALANCE	\$ 13,141,520	\$ 14,005,528

GUADALUPE COUNTY, TEXAS
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	2008	2007
REVENUES		
Taxes	\$ 26,634,405	\$ 23,864,444
Licenses and Permits	135,259	461,666
Intergovernmental	1,452,218	1,296,294
Charges for Services	5,148,255	6,208,153
Fines and Forfeits	955,648	917,508
Miscellaneous	1,337,602	1,195,475
TOTAL REVENUES	35,663,387	33,943,540
EXPENDITURES		
Current:		
General Government	7,079,909	4,423,886
Judicial	4,490,855	4,056,334
Public Safety	14,280,406	12,928,502
Social Services	4,038,785	3,887,864
Capital Outlay	985,189	2,045,997
TOTAL EXPENDITURES	30,875,144	27,342,583
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,788,243	6,600,957
OTHER FINANCING SOURCES (USES)		
Transfers (Out)	(5,139,740)	(3,938,701)
TOTAL OTHER FINANCING SOURCES (USES)	(5,139,740)	(3,938,701)
Net Change in Fund Balance	(351,497)	2,662,256
Fund Balance at Beginning of Year	11,009,838	8,347,582
Fund Balance at End of Year	\$ 10,658,341	\$ 11,009,838

GUADALUPE COUNTY, TEXAS
ROAD AND BRIDGE FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2008 AND 2007

	2008	2007
ASSETS		
Cash and Investments	\$ 1,410,434	\$ 1,285,970
Receivables (Net of Allowances for Uncollectibles):		
Taxes	186,126	190,493
Accounts	20,663	67,540
Due from Other Funds	20,562	-
Inventory of Supplies at Cost	148,428	16,922
Prepaid Insurance	17,528	94,965
 TOTAL ASSETS	 \$ 1,803,741	 \$ 1,655,890
 LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 162,523	\$ 314,524
Accrued Wages & Benefits	62,912	-
Due to Other Funds	2,183	42,123
Deferred Revenues	186,126	190,493
<i>Total Liabilities</i>	<i>413,744</i>	<i>547,140</i>
 <i>Fund Balance:</i>		
Reserved for Inventory and Prepaid Items	165,956	111,887
Unreserved	1,224,041	996,863
<i>Total Fund Balance</i>	<i>1,389,997</i>	<i>1,108,750</i>
FUND BALANCE	\$ 1,803,741	\$ 1,655,890

GUADALUPE COUNTY, TEXAS
ROAD AND BRIDGE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	<u>2008</u> Actual	<u>2007</u> Actual
REVENUES		
Taxes	\$ 5,695,915	\$ 4,880,001
Licenses and Permits	38,807	5,125
Intergovernmental	39,333	85,183
Fines and Forfeits	490,923	497,878
Miscellaneous	<u>130,662</u>	<u>176,415</u>
TOTAL REVENUES	<u>6,395,640</u>	<u>5,644,602</u>
EXPENDITURES		
Infrastructure:		
Personal Services	3,169,921	2,922,548
Operations	2,718,215	2,570,484
Capital Outlay	<u>251,256</u>	<u>231,135</u>
TOTAL EXPENDITURES	<u>6,139,392</u>	<u>5,724,167</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>256,248</u>	<u>(79,565)</u>
OTHER FINANCING SOURCES		
Transfers In (Out)	<u>24,999</u>	<u>405,000</u>
Net Change in Fund Balance	281,247	325,435
Fund Balance at Beginning of Year	<u>1,108,750</u>	<u>783,315</u>
Fund Balance at End of Year	<u>\$ 1,389,997</u>	<u>\$ 1,108,750</u>

GUADALUPE COUNTY, TEXAS
 JUVENILE SERVICES FUND
 COMPARATIVE BALANCE SHEET
 SEPTEMBER 30, 2008 AND 2007

	2008	2007
ASSETS		
Cash and Investments	\$ 2,403,117	\$ 1,811,516
Receivables (Net of Allowances for Uncollectibles)		
Accounts	35,955	27,644
Due from Other Funds	1,424	-
Prepaid Insurance	287	1,852
TOTAL ASSETS	\$ 2,440,783	\$ 1,841,012
 LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 65,482	\$ 47,856
Accrued Wages & Benefits	55,420	-
Due to Other Funds	357	36,655
Deferred Revenues	72,037	3,400
<i>Total Liabilities</i>	193,296	87,911
 <i>Fund Balance:</i>		
Reserved for Inventory and Prepaid Items	287	1,852
Unreserved	2,312,682	1,751,249
<i>Total Fund Balance</i>	2,312,969	1,753,101
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,506,265	\$ 1,841,012

GUADALUPE COUNTY, TEXAS
 JUVENILE SERVICES FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
REVENUES		
Intergovernmental	\$ 739,061	\$ 659,299
Charges for Services	417,777	311,235
Miscellaneous	<u>72,552</u>	<u>67,961</u>
TOTAL REVENUES	<u>1,229,390</u>	<u>1,038,495</u>
EXPENDITURES		
Judicial:		
Personal Services	2,665,834	2,463,499
Operations	455,032	500,017
Capital Outlay	<u>48,769</u>	<u>12,275</u>
TOTAL EXPENDITURES	<u>3,169,635</u>	<u>2,975,791</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,940,245)</u>	<u>(1,937,296)</u>
OTHER FINANCING SOURCES		
Transfers In (Out)	<u>2,500,113</u>	<u>2,278,048</u>
Net Change in Fund Balance	559,868	340,752
Fund Balance at Beginning of Year	<u>1,753,101</u>	<u>1,412,349</u>
Fund Balance at End of Year	<u><u>\$ 2,312,969</u></u>	<u><u>\$ 1,753,101</u></u>

GUADALUPE COUNTY, TEXAS
 CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 SEPTEMBER 30, 2008 AND 2007

	2008	2007
ASSETS		
Cash and Investments	\$ 2,768,479	\$ 1,534,806
TOTAL ASSETS	\$ 2,768,479	\$ 1,534,806
 LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 166,063	\$ 108,012
<i>Total Liabilities</i>	166,063	108,012
 <i>Fund Balance:</i>		
Reserved for Inventory and Prepaid Items	-	-
Unreserved	2,602,416	1,426,794
<i>Total Fund Balance</i>	2,602,416	1,426,794
 TOTAL LIABILITIES AND FUND BALANCE	\$ 2,768,479	\$ 1,534,806

GUADALUPE COUNTY, TEXAS
 CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 FOR THE YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	<u>2008</u> Actual	<u>2007</u> Actual
REVENUES		
Miscellaneous	<u>\$ 37,673</u>	<u>\$ 41,497</u>
TOTAL REVENUES	<u>37,673</u>	<u>41,497</u>
EXPENDITURES		
Capital Outlay	<u>1,476,679</u>	<u>750,472</u>
TOTAL EXPENDITURES	<u>1,476,679</u>	<u>750,472</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,439,006)</u>	<u>(708,975)</u>
OTHER FINANCING SOURCES		
Transfers In (Out)	<u>2,614,628</u>	<u>1,231,177</u>
Net Change in Fund Balance	<u>1,175,622</u>	<u>522,202</u>
Fund Balance at Beginning of Year	<u>1,426,794</u>	<u>904,592</u>
Fund Balance at End of Year	<u>\$ 2,602,416</u>	<u>\$ 1,426,794</u>



GUADALUPE COUNTY, TEXAS
COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources which are legally restricted to expenditures for specified current operating purposes, or to the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short – lived fixed assets. The Special Revenue Funds used by the County are as follows:

County Sheriff Fund – To account for federal and state forfeitures restricted to expenditures for law enforcement. Also accounts for revenues and expenditures of the jail commissary.

County Attorney Fund – To account for fees collected for administration of the collection of “hot checks.” These fees are used for items not otherwise budgeted by Guadalupe County General Fund for the County Attorney.

Law Enforcement Training Fund – To account for state funds received for the training of licensed law enforcement officers.

Combined Grant Funds

Third Administrative District Fund – To account for Third Administrative District funds received from the state and counties to be used for the operation of the Third Administrative District.

District Attorney Grant Fund – To account for grant funds received from the state for the operations of the District Attorney’s Office.

Help Americans Vote Act Fund – To account for grant funds received from the Office of the Secretary of State for the education and operations of the elections office.

Local Law Enforcement Block Grant Fund – To account for grant funds received for the improvement of local law enforcement.

Other Nonmajor Funds

Miscellaneous Grants Fund – To account for receipts and expenditures of federal and state awarded grants for various purposes.

Alternative Dispute Fund – To account for the collection of fees by the District Clerk and the expenditures of the county in accordance with Civil Procedures and Remedies, Section 152.004.

Animal Registration Fund – A special revenue fund to account for the fees collected and disbursed by the County. These fees must be spent in accordance with the Health and Safety Code, Section 822.029.

Courthouse Reporter Fund – A special revenue fund to account for fees collected by the District Court to be spent in accordance with Government Code 51.601.

GUADALUPE COUNTY, TEXAS
COMBINING FINANCIAL STATEMENTS (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

Courthouse Security Fund – A special revenue fund to account for the fees collected by the County Clerk and District Clerk. These expenses must be spent in accordance with the Code of Criminal Procedures, Section 102.017.

Court Initiated Guardianship Fund – A special revenue fund to account for the collection and expenses made to supplement available County funds for guardianship issues.

Elections Contracts Fund – A special revenue fund to account for direct costs associated with Contracted Elections, fees and surpluses from the elections and can be used only to defray expenses in the County Election Office.

Employee Fund – A special revenue to account for proceeds from Section 125 unclaimed flex-medical deductions.

Family Fee Protection Fund – A special revenue fund to account for a special fee paid at the time a suit for dissolution of marriage is filed. The expenses are to provide services to families that are at risk of experiencing or having experienced family violence, abuse or neglect.

Vehicle Inventory Tax Fund – Special revenue fund to account for the interest income received on the motor vehicle inventory account. These funds are to be used to defray the cost of the administration of prepayment procedures of the motor vehicle inventory. Purchases with these funds are not subject to the County Purchasing Policies.

Justice of the Peace Courthouse Security Fund – A special revenue fund to account for fees collected by the Justice of the Peace. These funds must be spent in accordance with the Code of Criminal Procedures, Section 102.017.

Justice Court Technology Fund – To account for the fees collected from a defendant convicted of a misdemeanor offense in Justice Court. The expenses may be used to purchase technological enhancements for the Justice Courts.

Law Library Fund – To account for fees collected on civil cases filed in the county and district courts. These funds must be used to enhance the law library.

Record Archive Fee Fund – To account for the collection of fees and expenses for the preservation and restoration of the clerk's records archive.

Records Management Fee Fund – To account for the fees collected by the County Clerk and District Clerk. These funds must be spent on records management and preservation in line with Local Government Code Section 118.0216 and 118.0546.

Vital Statistics Fee Fund – To account for fees collected and expended for health and safety.

GUADALUPE COUNTY, TEXAS
COMBINING FINANCIAL STATEMENTS (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on general long-term debt.

