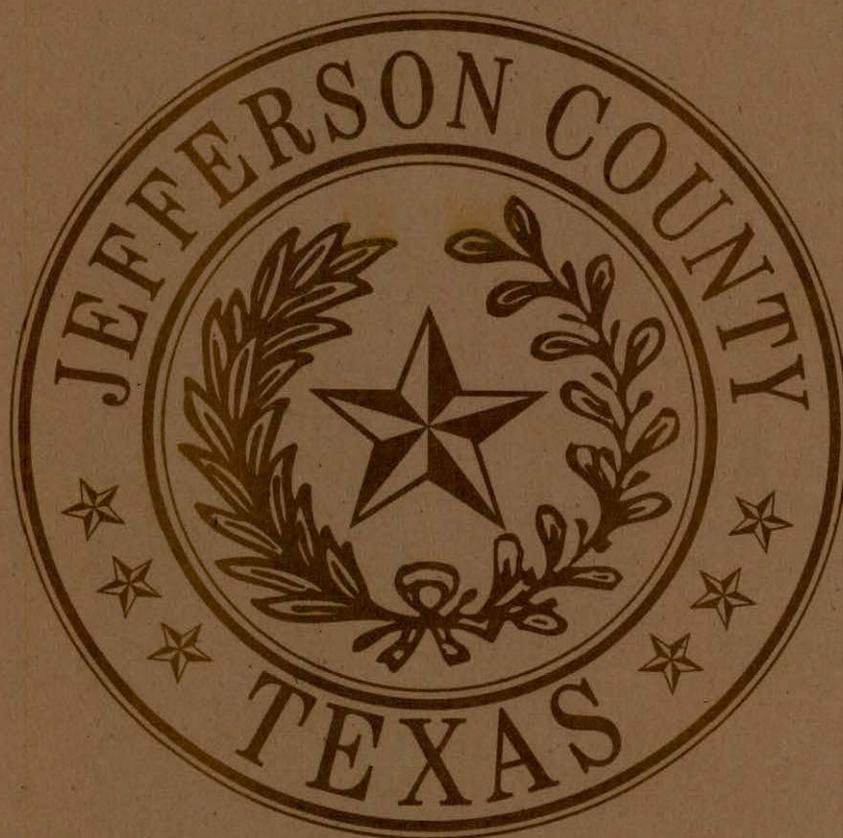


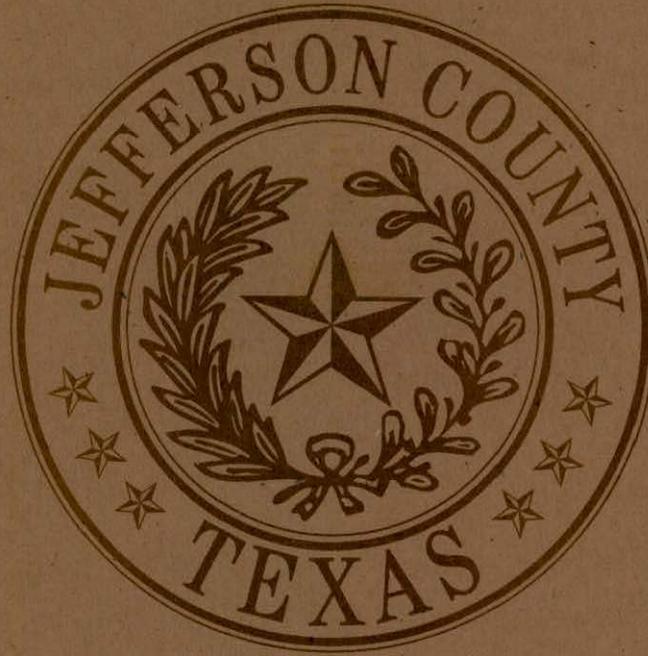
JEFFERSON COUNTY, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended
September 30, 2009



JEFFERSON COUNTY, TEXAS



COMPREHENSIVE ANNUAL

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2009

Prepared by:
Jefferson County
Auditor's Office
1149 Pearl Street
Beaumont, Texas 77701



JEFFERSON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

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INTRODUCTORY

SECTION



JEFFERSON COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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PATRICK SWAIN
COUNTY AUDITOR
(409) 835-8500



1149 PEARL ST. - 7TH FLOOR
BEAUMONT, TEXAS 77701

March 29, 2010

Citizens of Jefferson County, Texas:

Honorable District Judges:

Gary Sanderson, Presiding Judge, 60th District Court
John Stevens, Jr., Judge, Criminal District Court
Bob Wortham, Judge, 58th District Court
Milton Shuffield, Judge, 136th District Court
Donald Floyd, Judge, 172nd District Court
Layne Walker, Judge, 252nd District Court
Randy Shelton, Judge, 279th District Court
Larry Thorne, Judge, 317th District Court

Honorable Commissioners' Court:

Ronald Walker, County Judge
Eddie Arnold, Commissioner, Precinct No. 1
Mark Domingue, Commissioner, Precinct No. 2
Michael "Shane" Sinegal, Commissioner, Precinct No. 3
Everette "Bo" Alfred, Commissioner, Precinct No. 4

The County Auditor's Office ("the Auditor's Office") is pleased to present the Comprehensive Annual Financial Report ("CAFR") of Jefferson County, Texas (the "County") for the fiscal year ended September 30, 2009. This report is submitted in accordance with Section 114.025 of the Texas Local Government Code and has been prepared by the County Auditor's staff.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Gayle W. Botley & Associates, Certified Public Accountants, have issued an unqualified ("clean") opinion on the County's financial statements for the year ended September 30, 2009. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Jefferson County was created in 1836 and organized in 1837 as one of the original counties of the Republic of Texas. It is a 954 square mile county that is located on the upper Texas Coast and is a component of the Beaumont-Port Arthur-Orange Metropolitan Statistical Area. According to the U.S. Department of Commerce-Bureau of the Census, the 2000 population of the County was 252,051. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

Jefferson County is a political subdivision of the State of Texas and the Commissioners' Court is the governing body of the County. It is composed of the County Judge elected from the County at large, and four Commissioners, each elected from a separate precinct, all elected for four-year terms. The County Judge is the presiding officer of the Commissioners' Court.

The County (primary government) solely or in cooperation with other local governmental entities provides a full range of services authorized by the Texas Constitution and Statutes that includes construction and maintenance of roads and bridges, health and housing services, assistance to indigents, juvenile and adult justice programs, economic development, recreation and cultural enrichment, an airport, an entertainment complex, and general administration.

The combined financial statements of the County as a financial reporting entity report all activities, organizations, and functions of the County, both as the primary government and its legally separate component units for which (1) the elected officials of the County are financially accountable and/or (2) exclusion of component units activities would cause the County's financial statements to be misleading or incomplete. The County's component units have been reported as blended with the County as the primary government or as discrete (separate) component unit, as appropriate. Criteria used by the County for including activities in preparing these financial statements are in conformity with GASB 14, *The Financial Reporting Entity* and GASB 39, *Determining Whether Certain Organizations are Component Units*. Based on the requirements of these accounting standards, the County reports the Southeast Texas Government Employee Benefits Pool as a blended component unit.

The County is required to adopt a final budget by no later than close of the fiscal year. This annual budget serves as the foundation for the County's financial planning and control. The level of budgetary control is the department within the individual funds. The County maintains an encumbrance accounting system as a method to accomplish budgetary control. Department heads may transfer resources within a department as needed. Transfers between departments, however, require approval by Commissioners' Court.

FACTORS AFFECTING FINANCIAL CONDITIONS

Local economy

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. During fiscal year 2009, the County and its residents continued recovery efforts related to Hurricane Rita, which struck the County and surrounding Gulf Coast areas in late September 2005 and Hurricane Ike which impacted the area in September 2008. While still striving to return to pre-storm conditions, County leaders continue to push for funding that will enable the community to fully recover and continue to grow.

The area is served by deep-water ports located at Beaumont, Port Arthur, Orange, and Sabine Pass. The Sabine Neches Waterway provides deep-water access to ocean-going vessels, which are served by public ports within the County.

The County is traversed by Interstate Highway 10, US Highways 90 and 69-96-287, State Highways 73, 87, and 105 and three farm-to-market roads. Rail and motor freight carriers also provide freight service to the County. The Southeast Texas Regional Airport located between Beaumont and Port Arthur provides passenger and freight service and is currently serviced by one commuter passenger air carrier.

The economy of the County is based primarily on petroleum refining; the production and processing of petrochemicals and other chemicals; the fabrication of steel and steel products; shipping activity; the manufacture of wood, pulp, food and feed products; agriculture; and health care services. The County continues to diversify its economic base as evidenced by the increase of jobs in the services and government sectors.

The County continues to grow with several industrial expansion projects underway. Motiva will increase its current refining capacity to become the largest refinery in the United States. Their management continues to evaluate several options in order to continue the project despite the current U.S. economic crisis.

The County will continue to monitor the events associated with the U.S. economic crisis and its efforts to begin recovery in order to make decisions accordingly to minimize any negative events to the overall financial position of the County.

Long-term financial planning & Relevant financial policies

Commissioners' Court continues to follow their policy guideline for budgetary and planning purposes of building and maintaining an unreserved, undesignated fund balance in the general fund of at least 15% of total general fund expenditures and transfers. The County ended the fiscal year with an unreserved, undesignated fund balance of 33.1% of total general fund expenditures and transfers. This falls within the policy guidelines.

The County is currently working on establishing a strategic plan for budgetary and planning purposes.

Major Initiatives

The Commissioners' Court set the property tax rate at \$.365 per \$100 of assessed property valuation to provide funds for services and debt service for fiscal year 2009. Budget initiatives for fiscal year 2009 included:

- Provide taxpayers a .025 cent tax rate decrease.
- Provide a 6% salary increase to all employees outside of the union contract.
- Provide an 8% salary increase for law enforcement and a 6% increase for correction officers in connection with the Deputy Sheriff's & Correction Officers Association contract. Also, provide a 6% salary increase for Constable Deputies in connection with the Deputy Constable Association contract.
- Provide additional funding to capital projects.
- Provide necessary funding to continue replacing needed capital equipment.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jefferson County, Texas for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2008. This was the twelfth consecutive year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated services of the staff of the County Auditor's Office. I express my sincere appreciation to all the members of this office who contributed to its preparation. Also, I express my appreciation to the members of the Commissioners' Court, their staff, and all other County officials and employees who have given their support in planning and conducting the financial operations of Jefferson County, Texas in a responsible manner.

REQUEST FOR INFORMATION

This financial report is designed 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 information should be addressed to the County Auditor's Office, 1149 Pearl Street 7th Floor, Beaumont, Texas 77701.



Patrick Swain, C.P.A.
County Auditor
Jefferson County, Texas



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jefferson County
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

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



A stylized handwritten signature in black ink, appearing to be "J. H. H.", written over a white background.

President

A handwritten signature in black ink that reads "Jeffrey R. Emmer".

Executive Director



ELECTED OFFICIALS

As of September 30, 2009

COMMISSIONERS' COURT

County Judge	Ronald Walker
Commissioner Pct. 1	Eddie Arnold
Commissioner Pct. 2	Mark Domingue
Commissioner Pct. 3	Shane Sinegal
Commissioner Pct. 4	Bo Alfred

SHERIFF

Mitch Woods

TAX ASSESSOR - COLLECTOR

Miriam Johnson

DISTRICT CLERK

Lolita Ramos

COUNTY CLERK

Carolyn Guidry

COUNTY TREASURER

Linda Robinson

JUSTICES OF THE PEACE

J.P. Pct. 1 Pl. 1	Kenneth Dollinger
J.P. Pct. 1 Pl. 2	Vi McGinnis
J.P. Pct. 2	Robert Morgan
J.P. Pct. 4	Ray Chesson
J.P. Pct. 6	Duce Jones
J.P. Pct. 7	Brad Burnett
J.P. Pct. 8	Tom Gillam

CONSTABLES

Constable Pct. 1	Charles Wiggins
Constable Pct. 2	Leonard Roccaforte
Constable Pct. 4	James Trahan
Constable Pct. 6	Joe Stevenson
Constable Pct. 7	Jeffrey Greenway
Constable Pct. 8	Eddie Collins

COUNTY COURTS AT LAW

County Court at Law No. 1	Al Gerson
County Court at Law No. 2	Lupe Flores
County Court at Law No. 3	John Davis

DISTRICT JUDGES

Criminal Court	John Stevens, Jr.
252nd District Court	Layne Walker
58th District Court	Bob Wortham
60th District Court	Gary Sanderson
136th District Court	Milton Shuffield
172nd District Court	Donald Floyd
279th District Court	Randy Shelton
317th District Court	Larry Thorne

DISTRICT ATTORNEY

Tom Maness

APPOINTED OFFICIALS

As of September 30, 2009

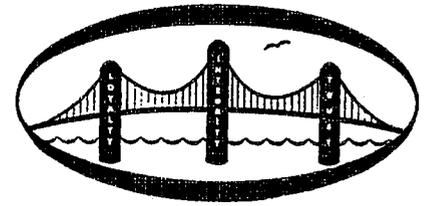
Agricultural Extension Service	Starla Garlick
Airport	Hal Ross
Auditor	Patrick Swain
Auto Service Center	David Fontenot
Buildings Maintenance	Harry Fuselier
Community Supervision	Jim Stott
Court Master	Larry Gist
Data Processing	Paul Helegda
Dispute Resolution Center	Cindy Bloodsworth
Emergency Management	Greg Fountain
Engineering	Jose Pastrana
Environmental Control	Michael Melancon
Health and Welfare	Dr. Cecil Walkes
Human Resources	Cary Erickson
Juvenile Probation & Detention	James Martin
Library	Chad Clark
Mosquito Control	Lee Chastant
Nurse Practitioner	Anne Winslow
Purchasing Agent\Printing	Deborah Clark
Risk Management\Claims Processing	Cary Erickson
Veterans Services Office	Hilary Guest



FINANCIAL

SECTION

Gayle W. Botley & Associates



Certified Public Accountants

Member of AICPA

"Supporting Your Financial Growth"

INDEPENDENT AUDITOR'S REPORT

County Judge, Ron Walker and
Members of Commissioners Court of
Jefferson County, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Jefferson County, Texas (the "County"), as of and for the year ended September 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on the respective 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 presents fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Jefferson County, Texas as of September 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then 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 19, 2010, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial

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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 Statement of Revenues and Expenditures – Budget and Actual (GAAP) – General Fund are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. 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 the County's basic financial statements. The Introductory Section, Combining and Individual Fund Information and Other Supplementary Information and Statistical Section are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Combining and Individual Fund Information and Other Supplementary Information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and Statistical Section 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.



Gayle W. Botley & Associates
Port Arthur, Texas

March 19, 2010

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

As management of Jefferson County, we offer readers of the Jefferson County's financial statement this narrative overview and analysis of the financial activities of the county for the fiscal year ended September 30, 2009. Please read it in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of Jefferson County exceeded its liabilities at the close of fiscal year 2009 by \$151,630,097 (net assets). Of this amount, \$41,391,000 (unrestricted net assets) may be used to meet the government's ongoing obligations.
- The county's total net assets increased by \$10,700,484. As a result, the county's overall financial position has improved from the previous year.
- As of the close of fiscal year 2009, Jefferson County's governmental funds reported combined ending fund balances of \$64,857,013, an increase of \$11,742,871 in comparison with the prior year. About 82% of the total amount, \$52,991,790 is available for spending at the county's discretion (unreserved, undesignated fund balance).
- At the end of fiscal year 2009, unreserved, undesignated fund balance for the general fund was \$37,639,200, or 33 percent of total general fund expenditures and transfers. In addition, the General fund had a reserve fund balance of \$1,247,682.
- The FEMA Emergency fund is classified as a major fund. It had an unreserved fund balance of \$5,642,347.
- The Capital Projects fund is classified as a major fund. It had a reserved fund balance of \$9,314,451.
- The County's total debt decreased by \$3,622,351 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements, which are comprised of the following three components: 1) Government-wide financial statements; 2) Fund financial statements and 3) Notes to the basic financial statements. This report also contains other supplementary information which is included in addition to the basic financial statements themselves.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

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

The Statement of Activities presents information that indicates how net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial and law enforcement, education and recreation, health and welfare, and maintenance of equipment and structures. The business-type activities of the County include an airport and an entertainment complex.

Component units are included in our basic financial statements and consist of legally separate entities for which the County is financially accountable and they have substantially the same board as the County or provide services entirely to the County. The County's component unit, Southeast Texas Government Employee Benefits Pool, has been reported as blended with the County as the primary government. For more detailed information on this component unit refer to Note 1A and Note 13 of the basic financial statements.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term

***Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)***

impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 102 individual government funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the major governmental funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds are maintained two ways. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of an airport and entertainment complex. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its liability activities, workers compensation, and the public entity risk pool that provides health insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Both of the enterprise funds are considered to be major funds of the County. The County's internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The County's only fiduciary funds are 11 agency funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found starting on page 30 of this report.

Required Supplementary Information is presented concerning the County's General Fund budgetary schedule. The County adopts an annual budget for this fund. A budgetary comparison schedule, which includes the original and final amended budget and actual figures, has been provided to demonstrate compliance with this budget. Required supplementary information can be found starting on page 61 of this report.

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

The combining and individual fund statements and schedules referred to earlier provide information for non-major governmental funds and internal service funds and are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$151,630,097 for fiscal year 2009 and \$140,929,613 for fiscal year 2008(restated).

Condensed Statement of Net Assets
September 30, 2009
Primary Government

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 88,992,188	\$ 2,684,716	\$ -	\$ 91,676,904
Capital Assets	76,380,406	93,237,299	-	169,617,705
Total Assets	<u>\$165,372,594</u>	<u>\$ 95,922,015</u>	<u>\$ -</u>	<u>\$261,294,609</u>
Current and other liabilities	\$ 13,918,972	\$ 1,014,689	\$ -	\$ 14,933,661
Long-term liabilities	94,486,678	244,173	-	94,730,851
Total Liabilities	<u>\$108,405,650</u>	<u>\$ 1,258,862</u>	<u>\$ -</u>	<u>\$109,664,512</u>
Net Assets:				
Invested in capital assets, net of related debt	\$ 68,242,040	\$ 93,237,299	\$ (61,855,720)	\$ 99,623,619
Restricted net assets	10,615,478	-	-	10,615,478
Unrestricted net assets	<u>(21,890,574)</u>	<u>1,425,854</u>	<u>61,855,720</u>	<u>41,391,000</u>
Total Net Assets	<u>\$ 56,966,944</u>	<u>\$ 94,663,153</u>	<u>\$ -</u>	<u>\$151,630,097</u>

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

Condensed Statement of Net Assets
September 30, 2008
Primary Government

	Governmental Activities	Business-type Activities	Reclassifications	Total
Current and other assets	\$ 80,541,408	\$ 2,922,892	\$ -	\$ 83,464,300
Capital Assets	73,424,865	88,482,217	-	161,907,082
Total Assets	<u>\$153,966,273</u>	<u>\$ 91,405,109</u>	<u>\$ -</u>	<u>\$245,371,382</u>
Current and other liabilities	\$ 15,536,485	\$ 2,541,898	\$ -	\$ 18,078,383
Long-term liabilities	86,050,049	247,597	-	86,297,646
Total Liabilities	<u>\$101,586,534</u>	<u>\$ 2,789,495</u>	<u>\$ -</u>	<u>\$104,376,029</u>
Net Assets:				
Invested in capital assets, net of related debt	\$ 62,450,468	\$ 88,482,217	\$ (63,016,132)	\$ 87,916,553
Restricted net assets	7,893,536	-	-	7,893,536
Unrestricted net assets	(17,964,265)	133,397	63,016,132	45,185,264
Total Net Assets	<u>\$ 52,379,739</u>	<u>\$ 88,615,614</u>	<u>\$ -</u>	<u>\$140,995,353</u>

The largest portion of the County's current fiscal year net assets (65.7 percent) reflects its investments in capital assets (e.g. land, improvements, buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The main use of these capital assets is to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the County's current fiscal year net assets (27.3 percent) represents unrestricted net assets, which may be used to meet the County's ongoing obligations to citizens and creditors.

The remaining balance of the County's current fiscal year net assets (7.0 percent) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year 2009 and fiscal year 2008, the County reported positive net assets in all three categories of net assets for Jefferson County as a whole, and reported positive balances in two of the three categories of net assets for its governmental activities. Unrestricted net assets for governmental activities were negative \$21,890,574 for fiscal year 2009 and \$17,964,265 for fiscal year 2008. Business-type activities had positive balances in two of the categories of net assets for fiscal year 2009 and fiscal year 2008.

The County had a reclassification of \$61,855,720 in fiscal year 2009 and \$63,016,132 in the prior fiscal year to move the debt associated with the construction of Ford Park from Unrestricted net assets to Invested in capital assets, net of related debt. The capital assets

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

are reported in the business-type activities and the debt is reported in the governmental activities.

The County's net assets increased by \$10,700,484 during the current fiscal year.

The following table indicates changes in net assets for governmental and business-type activities:

	Statement of Activities For the Year Ended September 30, 2009		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 28,202,265	\$ 6,716,290	\$ 34,918,555
Operating grants and contributions	30,927,086	43,397	30,970,483
Capital grants and contributions	937,390	8,278,928	9,216,318
General revenues:			
Taxes - levied for general purposes	68,871,055	-	68,871,055
Taxes - levied for debt service	6,745,042	-	6,745,042
Sales Taxes	32,319,170	-	32,319,170
Investment earnings	842,485	2,369	844,854
Miscellaneous	29,275	6,192	35,467
Total revenues	<u>168,873,768</u>	<u>15,047,176</u>	<u>183,920,944</u>
Expenses:			
General government	34,940,366	-	34,940,366
Judicial and law enforcement	74,059,745	-	74,059,745
Education and recreation	1,611,435	-	1,611,435
Health and welfare	11,205,583	-	11,205,583
Maintenance - equipment and structures	35,000,580	-	35,000,580
Interest and charges on long-term debt	3,715,282	-	3,715,282
Airport	-	4,710,467	4,710,467
Entertainment Complex	-	7,977,002	7,977,002
Total expenses	<u>160,532,991</u>	<u>12,687,469</u>	<u>173,220,460</u>
Excess (deficiency) before special items and transfers	8,340,777	2,359,707	10,700,484
Transfers	(3,687,832)	3,687,832	-
Change in net assets	<u>4,652,945</u>	<u>6,047,539</u>	<u>10,700,484</u>
Net assets - beginning	52,379,739	88,615,614	140,995,353
Prior period adjustment	(65,740)	-	(65,740)
Net assets - beginning - restated	<u>52,313,999</u>	<u>88,615,614</u>	<u>140,929,613</u>
Net assets - ending	<u>\$ 56,966,944</u>	<u>\$ 94,663,153</u>	<u>\$ 151,630,097</u>

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

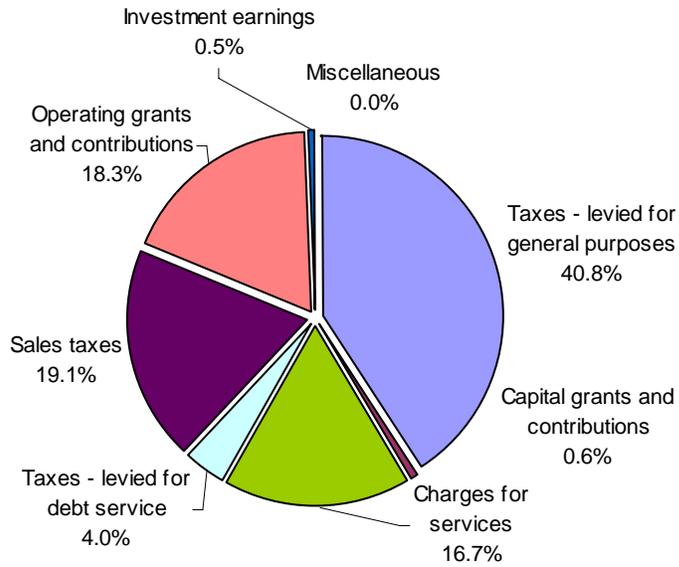
Statement of Activities
For the Year Ended September 30, 2008