GUADALUPE COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2008

ASSETS	<u>County Sheriff Fund</u>	<u>County Attorney Fund</u>	<u>Law Enforcement Training Fund</u>
Cash and Investments	\$ 456,515	\$ 31,776	\$ 35,883
Receivables (Net of Allowances for Uncollectibles)			
Taxes		-	-
Accounts	-	-	-
Due from Other Governments	-	-	-
Due from Other Funds	312	-	-
Prepaid Expenses	-	-	-
Inventory, at Cost	21,072	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 477,899</u></u>	<u><u>\$ 31,776</u></u>	<u><u>\$ 35,883</u></u>
 LIABILITIES AND FUND BALANCE			
<i>Liabilities:</i>			
Accounts Payable	\$ 23,742	\$ 352	\$ -
Payroll Liabilities	916	-	-
Due to Other Funds	-	-	-
Deferred Revenues	-	-	-
<i>Total Liabilities</i>	<u>24,658</u>	<u>352</u>	<u>-</u>
 <i>Fund Balance:</i>			
Reserved	21,072	-	-
Unreserved	432,169	31,424	35,883
<i>Total Fund Balance</i>	<u>453,241</u>	<u>31,424</u>	<u>35,883</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$ 477,899</u></u>	 <u><u>\$ 31,776</u></u>	 <u><u>\$ 35,883</u></u>

<u>Combined Grant Funds</u>	<u>Other Nonmajor Funds</u>	<u>Debt Service Fund</u>	<u>Totals</u>
\$ 20,157	\$ 2,002,977	\$ 59,450	\$ 2,606,758
-	-	97,273	97,273
87,986	17,877	-	105,863
-	3,700	-	3,700
-	623	-	935
-	2,075	-	2,075
-	-	-	21,072
<u>\$ 108,143</u>	<u>\$ 2,027,252</u>	<u>\$ 156,723</u>	<u>\$ 2,837,676</u>
\$ 20,019	\$ 24,703	\$ -	\$ 68,816
1,435	2,822		5,173
-	20,603		20,603
-	-	97,273	97,273
<u>21,454</u>	<u>48,128</u>	<u>97,273</u>	<u>191,865</u>
-	2,075	-	23,147
86,691	1,977,047	59,450	2,622,664
<u>86,691</u>	<u>1,979,122</u>	<u>59,450</u>	<u>2,645,811</u>
<u>\$ 108,145</u>	<u>\$ 2,027,250</u>	<u>\$ 156,723</u>	<u>\$ 2,837,676</u>

GUADALUPE COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008

REVENUES	<u>County Sheriff Fund</u>	<u>County Attorney Fund</u>	<u>Law Enforcement Training Fund</u>
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	51,060
Charges for Services	-	19,395	-
Fines and Forfeits	175,487	-	-
Miscellaneous	270,622	-	-
TOTAL REVENUES	<u>446,109</u>	<u>19,395</u>	<u>51,060</u>
EXPENDITURES			
General Government	-	17,495	-
Judicial	-	-	-
Public Safety	399,380	-	15,177
Social Services	-	-	-
Capital Outlay	82,502	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	<u>481,882</u>	<u>17,495</u>	<u>15,177</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(35,773)</u>	<u>1,900</u>	<u>35,883</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	-	-	-
Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(35,773)	1,900	35,883
Fund Balance at Beginning of Year	489,014	29,524	-
Fund Balance at End of Year	<u>\$ 453,241</u>	<u>\$ 31,424</u>	<u>\$ 35,883</u>

Combined Grant Funds	Other Nonmajor Funds	Debt Service Fund	Totals
\$ -	\$ -	\$ 1,029,717	\$ 1,029,717
213,118	20,698	-	284,876
-	631,347	-	650,742
-	-	-	175,487
-	55,816	14,804	341,242
<u>213,118</u>	<u>707,861</u>	<u>1,044,521</u>	<u>2,482,064</u>
58,355	7,488	-	83,338
-	289,325	-	289,325
10,937	23,691	-	449,185
111,322	27,597	-	138,919
-	39,745	-	122,247
-	-	745,000	745,000
-	-	467,872	467,872
<u>180,614</u>	<u>387,846</u>	<u>1,212,872</u>	<u>2,295,886</u>
<u>32,504</u>	<u>320,015</u>	<u>(168,351)</u>	<u>186,178</u>
-	409	-	409
-	(409)	-	(409)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
32,504	320,015	(168,351)	186,178
54,187	1,659,107	227,801	2,459,633
<u>\$ 86,691</u>	<u>\$ 1,979,122</u>	<u>\$ 59,450</u>	<u>\$ 2,645,811</u>

GUADALUPE COUNTY, TEXAS
COUNTY SHERIFF FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget Positive (Negative)	2007 Amounts
	Original/ Final	2008 Amounts		
REVENUES				
Fines and Forfeits	\$ 5,000	\$ 175,487	\$ 170,487	\$ 166,235
Miscellaneous	298,250	270,622	(27,628)	302,556
TOTAL REVENUES	303,250	446,109	142,859	468,791
EXPENDITURES				
Judicial:				
Operations	177,380	399,380	(222,000)	32,584
Capital Outlay	103,554	82,502	21,052	102,283
TOTAL EXPENDITURES	280,934	481,882	(200,948)	134,867
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,316	(35,773)	(58,089)	333,924
Fund Balance at Beginning of Year	489,014	489,014	-	448,347
Fund Balance at End of Year	\$ 511,330	\$ 453,241	\$ -	\$ 448,347

GUADALUPE COUNTY, TEXAS
COUNTY ATTORNEY FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ -	\$ 19,395	\$ 19,395	\$ 22,390
TOTAL REVENUES	-	19,395	19,395	22,390
EXPENDITURES				
General Government:				
Operations	-	17,496	(17,496)	6,758
Capital Outlay	-	-	-	2,825
TOTAL EXPENDITURES	-	17,496	(17,496)	9,583
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,899	(1,899)	12,807
Fund Balance at Beginning of Year	-	29,524	29,524	16,717
Fund Balance at End of Year	\$ -	\$ 31,423	\$ 27,625	\$ 29,524

* No budget was approved for the County Attorney Fund.

GUADALUPE COUNTY, TEXAS
 LAW ENFORCEMENT TRAINING FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Intergovernmental	\$ -	\$ 51,060	\$ 51,060	\$ -
TOTAL REVENUES	-	51,060	51,060	-
EXPENDITURES				
Public Safety:				
Operations	49,199	15,177	34,022	-
TOTAL EXPENDITURES	49,199	15,177	34,022	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,199)	35,883	85,082	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ (49,199)	\$ 35,883	\$ 85,082	\$ -

Note: This Fund was established in 2008.

GUADALUPE COUNTY, TEXAS
 THIRD ADMINISTRATIVE DISTRICT COMBINED GRANT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	62,046	58,354	(3,692)	59,170
TOTAL REVENUES	<u>62,046</u>	<u>58,354</u>	<u>(3,692)</u>	<u>59,170</u>
EXPENDITURES				
General Government:				
Personal Services	62,046	58,354	3,692	59,170
TOTAL EXPENDITURES	<u>62,046</u>	<u>58,354</u>	<u>3,692</u>	<u>59,170</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GUADALUPE COUNTY, TEXAS
 DISTRICT ATTORNEY GRANT - COMBINED GRANT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Intergovernmental	\$ 48,044	\$ 47,566	\$ (478)	\$ 40,917
Miscellaneous	-	-	-	2,580
TOTAL REVENUES	<u>48,044</u>	<u>47,566</u>	<u>(478)</u>	<u>43,497</u>
EXPENDITURES				
Social Services:				
Personal Services	48,044	47,566	478	43,497
TOTAL EXPENDITURES	<u>48,044</u>	<u>47,566</u>	<u>478</u>	<u>43,497</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GUADALUPE COUNTY, TEXAS
 HELP AMERICANS VOTE ACT - COMBINED GRANT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Intergovernmental	\$ 175,828	\$ 96,251	\$ (79,577)	\$ 407,212
TOTAL REVENUES	<u>175,828</u>	<u>96,251</u>	<u>(79,577)</u>	<u>407,212</u>
EXPENDITURES				
Social Services				
Operations	175,828	63,757	112,071	395,562
TOTAL EXPENDITURES	<u>175,828</u>	<u>63,757</u>	<u>112,071</u>	<u>395,562</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>32,494</u>	<u>32,494</u>	<u>11,650</u>
OPERATING FINANCING SOURCES (USES):				
Operating Transfers (Out)	-	-	-	29,078
TOTAL OPERATING FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,078</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>32,494</u>	<u>32,494</u>	<u>40,728</u>
Fund Balance at Beginning of Year	-	50,628	50,628	9,900
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 83,122</u>	<u>\$ 83,122</u>	<u>\$ 50,628</u>

GUADALUPE COUNTY, TEXAS
 LOCAL LAW ENFORCEMENT BLOCK GRANT COMBINED GRANT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Intergovernmental	\$ 10,937	\$ 10,937	\$ -	\$ -
TOTAL REVENUES	<u>10,937</u>	<u>10,937</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Judicial	10,937	10,937	-	-
TOTAL EXPENDITURES	<u>10,937</u>	<u>10,937</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: There was no activity in 2007.

GUADALUPE COUNTY, TEXAS
 MISCELLANEOUS GRANT – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Intergovernmental	\$ 118,790	\$ 20,698	\$ 98,092	\$ -
TOTAL REVENUES	<u>118,790</u>	<u>20,698</u>	<u>98,092</u>	<u>-</u>
EXPENDITURES				
Social Services				
Operations	368,790	27,597	341,193	271
TOTAL EXPENDITURES	<u>368,790</u>	<u>27,597</u>	<u>341,193</u>	<u>271</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(250,000)</u>	<u>(6,899)</u>	<u>(243,101)</u>	<u>(271)</u>
Fund Balance at Beginning of Year	-	-	-	271
Fund Balance at End of Year	<u>\$ (250,000)</u>	<u>\$ (6,899)</u>	<u>\$ (243,101)</u>	<u>\$ -</u>

GUADALUPE COUNTY, TEXAS
 ALTERNATIVE DISPUTE FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 18,000	\$ 19,456	\$ 1,456	\$ 20,688
TOTAL REVENUES	<u>18,000</u>	<u>19,456</u>	<u>1,456</u>	<u>20,688</u>
EXPENDITURES				
Social Services				
Personal Services	18,000	650	17,350	2,420
TOTAL EXPENDITURES	<u>18,000</u>	<u>650</u>	<u>17,350</u>	<u>2,420</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>18,806</u>	<u>18,806</u>	<u>18,268</u>
Fund Balance at Beginning of Year	154,275	154,275	-	136,007
Fund Balance at End of Year	<u>\$ 154,275</u>	<u>\$ 173,081</u>	<u>\$ 18,806</u>	<u>\$ 154,275</u>

GUADALUPE COUNTY, TEXAS
 ANIMAL REGISTRATION FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 700	\$ 494	\$ 206	\$ 718
TOTAL REVENUES	<u>700</u>	<u>494</u>	<u>206</u>	<u>718</u>
EXPENDITURES				
Judicial:				
Operations	500	250	250	115
TOTAL EXPENDITURES	<u>500</u>	<u>250</u>	<u>250</u>	<u>115</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>200</u>	<u>244</u>	<u>456</u>	<u>603</u>
Fund Balance at Beginning of Year	7,755	7,755	-	7,152
Fund Balance at End of Year	<u>\$ 7,955</u>	<u>\$ 7,999</u>	<u>\$ 456</u>	<u>\$ 7,755</u>

GUADALUPE COUNTY, TEXAS
 COURTHOUSE REPORTER FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Sevices	\$ 15,000	\$ 19,895	\$ 4,895	\$ 18,891
TOTAL REVENUES	<u>15,000</u>	<u>19,895</u>	<u>4,895</u>	<u>18,891</u>
EXPENDITURES				
Judicial:				
Operations	15,000	11,392	3,608	14,000
TOTAL EXPENDITURES	<u>15,000</u>	<u>11,392</u>	<u>3,608</u>	<u>14,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>8,503</u>	<u>8,503</u>	<u>4,891</u>
Fund Balance at Beginning of Year	6,670	6,670	-	1,779
Fund Balance at End of Year	<u>\$ 6,670</u>	<u>\$ 15,173</u>	<u>\$ 8,503</u>	<u>\$ 6,670</u>

GUADALUPE COUNTY, TEXAS
 COURTHOUSE SECURITY FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 90,000	\$ 81,655	\$ 8,345	\$ 89,771
TOTAL REVENUES	<u>90,000</u>	<u>81,655</u>	<u>8,345</u>	<u>89,771</u>
EXPENDITURES				
Judicial:				
Personal Services	119,100	76,029	43,071	73,615
TOTAL EXPENDITURES	<u>119,100</u>	<u>76,029</u>	<u>43,071</u>	<u>73,615</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(29,100)</u>	<u>5,626</u>	<u>34,726</u>	<u>16,156</u>
Fund Balance at Beginning of Year	24,850	24,850	-	8,694
Fund Balance at End of Year	<u>\$ (4,250)</u>	<u>\$ 30,476</u>	<u>\$ 34,726</u>	<u>\$ 24,850</u>

GUADALUPE COUNTY, TEXAS
 COURT INITIATED GUARDIANSHIP FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Sevices	\$ -	\$ 4,680	\$ 4,680	\$ -
TOTAL REVENUES	-	4,680	4,680	-
EXPENDITURES				
Judicial:				
Operations	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	4,680	4,680	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ 4,680	\$ 4,680	\$ -

*NOTE: The Court Initiated Fund was established during 2008.
 No budget was adopted.*

GUADALUPE COUNTY, TEXAS
ELECTIONS CONTRACTS FUND – OTHER NONMAJOR FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ -	\$ 59,948	\$ 59,948	\$ 23,225
TOTAL REVENUES	-	59,948	59,948	23,225
EXPENDITURES				
Judicial:				
Operations	5,000	59,115	(54,115)	26,938
TOTAL EXPENDITURES	5,000	59,115	(54,115)	26,938
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000)	833	5,833	(3,713)
OPERATING FINANCING SOURCES (USES):				
Operating Transfers (In)	5,000	409	4,591	7,991
Operating Transfers (Out)	-	(409)	409	(12,593)
TOTAL OPERATING FINANCING SOURCES (USES)	5,000	-	5,000	(4,602)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	833	833	(8,315)
Fund Balance at Beginning of Year	6,101	6,101	-	14,416
Fund Balance at End of Year	\$ 6,101	\$ 6,934	\$ 833	\$ 6,101

GUADALUPE COUNTY, TEXAS
 EMPLOYEE FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Miscellaneous	\$ 5,000	\$ 5,583	\$ 583	\$ 3,596
TOTAL REVENUES	<u>5,000</u>	<u>5,583</u>	<u>583</u>	<u>3,596</u>
EXPENDITURES				
General Government:				
Operations	5,000	2,632	2,368	2,486
TOTAL EXPENDITURES	<u>5,000</u>	<u>2,632</u>	<u>2,368</u>	<u>2,486</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>2,951</u>	<u>2,951</u>	<u>1,110</u>
Fund Balance at Beginning of Year	2,186	2,186	-	1,076
Fund Balance at End of Year	<u>\$ 2,186</u>	<u>\$ 5,137</u>	<u>\$ 2,951</u>	<u>\$ 2,186</u>

GUADALUPE COUNTY, TEXAS
 FAMILY FEE PROTECTION FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ -	\$ 8,613	\$ 8,613	\$ -
TOTAL REVENUES	-	8,613	8,613	-
EXPENDITURES				
Judicial:				
Operations	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	8,613	8,613	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	\$ -	\$ 8,613	\$ 8,613	\$ -

* No budget adopted.

* First Year of Family Fee Protection Fund

GUADALUPE COUNTY, TEXAS
 VEHICLE INVENTORY TAX SPECIAL INTEREST FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Miscellaneous	\$ 2,000	\$ 8,885	\$ (6,885)	\$ 4,356
TOTAL REVENUES	<u>2,000</u>	<u>8,885</u>	<u>(6,885)</u>	<u>4,356</u>
EXPENDITURES				
General Government:				
Operations	5,000	3,715	1,285	-
TOTAL EXPENDITURES	<u>5,000</u>	<u>3,715</u>	<u>1,285</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,000)</u>	<u>5,170</u>	<u>8,170</u>	<u>4,356</u>
Fund Balance at Beginning of Year	5,445	5,445	-	1,089
Fund Balance at End of Year	<u>\$ 2,445</u>	<u>\$ 10,615</u>	<u>\$ 8,170</u>	<u>\$ 5,445</u>

GUADALUPE COUNTY, TEXAS
JUSTICE OF THE PEACE - COURT SECURITY FUND – OTHER NONMAJOR FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 13,000	\$ 12,852	\$ 148	\$ 21,360
TOTAL REVENUES	13,000	12,852	148	21,360
EXPENDITURES				
Judicial:				
Operations	29,800	23,692	6,108	7,055
Capital Outlay	-	-	-	2,995
TOTAL EXPENDITURES	29,800	23,692	6,108	10,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,800)	(10,840)	5,960	11,310
Fund Balance at Beginning of Year	11,310	11,310	-	-
Fund Balance at End of Year	\$ (5,490)	\$ 470	\$ 5,960	\$ 11,310

GUADALUPE COUNTY, TEXAS
JUSTICE COURT TECHNOLOGY FUND – OTHER NONMAJOR FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 57,300	\$ 53,537	\$ (3,763)	\$ 57,207
TOTAL REVENUES	<u>57,300</u>	<u>53,537</u>	<u>(3,763)</u>	<u>57,207</u>
EXPENDITURES				
Judicial:				
Operations	44,288	24,046	20,242	2,331
Capital Outlay	9,000	7,893	1,107	36,118
TOTAL EXPENDITURES	<u>53,288</u>	<u>31,939</u>	<u>21,349</u>	<u>38,449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,012</u>	<u>21,598</u>	<u>17,586</u>	<u>18,758</u>
Fund Balance at Beginning of Year	126,278	126,278	-	10,752
Fund Balance at End of Year	<u>\$ 130,290</u>	<u>\$ 147,876</u>	<u>\$ 17,586</u>	<u>\$ 29,510</u>

GUADALUPE COUNTY, TEXAS
 LAW LIBRARY FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 56,000	\$ 59,138	\$ 3,138	\$ 61,753
TOTAL REVENUES	<u>56,000</u>	<u>59,138</u>	<u>3,138</u>	<u>61,753</u>
EXPENDITURES				
Judicial:				
Operations	57,841	47,675	10,166	45,770
TOTAL EXPENDITURES	<u>57,841</u>	<u>47,675</u>	<u>10,166</u>	<u>45,770</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,841)</u>	<u>11,463</u>	<u>13,304</u>	<u>15,983</u>
Fund Balance at Beginning of Year	62,611	62,611	-	46,628
Fund Balance at End of Year	<u>\$ 60,770</u>	<u>\$ 74,074</u>	<u>\$ 13,304</u>	<u>\$ 62,611</u>

GUADALUPE COUNTY, TEXAS
 RECORD ARCHIVE FEE FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 140,000	\$ 124,075	\$ (15,925)	\$ 138,905
Miscellaneous	20,000	20,989	989	25,927
TOTAL REVENUES	<u>160,000</u>	<u>145,064</u>	<u>14,936</u>	<u>164,832</u>
EXPENDITURES				
Judicial:				
Operations	250,000	-	250,000	11,925
TOTAL EXPENDITURES	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>11,925</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(90,000)</u>	<u>145,064</u>	<u>235,064</u>	<u>152,907</u>
Fund Balance at Beginning of Year	569,100	569,100	-	416,193
Fund Balance at End of Year	<u>\$ 479,100</u>	<u>\$ 714,164</u>	<u>\$ 235,064</u>	<u>\$ 569,100</u>

GUADALUPE COUNTY, TEXAS
 RECORDS MANAGEMENT FEE FUND – OTHER NONMAJOR FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED SEPTEMBER 30, 2008
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 197,600	\$ 178,617	\$ (18,983)	\$ 197,834
Miscellaneous	18,700	19,271	571	24,236
TOTAL REVENUES	<u>216,300</u>	<u>197,888</u>	<u>(18,412)</u>	<u>222,070</u>
EXPENDITURES				
Judicial:				
Personal Services	41,774	39,208	2,566	21,997
Operations	259,447	32,102	227,345	11,882
Capital Outlay	37,200	31,849	5,351	9,000
TOTAL EXPENDITURES	<u>338,421</u>	<u>103,159</u>	<u>235,262</u>	<u>42,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(122,121)</u>	<u>94,729</u>	<u>216,850</u>	<u>179,191</u>
Fund Balance at Beginning of Year	651,110	651,110	-	471,919
Fund Balance at End of Year	<u>\$ 528,989</u>	<u>\$ 745,839</u>	<u>\$ 216,850</u>	<u>\$ 651,110</u>

GUADALUPE COUNTY, TEXAS
VITAL STATISTICS FUND – OTHER NONMAJOR FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		Variance With Final Budget	
	Original/ Final	2008 Amounts	Positive (Negative)	2007 Amounts
REVENUES				
Charges for Services	\$ 8,000	\$ 8,387	\$ 387	\$ 8,991
Miscellaneous	800	1,088	288	1,445
TOTAL REVENUES	<u>8,800</u>	<u>9,475</u>	<u>675</u>	<u>10,436</u>
EXPENDITURES				
Judicial:				
Operations	10,000	-	10,000	-
TOTAL EXPENDITURES	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,200)</u>	<u>9,475</u>	<u>10,675</u>	<u>10,436</u>
Fund Balance at Beginning of Year	31,415	31,415	-	20,979
Fund Balance at End of Year	<u>\$ 30,215</u>	<u>\$ 40,890</u>	<u>\$ 10,675</u>	<u>\$ 31,415</u>

GUADALUPE COUNTY, TEXAS
DEBT SERVICE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2007)