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	\$ 23,287,060	\$ 6,334,444	\$ 29,621,504
Operating grants and contributions	14,050,116	-	14,050,116
Capital grants and contributions	269,347	2,741,002	3,010,349
General revenues:			
Taxes - levied for general purposes	65,816,477	-	65,816,477
Taxes - levied for debt service	6,799,329	-	6,799,329
Sales Taxes	25,424,401	-	25,424,401
Investment earnings	2,871,285	9,467	2,880,752
Miscellaneous	208,499	145	208,644
Total revenues	<u>138,726,514</u>	<u>9,085,058</u>	<u>147,811,572</u>
Expenses:			
General government	20,369,690	-	20,369,690
Judicial and law enforcement	69,170,421	-	69,170,421
Education and recreation	1,931,084	-	1,931,084
Health and welfare	10,104,601	-	10,104,601
Maintenance - equipment and structures	21,118,467	-	21,118,467
Interest and charges on long-term debt	3,804,914	-	3,804,914
Airport	-	4,902,822	4,902,822
Entertainment Complex	-	7,648,462	7,648,462
Total expenses	<u>126,499,177</u>	<u>12,551,284</u>	<u>139,050,461</u>
Excess (deficiency) before special items and transfers	12,227,337	(3,466,226)	8,761,111
Transfers	<u>(3,762,155)</u>	<u>3,762,155</u>	-
Change in net assets	<u>8,465,182</u>	<u>295,929</u>	<u>8,761,111</u>
Net assets - beginning	<u>43,914,557</u>	<u>88,319,685</u>	<u>132,234,242</u>
Net assets - ending	<u>\$ 52,379,739</u>	<u>\$ 88,615,614</u>	<u>\$ 140,995,353</u>

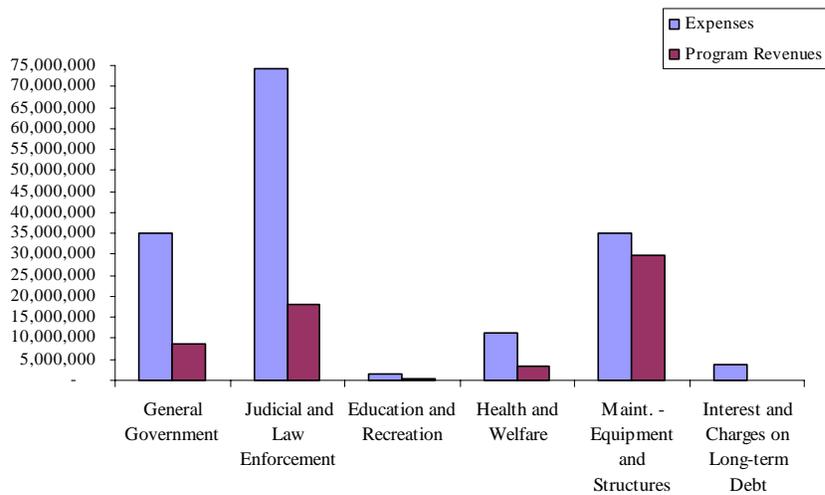
Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

Governmental activities

Revenues by Source - Governmental Activities
Year Ended September 30, 2009



Expenses and Program Revenues - Governmental Activities
Year Ended September 30, 2009



Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

Governmental activities increased the county's net assets by \$4,652,945, thereby accounting for 43 percent of the total growth in the net assets of Jefferson County. Key elements of this increase are as follows:

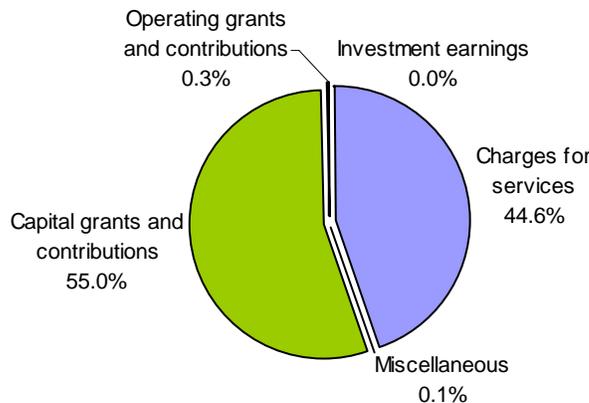
- Property tax revenue increased by \$3,000,291 (4.1 percent) during the year. Most of this increase is due to a 12.0 percent increase in property valuations.
- Sales Tax revenue increased by \$6,503,856 (27.2 percent) during the year. The County continued to experience economic growth due to industrial plant expansions.

For the most part, increases in expenses closely paralleled inflation and growth in demand for services. Other increases in expenses typically had corresponding revenue sources.

Business-type activities

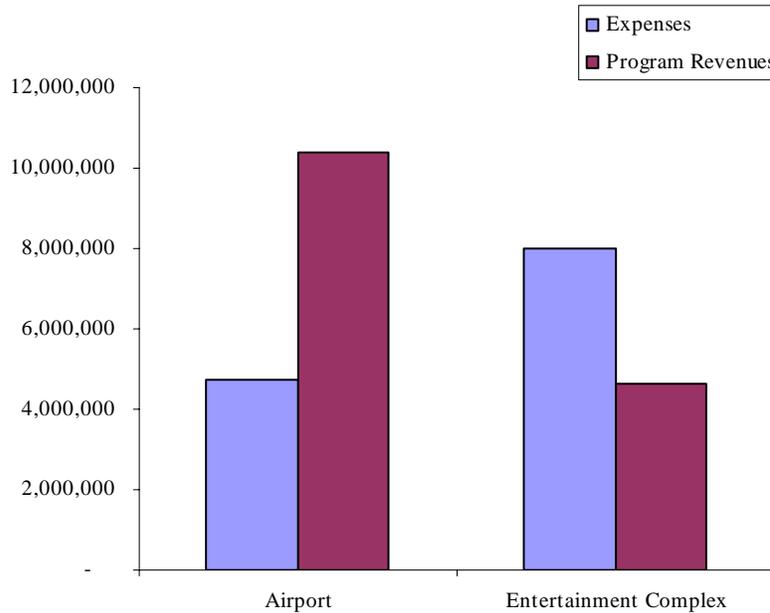
Business-type activities increased the county's net assets by \$6,047,539 which accounts for the other 57 percent of the total growth in the net assets for the County. Most of the increase is due to Airport facilities construction being mostly funded with FAA grants, FEMA, and insurance proceeds.

Revenue by Source - Business-type Activities
Year Ended September 30, 2009



Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

Expenses and Program Revenues - Business-type Activities
Year Ended September 30, 2009



Financial Analysis of the Government's Funds

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

As of the end of the current fiscal year, Jefferson County's governmental funds reported combined ending fund balances of \$64,857,013, an increase of \$11,742,871 in comparison with the prior year. About 82% of this total amount (\$52,991,790) constitutes unreserved, undesignated fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$37,639,200, while total fund balance reached \$38,886,882. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers. Unreserved, undesignated fund balance

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

represents 33.1 percent of total general fund expenditures and transfers, while total fund balances represents 34.2 percent of that same amount.

The fund balance of the County's General Fund increased by \$6,438,048 during the current fiscal year. Revenues increased by about \$11.5 million overall or 10.6%. Property tax revenue increased almost \$4 million due to a 12% increase in property tax valuations. Sales tax revenue continued to increase with another \$6.6 million in fiscal year 2009. Expenditures increased by about \$8 million overall or 7.6%. Most of this increase is due to a 6% salary increase to nonunion employees, and the following increases for employees covered by collective bargaining agreements: 6% for Constable Deputies, 8% for Sheriff Deputies, and 6% for Detention Officers

The FEMA Emergency Fund has a total fund balance of \$5,642,347, all of which is unreserved for special revenue funds. The net increase in fund balance during the current year in the FEMA Emergency Fund was \$2,127,570. This increase was as a result of a transfer from the General Fund to cover the additional cost associated with Hurricane Ike.

The Capital Projects Fund has a total fund balance of \$9,314,451, all of which is reserved for capital projects. The net increase in fund balance during the current year in the Capital Projects Fund was \$2,870,633. This increase was as a result of a transfer from the General Fund to cover current and upcoming capital projects.

Proprietary Funds. The County's proprietary fund statements provide the same type of information found in the business type activities of the government-wide financial statements, but in more detail.

The Southeast Texas Regional Airport Fund is used to account for the day-to-day operation of the County airport. As of September 30, 2009, unrestricted net assets are \$771,037, an increase of \$695,289 from the prior year. This increase is in large part due to additional transfers from the General Fund.

The Ford Park Fund is used to account for the day-to-day operation of Ford Park. As of September 30, 2009, unrestricted net assets are \$654,817, an increase of \$597,168 from the prior year. This increase is in large part due to increased revenues from operations.

General Fund Budgetary Highlights

In January 2009, the original budget was amended to include a new revenue source and corresponding expenditures in the amount of \$1,025,491 for an Intergovernmental Agreement with Sabine-Neches Navigation District to create a Marine Division unit within the Sheriff's office.

During the year actual revenues were more than budgetary estimates by \$11,406,818. Actual expenditures and transfers were less than budgetary estimates by \$5,431,802. The revised budget had a projected reduction of \$10,801,070 to the fund balance. The net effect of over-realization of revenues and under-utilization of appropriations resulted in a

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

positive variance of \$17,239,118 thus causing the addition to the existing fund balance of \$6,438,048 on a budgetary basis.

Sales tax revenue had the largest budget variance of \$9,525,107. The area continued to experience growth due to several large industrial expansions, however, sales tax revenue is expected to decline to lower levels in the next fiscal year.

Several additional transfers were made to Special Revenue, Debt Service and Capital Project funds that were not part of the original budget, including a \$3 million transfer to FEMA fund to cover insurance deductibles and other items not reimbursed by FEMA in association with Hurricane Ike that hit on September 13, 2008.

Many departments achieved savings over the fiscal year mostly due to unfilled staff positions and moving employees through their salary ranges whereby leaving unspent funds. The total amount of savings for salary and fringe benefits was about \$2.5 million. Departments also did well in controlling their spending in other budgetary areas.

Budget variances are not expected to impact future services or liquidity.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2009, amounted to \$169,617,705 (net of accumulated depreciation). This investment in capital assets includes land, improvements, structures, park improvements and facilities, infrastructure, equipment, vehicles, machinery, other tangible and intangible assets, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- The County had a variety of building improvements, purchases of equipment, continued construction of an entertainment complex, and construction of airport facilities.
- At September 30, 2009, the ending fund balance for Capital Projects Funds was \$9.3 million which is reserved for capital projects.

For further information regarding capital assets, see Note 5.

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

	Balance	Balance
	September 30, 2009	September 30, 2008
<u>Governmental Activities:</u>		
Land	\$ 4,696,008	\$ 4,696,008
Construction in progress	7,579,934	4,269,674
Infrastructure	45,927,691	43,957,512
Buildings & Improvements	89,433,429	88,936,547
Equipment	32,860,065	31,797,536
	<u>180,497,127</u>	<u>173,657,277</u>
Less: Accumulated depreciation	<u>(104,116,721)</u>	<u>(100,232,412)</u>
Total governmental activities	<u>\$ 76,380,406</u>	<u>\$ 73,424,865</u>
 <u>Business-type Activities:</u>		
Land	\$ 5,154,600	\$ 5,154,600
Construction in progress	12,155,460	4,250,951
Buildings & Improvements	107,633,512	107,633,512
Equipment	11,465,448	11,333,605
	<u>136,409,020</u>	<u>128,372,668</u>
Less: Accumulated depreciation	<u>(43,171,721)</u>	<u>(39,890,451)</u>
Total business-type activities	<u>\$ 93,237,299</u>	<u>\$ 88,482,217</u>

Long-Term Debt. At September 30, 2009, the County had a total long-term debt outstanding of \$94,730,851. Refer to Note 7 for further information on the County's long-term debt. County officials, citizens, and investors will find the ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita as useful indicators of the County's debt position. This information is presented in the statistical section of this report.