	Budgeted Amounts		2008 Amounts	Variance With	2007 Amounts
	Original	Final		Final Budget Positive (Negative)	
REVENUES					
Taxes	\$ 1,081,300	\$ 1,081,300	\$ 1,029,717	\$ (51,583)	\$ 1,248,423
Miscellaneous	17,000	17,000	14,804	(2,196)	19,464
TOTAL REVENUES	1,098,300	1,098,300	1,044,521	(53,779)	1,267,887
EXPENDITURES					
Bond Principal	745,000	745,000	745,000	-	710,000
Bond Interest	466,574	466,474	466,572	(98)	501,893
Bond Agent Fees	2,000	2,000	1,300	700	1,300
TOTAL EXPENDITURES	1,213,574	1,213,474	1,212,872	602	1,213,193
Excess (Deficiency) of Revenues Over (Under) Expenditures	(115,274)	(115,174)	(168,351)	(53,177)	54,694
OTHER FINANCING SOURCES (USES)					
Operating Transfers In (Out)	-	-	-	-	-
Net Change in Fund Balance	(115,274)	(115,174)	(168,351)	(53,177)	54,694
Fund Balance at Beginning of Year	227,801	227,801	227,801	-	173,107
Fund Balance at End of Year	\$ 112,527	\$ 112,627	\$ 59,450	\$ (53,177)	\$ 227,801

GUADALUPE COUNTY, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
SEPTEMBER 30, 2008
(WITH COMPARATIVE TOTALS FOR 2007)

ASSETS	Workers'	Medical	Totals	
	Compensation Fund	Benefits Fund	2008	2007
<i>Current Assets:</i>				
Cash and Investments	\$ 760,133	\$ 3,977,491	\$ 4,737,624	\$ 3,036,424
Accounts Receivable	25,000	651	25,651	818,489
Due from Other Funds	9,188	-	9,188	-
Prepaid Expense	96,388	-	96,388	20,001
<i>Total Current Assets</i>	<u>890,709</u>	<u>3,978,142</u>	<u>4,868,851</u>	<u>3,874,914</u>
 <i>Capital Assets:</i>				
Equipment	7,384	-	7,384	7,385
Accumulated Depreciation	(7,384)	-	(7,384)	(7,385)
<i>Total Capital Assets</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 890,709</u>	<u>\$ 3,978,142</u>	<u>\$ 4,868,851</u>	<u>\$ 3,874,914</u>
 LIABILITIES AND NET ASSETS				
<i>Liabilities:</i>				
Outstanding Claims and Payables	\$ 13,393	\$ 92,055	\$ 105,448	\$ 964,224
Due to Other Funds	-	137,856	137,856	-
Accrued Wages & Benefits	589	637	1,226	2,303
<i>Total Liabilities</i>	<u>13,982</u>	<u>230,548</u>	<u>244,530</u>	<u>966,527</u>
 <i>Net Assets:</i>				
Restricted For Future Claims	779,056	2,129,330	2,908,386	2,112,087
Unrestricted	97,671	1,618,264	1,715,935	796,300
<i>Total Net Assets</i>	<u>876,727</u>	<u>3,747,594</u>	<u>4,624,321</u>	<u>2,908,387</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 890,709</u>	<u>\$ 3,978,142</u>	<u>\$ 4,868,851</u>	<u>\$ 3,874,914</u>

GUADALUPE COUNTY, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(WITH COMPARATIVE TOTALS FOR 2007)

	Workers'	Medical	Totals	
	Compensation Fund	Benefits Fund	2008	2007
OPERATING REVENUES				
Fees Paid by County	\$ 492,647	\$ 4,025,856	\$ 4,518,503	\$ 4,060,699
Fees Paid by Employees	-	668,861	668,861	541,363
Other Premiums Paid	-	4,493	4,493	17,981
TOTAL OPERATING REVENUES	492,647	4,699,210	5,191,857	4,620,043
OPERATING EXPENSES				
Personnel Services	47,659	38,824	86,483	83,994
Claims Paid	116,520	2,381,208	2,497,728	3,033,624
Administrative Fees	249,556	63,500	313,056	194,965
Premiums for Excess Coverage	6,219	665,210	671,429	621,770
TOTAL OPERATING EXPENDITURES	419,954	3,148,742	3,568,696	3,934,353
NET OPERATING INCOME (LOSS)	72,693	1,550,468	1,623,161	685,690
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	24,978	67,795	92,773	108,619
Miscellaneous Income	-	-	-	1,991
TOTAL NON-OPERATING REVENUES (EXPENSES)	24,978	67,795	92,773	110,610
Change in Net Assets	97,671	1,618,263	1,715,934	796,300
Net Assets at Beginning of Year	779,056	2,129,331	2,908,387	2,112,087
Net Assets at End of Year	\$ 876,727	\$ 3,747,594	\$ 4,624,321	\$ 2,908,387

GUADALUPE COUNTY, TEXAS
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 SEPTEMBER 30, 2008

	Inmate Fund	District Clerk	Tax Assesor- Collector	District Clerk Trust & Registry	County Clerk Registry
ASSETS:					
Cash and Investments	\$ 18,703	\$ 453	\$ 1,741,708	\$ 705,470	\$ 642,240
Accounts Receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ 18,703</u>	<u>\$ 453</u>	<u>\$ 1,741,708</u>	<u>\$ 705,470</u>	<u>\$ 642,240</u>
LIABILITIES:					
Accounts Payable	\$ 18,703	\$ 453	\$ -	\$ 705,470	\$ 642,240
Due to Other Governments	-	-	1,741,708	-	-
TOTAL LIABILITIES	<u>\$ 18,703</u>	<u>\$ 453</u>	<u>\$ 1,741,708</u>	<u>\$ 705,470</u>	<u>\$ 642,240</u>

<u>Adult Probation</u>	<u>Child Protection</u>	<u>Sheriff Jackpot Fund</u>	<u>County Attorney</u>	<u>Unclaimed Property</u>	<u>Totals</u>
\$ 189,066	\$ 2,436	\$ 36,164	\$ 2,707	\$ 20,944	\$ 3,359,891
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 189,066</u>	<u>\$ 2,436</u>	<u>\$ 36,164</u>	<u>\$ 2,707</u>	<u>\$ 20,944</u>	<u>\$ 3,359,891</u>
\$ 189,066	\$ 2,436	\$ 36,164	\$ 2,707	\$ 20,944	\$ 1,618,183
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,741,708</u>
<u>\$ 189,066</u>	<u>\$ 2,436</u>	<u>\$ 36,164</u>	<u>\$ 2,707</u>	<u>\$ 20,944</u>	<u>\$ 3,359,891</u>



GUADALUPE COUNTY, TEXAS
STATISTICAL SECTION
SEPTEMBER 30, 2008

This part of the Guadalupe County's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Guadalupe County's overall financial health.

Financial Trends (Tables 1 through 4)

Net Assets by Component
Change in Net Assets
Fund Balances, Governmental Funds
Changes in Fund Balances, Governmental Funds

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity (Tables 5 through 10)

Tax Revenues by Source, Governmental Funds
Assessed Value and Actual Value of Property
Property Tax Rates – All Overlapping Governments
Principal Taxpayers
Property Tax Levies and Collections

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales tax.

Debt Capacity (Tables 11 through 14)

Ratios of Outstanding Debt by Type
Ratios of General Bonded Debt Outstanding
Direct and Overlapping Governmental Activities Debt
Legal Debt Margin

These schedules present information to help the reader assess the affordability of the County's current level of debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information (Tables 15 through 16)

Demographic and Economic Statistics
Principal Employers

These schedules offer demographic and economic indicators to help the reader understand how the County's financial activities take place and to help make comparisons over time and with other governments.

GUADALUPE COUNTY, TEXAS
STATISTICAL SECTION (CONTINUED)
SEPTEMBER 30, 2008

Operating Information (Tables 17 through 21)

Operating Indicators by Function – Capital Assets
Tax Rate Chart
Insurance Bond Coverage
Surety Bonds of Principal Officers
Miscellaneous Statistics

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

GUADALUPE COUNTY, TEXAS
NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 1

	Fiscal Year				
	2004	2005	2006	2007	2008
<i>Governmental Activities:</i>					
Invested in Capital Assets, Net of Related Debt	\$ 8,147,107 ⁽¹⁾	\$ 22,322,060	\$ 24,513,144	\$ 25,664,890	\$ 29,640,339
Restricted	140,792	49,274	268,840	317,359	156,723
Unrestricted	12,497,312	14,094,336	16,778,004	21,946,013	25,509,627
Total Governmental Activities Net Assets	<u>\$ 20,785,211</u>	<u>\$ 36,465,670</u>	<u>\$ 41,559,988</u>	<u>\$ 47,928,262</u>	<u>\$ 55,306,689</u>

(1) Retroactive Reporting of Infrastructure Assets under GASB 34.

GUADALUPE COUNTY, TEXAS
 CHANGES IN NET ASSETS
 LAST FIVE FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

TABLE 2

	Fiscal Year				
	2004	2005	2006	2007	2008
EXPENSES					
<i>Governmental Activities:</i>					
General Government	\$ 8,131,328	\$ 8,979,348	\$ 9,923,683	\$ 5,990,727	\$ 6,706,150
Judicial	-	-	-	7,507,134	8,197,806
Public Safety	10,640,424	11,503,670	13,227,482	13,793,072	14,849,005
Infrastructure	4,524,406	3,753,443	3,934,746	4,264,741	4,101,436
Social Services	6,025,349	6,544,199	6,709,576	4,349,623	4,186,228
Capital Outlay	73,570	57,001	226,969	437,857	148,244
Interest on Long-Term Debt	678,162	642,361	549,682	519,698	503,508
<i>Total Governmental Activities Expenses</i>	<u>\$ 30,073,239</u>	<u>\$ 31,480,022</u>	<u>\$ 34,572,138</u>	<u>\$ 36,862,852</u>	<u>\$ 38,692,377</u>
PROGRAM REVENUES					
<i>Governmental Activities:</i>					
<i>Charges for Service:</i>					
General Government	\$ 3,346,519	\$ 3,327,476	\$ 4,147,774	\$ 3,107,604	\$ 2,546,800
Judicial	-	-	-	1,576,806	1,503,238
Public Safety	3,089,937	2,976,254	4,404,129	4,554,942	3,705,631
Infrastructure	580,148	477,021	464,452	574,379	539,205
Social Services	523,526	568,213	326,910	154,944	168,551
Operating Grants and Contributions	2,021,487	2,272,175	2,562,884	2,560,239	2,520,114
Capital Grants and Contributions	156,732	330,037	45,924	140,660	278,160
<i>Total Governmental Activities</i>					
<i>Program Revenues</i>	<u>\$ 9,718,349</u>	<u>\$ 9,951,176</u>	<u>\$ 11,952,073</u>	<u>\$ 12,669,574</u>	<u>\$ 11,261,699</u>

The Judicial Activities line item was added in the 2007 report. The Judicial Activities amounts had previously been included in the General Government and Public Safety Activities.

GUADALUPE COUNTY, TEXAS
 CHANGES IN NET ASSETS (CONTINUED)
 LAST FIVE FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

TABLE 2 (Continued)

	Fiscal Year				
	2004	2005	2006	2007	2008
NET (EXPENSES) REVENUE					
Governmental Activities	\$(20,354,890)	\$(21,528,846)	\$(22,620,065)	\$(24,193,278)	\$(27,430,678)
Total Government Net Expenses	<u>\$(20,354,890)</u>	<u>\$(21,528,846)</u>	<u>\$(22,620,065)</u>	<u>\$(24,193,278)</u>	<u>\$(27,430,678)</u>
GOVERNMENTAL REVENUES AND OTHER CHANGES IN NET ASSETS					
<i>Governmental Activities:</i>					
Taxes					
Property Taxes	\$ 19,235,320	\$ 20,624,494	\$ 22,471,764	\$ 25,171,944	\$ 26,253,635
Sales Taxes	3,232,326	3,634,415	4,092,473	4,684,240	4,748,085
Other Taxes	66,857	70,768	87,224	108,678	2,270,859
Interest and Investment Earnings	167,814	440,656	916,132	1,283,441	1,056,795
Miscellaneous	36,102	26,690	53,279	109,301	441,014
Gain (Loss) on Disposal of Capital Assets	-	39,597	93,511	(796,052)	38,717
Special Item - Gain (Loss) on Disposal of Capital Assets	(915,189)	-	-	-	-
<i>Total Governmental Activities</i>	<u>21,823,230</u>	<u>24,836,620</u>	<u>27,714,383</u>	<u>30,561,552</u>	<u>34,809,105</u>
CHANGE IN NET ASSETS					
Government Activities	1,468,340	3,307,774	5,094,318	6,368,274	7,387,427
Total Government	<u>\$ 1,468,340</u>	<u>\$ 3,307,774</u>	<u>\$ 5,094,318</u>	<u>\$ 6,368,274</u>	<u>\$ 7,387,427</u>

GUADALUPE COUNTY, TEXAS
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST FIVE FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

TABLE 3

	Fiscal Year				
	2004	2005	2006	2007	2008
<i>General Fund:</i>					
Reserved	\$ 360,903	\$ 317,035	\$ 326,353	\$ 344,315	\$ 316,860
Unreserved	6,414,783	7,000,966	8,021,229	10,665,523	10,341,481
<i>Total General Fund</i>	<u>6,775,686</u>	<u>7,318,001</u>	<u>8,347,582</u>	<u>11,009,838</u>	<u>10,658,341</u>
<i>Other Governmental Funds:</i>					
Reserved Reported in:					
Road and Bridge	100,448	84,761	105,976	996,863	165,956
Other NonMajor	12,537	13,029	23,326	3,967,655	23,434
Unreserved Reported in:					
Road and Bridge	960,528	537,559	677,339	111,887	1,224,041
Debt Service	140,792	49,274	173,107	227,801	59,450
Capital Projects Fund	406,330	425,854	904,592	1,426,793	2,602,416
Other NonMajor	2,007,377	2,537,213	3,111,804	17,279	4,875,896
<i>Total Other Governmental Funds</i>	<u>3,628,012</u>	<u>3,647,690</u>	<u>4,996,144</u>	<u>6,748,278</u>	<u>8,951,193</u>
TOTAL ALL GOVERNMENTAL FUNDS	<u>\$ 10,403,698</u>	<u>\$ 10,965,691</u>	<u>\$ 13,343,726</u>	<u>\$ 17,758,116</u>	<u>\$ 19,609,534</u>

Note: Financial data prior to fiscal year 2004 was not available.

GUADALUPE COUNTY, TEXAS
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST FIVE FISCAL YEARS

TABLE 4

	Fiscal Year				
	2004	2005	2006	2007	2008
REVENUES					
Taxes	\$ 22,455,124	\$ 24,215,575	\$ 26,662,126	\$ 29,992,868	\$ 33,360,037
Licenses and Permits	337,995	352,351	436,360	466,791	174,066
Intergovernmental	2,177,821	2,397,315	2,564,490	2,607,662	2,515,488
Charges for Services	5,213,198	4,582,392	6,811,799	7,183,595	6,216,774
Fines and Forfeits	1,609,128	1,525,235	1,408,682	1,581,621	1,622,058
Miscellaneous	568,696	1,557,121	1,509,821	1,903,950	1,919,731
TOTAL REVENUES	32,361,962	34,629,989	39,393,278	43,736,487	45,808,154
EXPENDITURES					
<i>Current:</i>					
General Government	7,968,486	8,678,173	9,430,748	4,456,106	7,163,247
Judicial*	-	-	-	7,230,843	7,901,046
Public Safety	9,716,968	11,112,542	11,837,489	13,261,398	14,729,591
Infrastructure	4,426,595	4,792,572	5,137,024	5,493,032	5,888,136
Social Services	5,880,613	6,851,945	6,683,940	4,326,924	4,177,704
Conservation	160,592	-	-	-	-
Capital Projects/Outlay	848,756	1,381,486	2,665,147	3,340,601	2,884,140
<i>Debt Service:</i>					
Principal	580,000	610,000	755,000	710,000	745,000
Interest and Other Charges	806,204	641,278	576,292	503,193	467,872
TOTAL EXPENDITURES	30,388,214	34,067,996	37,085,640	39,322,097	43,956,736
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,973,748	561,993	2,307,638	4,414,390	1,851,418
OTHER FINANCING SOURCES (USES)					
Transfers In	2,008,223	2,247,849	3,945,740	3,945,640	5,140,149
Transfers (Out)	(2,008,223)	(2,247,849)	(3,945,740)	(3,945,640)	(5,140,149)
Refunding Bond Issued	-	-	9,495,000	-	-
Payment to Bond Escrow	-	-	(9,726,211)	-	-
Bond Premium	-	-	301,608	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	70,397	-	-
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing (Uses)	1,973,748	561,993	2,378,035	4,414,390	1,851,418
Fund Balances at Beginning of Year	8,429,950	10,403,698	10,965,691	13,343,726	17,758,116
Fund Balances at End of Year	\$ 10,403,698	\$ 10,965,691	\$ 13,343,726	\$ 17,758,116	\$ 19,609,534

* The Judicial Activities line item was added in the 2007 report. The Judicial Activities amounts had previously been included in the General Government and Public Safety Activities.

GUADALUPE COUNTY, TEXAS
 TAX REVENUES BY SOURCE
 LAST FIVE FISCAL YEARS
 (UNAUDITED)

TABLE 5

Year	Property Tax	Sales and Use Tax	Other Tax	Total
2004	\$ 19,155,941	\$ 3,232,326	\$ 66,857	\$ 22,455,124
2005	20,510,392	3,634,415	70,768	24,215,575
2006	22,482,429	4,092,473	87,224	26,662,126
2007	25,153,434	4,684,240	108,678	29,946,352
2008	26,611,093	4,478,085	2,270,859	33,360,037

GUADALUPE COUNTY, TEXAS
 ASSESSED VALUE AND ACTUAL VALUE OF PROPERTY
 LAST FIVE FISCAL YEARS
 (UNAUDITED)

TABLE 6

Fiscal Year	Residential Property	Commercial Property	Industrial Property	All Other	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2004	\$ 3,341,149,747	\$ 540,927,049	\$ 811,855,573	\$ 1,093,528,761	\$ (68,013,302)	\$ 5,719,447,828	0.4131
2005	3,708,328,379	604,569,412	841,973,961	1,211,540,420	(77,589,283)	6,288,822,889	0.4030
2006	4,276,407,896	715,290,536	795,054,840	1,499,119,564	(89,647,194)	7,196,225,642	0.4031
2007	4,623,456,204	708,507,326	788,986,851	1,503,855,301	(90,557,880)	7,534,247,802	0.4031
2008	4,565,174,534	699,576,131	779,041,159	1,484,898,228	(89,416,339)	7,439,273,713	0.3895

*Source: Guadalupe County Appraisal District
 Tax rates are per \$100 of assessed value.*

GUADALUPE COUNTY, TEXAS
PROPERTY TAX RATES – ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

Jurisdiction	Fiscal Year				
	1999	2000	2001	2002	2003
	1998 Rate	1999 Rate	2000 Rate	2001 Rate	2002 Rate
Guadalupe County	0.31920	0.3417	0.3193	0.3499	0.3668
Lateral Road	0.06000	0.0582	0.0630	0.0420	0.0463
<i>Cities:</i>					
City of Seguin	0.39400	0.3964	0.3947	0.3891	0.4007
City of Schertz	0.35440	0.3455	0.3405	0.3826	0.3825
City of Cibolo	0.35200	0.3699	0.3800	0.3573	0.3215
City of Marion	0.37280	0.3542	0.3495	0.3495	0.3795
City of Selma	0.45000	0.4500	0.3900	0.3900	0.3700
City of New Braunfels	0.31312	0.3200	0.3136	0.3136	0.3185
City of San Marcos	0.43500	0.4610	0.4610	0.4710	0.4710
<i>School Districts:</i>					
Schertz-UC ISD	1.69230	1.4945	1.6267	1.7100	1.7300
Marion ISD	1.47940	1.5062	1.5450	1.1544	1.7800
Seguin ISD	1.64000	1.6400	1.6400	1.6400	1.6850
Navarro ISD	1.61840	1.6140	1.5874	1.6545	1.6380
Comal ISD	1.76838	1.8800	1.8500	1.8500	1.8000
Luling ISD	1.16000	1.1100	1.1100	1.1500	1.2395
La Vernia ISD	1.43000	1.4300	1.4300	1.4620	1.5932
New Braunfels ISD	1.64000	1.7680	1.9210	1.9210	1.8550
Nixon-Smilely CISD	1.22000	1.2400	1.2900	1.2790	1.3000
Prairie Lea ISD	1.34410	1.3483	1.3483	1.3448	1.3485
San Marcos CISD	1.55000	1.4438	1.4952	1.4296	1.6000
Guadalupe County MUD#1	0.59060	0.5675	0.5675	0.4300	
Guadalupe County MUD#2	1.42000	1.2187	1.2117	1.1711	
York Creek Water	0.00370	0.0037	0.0033	0.0033	0.0033

TABLE 7

Fiscal Year				
2004	2005	2006	2007	2008
2003 Rate	2004 Rate	2005 Rate	2006 Rate	2007 Rate
0.3654	0.3530	0.3531	0.3481	0.3295
0.0477	0.0500	0.0500	0.0550	0.0600
0.3976	0.4021	0.4326	0.4814	0.4726
0.3825	0.3760	0.3977	0.4317	0.4090
0.2895	0.2695	0.3178	0.3186	0.3186
0.3791	0.3856	0.3900	0.3900	0.3688
0.3490	0.3199	0.3193	0.2865	0.2621
0.3711	0.448329	0.425614	0.4099	0.4099
0.4710	0.4710	0.4702	0.4702	0.5302
1.7800	1.7400	1.7200	1.6100	1.3150
1.7800	1.7679	1.6905	1.5315	1.3100
1.6850	1.6944	1.6890	1.5351	1.1600
1.6203	1.8551	1.8800	1.8200	1.4400
1.8300	1.8200	1.8200	1.6400	1.3100
1.2700	1.3050	1.3450	1.2390	1.0390
1.5900	1.7100	1.6900	1.5176	1.3788
1.8550	1.8200	1.8200	1.6525	1.3388
1.3000	1.3332	1.3332	1.2562	1.0664
1.4148	1.4148	1.2000	1.1000	0.9400
1.6000	1.7300	1.8300	1.7000	1.3700
0.0033	0.0034	0.0034	0.0038	0.3800

GUADALUPE COUNTY, TEXAS
 PRINCIPAL TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO
 (UNAUDITED)