	Outstanding at	Outstanding at
	September 30, 2009	September 30, 2008
<u>Governmental Activities:</u>		
Bonds Payable	\$ 68,290,426	\$ 71,912,777
Notes Payable	1,669,086	2,005,529
Claims & Judgments	2,291,753	1,988,273
Compensated Absences	10,918,764	10,143,470
OPEB Obligations	11,316,649	-
Total governmental activities	<u>\$ 94,486,678</u>	<u>\$ 86,050,049</u>
 <u>Business-type Activities:</u>		
Compensated Absences	<u>\$ 244,173</u>	<u>\$ 247,597</u>
Total business-type activities	<u>\$ 244,173</u>	<u>\$ 247,597</u>

Jefferson County, Texas
Management's Discussion and Analysis (Unaudited)

The bond rating services of Moody's Investors Services, Inc. and Standard & Poor's Ratings services have assigned the County's long term bond ratings of A1 and AA- respectively.

Economic Factors and Next Year's Budgets and Rates

The Commissioner's Court adopted the County's 2009-2010 Budget on September 28, 2009 for the general fund and debt service funds. The Budget was adopted based on estimated balances that would be available at the end of fiscal year 2009 and estimated revenues to be received in fiscal year 2010. The total resources for all funds for fiscal year 2010 are estimated to be \$156.1 million. The budget was adopted with estimated expenditures in the amount of \$128.5 million. The 2009-2010 Budget forecast utilizing \$11,857,098 of fund balance.

For 2009-2010, the property tax rate will remain at \$.365 per \$100 of taxable assessed value and taxable assessed property values are anticipated to grow by 1.6% for the 2009-2010 Budget year.

The average unemployment rate for Jefferson County for September 2009 was 10.7%; this is an increase from the prior year rate of 7.4%. The state's average unemployment rate for September 2009 was 8.2%.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 1149 Pearl St. – 7th Floor, Beaumont, Texas 77701.

BASIC
FINANCIAL STATEMENTS

**JEFFERSON COUNTY, TEXAS
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2009**

	PRIMARY GOVERNMENT			
	GOVERNMENTAL	BUSINESS-TYPE		
	ACTIVITIES	ACTIVITIES	RECLASSIFICATIONS	TOTAL
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 33,091,033	1,302,448	-	34,393,481
INVESTMENTS	37,073,450	-	-	37,073,450
INTEREST RECEIVABLE	338,669	45	-	338,714
ACCOUNTS RECEIVABLE, Net	2,119,667	429,471	-	2,549,138
DUE FROM OTHER GOVERNMENTAL ENTITIES	6,545,322	818,536	-	7,363,858
INVENTORIES, At Cost	763,212	109,351	-	872,563
PREPAID ITEMS	486,533	24,865	-	511,398
DELINQUENT TAXES RECEIVABLE, Net	4,200,217	-	-	4,200,217
PENALTY AND INTEREST RECEIVABLE, Net	1,756,002	-	-	1,756,002
OTHER RECEIVABLES, Net	2,518,802	-	-	2,518,802
DEFERRED CHARGES	46,281	-	-	46,281
DEPOSITS	53,000	-	-	53,000
CAPITAL ASSETS:				
LAND	4,696,008	5,154,600	-	9,850,608
CONSTRUCTION IN PROGRESS	7,579,934	12,155,460	-	19,735,394
OTHER CAPITAL ASSETS, Net of depreciation	64,104,464	75,927,239	-	140,031,703
TOTAL ASSETS	\$ 165,372,594	95,922,015	-	261,294,609
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 12,285,420	374,090	-	12,659,510
INTEREST PAYABLE	588,273	-	-	588,273
DUE TO OTHER GOVERNMENTAL ENTITIES	35,516	-	-	35,516
UNEARNED REVENUE	999,813	560,940	-	1,560,753
CUSTOMER DEPOSITS	9,950	79,659	-	89,609
LONG-TERM LIABILITIES				
DUE WITHIN ONE YEAR	7,145,105	41,161	-	7,186,266
DUE IN MORE THAN ONE YEAR	87,341,573	203,012	-	87,544,585
TOTAL LIABILITIES	\$ 108,405,650	1,258,862	-	109,664,512
NET ASSETS				
INVESTED IN CAPITAL ASSETS, net of related debt	\$ 68,242,040	93,237,299	(61,855,720)	99,623,619
RESTRICTED FOR:				
DEBT SERVICE	176,339	-	-	176,339
CAPITAL PROJECTS	10,439,139	-	-	10,439,139
UNRESTRICTED	(21,890,574)	1,425,854	61,855,720	41,391,000
TOTAL NET ASSETS	\$ 56,966,944	94,663,153	-	151,630,097

The reclassification is for the debt associated with the construction of Ford Park. The asset is accounted for in the Business-type activities column and the debt is accounted for in the Governmental Activities column.

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

**JEFFERSON COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
GENERAL GOVERNMENT	\$ 34,940,366	\$ 8,741,944	\$ 11,180	\$ -	\$ (26,187,242)	\$ -	\$ (26,187,242)
JUDICIAL AND LAW ENFORCEMENT	74,059,745	10,434,533	7,717,621	-	(55,907,591)	-	(55,907,591)
EDUCATION AND RECREATION	1,611,435	208,036	6,158	-	(1,397,241)	-	(1,397,241)
HEALTH AND WELFARE	11,205,583	370,557	2,975,329	-	(7,859,697)	-	(7,859,697)
MAINTENANCE - EQUIPMENT AND STRUCTURES	35,000,580	8,447,195	20,216,798	937,390	(5,399,197)	-	(5,399,197)
INTEREST AND CHARGES ON LONG-TERM DEBT	3,715,282	-	-	-	(3,715,282)	-	(3,715,282)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 160,532,991	\$ 28,202,265	\$ 30,927,086	\$ 937,390	\$ (100,466,250)	\$ -	\$ (100,466,250)
BUSINESS-TYPE ACTIVITIES:							
AIRPORT	4,710,467	2,999,857	-	7,398,897	-	5,688,287	5,688,287
ENTERTAINMENT COMPLEX	7,977,002	3,716,433	43,397	880,031	-	(3,337,141)	(3,337,141)
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 12,687,469	\$ 6,716,290	\$ 43,397	\$ 8,278,928	\$ -	\$ 2,351,146	\$ 2,351,146
TOTAL PRIMARY GOVERNMENT	\$ 173,220,460	\$ 34,918,555	\$ 30,970,483	\$ 9,216,318	\$ (100,466,250)	\$ 2,351,146	\$ (98,115,104)
GENERAL REVENUES							
TAXES:							
PROPERTY TAXES LEVIED FOR GENERAL PURPOSES					\$ 68,871,055	\$ -	\$ 68,871,055
PROPERTY TAXES LEVIED FOR DEBT SERVICE					6,745,042	-	6,745,042
SALES TAXES					32,319,170	-	32,319,170
UNRESTRICTED INVESTMENT EARNINGS					842,485	2,369	844,854
MISCELLANEOUS					29,275	6,192	35,467
TRANSFERS					(3,687,832)	3,687,832	-
TOTAL GENERAL REVENUE AND TRANSFERS					\$ 105,119,195	\$ 3,696,393	\$ 108,815,588
CHANGE IN NET ASSETS					\$ 4,652,945	\$ 6,047,539	\$ 10,700,484
NET ASSETS - BEGINNING					52,379,739	88,615,614	140,995,353
PRIOR PERIOD ADJUSTMENT					(65,740)	-	(65,740)
NET ASSETS - BEGINNING, Restated					<u>52,313,999</u>	<u>88,615,614</u>	<u>140,929,613</u>
NET ASSETS - ENDING					<u>\$ 56,966,944</u>	<u>\$ 94,663,153</u>	<u>\$ 151,630,097</u>

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

**JEFFERSON COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2009**

	GENERAL	FEMA EMERGENCY	CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
CASH AND CASH EQUIVALENTS	\$ 3,869,278	4,580,631	9,613,884	13,680,600	31,744,393
INVESTMENTS	37,073,450	-	-	-	37,073,450
ACCOUNTS RECEIVABLE, Net	214,951	892,263	131	21,964	1,129,309
INTEREST RECEIVABLE	12,577	347	2,643	2,674	18,241
DUE FROM OTHER FUNDS	726,289	-	-	-	726,289
DUE FROM OTHER GOVERNMENTAL ENTITIES	3,090,848	2,691,795	-	535,407	6,318,050
DELINQUENT TAXES RECEIVABLE, Net	4,056,540	-	-	143,677	4,200,217
PENALTY AND INTEREST RECEIVABLE, Net	1,695,934	-	-	60,068	1,756,002
INVENTORIES, At Cost	763,212	-	-	-	763,212
PREPAID ITEM	484,470	-	-	2,063	486,533
TOTAL ASSETS	\$ 51,987,549	8,165,036	9,616,658	14,446,453	84,215,696
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE	\$ 7,404,738	2,522,689	302,207	2,048,138	12,277,772
COMPENSATED ABSENCES PAYABLE	82,903	-	-	11,207	94,110
DUE TO OTHER FUNDS	-	-	-	575,955	575,955
DUE TO OTHER GOVERNMENTAL ENTITIES	33,050	-	-	2,466	35,516
DEFERRED REVENUE	5,570,026	-	-	795,354	6,365,380
CUSTOMER DEPOSITS	9,950	-	-	-	9,950
TOTAL LIABILITIES	\$ 13,100,667	2,522,689	302,207	3,433,120	19,358,683
FUND BALANCES:					
RESERVED FOR INVENTORIES	\$ 763,212	-	-	-	763,212
RESERVED FOR PREPAID ITEMS	484,470	-	-	2,063	486,533
RESERVED FOR DEBT SERVICE	-	-	-	176,339	176,339
RESERVED FOR CAPITAL PROJECTS	-	-	9,314,451	1,124,688	10,439,139
UNRESERVED FOR DEBT SERVICE	-	-	-	376,688	376,688
UNRESERVED FOR SPECIAL REVENUES	-	5,642,347	-	9,333,555	14,975,902
UNRESERVED	37,639,200	-	-	-	37,639,200
TOTAL FUND BALANCES	\$ 38,886,882	5,642,347	9,314,451	11,013,333	64,857,013
TOTAL LIABILITIES AND FUND BALANCES	\$ 51,987,549	8,165,036	9,616,658	14,446,453	84,215,696

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

JEFFERSON COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2009

Total fund balances for governmental funds \$ 64,857,013

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 4,696,008	
Construction in progress	7,579,934	
Infrastructure, net of \$31,827,843 accumulated depreciation	14,099,848	
Buildings, net of \$55,675,472 accumulated depreciation	33,757,957	
Equipment, net of \$16,613,406 accumulated depreciation	16,246,659	
Total capital assets		76,380,406

Long-term assets are not recognized in the current period and accordingly are not reported as fund assets. Balances as of September 30, 2009 were:

Accrued interest receivable	\$ 320,054	
Deferred Charges	46,281	
		366,335

Long-term liabilities applicable to Jefferson County's activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term are reported in the statement of net assets.

Balance as of September 30, 2009 were:

Accrued interest on bonds and loans	\$ (588,273)	
Bonds payable	(68,325,000)	
Notes payable	(1,669,086)	
OPEB Obligations	(11,316,649)	
Compensated absences	(10,824,654)	
Gain/Loss on Refunding Bonds	21,835	
Premium/Discounts on Bonds	12,739	
		(92,689,088)

Internal service funds are used by the County. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets. Internal service fund net assets are:

(204,584)

Some of the County's receivables are classified as long-term and therefore are not reported in the funds. Receivable reported net of \$2,234,485 allowance for uncollectible accounts.

2,518,802

Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

5,738,060

Total net assets of governmental activities

\$ 56,966,944

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

**JEFFERSON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	GENERAL	FEMA EMERGENCY	CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
PROPERTY TAXES	\$ 68,777,493	-	-	7,135,200	75,912,693
SALES TAXES	31,025,107	-	-	1,294,063	32,319,170
FEES	9,071,461	-	-	4,300,539	13,372,000
LICENSES	487,856	-	-	-	487,856
INTERGOVERNMENTAL	2,939,163	17,350,900	887,750	9,371,473	30,549,286
SALES, RENTAL & SERVICES	4,609,622	204,227	-	772,071	5,585,920
FINES AND FORFEITURES	1,816,202	-	-	260,215	2,076,417
INTEREST	887,547	47,068	110,046	206,126	1,250,787
MISCELLANEOUS	29,275	-	-	-	29,275
CONTRIBUTIONS AND DONATIONS	-	-	-	1,315,190	1,315,190
TOTAL REVENUES	\$ 119,643,726	17,602,195	997,796	24,654,877	162,898,594
EXPENDITURES:					
CURRENT					
GENERAL GOVERNMENT	\$ 19,647,704	-	-	687,749	20,335,453
JUDICIAL AND LAW ENFORCEMENT	58,880,986	-	-	10,775,969	69,656,955
EDUCATION AND RECREATION	624,413	-	-	954,851	1,579,264
HEALTH AND WELFARE	9,704,195	-	-	896,050	10,600,245
MAINTENANCE OF STRUCTURES AND EQUIPMENT	12,339,248	21,020,881	-	3,019,289	36,379,418
CAPITAL OUTLAY	-	-	2,581,474	1,494,613	4,076,087
DEBT SERVICE					
PRINCIPAL	-	-	-	3,660,000	3,660,000
INTEREST AND COMMISSION	-	-	-	3,671,261	3,671,261
TOTAL EXPENDITURES	\$ 101,196,546	21,020,881	2,581,474	25,159,782	149,958,683
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 18,447,180	(3,418,686)	(1,583,678)	(504,905)	12,939,911
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	\$ 393,589	3,026,917	4,759,880	2,086,674	10,267,060
TRANSFERS OUT	(12,409,630)	-	(335,853)	(1,209,409)	(13,954,892)
INSURANCE PROCEEDS	6,909	2,519,339	30,284	-	2,556,532
TOTAL OTHER FINANCING SOURCES (USES)	\$ (12,009,132)	5,546,256	4,454,311	877,265	(1,131,300)
NET CHANGE IN FUND BALANCES	\$ 6,438,048	2,127,570	2,870,633	372,360	11,808,611
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ 32,448,834	3,514,777	6,443,818	10,706,713	53,114,142
	-	-	-	(65,740)	(65,740)
FUND BALANCE, BEGINNING (Restated)	32,448,834	3,514,777	6,443,818	10,640,973	53,048,402
FUND BALANCES, ENDING	\$ 38,886,882	5,642,347	9,314,451	11,013,333	64,857,013

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

JEFFERSON COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2009

Net change in fund balances - total governmental funds \$ 11,808,611

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Expenditures	\$ 12,105,460	
Depreciation Expense	<u>(5,294,373)</u>	
Net adjustment		6,811,087

Capital asset donations to Business type activities (3,855,546)

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.

Repayments:		
To paying agent for bond principal	\$ 3,660,000	
Principal on Notes Payable	<u>336,443</u>	
Net adjustment		3,996,443

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather as it accrues. The adjustment combines the net changes of seven balances.

Compensated absences	\$ (716,031)	
OPEB Obligations	\$ (11,316,649)	
Amortization of bond premium	1,358	
Amortization of bond discount	(1,576)	
Amortization of advanced refunding difference	(37,431)	
Accrued interest on debt	22,092	
Amortization of deferred charges	<u>(28,464)</u>	
Combined adjustment		(12,076,701)

Internal service funds are used by the County. The net expense of the internal service funds are reported with governmental activities. (1,296,660)

Some of the County's receivables are classified as long-term and therefore the net of revenue and bad debt expense associated with these receivables are not reported in the funds. (437,693)

Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenue and are deferred in the governmental funds. Deferred revenues decreased by this amount in the current period. (296,596)

Total change in net assets of governmental activities		<u>\$ 4,652,945</u>
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The notes to the financial statements are an integral part of this statement.

**JEFFERSON COUNTY, TEXAS
STATEMENT OF NET ASSETS -
PROPRIETARY FUNDS
SEPTEMBER 30, 2009**

	<u>ENTERPRISE FUNDS</u>			
	<u>SOUTHEAST</u>			<u>INTERNAL</u>
	TEXAS			SERVICE
	REGIONAL AIRPORT	FORD PARK	TOTAL	FUNDS
ASSETS:				
CURRENT ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 202,200	1,100,248	1,302,448	1,346,640
ACCOUNTS RECEIVABLE, Net	121,791	307,680	429,471	990,358
INTEREST RECEIVABLE	-	45	45	374
DUE FROM OTHER GOVERNMENTAL ENTITIES	818,536	-	818,536	227,272
PREPAID ITEMS	215	24,650	24,865	-
INVENTORY, At Cost	71,753	37,598	109,351	-
DEPOSITS	-	-	-	53,000
TOTAL CURRENT ASSETS	<u>\$ 1,214,495</u>	<u>1,470,221</u>	<u>2,684,716</u>	<u>2,617,644</u>
NONCURRENT ASSETS:				
CAPITAL ASSETS:				
LAND	3,024,815	2,129,785	5,154,600	-
CONSTRUCTION IN PROGRESS	11,386,606	768,854	12,155,460	-
OTHER CAPITAL ASSETS, NET OF DEPRECIATION	<u>15,431,437</u>	<u>60,495,802</u>	<u>75,927,239</u>	<u>-</u>
TOTAL NONCURRENT ASSETS	<u>\$ 29,842,858</u>	<u>63,394,441</u>	<u>93,237,299</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 31,057,353</u>	<u>64,864,662</u>	<u>95,922,015</u>	<u>2,617,644</u>
LIABILITIES:				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	\$ 183,172	190,918	374,090	7,648
CLAIMS LIABILITY	-	-	-	2,291,753
DUE TO OTHER FUNDS	-	-	-	150,334
CURRENT PORTION - COMPENSATED ABSENCES	9,729	31,432	41,161	-
DEFERRED REVENUE	6,961	553,979	560,940	372,493
CUSTOMER DEPOSITS	40,584	39,075	79,659	-
TOTAL CURRENT LIABILITIES	<u>\$ 240,446</u>	<u>815,404</u>	<u>1,055,850</u>	<u>2,822,228</u>
NONCURRENT LIABILITIES:				
NONCURRENT PORTION - COMPENSATED ABSENCES	<u>203,012</u>	<u>-</u>	<u>203,012</u>	<u>-</u>
TOTAL NONCURRENT LIABILITIES	<u>\$ 203,012</u>	<u>-</u>	<u>203,012</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 443,458</u>	<u>815,404</u>	<u>1,258,862</u>	<u>2,822,228</u>
NET ASSETS:				
INVESTED IN CAPITAL ASSETS	\$ 29,842,858	63,394,441	93,237,299	-
UNRESTRICTED	<u>771,037</u>	<u>654,817</u>	<u>1,425,854</u>	<u>(204,584)</u>
TOTAL NET ASSETS	<u>\$ 30,613,895</u>	<u>64,049,258</u>	<u>94,663,153</u>	<u>(204,584)</u>

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

JEFFERSON COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	<u>ENTERPRISE FUNDS</u>			<u>INTERNAL SERVICE FUNDS</u>
	<u>SOUTHEAST</u>			
	<u>TEXAS</u>			
	<u>REGIONAL</u>			
	<u>AIRPORT</u>	<u>FORD PARK</u>	<u>TOTAL</u>	
OPERATING REVENUES:				
CHARGES FOR SERVICES	\$ 2,999,857	3,716,433	6,716,290	12,361,463
EMPLOYEE CONTRIBUTIONS	-	-	-	1,811,415
TOTAL OPERATING REVENUES	\$ 2,999,857	3,716,433	6,716,290	14,172,878
OPERATING EXPENSES:				
SALARIES & BENEFITS	\$ 1,618,692	1,538,161	3,156,853	-
MATERIALS AND SUPPLIES	99,696	197,808	297,504	-
MAINTENANCE AND REPAIRS	122,961	218,200	341,161	-
UTILITIES	226,535	719,237	945,772	-
COST OF GOODS SOLD	1,189,749	2,169,138	3,358,887	-
MISCELLANEOUS	199,541	95,100	294,641	-
ADMINISTRATIVE	-	704,937	704,937	982,227
INCURRED & ESTIMATED CLAIMS	-	-	-	15,504,792
DEPRECIATION	1,255,631	2,317,664	3,573,295	-
TOTAL OPERATING EXPENSES	\$ 4,712,805	7,960,245	12,673,050	16,487,019
OPERATING INCOME (LOSS)	\$ (1,712,948)	(4,243,812)	(5,956,760)	(2,314,141)
NONOPERATING REVENUES:				
INTERGOVERNMENTAL	\$ -	43,397	43,397	-
INTEREST REVENUE	1,499	870	2,369	18,027
GAIN/(LOSS) ON SALE OF CAPITAL ASSETS	2,338	(16,757)	(14,419)	-
REFUNDS AND RECOVERIES	6,192	-	6,192	999,454
TOTAL NONOPERATING REVENUES	\$ 10,029	27,510	37,539	1,017,481
INCOME (LOSS) BEFORE TRANSFERS	\$ (1,702,919)	(4,216,302)	(5,919,221)	(1,296,660)
CAPITAL CONTRIBUTIONS	7,398,897	880,031	8,278,928	-
TRANSFER IN	1,250,000	2,437,832	3,687,832	-
CHANGE IN NET ASSETS	\$ 6,945,978	(898,439)	6,047,539	(1,296,660)
NET ASSETS (DEFICIT), BEGINNING	23,667,917	64,947,697	88,615,614	1,092,076
NET ASSETS (DEFICIT), ENDING	\$ 30,613,895	64,049,258	94,663,153	(204,584)

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

**JEFFERSON COUNTY, TEXAS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>ENTERPRISE FUNDS</u>			
	<u>SOUTHEAST</u>			<u>INTERNAL SERVICE FUNDS</u>
	<u>TEXAS</u>			
	<u>REGIONAL</u>		<u>TOTAL</u>	
<u>AIRPORT</u>	<u>FORD PARK</u>			
CASH FLOWS FROM OPERATING ACTIVITIES:				
RECEIPTS FROM CUSTOMERS AND USERS	\$ 3,039,093	3,603,229	6,642,322	1,206,084
RECEIPTS FROM EMPLOYEES	-	-	-	1,873,466
PAYMENTS TO SUPPLIERS	(1,981,681)	(4,262,770)	(6,244,451)	(974,579)
PAYMENTS TO EMPLOYEES	(1,626,589)	(1,476,862)	(3,103,451)	-
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	(354,054)	-	(354,054)	11,481,276
CLAIMS PAID	-	-	-	(15,201,312)
OTHER RECEIPTS	6,192	-	6,192	415,378
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (917,039)	(2,136,403)	(3,053,442)	(1,199,687)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
RECEIPTS FROM FEDERAL GRANTS	-	43,397	43,397	-
TRANSFERS (TO) FROM OTHER FUNDS	\$ 1,250,000	2,437,832	3,687,832	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	\$ 1,250,000	2,481,229	3,731,229	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
CAPITAL GRANTS FROM FEDERAL ENTITIES	\$ 5,299,018	-	5,299,018	-
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(5,433,736)	(45,950)	(5,479,686)	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	2,338	40,500	42,838	-
NET CASH PROVIDED (USED) BY CAPITAL FINANCING ACTIVITIES	\$ (132,380)	(5,450)	(137,830)	-
CASH FLOWS FROM INVESTMENT ACTIVITIES:				
RECEIPTS OF INTEREST	1,619	825	2,444	22,873
NET CASH PROVIDED BY INVESTMENT ACTIVITIES	\$ 1,619	825	2,444	22,873
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - BEGINNING	\$ 202,200	340,201	542,401	(1,176,814)
	-	760,047	760,047	2,523,454
CASH AND CASH EQUIVALENTS - ENDING	\$ 202,200	1,100,248	1,302,448	1,346,640
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:				
OPERATING INCOME(LOSS)	\$ (1,712,948)	(4,243,812)	(5,956,760)	(2,314,141)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
DEPRECIATION	1,255,631	2,317,664	3,573,295	-
OTHER NON-OPERATING REVENUES (EXPENSES)	6,192	-	6,192	999,454
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	38,820	94,961	133,781	(584,076)
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	-	(134,879)
INVENTORY	103,304	(24,832)	78,472	-
CUSTOMER DEPOSITS	1,800	(90)	1,710	-
ACCOUNTS PAYABLE	(246,503)	(76,692)	(323,195)	7,648
CLAIMS LIABILITY	-	-	-	303,480
DUE TO OTHER FUNDS	(354,054)	-	(354,054)	150,334
OTHER LIABILITIES	(9,281)	(203,602)	(212,883)	372,493
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (917,039)	(2,136,403)	(3,053,442)	(1,199,687)
NON-CASH OPERATING, CAPITAL AND RELATED FINANCING, AND INVESTING ACTIVITIES				
CAPITAL CONTRIBUTIONS	\$ 3,022,182	880,031	3,902,213	-