TABLE 8

	2008			1999		
	Rank	Assessed Taxable Valuation (\$1,000)	% of Total Assessed Valuation	Rank	Assessed Taxable Valuation (\$1,000)	% of Total Assessed Valuation
Structural Metals, Inc	1	\$ 89,041	1.71%	2	\$ 51,849	2.08%
Texas Petroleum Investment Co.	2	62,583	1.18%			
Guadalupe Power Partners	3	56,140	1.07%			
Rio Nogales Power Project	4	64,866	1.05%			
San Antonio MTA LP	5	42,539	0.81%			
LCRA Transmission Services Corp	6	42,454	0.81%			
Southwestern Bell	7	32,966	0.63%	3	29,457	1.18%
TEMIC Automotive	8	30,719	0.59%			
San Filippi John & Son, Inc	9	23,454	0.45%	7	14,204	0.57%
Hexcel Corp	10	22,302	0.43%	4	21,451	0.86%
Motorola				1	81,225	3.26%
Vintage Petroleum				9	9,346	0.37%
H.E. Butt Grocery Store				5	14,807	0.59%
Guadalupe Valley Electric Co.				6	14,461	0.58%
Wal-Mart Store #901				8	12,534	0.50%
AT&T Communications				10	8,784	0.35%
		<u>\$ 467,064</u>	<u>7.29%</u>		<u>\$ 258,118</u>	<u>10.34%</u>

GUADALUPE COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST FIVE FISCAL YEARS
(UNAUDITED)

TABLE 9

Fiscal Year Ended September 30,	Taxes Levied For The Fiscal Year	Collections Within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2004	\$ 17,270,475	\$ 16,756,882	97.0%	\$ 416,402	\$ 17,173,284	99.4%
2005	18,616,842	18,024,097	96.8%	441,540	18,465,637	99.2%
2006	20,428,930	19,898,422	97.4%	344,430	20,242,852	99.1%
2007	23,035,688	22,566,576	98.0%	251,130	22,817,706	99.1%
2008	22,009,651	21,547,799	97.9%	-	21,547,799	97.9%

GUADALUPE COUNTY, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST FIVE FISCAL YEARS
(UNAUDITED)

TABLE 10

Fiscal Year	Governmental Activities		Total Primary Government	Actual Taxable Value of Property	Percentage of Taxable Value of Property	Per* Capita
	General Obligation Bonds	Certificates of Obligation				
2004	\$ 345,000	\$ 13,020,000	\$ 13,365,000	\$ 5,719,447,828	0.2%	127.19
2005	75,000	12,680,000	12,755,000	6,288,822,889	0.2%	121.67
2006	9,385,000	2,935,000	12,320,000	7,196,225,642	0.2%	125.42
2007	9,355,000	2,255,000	11,610,000	7,534,247,602	0.2%	110.49
2008	9,325,000	1,540,000	10,865,000	7,439,273,713	0.1%	103.40

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

** Population data can be found on table 14.*

GUADALUPE COUNTY, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST FIVE FISCAL YEARS
(UNAUDITED)

TABLE 11

Fiscal Year	General Bonded Debt		Less Available in Debt Service Funds	Total	Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation					
2004	\$ 345,000	\$ 13,020,000	\$ (140,792)	\$ 13,224,208	\$ 5,719,447,828	0.23%	\$ 125.85
2005	75,000	12,680,000	(49,274)	12,705,726	6,288,822,889	0.20%	121.02
2006	9,385,000	2,935,000	(173,107)	12,146,893	7,196,225,642	0.17%	123.66
2007	9,355,000	2,255,000	(227,801)	11,382,199	7,534,247,602	0.15%	108.33
2008	9,325,000	1,540,000	(59,450)	10,805,550	7,439,273,713	0.15%	102.83

Note: Details about the County's outstanding debt can be found in the notes to the financial statements.

**Population information is on table 14.*

GUADALUPE COUNTY, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2008
(UNAUDITED)

TABLE 12

Taxing Body	Net Debt		% Overlapping	Amount Overlapping
	Amount	As of		
Cibolo Creek MA	-	09/30/08	**	-
Cibolo, City of	\$ 14,540,000	09/30/08	100.00	\$ 14,540,000
Comal ISD	495,103,705	09/30/08	2.39	11,832,979
La Vernia ISD	42,865,189	09/30/08	12.59	5,396,727
Luling ISD	4,315,000	09/30/08	17.59	759,009
Marion ISD	2,875,000	09/30/08	100.00	2,875,000
Marion, City of	130,000	09/30/08	100.00	130,000
Navarro ISD	25,931,067	09/30/08	100.00	25,931,067
New Braunfels ISD	114,321,212	09/30/08	17.31	19,789,002
New Braunfels, City of	73,030,000	09/30/08	13.09	9,559,627
Nixon-Smilely CISD	1,330,000	09/30/08	1.70	22,610
Prairie Lea ISD	-	09/30/08	23.06	-
San Marcos CISD	133,624,959	09/30/08	4.06	5,425,173
Schertz, City of	56,875,000	09/30/08	82.80	47,092,500
Schertz-Cibolo-Universal ISD	287,639,179	09/30/08	89.53	257,523,357
Seguin ISD	83,803,128	09/30/08	100.00	83,803,128
Seguin, City of	32,645,000	09/30/08	100.00	32,645,000
Selma, City of	13,450,000	09/30/08	27.80	3,739,100
Total Net Overlapping Debt: .				521,064,278
Guadalupe County		09/30/08		<u>10,865,000</u>
Total Direct and Overlapping Debt:				<u>\$ 531,929,278</u>
Total Direct and Overlapping Debt % of A.V.:				7.15%
Total Direct and Overlapping Debt Per Capita:				\$ 5,062

Source: Municipal Advisory Council

GUADALUPE COUNTY, TEXAS
 COMPUTATION OF LEGAL DEBT MARGIN
 SEPTEMBER 30, 2008
 (UNAUDITED)

TABLE 13

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed Value	<u>\$7,439,273,713</u>
* Debt limit (10% of assessed value)	743,927,371
Outstanding Debt ^[1]	10,865,000
Less amount set aside for repayment of general obligation debt	<u>(59,450)</u>
Total net debt applicable to limit	10,805,550
 Economic Debt Margin	 <u>\$ 733,121,821</u>

	Fiscal Year				
	2004	2005	2006	2007	2008
Debt Limit	\$ 571,944,783	\$ 628,882,289	\$7,196,255,642	\$ 753,424,760	\$ 743,927,371
Total Net Debt Applicable to Limit	13,224,208	(12,705,726)	12,146,893	11,382,919	10,805,550
Economic Debt Margin	<u>\$ 558,720,575</u>	<u>\$ 641,588,015</u>	<u>\$7,184,108,749</u>	<u>\$ 742,041,841</u>	<u>\$ 733,121,821</u>

^[1] Texas does not have a legal debt margin for counties. The only limit on taxation is \$2.50 per \$100 of assessed value. Good financial integrity calls for 10% of assessed value to be used for debt limit.

GUADALUPE COUNTY, TEXAS
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST EIGHT FISCAL YEARS
 (UNAUDITED)

TABLE 14

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income¹</u>	<u>Unemployment Rate²</u>
2007	105,077	\$ 26,584 *	4.5%
2006	105,077	26,584 *	4.4%
2005	104,831	26,584 *	4.4%
2004	98,227	26,584	4.7%
2003	97,221	25,365	5.2%
2002	93,528	24,678	5.2%
2001	92,303	23,532	3.8%
2000	89,023	23,100	3.4%

*Based on 2005 figures from the Bureau of Economic Analysis, U.S. Department of Commerce

¹Personal Income provided by the Bureau of Economic Analysis, U.S. Department of Commerce

²Unemployment rate is provided by the Texas Workforce Commission

GUADALUPE COUNTY, TEXAS
 PRINCIPAL EMPLOYERS
 CURRENT YEAR
 (UNAUDITED)

TABLE 15

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Schertz-Cibolo-Universal City ISD	1,495	1	4.49%
Seguin Independent School District	1,231	2	3.70%
Commercial Metals Company (SMI)	832	3	2.50%
Continental AG (Motorola)	789	4	2.37%
Wal-Mart Supercenter	820	5	2.46%
Guadalupe Regional Medical Center	691	6	2.07%
Tyson Foods, Inc.	682	7	2.05%
HEB Food Stores	583	8	1.75%
Brandt Engineering	450	9	1.35%
Guadalupe County	446	10	1.34%
EyeCare Centers of America	320	11	0.96%
Texas Lutheran University	315	12	0.95%
City of Schertz	303	13	0.91%
City of Seguin	299	14	0.90%
Total	<u>9,256</u>		<u>27.78%</u>

Source: Schertz Chamber of Commerce, Seguin Area Chamber of Commerce, Texas Workforce Commission, and US Dept. of Labor.

Note: Comparative information of nine years ago was not available.

GUADALUPE COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
CAPITAL ASSETS
LAST FIVE FISCAL YEARS
(UNAUDITED)

TABLE 16

Function	Fiscal Year				
	2004	2005	2006	2007	2008
<i>General Government:</i>					
Land	\$ 205,822	\$ 205,822	\$ 205,822	\$ 205,822	\$ 205,822
Buildings	3,622,547	2,743,781	2,743,781	3,010,782	3,575,562
Equipment	973,006	1,161,973	1,262,209	1,579,678	1,597,482
Vehicles	82,276	79,961	70,396	112,060	143,836
<i>General Government Total</i>	<u>4,883,651</u>	<u>4,191,537</u>	<u>4,282,208</u>	<u>4,908,342</u>	<u>5,522,702</u>
<i>Judicial:</i>					
Land	57,399	57,399	57,399	108,110	108,110
Buildings	6,388,736	6,388,736	6,803,669	6,819,196	6,837,626
Equipment	121,474	200,607	206,016	165,446	178,646
Vehicles	134,766	123,156	138,515	126,906	172,968
<i>Judicial Total</i>	<u>6,702,375</u>	<u>6,769,898</u>	<u>7,205,599</u>	<u>7,219,658</u>	<u>7,297,350</u>
<i>Public Safety:</i>					
Land	745,042	788,085	788,085	788,085	788,085
Buildings	14,773,263	15,652,029	15,652,029	15,737,852	15,737,852
Equipment	705,161	811,070	958,616	1,041,485	1,242,849
Vehicles	1,657,266	1,720,607	2,116,584	2,057,582	2,247,872
<i>Public Safety Total</i>	<u>17,880,732</u>	<u>18,971,791</u>	<u>19,515,314</u>	<u>19,625,004</u>	<u>20,016,658</u>
<i>Infrastructure:</i>					
Land	151,060	153,893	153,893	153,893	153,893
Infrastructure - Roads	11,145,037	12,293,541	13,489,174	14,721,898	16,565,483
Infrastructure - Bridges	1,583,133	1,899,928	1,899,928	1,288,974	1,322,350
Buildings	331,462	331,462	357,913	357,913	357,913
Equipment			6,424	169,314	169,314
Heavy Equipment	3,976,556	4,060,356	4,178,396	2,759,277	2,811,743
Vehicles	474,987	507,021	579,491	1,898,263	2,029,091
<i>Infrastructure Total</i>	<u>17,662,235</u>	<u>19,246,201</u>	<u>20,665,219</u>	<u>21,349,532</u>	<u>23,409,787</u>
<i>Social Services:</i>					
Land	-	-	-	6,500	6,500
Buildings	127,420	127,420	176,188	524,264	524,264
Equipment	12,056	-	-	18,943	17,943
Vehicles	71,874	82,333	60,949	177,258	232,104
<i>Social Services Total</i>	<u>211,350</u>	<u>209,753</u>	<u>237,137</u>	<u>726,965</u>	<u>780,811</u>
<i>Conservation:*</i>					
Land	6,500	6,500	6,500	-	-
Buildings	348,076	348,076	348,076	-	-
Equipment	13,500	13,500	13,500	-	-
Vehicles	93,549	92,105	114,866	-	-
<i>Conservation Total</i>	<u>461,625</u>	<u>460,181</u>	<u>482,942</u>	<u>-</u>	<u>-</u>
<i>Totals:</i>					
Land	1,165,823	1,211,699	1,211,699	1,262,410	1,262,410
Infrastructure	12,728,170	14,193,469	15,389,102	16,010,872	17,887,833
Buildings	25,591,504	25,591,504	26,081,656	26,450,007	27,033,217
Equipment	1,825,197	2,187,150	2,446,765	2,974,866	3,206,234
Heavy Equipment	3,976,556	4,060,356	4,178,396	2,759,277	2,811,743
Vehicles	2,514,718	2,605,183	3,080,801	4,372,069	4,825,871
	<u>\$ 47,801,968</u>	<u>\$ 49,849,361</u>	<u>\$ 52,388,419</u>	<u>\$ 53,829,501</u>	<u>\$ 57,027,308</u>

*

Conservation was included in Social Services Beginning in 2007.

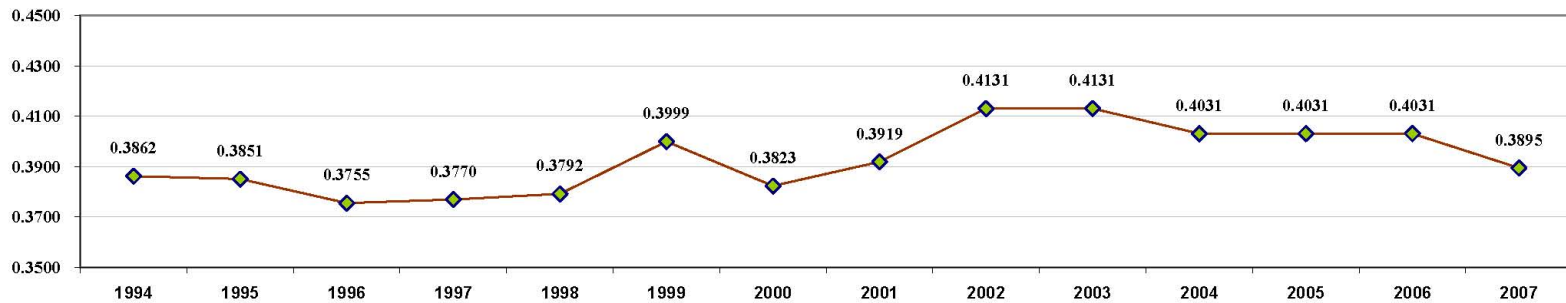
GUADALUPE COUNTY, TEXAS
TAX RATE CHART
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 17

TAX RATE BY FUND

	1994 Rate	1995 Rate	1996 Rate	1997 Rate	1998 Rate	1999 Rate	2000 Rate	2001 Rate	2002 Rate	2003 Rate	2004 Rate	2005 Rate	2006 Rate	2007 Rate
Maintenance & Operations	0.3792	0.3873	0.3840	0.3717	0.3872	0.3751	0.3658	0.3910	0.4128	0.4046	0.3927	0.4035	0.4069	0.3845
Less: Sales Tax	<u>(0.0947)</u>	<u>(0.0993)</u>	<u>(0.0916)</u>	<u>(0.0809)</u>	<u>(0.0842)</u>	<u>(0.0897)</u>	<u>(0.0845)</u>	<u>(0.0770)</u>	<u>(0.0775)</u>	<u>(0.0677)</u>	<u>(0.0641)</u>	<u>(0.0759)</u>	<u>(0.0800)</u>	<u>(0.0700)</u>
Total Maintenance & Operations:	0.2845	0.2880	0.2924	0.2908	0.3030	0.2854	0.2813	0.3140	0.3353	0.3369	0.3286	0.3276	0.3269	0.3145
Interest & Sinking Rate:	0.0150	0.0138	0.0073	0.0132	0.0162	0.0563	0.0380	0.0359	0.0315	0.0285	0.0245	0.0255	0.0212	0.0150
Lateral Road Rate:	0.0867	0.0833	0.0758	0.0730	0.0600	0.0582	0.0630	0.0420	0.0463	0.0477	0.0500	0.0500	0.0550	0.0600
Total Guadalupe County R	<u>0.3862</u>	<u>0.3851</u>	<u>0.3755</u>	<u>0.3770</u>	<u>0.3792</u>	<u>0.3999</u>	<u>0.3823</u>	<u>0.3919</u>	<u>0.4131</u>	<u>0.4131</u>	<u>0.4031</u>	<u>0.4031</u>	<u>0.4031</u>	<u>0.3895</u>

Total Tax Rate by Year



GUADALUPE COUNTY, TEXAS
INSURANCE AND BOND COVERAGE
FOR THE YEAR ENDED SEPTEMBER 30, 2008

COVERAGE: PROPERTY INSURANCE

Coverage Period May 1, 2008 – May 1, 2009
Policy No. GP09314254
Deductible \$5,000 (unless otherwise specified)
Company St. Paul Fire & Marine Ins. Co.

Limits: Buildings \$31,115,757; deductible \$5,000
Personal Property
Business Income with Extra Expense (Road & Bridge) \$2,000,000;
waiting period 48 hours
Valuable Papers (Administration Building) \$315,000; deductible \$1,000
Personal - Property – EDP Property \$4,974,103; deductible \$1,000
Communication Equipment \$695,513; deductible \$1,000
Contractor's Equipment \$2,880,762; deductible \$1,000
Commercial Articles \$236,149; deductible \$1,000

COVERAGE: GENERAL LIABILITY

Coverage Period May 1, 2008 – May 1, 2009
Coverage Document No. GL 0940 2008 05 01
Deductible \$25,000
Company Texas Association of Counties, County
Government Risk Management Pool

Limits of Liability:

Bodily Injury per person \$100,000; per occurrence
\$300,000
Property Damage per occurrence \$100,000
Damage to Premises Rented \$50,000
Personal & Advertising Injury Liability per person \$100,000; per offence/aggregate
\$300,000
Employee Benefits \$100,000
Medical Payment Per Person \$1,000

COVERAGE: AUTO LIABILITY (county owned, non-owned and hired vehicles)

Coverage Period May 1, 2008 – May 1, 2009
Coverage Document No. AL 0940 2008 05 01
Deductible \$1,000
Company Texas Association of Counties, County
Government Risk Management Pool

Limits: Bodily Injury Liability each person \$100,000; each accident
\$300,000
Property Damage Liability each accident \$100,000

GUADALUPE COUNTY, TEXAS
INSURANCE AND BOND COVERAGE (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008

COVERAGE: PUBLIC OFFICIALS LIABILITY

Coverage Period	May 1, 2008 – May 1, 2009
Coverage Document No.	PO 0940 2008 05 01
Deductible	\$25,000
Company	Texas Association of Counties, County Government Risk Management Pool

Limits of Liability:

Each Wrongful Act	\$2,000,000
Aggregate	\$2,000,000; plus CPOL/CCE&O Endorsement \$1,000,000; plus CPOL/DCE&O Endorsement \$980,000

COVERAGE: LAW ENDORCEMENT PROFESSIONAL LIABILITY

Coverage Period	May 1, 2008 – May 1, 2009
Policy No.	LE 0940 2008 05 01
Deductible	\$25,000
Company	Texas Association of Counties, County Government Risk Management Pool

Limits of Liability:

Each Wrongful Act	\$2,000,000
Aggregate	\$2,000,000

COVERAGE: CRIME POLICY, PUBLIC EMPLOYEE DISHONESTY

Coverage Period	January 1, 2007 – January 1, 2009
Policy No.	CCP 1484622 12
Deductible	\$2,500
Company	Fidelity and Deposit Company of Maryland (The F&D Companies)

Limits:	Per occurrence	\$100,000 (excludes active law enforcement personnel)
---------	----------------	---

COVERAGE: COMMERCIAL CRIME, EMPLOYEE DISHONESTY

Coverage Period	August 21, 1995 (continuous)
Policy No.	88000184
Deductible	\$500
Company	Universal Surety of America

Limits:	Per occurrence	\$5,000 (includes active law enforcement personnel)
---------	----------------	---

COVERAGE: COMMERCIAL CRIME, EXCESS EMPLOYEE DISHONESTY

Coverage Period	August 21, 1995 (continuous)
Policy No.	88000195
Deductible	\$4,500
Company	Universal Surety of America

Limits:	Per occurrence	\$45,000 (includes active law enforcement personnel)
---------	----------------	--

GUADALUPE COUNTY, TEXAS
INSURANCE AND BOND COVERAGE (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008

COVERAGE:	FLOOD INSURANCE (1101 ELBEL ROAD, SCHERTZ, TX)	
	Coverage Period	July 9, 2008 – July 9, 2009
	Policy No.	42 2510135605 04
	Deductible	\$5,000
	Company	Fidelity National Insurance
Limits:	Building	\$500,000
	Contents	\$310,400
COVERAGE:	EXCESS FLOOD INSURANCE (1101 ELBEL ROAD, SCHERTZ, TX)	
	Coverage Period	July 9, 2008 – July 9, 2009
	Certificate No.	FLEX 4209003387-00
	Deductible	\$500,000 (Basic Flood Coverage)
	Company	WNC Insurance Services
Limits:	Building	\$1,000,000
COVERAGE:	FLOOD INSURANCE (307 W. COURT, SEGUIN, TX)	
	Coverage Period	July 9, 2008 – July 9, 2009
	Policy No.	422510135606 04
	Deductible	\$5,000
	Company	Fidelity National Insurance
Limits:	Building	\$500,000
	Contents	\$192,000
COVERAGE:	EXCESS FLOOD INSURANCE (307 W. COURT, SEGUIN, TX)	
	Coverage Period	July 9, 2008 - July 9, 2009
	Certificate No.	FLEX 4209003388-00
	Deductible	\$500,000 (Basic Flood Insurance)
	Company	WNC Insurance Services
Limits:	Building	\$500,000
COVERAGE:	JUVENILE BOARD DISHONESTY	
	Coverage Period:	November 1, 2003 (continuous)
	Policy No.	65BPECN6623
	Deductible	\$100
	Company	Hartford Casualty Insurance
Limits:	Per occurrence	\$5,000