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

JEFFERSON COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
SEPTEMBER 30, 2009

	TOTALS
<u>ASSETS</u>	
CASH AND CASH EQUIVALENTS	\$ 16,736,249
ACCOUNTS RECEIVABLE, Net	15,610
DUE FROM OTHER GOVERNMENTAL ENTITIES	389,435
INVENTORY	44,858
 TOTAL ASSETS	 \$ 17,186,152
<u>LIABILITIES</u>	
ACCOUNTS PAYABLE	\$ 14,428,778
DUE TO OTHER GOVERNMENTAL ENTITIES	792,386
OTHER PAYABLES	1,964,988
 TOTAL LIABILITIES	 \$ 17,186,152

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



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies

The financial statements of Jefferson County, Texas ("County") have been prepared in conformity with generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental and financial reporting principles. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

A. Reporting Entity

The County is a public corporation and a political subdivision of the State of Texas. The County is governed by Commissioners' Court, composed of four County Commissioners and the County Judge, all of whom are elected officials.

The County provides a vast array of services, which include public safety, administration of justice, health and human services, recreation services, public improvements, and general administration.

As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units in conformity with GASB Statement No. 14, *The Financial Reporting Entity* ("GASB 14") and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* ("GASB 39").

In accordance with these standards, a financial reporting entity consists of the primary government and its components units. Component units are legally separate organizations for which the elected officials of the County are financially accountable, or the relationship to the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the County's operations, and so data from these units are combined with data of the County.

The criteria used to determine whether an organization is a component unit of the County and whether it is a discretely or a blended component unit includes: financial accountability of Jefferson County for the component unit, appointment of a voting majority, ability to impose the County's will on the component unit, fiscal dependency criterion, whether there is a financial benefit to or burden to the County, and whether services are provided entirely or almost entirely to the primary government.

Blended Component Units:

For financial reporting purposes, the Southeast Texas Government Employee Benefits Pool (the Pool) is included in the operations and activities of the County as a blended component unit. The Pool is a public entity risk pool (see Note 13), which the County is the sponsor government. The Pool is accounted for as an internal service fund.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

Excluded from the reporting entity:

The following agencies were considered in the determination of component units of the County's financial reporting entity. It was determined that these entities should not be included as component units of the primary government: Jefferson County Navigation District, Drainage District #3, Drainage District #6, Drainage District #7, Foreign Trade Zone, Pleasure Island Park Board, Jefferson County Health Facilities Development Corporation, Jefferson County Housing Finance Corporation, and Jefferson County Industrial Development Corporation.

B. Implementation of New Standards

In the current year the County implemented the following new standards:

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* ("GASB 45"), establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers. Implementation of GASB 45 is reflected in the statements and note disclosure (Note 9).

GASB Statement No. 50, *Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27* ("GASB 50"), more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in the notes to the financial statements. Implementation of GASB 50 is reflected in note disclosure (Note 8 and 9).

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

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Assets and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is financially accountable.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Fines and forfeitures are recognized when they have been assessed and adjudicated and earned. Grants and



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses of the County's programs are offset by those programs' revenues. Program revenues include; 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the program and; 2) grants and contributions that are restricted to meeting the operational and/or capital requirements of a particular program. Program revenues include those generated from General Government, Judicial and Law Enforcement, Education and Recreation, Health and Welfare, Contract Services, and Maintenance of Equipment and Structures. Taxes and other items not included among program revenues are reported instead as general revenues.

Miscellaneous general revenues consist of non-program specific contributions.

Agency funds are excluded in the government-wide presentation of the financial statements.

Fund-level Statements

All governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes and other revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on governmental long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Grant and entitlement revenues are also susceptible to accrual. Encumbrances are used during the year and any remaining encumbrances are liquidated at fiscal year end. These funds are accounted for on a spending "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All proprietary funds, including the enterprise funds and internal service funds, and fiduciary funds, including agency funds, are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using a cost of service or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds' balance sheets. The Agency funds are custodial in nature and involve no measurement of results of operations.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

The accounts of the County are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

Funds are classified into three categories: Governmental, Proprietary, and Fiduciary. The County reports the following major funds:

GOVERNMENTAL FUNDS: Used to account for all or most of a government's general activity.

General Fund – used to account for the general operations of the County.

FEMA Emergency Fund – used to account for the grants from the Federal Emergency Management Agency (FEMA) for disasters.

Capital Projects Fund – used to account for all other capital projects of the County for which a separate fund has not been established.

PROPRIETARY FUNDS: Used to account for operations that are financed in a manner similar to those in the private sector, where the determination of net income is appropriate for sound financial administration.

Southeast Texas Regional Airport – used to account for the day-to-day operation of the County airport. These facilities are financed primarily through user charges.

Ford Park – used to account for the day-to-day operation of Ford Park. These facilities are financed primarily through user charges.

Additionally, the County reports the following fund types:

Internal Service Funds – used to account for the financing of goods and services provided by one department or agency of the County to other County departments or agencies on a cost reimbursement basis. The County reports three internal service fund: 1) Liability Insurance – to account for the County's contribution and payment for liability claims, 2) Workers' Compensation – to account for County's contribution and payment for workers' compensation claims, and 3) Southeast Texas Government Employee Benefits Pool - to account for the County's Public Entity Risk Pool, which provides group health insurance programs for member governments including comprehensive major medical and dental care.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

FIDUCIARY FUNDS: Used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

Agency Funds are used to account for assets held by the County as an agent on behalf of a third party. The County reports twelve agency funds held for various third parties outside the primary government.

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 and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing goods in connection with the proprietary fund's principal operations. The principal operating revenues of the Southeast Texas Regional Airport and Ford Park are user fees. Operating revenues in the Internal Service Funds consist primarily of charges to the various County departments. Operating expenses in the enterprise and internal service funds include the cost of sales and services, administrative expenses, incurred and estimated claims, salaries & benefits, materials and supplies, maintenance and repairs, utilities, miscellaneous, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources to the extent they are needed.

D. Budgets

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

- Department annual budget requests are submitted by the Department or Agency Head to the County Auditor's office during the third quarter of the fiscal year for the upcoming fiscal year to begin October 1.
- The County Auditor's office prepares an estimate of available resources for the upcoming fiscal year.
- The County Auditor's office prepares the proposed annual operating budget to be presented to the Commissioners' Court for their consideration. The budget represents the financial plan for the new fiscal year.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

- Public hearings are held on the proposed budget.
- The Commissioners' Court must adopt an annual operating budget by a majority vote of the Commissioners' Court before October 1. The adopted budget must be balanced; that is, available resources must be sufficient to support annual appropriations.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- The Commissioners' Court may approve expenditures as an amendment to the budget in an emergency situation that could not have been foreseen at the time the original budget was approved.
- Annual budgets are legally adopted for the General Fund and Debt Service Funds. Budgets for Grant Funds are established pursuant to grant awards and budgets for Capital Projects are established on a project basis.
- Appropriations lapse at year-end for all budgeted funds.
- Budgets are prepared on a basis consistent with GAAP.

E. Deposits and Investments

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

State statute authorizes the County to invest in obligations of the U.S. Treasury and Federal Agencies, commercial paper, repurchase agreements, Bankers' acceptances, money market mutual funds, and direct obligations of the State of Texas.

Investments for the County are stated at fair value, which is based on quoted market prices with the difference between the purchase price and market price being recorded as earnings on investments.

F. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed. All encumbrances are liquidated at fiscal year end.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

G. Receivables and Payables

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2008 and past due after January 31, 2009. 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.

Receivables from other governments include amount 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 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 uncollectible.

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

H. Interfund Transactions

During the course of normal operations, the County has many transactions between funds. The accompanying fund level financial statements reflect as transfers the resources provided and the expenditures used to provide services, construct assets, and meet debt service requirements. The effect of interfund activity has been eliminated in the Government-Wide financial statements, except for transactions between governmental and business-type activities.

I. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the "first-in/first-out" method. The cost of governmental fund type inventories are recorded as expenditures when consumed rather than when they are purchased (consumption method). Reported inventories in the governmental funds are offset by a fund balance reserve, which indicates they are unavailable for appropriations even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

Certain payments to vendors reflect cost 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 fund balance reserve, which indicates they are unavailable for appropriations even though they are a component of net current assets.

J. Capital Assets and Infrastructure

Capital assets include land, land improvements, buildings and building improvements, park improvements and facilities, equipment, machinery, vehicles, other tangible and intangible assets, and infrastructure that are used in the County's operations and benefits more than a single fiscal year. Infrastructure assets are long-lived assets that are generally stationary in nature and can typically be preserved for a significantly greater number of years than other capital assets. Infrastructure assets of the County include roads and bridges.

Capital assets of the County are defined as assets with individual costs of \$10,000 or more and estimated useful lives in excess of one year. All capital assets are stated at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are stated at their estimated fair value on the date donated.

It is the County's policy not to capitalize interest on construction for capital assets reported in the governmental activities of the government-wide financial statements.

Capital assets are depreciated in the government-wide financial statements using the straight-line method over the following useful lives:

<u>Asset</u>	<u>Years</u>
Runways	20-35
Buildings	40
Building Improvements	15-25
Equipment	3-7
Machinery	15
Vehicles	4-15
Other tangible assets	7-10
Computer software	3-5
Infrastructure:	
Bridges	25
Roads	40



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

K. Compensated Absences

Accumulated compensatory leave, vacation and sick leave that have matured (reimbursable leave still outstanding following an employee's resignation or retirement) are reported as expenditures in the respective governmental funds. Accumulated compensated absences that have not matured are reported as long-term liabilities in the governmental activities column of the government-wide Statement of Net Assets. The majority of these have typically been liquidated from the General Fund in previous years. Accumulated compensated absences of Proprietary funds are recorded as an expense and liability in the respective fund and the business-type activities column of the government-wide Statement of Activities as the benefit accrues for the employee.

Employees are allowed to accrue 13 days of sick leave per year. Sick leave benefits are recognized as expenditures as they are used by the employees. Employees may accumulate up to 1,440 hours of sick leave. For employees with 8 years of service and hired prior to October 1, 2002, unused sick leave benefits are paid at 50% at termination. For employees with 8 years of service and hired after October 1, 2002, unused sick leave benefits are paid at 10% at termination.

Employees with more than one year of service accrue from two to five weeks vacation per year, depending on years of service. Unused vacation benefits lapse on March 15 for the previous calendar year. Upon termination from County employment, an employee shall be entitled to payment for total accrued but unused hours of vacation.

Non-exempt employees earn compensatory time at one and one-half times their full rate of pay times the excess of 40 hours per week worked. The compensatory time balance for non-exempt employees may not exceed 80 hours except for Law enforcement employees, which may accumulate up to 480 hours. Hours in excess of the maximum must be paid to the non-exempt employee at the rate of one and a half times the regular rate. Upon termination, non-exempt employees will be paid for compensatory time at their wage rate at time of termination. Compensatory time is carried forward indefinitely.

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as deferred charges which consist of bond issuance cost, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. The difference between the reacquired price and net carrying amount of old debt incurred due to a bond refunding transaction is deferred and amortized in a manner that is systematic and rational over the remaining life of the old or new debt, whichever is shorter.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 1 - Summary of Significant Accounting Policies (continued)

M. Net Assets and Fund Balances

Net Assets Classifications

Net assets in the proprietary fund financial statements and the government-wide financial statements are classified in three categories: 1) Net assets invested in capital assets, net of related debt, 2) Restricted net assets, and 3) Unrestricted net assets.

Reservations, Designations, and Restrictions

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 a specific purpose. These specific purposes include: capital projects, debt service, inventories, prepaids, and advances. Designations of fund balance represent tentative management plans that are subject to change.

In the proprietary fund financial statements and in the government-wide financial statements, restricted net assets are reported for amounts that are externally restricted by 1) creditors (eg. bond covenants), grantors, contributions, or laws and regulations of other governments, or 2) law through constitutional provision or enabling legislation.

N. Statement of Cash Flows

For purposes of cash flows, the County considers all highly liquid investments (including restricted) with a maturity of three months or less when purchased to be cash equivalents.

O. Use of Estimates

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



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 2 - Deposits and Investments

The County had the following investments as of September 30, 2009:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>
U.S. Agency Securities	\$15,073,450	116
Certificates of Deposits	22,000,000	80
Total	<u>\$37,073,450</u>	95

Interest Rate Risk – Fair value fluctuates with interest rates and increasing rates may cause fair value to decline below cost. In compliance with the County’s Investment Policy, the County minimized interest rate risk by limiting the weighted average maturity of the portfolio to 365 days with a stated final maturity date not to exceed 3 years from the date of purchase. In addition, the portfolio is structured so that securities mature to meet cash flow requirements, thereby avoiding the need to sell securities prior to maturity and below the original cost.

Credit Risk – In compliance with the County’s investment policy, as of September 30, 2009, all of the County’s purchased investments in U.S. Agency Securities were rated AAA and Aaa by Standard & Poor’s and Moody’s respectively.

Concentration Risk – The County’s investment policy is to diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of investment. As of September 30, 2009, the County had three investments that were with Federal Home Loan Bank (FHLB).

Custodial credit risk - deposits – In the case of deposits, this is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s investment policy is to have all checking accounts and certificates of deposits placed at the County Depository Bank under a depository contract. The \$50,338,863 bank balance was covered by federal depository insurance or collateralized with securities held by the Federal Reserve Bank of Boston. Ford Park (enterprise fund) had two bank accounts not with the depository bank with a bank balance of \$272,099 which left \$22,099 exposed to custodial credit risk because only \$250,000 was covered by the federal depository insurance.

Note 3 - Property Taxes and Other Receivables

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and payable by January 31 of the following year. The County bills and collects its own property taxes and it also bills and collects taxes for Jefferson County Navigation District, Jefferson County Drainage District #3, #6, and #7, Port of Beaumont, Port of Port Arthur, Water District #10, Nederland Independent School District, Northwest Forest Municipal Utility District, Emergency Services District #2, Trinity Bay Conservation District, Port of Sabine Pass, Sabine Pass Independent



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 3 - Property Taxes and Other Receivables (continued)

School District, Port Arthur Independent School District, City of Port Arthur, Hamshire Fannett Independent School District, Port Neches-Groves Independent School District, Cardinal Meadows, Beaumont Independent School District, City of Beaumont, City of Groves, City of Nederland, City of Port Neches, City of Bevil Oaks, and the Emergency Service District #1. Collections of these taxes and remittance of them to the various districts are accounted for in the Tax Assessor - Collector Agency Fund. The County is permitted by the State Constitution to levy taxes up to \$.80 per \$100 of assessed valuation for general government services and the payment of principal and interest on Long-Term Debt. In addition to its taxes subject to the \$.80 tax limitation, the County's voters have authorized the levy of a special tax of \$.15 per \$100 assessed valuation solely for road maintenance expenses. The County is also authorized by the voters to levy the Farm to Market and Lateral Road Tax of \$.30 per \$100 of assessed value for the purpose of maintaining roads and bridges.

For the year ended September 30, 2009, the combined tax rate to finance general government services and the payment of principal and interest on long-term debt was \$.365.

On February 1 of the following calendar year the tax bill becomes delinquent and penalty and interest is assessed by the County. The County Commissioners issue a tax levy for the County's General and Debt Service Funds. The levy and collections are restricted to the funds they are allocated for. The delinquent tax receivables, and penalty and interest receivables represent the past thirty years of uncollected tax levies. The allowance for uncollectible was set at thirty percent of the gross tax receivable and sixty percent on penalty and interest as of September 30, 2009. The allowance has been recorded for property taxes and Penalty and Interest, which are estimated to be uncollectible as required by generally accepted accounting.

Property tax receivables of \$4,200,217 as of September 30, 2009 are reported net of an allowance for uncollectible taxes of \$1,800,093.

Penalty and Interest receivables of \$1,756,002 as of September 30, 2009 are reported net of an allowance for uncollectible accounts of \$2,634,003.

Receivables as of September 30, 2009 consist of the following:



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 3 - Property Taxes and Other Receivables (continued)

	General	FEMA Emergency Fund	Capital Projects Fund	Non Major Funds	Southeast Texas Regional Airport	Ford Park	Internal Service Funds	Agency Funds	Total
Receivables:									
Accounts	\$138,580	\$892,263	\$131	\$7,924	\$125,501	\$307,680	\$990,358	\$15,610	\$2,478,047
Employee	76,371	-	-	14,040	1,470	-	-	-	91,881
Taxes	5,795,057	-	-	205,253	-	-	-	-	6,000,310
Penalty & Interest	4,239,836	-	-	150,169	-	-	-	-	4,390,005
Intergovernmental	3,090,848	2,691,795	-	535,407	818,536	-	227,272	389,435	7,753,293
Gross Receivables	\$13,340,692	\$3,584,058	\$131	\$912,793	\$945,507	\$307,680	\$1,217,630	\$405,045	\$20,713,536
Less: Allowance for Uncollectibles	4,282,419	-	-	151,677	5,180	-	-	-	4,439,276
Net total receivables	\$9,058,273	\$3,584,058	\$131	\$761,116	\$940,327	\$307,680	\$1,217,630	\$405,045	\$16,274,260

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

As of September, 30, 2009, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent Property Taxes Receivable (General Fund)	\$ 5,556,875	\$ -
Delinquent Property Taxes Receivable (Debt Service Funds)	181,185	-
Advanced Funding	-	999,813
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 5,738,060</u>	<u>\$ 999,813</u>

Note 4 – Interfund Receivables, Payables, and Transfers

In the fund financial statements, interfund balances are the result of normal transactions between funds and will be liquidated in the subsequent fiscal year. Balances between individual governmental funds and between governmental funds and internal services funds are eliminated in the government-wide financial statements.

The composition of interfund balances as of September 30, 2009, is as follows:



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 4 – Interfund Receivables, Payables, and Transfers – (continued)

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	\$ 575,955
	Internal Service Funds	150,334
	Total	<u>\$ 726,289</u>

All of the due to/from transactions are routine in nature.

The following is a summary of the County's transfers for the year ended September 30, 2009:

	<u>Transfers Out:</u>			
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Transfers In:				
General	\$ -	\$ -	\$ 393,589	\$ 393,589
Nonmajor Funds	1,174,100	335,853	576,721	2,086,674
FEMA Emergency Fund	3,000,000	-	26,917	3,026,917
Capital Projects Fund	4,547,698	-	212,182	4,759,880
Southeast Texas Regional Airport	1,250,000	-	-	1,250,000
Ford Park	2,437,832	-	-	2,437,832
	<u>\$ 12,409,630</u>	<u>\$ 335,853</u>	<u>\$ 1,209,409</u>	<u>\$ 13,954,892</u>

Transfers in the amount of \$1,250,000 from the General fund to the Southeast Texas Regional Airport were to subsidize operations at the airport. Transfers in the amount of \$2,437,832 to Ford Park were to subsidize operations of the complex. A transfer in the amount of \$3,000,000 for Hurricane Ike were necessary to fund related expenses that are not anticipated to be reimbursed by private insurance or FEMA grants. Transfers in the amount of \$4,547,698 from the General fund to Capital Project fund were to fund ongoing capital projects. All other transfers are routine in nature.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 5 – Capital Assets

Capital asset activity for the year ended September 30, 2009 was as follows:

	Balance October 1, 2008	Additions	Deletions	Transfer	Balance September 30, 2009
Governmental Activities:					
Land	\$ 4,696,008	\$ -	\$ -	\$ -	\$ 4,696,008
Construction work in progress	4,269,674	5,705,310	-	(2,395,050)	7,579,934
Total capital assets not depreciated	8,965,682	5,705,310	-	(2,395,050)	12,275,942
Infrastructure	43,957,512	-	-	1,970,179	45,927,691
Buildings & Improvements	88,936,547	72,011	-	424,871	89,433,429
Equipment	31,797,536	2,472,593	(1,410,064)	-	32,860,065
Total capital assets depreciated	164,691,595	2,544,604	(1,410,064)	2,395,050	168,221,185
Less accumulated depreciation for:					
Infrastructure	(30,767,491)	(1,060,352)	-	-	(31,827,843)
Buildings & Improvements	(54,299,728)	(1,375,744)	-	-	(55,675,472)
Equipment	(15,165,193)	(2,770,340)	1,322,127	-	(16,613,406)
Total accumulated depreciation	(100,232,412)	(5,206,436)	1,322,127	-	(104,116,721)
Total capital assets depreciated, net	64,459,183	(2,661,832)	(87,937)	2,395,050	64,104,464
Governmental activities capital assets, net	\$ 73,424,865	\$ 3,043,478	\$ (87,937)	\$ -	\$ 76,380,406

	Balance October 1, 2008	Additions	Deletions	Transfer	Balance September 30, 2009
Business-type Activities:					
Land	\$ 5,154,600	\$ -	\$ -	\$ -	\$ 5,154,600
Construction work in progress	4,250,951	7,904,509	-	-	12,155,460
Total capital assets not depreciated	9,405,551	7,904,509	-	-	17,310,060
Buildings & Improvements	107,633,512	-	-	-	107,633,512
Equipment	11,333,605	481,125	(349,282)	-	11,465,448
Total capital assets depreciated	118,967,117	481,125	(349,282)	-	119,098,960
Less accumulated depreciation for:					
Buildings & Improvements	(35,356,893)	(2,941,602)	-	-	(38,298,495)
Equipment	(4,533,558)	(631,693)	292,025	-	(4,873,226)
Total accumulated depreciation	(39,890,451)	(3,573,295)	292,025	-	(43,171,721)
Total capital assets depreciated, net	79,076,666	(3,092,170)	(57,257)	-	75,927,239
Business-type activities capital assets, net	\$ 88,482,217	\$ 4,812,339	\$ (57,257)	\$ -	\$ 93,237,299



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 5 – Capital Assets (continued)

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

Governmental activities:

General Government	\$ 347,227
Judicial & Law Enforcement	2,639,081
Health & Welfare	103,197
Maintenance - Equipment & Structures	<u>2,204,868</u>
Total depreciation expense - governmental activities	<u>\$5,294,373</u>

Business-type activities:

Southeast Texas Regional Airport	\$ 1,255,631
Ford Park	<u>2,317,664</u>
Total depreciation expense - business-type activities	<u>\$ 3,573,295</u>

Note 6 - Operating Leases

County as Lessor

The County has entered into various operating leases of County-owned property to others as described below:

The County's airport conducts a major part of its operations from leased facilities, which include office and parking lot spaces for car rental agencies, terminal space for a travel agency and advertising agency, and hanger space. All leases are classified as operating leases. The rental payments under the leases for the car rental agencies are based on a minimum rental plus a percentage of sales. The rental payments under the leases for the advertising agency are based on a percentage of sales. The rental payments under the leases for the hanger spaces and travel agent are based on a fixed amount per square foot of space leased. All of the operating leases are month to month and will expire over the next two years and include 30-day cancellation clauses. In most cases, the County expects that in the normal course of business, leases will be renewed or replaced by other leases.