GUADALUPE COUNTY, TEXAS
INSURANCE AND BOND COVERAGE (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2008

COVERAGE: JUDGES' PROFESSIONAL LIABILITY INSURANCE	
Coverage Period:	Dwight Eric Peschel, 01/26/08 – 01/26/09 Gary L. Steel, 12/21/08 – 12/21/09 W.C. Kirkendall, 01/27/08 – 01/27/09 Linda Z. Jones, 03/29/08 – 03/29/09
Deductible	\$1,000
Company	Texas Lawyers' Insurance Exchange
Limits:	
Per occurrence	\$1,000,000
Aggregate	\$1,000,000
COVERAGE: WORKERS COMPENSATION & EMPLOYERS LIABILITY	
Coverage Period	February 21, 2008 – February 21, 2009
Policy No.	EWC006102
Company	TAC Risk Management Pool
COVERAGE: HEALTH INSURANCE PLAN	
Coverage Period	January 1, 2008 – December 31, 2009
Company	TAC (HEBP)
Specific Stop Loss Deductible	\$90,000
Specific Lifetime Reimbursement	Maximum per covered person: \$1,000,000
Separate Individual Specific Deducted	
Coverage Agreement #	WC0940 2009 0101
Statutory Limit	\$1,000,000

GUADALUPE COUNTY, TEXAS
SURETY BONDS OF PRINCIPAL OFFICERS
SEPTEMBER 30, 2008

Name	Title	Amount of Surety Bond
Mike Wiggins	County Judge	\$ 10,000
Roger Baenziger	Commissioners, Precinct 1	3,000
Cesareo Guadarrama, III	Commissioners, Precinct 2	3,000
Jim Wolverton	Commissioners, Precinct 3	3,000
Judy Cope	Commissioners, Precinct 4	3,000
Linda Z. Jones	County Court-at-Law Judge	5,000
Frank Follis	County Court-at-Law Judge No. 2	5,000
Linda Douglass	Treasurer	25,000
Elizabeth Murray-Kolb	County Attorney	2,500
Arnold Zwicke	Sheriff	7,500
Teresa Kiel	County Clerk	100,000
Tavie Murphy	Tax Assessor-Collector	100,000
Debra Crow	District Clerk	100,000
Kristen Klein	County Auditor	5,000
Sue Basham	Election Administrator	10,000
William Darrell Hunter	Justice of the Peace, Precinct 1	5,000
Edmundo "Cass" Castellanos	Justice of the Peace, Precinct 2	1,000
Roy Richard	Justice of the Peace, Precinct 3	5,000
Larry Morawietz	Justice of the Peace, Precinct 4	1,000
Bobby Jahns	Constable, Precinct 1	1,000
Steve Garcia	Constable, Precinct 2	1,000
Travis Payne	Constable, Precinct 3	1,000
Eugene Mayes	Constable, Precinct 4	1,000
Daniel L. Kinsey	Emergency Management Coordinator	5,000

Source: Applicable court orders and payroll records.

GUADALUPE COUNTY, TEXAS
MISCELLANEOUS STATISTICS/OPERATING INDICATORS BY FUNCTION
LAST SIX FISCAL YEARS

FUNCTION	2003	2004	2005	2006	2007	2008
GENERAL GOVERNMENT						
<i>Tax Office</i>						
Ad valorem assessment notices issued	60,648	61,930	64,360	67,238	68,215	72,401
*per certified tax roll						
Motor Vehicle Registrations	82,967	90,806	96,003	101,989	107,905	109,527
Auto Titles Issued	19,142	19,842	19,600	20,266	20,838	20,355
<i>County Clerk</i>						
Marriage licenses	607	506	561	555	591	571
Birth certificates	3,118	3,423	3,516	3,278	3,169	3,054
Deeds & Records recording transactions	25,909	27,004	26,676	27,266	17,510	16,781
JUSTICE SYSTEM **						
<i>Justice of the Peace Courts</i>						
<i>Criminal Cases -</i>						
JP1 new cases filed	10,405	13,763	13,328	13,444	12,013	11,351
cases disposed	9,940	11,303	11,208	11,112	10,540	9,516
JP2 new cases filed	1,427	1,203	1,236	1,030	916	656
cases disposed	1,253	1,137	1,172	922	898	661
JP3 new cases filed	700	1,207	1,631	2,050	1,511	1,546
cases disposed	615	845	1,202	1,415	1,528	1,340
JP4 new cases filed	2,872	4,956	5,230	3,712	3,981	3,605
cases disposed	3,358	3,924	4,912	3,396	3,492	3,371
<i>Civil Cases</i>						
JP1 new cases filed	87	100	118	79	161	233
cases disposed	75	107	100	85	78	194
JP2 new cases filed	177	201	250	194	252	313
cases disposed	181	209	231	196	183	234
JP3 new cases filed	118	113	124	152	201	371
cases disposed	132	110	109	153	90	221
JP4 new cases filed	168	147	184	338	265	436
cases disposed	146	136	171	234	287	345
<i>County Courts</i>						
<i>Civil cases</i>						
new cases filed	378	539	504	642	659	483
disposed	295	466	644	616	522	541
<i>Criminal cases</i>						
cases added to docket during year	2,658	3,021	3,119	3,135	2,544	2,557
disposition other than dismissal	1,637	2,123	2,102	2,205	2,020	1,863
dismissals	1,189	1,068	2,112	1,089	1,010	1,488
<i>Probate cases</i>						
filed	285	277	281	300	293	303
hearings	259	294	299	321	329	320
<i>Mental health cases</i>						
filed	9	16	20	5	10	5
hearings	-	-	-	3	9	1
<i>District Courts</i>						
<i>Civil cases</i>						
new cases filed	1,707	1,723	1,585	1,765	1,785	1,798
disposed	1,855	2,097	1,929	1,806	2,191	1,989
<i>Criminal cases</i>						
cases added to docket during year	650	702	844	921	847	755
disposition other than dismissal	434	574	533	810	638	569
dismissals	78	231	115	198	200	221
<i>Juvenile cases</i>						
new petitions filed	136	247	246	331	207	172
disposed	142	272	230	499	335	296

** data obtained from reports filed with Office of the Court Administrator

GUADALUPE COUNTY, TEXAS
 MISCELLANEOUS STATISTICS/OPERATING INDICATORS BY FUNCTION (CONTINUED)
 LAST SIX FISCAL YEARS

FUNCTION	2003	2004	2005	2006	2007	2008
PUBLIC SAFETY						
Calls for service	N/A	16,011	16,769	18,236	16,630	17,375
911 calls	N/A	23,219	36,510	30,602	39,654	51,386
assaults reported/cleared	N/A	463/378	583/412	650/406	508/270	536/279
burglaries reported/cleared	N/A	329/115	280/76	282/43	260/53	265/53
citations	N/A	3,139	2,047	1,822	1,591	1,797
number of budgeted employees - sheriff	67	72	75	78	88	94
Number of autopsies county paid for	23	22	23	32	28	34
CORRECTIONS & REHABILITATION						
<i>County Jail</i>						
Inmates housed (average per day)	458	454	444	555	487	413
bookings processed	7,645	6,791	6,563	6,541	6,894	6,031
releases processed	7,550	6,756	6,414	6,501	6,998	5,673
number of budgeted employees- county	104	105	109	109	122	126
<i>Juvenile Detention Center *</i>						
Guadalupe County juveniles detained	277	432	655	not avail	not avail	not avail
Juveniles detained from other counties	75	199	144	not avail	not avail	not avail
Juveniles detained at request of INS	140	23	3	not avail	not avail	not avail

* Pre-adjudication center, calendar year amounts obtained from the Texas Juvenile Probation Commission

FEDERAL AWARD SECTION





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

The Honorable Judge and Members of Commissioner's Court
Guadalupe County, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Guadalupe County, Texas, as of and for the year ended September 30, 2008, which collectively comprise the County of Guadalupe's basic financial statements and have issued our report thereon dated March 15, 2009. We conducted our audit in accordance with generally accepted 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 Guadalupe County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Guadalupe County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Guadalupe County'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 the County's 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 Guadalupe 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 the County's 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 Guadalupe County's 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*.

We noted certain matters that we reported to management of Guadalupe County in a separate letter dated March 16, 2009.

This report is intended for the information of the Commissioner's Court, management, and others within the organization and is not intended to, and should not, be used by anyone other than these specific parties.

A handwritten signature in black ink that reads "Armstrong, Vaughan & Assoc, P.C." in a cursive, flowing script.

Armstrong, Vaughan & Assoc., P.C.

March 16, 2009



REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Judge and Members of Commissioner's Court
Guadalupe County, Texas

Compliance

We have audited the compliance of Guadalupe County, Texas with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2008. Guadalupe County, Texas major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Guadalupe County, Texas' management. Our responsibility is to express an opinion on Guadalupe County, Texas' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Guadalupe County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Guadalupe County's compliance with those requirements.

In our opinion, Guadalupe County, Texas complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2008.

Internal Control Over Compliance

The management of Guadalupe County, Texas, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Guadalupe County, Texas' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify all deficiencies in internal control over compliance that we considered to be material weaknesses.

This report is intended solely for the information and use of management, the Commissioner's Court, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink that reads "Armstrong, Vaughan & Assoc, P.C." The signature is written in a cursive, flowing style.

Armstrong, Vaughan & Assoc., P.C.

March 16, 2009

GUADALUPE COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
SEPTEMBER 30, 2008

FINDING 2008- None

FINDING 2007- None

GUADALUPE COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Guadalupe County, Texas.
2. No instances of noncompliance material to the financial statements of Guadalupe County, Texas were disclosed during the audit.
3. The auditor's report on compliance for the major federal award programs for Guadalupe County, Texas expresses an unqualified opinion on all major federal programs.
4. Major programs tested are as follows:
 - A) U.S. Department of Justice
 1. Title IV-E Foster Care Placement and Enhanced Administrative Claims Services Grant CFDA 93.658
 2. Federal Seizure CFDA None
5. The threshold used to distinguish between Type A and Type B federal programs was \$300,000.
6. The County was classified as a low-risk auditee in the context of OMB Circular A-133.
7. No material weaknesses or reportable conditions were identified in internal control over financial reporting in accordance with GAS was found.
8. There were no material weaknesses or reportable conditions were identified over major programs in accordance with OMB Circular OMBA-133.

B. Findings Relating to the Financial Statement Which are Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None.

C. Findings and Questioned Costs for Federal Awards

None.

GUADALUPE COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Federal Grantor/Pass-through Grantor/Program Title	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
DEPARTMENT OF HOMELAND SECURITY		
Passed Through Texas Department of Public Safety Emergency Management Performance	97.042	\$ 7,352
U.S. DEPARTMENT OF JUSTICE		
Passed Through Alamo Area Council of Governments Juvenile Accountability Incentive Block Grant	16.523	117,632
Passed Through US Bureau of Justice Assistance State Criminal Alien Assistance Program	16.606	16,164
Bullet Proof Vests	16.607	3,826
Federal Seizure	None	209,261
DEA Salary Reimbursement	None	16,921
Justice Assistance Grant	16.738	10,937
HOUSING OF URBAN DEVELOPMENT		
Passed Through Office of Rural and Community Affairs Rehabilitation of Septic Systems	14.228	27,600
ELECTION ASSISTANCE COMMISSION		
Passed Through Texas Office of the Secretary of State Help America Vote Act Requirements Payments	90.401	66,415
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Title IV-D Child Support Cases	93.563	92,407
Title IV-E Foster Care Placement	93.658	233,395
Title IV-E Enhanced Administrative Claims	93.658	<u>125,726</u>
TOTAL FEDERAL AWARDS EXPENDED		<u>\$ 927,636</u>

GUADALUPE COUNTY, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2008

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Guadalupe County, Texas and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