The County's airport has four leases for land located either in the Private Hangar Park or surrounding the Airport. These leases are classified as operating leases. The rental payments under the leases for the land are a fixed amount for a twenty-five or thirty year period. These leases are noncancellable.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 6 - Operating Leases (continued)

The following schedule provides an analysis of the County's investment in property on operating leases and property held for lease by major classes as of September 30, 2009:

Airport Terminal	\$ 2,665,004
Airport Private Hangar Park and Land	3,249,396
	5,914,400
Less: accumulated depreciation	(1,879,601)
	\$ 4,034,799

The following is a schedule by years of minimum future rentals on noncancellable operating leases as of September 30, 2009:

<u>Fiscal Year Ending September 30</u>	
2010	\$ 130,177
2011	130,177
2012	130,177
2013	130,177
2014	111,608
2015-2019	511,620
2020-2024	511,620
2025-2029	472,029
2030	28,056
Total	\$ 2,155,641

Minimum future rentals do not include contingent rentals, which may be received as stipulated in the lease contracts. These contingent rental payments occur only if the use exceeds a certain level of activity each year.

Contingent rentals on Airport cancellable operating leases for the year ended September 30, 2009 are \$213,881.

Note 7 - Long-Term Debt

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. All of the 2000 Certificates of Obligation, the 2002 Refunding Bonds, and approximately 72% (\$5,745,720) of the 2002 Certificates of Obligation funded and benefited business-type activities, though resources of the governmental activities are being used to liquidate the debt. All other General obligation bonds have been issued for governmental-type activities. The original amount of general obligation bonds issued in prior years was \$87,920,000.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 7 - Long-Term Debt (continued)

General obligation bonds are direct obligation and pledge the full faith and credit on the government. General obligation bonds currently outstanding are as follows:

\$1,505,000 2003 Certificates of Obligation due in annual installments from \$20,000 to \$280,000 through August 1, 2018; interest rates ranging from 2.0% to 4.35%.	\$1,385,000
\$11,550,000 2003 Refunding Bonds due in annual installments from \$1,535,000 to \$1,780,000 through August 1, 2010; interest rates ranging from 2.0% to 3.5%.	1,780,000
\$1,150,000 2000 Certificates of Obligation due in annual installments from \$350,000 to \$400,000 through August 1, 2010; interest rates ranging from 5.25% to 5.4%.	400,000
\$13,090,000 2002 Certificates of Obligation due in annual installments from \$650,000 to \$1,165,000 through August 1, 2017; interest rates ranging from 3.75% to 5.0%.	7,980,000
\$57,625,000 2002 Refunding Bonds due in annual installments from \$840,000 to \$5,170,000 through August 1, 2025; interest rates ranging from 3.0% to 5.75%.	55,710,000
\$3,000,000 2005 Tax Anticipation Notes due in annual installments from \$445,000 to \$545,000 through August 1, 2011; interest rates ranging from 3.25% to 3.50%.	1,070,000
Total General Obligation Bonds	\$68,325,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ended September 30	Governmental Activities		Total
	Principal	Interest	
2010	\$ 3,760,000	\$ 3,529,638	\$ 7,289,638
2011	3,970,000	3,382,688	7,352,688
2012	3,590,000	3,198,206	6,788,206
2013	3,780,000	3,021,269	6,801,269
2014	4,160,000	2,844,331	7,004,331
2015-2019	21,555,000	10,673,613	32,228,613
2020-2024	22,340,000	4,992,374	27,332,374
2025	5,170,000	271,425	5,441,425
Total	\$ 68,325,000	\$ 31,913,544	\$ 100,238,544

There is currently \$553,027 available in the Debt Service Funds to service the general obligation bonds. The County has no authorized but unissued bonds at September 30, 2009.

There are a number of limitations and restrictions contained in the various bond debentures regarding authorized uses of bond proceeds. The County is in compliance with all significant limitations and restrictions.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 7 - Long-Term Debt (continued)

Notes Payable:

The county has entered into a Note payable agreement with the State of Texas to finance energy conservation measures for County buildings. The total amount issued was \$3,328,357. The note is due in quarterly installments from \$73,249 to \$97,301 through May 2014 with an interest rate of 3%. Annual notes payable requirements to maturity are as follows:

Fiscal Year Ended September 30	Principal	Interest	Total
2010	\$ 346,651	\$ 48,411	\$ 395,062
2011	357,168	37,894	395,062
2012	368,004	27,058	395,062
2013	379,169	15,893	395,062
2014	218,094	4,390	222,484
Total	<u>\$ 1,669,086</u>	<u>\$ 133,646</u>	<u>\$ 1,802,732</u>

Prior Refunding Issues:

In prior years, the County issued general obligation bonds to advance refund certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service when due to the earliest call date or to maturity on the old bonds. Accordingly, the trust account assets and the liability for the refunded bonds are not included in the County's financial statements. The following reflects the refunded bonds as of the date of the refunding and as of September 30, 2009:

Type	Refunding Series	Date	Outstanding As of Refunding	Outstanding As of 9/30/09
General Obligation	2000	2002	\$53,850,000	\$53,850,000

Conduit Debt Obligations

The County has issued Housing Finance Corporation Bonds and Health Facilities Development Corporation Bonds to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity serviced by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 7 - Long-Term Debt (continued)

As of September 30, 2009, there were five series of Jefferson County Housing Finance Corporation Bonds with an aggregate principal amount payable of \$31,993,646, and one series of Jefferson Health Facilities Development Bonds with an aggregate principal amount payable of \$99,165,000.

Arbitrage Rebate Liability

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on certain local government bonds issued after December 31, 1985, and all local governmental bonds issued after August 31, 1986. Issuing governments must calculate any rebate due and remit the amount due at least every five years. As of September 30, 2009, there are no estimated liabilities for arbitrage rebate on governmental debt. The Debt Service fund and the residual balance in the capital project fund have typically been used to liquidate the arbitrage liability in previous years.

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities:					
Bonds Payable					
General obligation bonds	\$ 71,985,000	\$ -	\$(3,660,000)	\$68,325,000	\$3,760,000
Less deferred amounts:					
Premiums	2,150	-	(1,358)	792	-
Discounts	(15,107)	-	1,576	(13,531)	-
Difference on refunding	(59,266)	-	37,431	(21,835)	-
Total bonds payable	\$ 71,912,777	\$ -	\$(3,622,351)	\$68,290,426	\$3,760,000
Notes Payable	2,005,529	-	(336,443)	1,669,086	346,651
Claims and Judgments	1,988,273	16,479,372	(16,175,892)	2,291,753	2,291,753
Compensated Absences	10,143,470	1,401,266	(625,972)	10,918,764	746,701
OPEB Obligations	-	11,316,649	-	11,316,649	-
Governmental Activities					
Long-term liabilities	\$ 86,050,049	\$29,197,287	\$(20,760,658)	\$94,486,678	\$7,145,105
Business-type Activities:					
Compensated Absences	\$247,597	\$36,390	\$(39,814)	\$244,173	\$41,161
Business-type Activities					
Long-term liabilities	\$247,597	\$36,390	\$(39,814)	\$244,173	\$41,161

Compensated absences liabilities are normally liquidated by the general fund. Claims and judgments of governmental funds are normally paid from the corresponding internal service fund. Claims and judgments of the public entity risk pool are normally paid from the corresponding internal service fund.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 8 - Texas County and District Retirement System Pension Plan

Plan Description -

The County provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 586 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034.

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

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

Funding Policy –

The County 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 14.51% for the months of the accounting year in 2008, and 14.76% for the months of the accounting year in 2009.

The contribution rate payable by the employee members for the calendar year 2009 is the rate of 7.0% as adopted by the governing body of the employer. 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.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 8 - Texas County and District Retirement System Pension Plan (continued)

Annual Pension Cost -

For the County's accounting year ending September 30, 2009, the annual pension cost for the TCDRS plan for its employees was \$7,798,599 and the actual contributions were \$7,798,599. 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, 2006 and December 31, 2007, the basis for determining the contribution rates for calendar years 2008 and 2009. The December 31, 2008 actuarial valuation is the most recent valuation.

The required contribution was determined as part of the December 31, 2008 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2008 included (a) 8.0 percent investment rate of return (net of administrative expenses), and (b) projected salary increases of 5.3 percent. Both (a) and (b) included an inflation component of 3.5 percent. The actuarial value of assets was determined using techniques that spread the effect of short-term volatility in the market value of investments over a ten-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008 was 20 years.

ACTUARIAL VALUATION INFORMATION

<u>Actuarial valuation date</u>	<u>12/31/06</u>	<u>12/31/07</u>	<u>12/31/08</u>
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, closed	level percentage of payroll, closed	level percentage of payroll, closed
Amortization period in years	15	15	20
Asset valuation method	SAF: 10yr smoothed value ESF: Fund value	SAF: 10yr smoothed value ESF: Fund value	SAF: 10yr smoothed value ESF: Fund value

Assumptions:

Investment return ¹	8.0%	8.0%	8.0%
Projected salary increases ¹	5.3%	5.3%	5.3%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

¹ Includes inflation at the stated rate.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 8 - Texas County and District Retirement System Pension Plan (continued)

**TREND INFORMATION
 FOR THE RETIREMENT PLAN FOR THE EMPLOYEES OF
 JEFFERSON COUNTY, TEXAS**

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
09/30/2007	\$6,575,881	100%	\$--
09/30/2008	\$7,079,576	100%	\$--
09/30/2009	\$7,798,599	100%	\$--

Funded Status and Funding Progress -

As of December 31, 2008, the most recent actuarial valuation date, the plan was 75.18% funded. The actuarial accrued liability for benefits was \$214,920,870, and the actuarial value of assets was \$161,577,444, resulting in an unfunded actuarial accrued liability (UAAL) of \$53,343,426. The covered payroll (annual payroll of active employees covered by the plan) was \$57,211,658, and the ratio of the UAAL to the covered payroll was 93.24%.

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

Note 9 – Other Post-Employment Benefits

Plan Description -

Retiree Benefits

The County provides post-retirement health care benefits to all employees who retired on or after April 9, 1990. Effective January 1, 1997, Commissioners' Court adopted the following policy detailing eligibility requirements for participation in this benefit:

- A) the employee must have retired under the Texas County and District Retirement System (TCDRS) guidelines described in Note 8; and
- B) the employee must have at least 8 years of TCDRS credible service with Jefferson County.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 9 - Post-Employment Health Care Benefits (continued)

For retirees prior to February 1, 2003, the County pays 100 percent of health insurance premiums for those retirees that qualify. After February 1, 2003, the County will pay on the following scale for retirees that qualify:

Years of Service	Percentage Paid by Retiree	Percentage Paid by County
8-11	30%	70%
12-15	20%	80%
16-19	10%	90%
20+	0%	100%

Retiree Spouse Benefits

The employee's spouse is eligible for County paid health insurance benefits following the employee's retirement if:

- A) the employee met the above requirements A and B; and,
- B) the employee's spouse was enrolled in the health plan either as a dependent or an active County employee.

Spouse participation will end in the event of a divorce, at which time COBRA continuation will be offered as described below.

For retirees prior to February 1, 2003, the County pays 100 percent of health insurance premiums for those retirees' spouses that qualify. For retirees between February 1, 2003 and February 28, 2005, the County will pay the same scale as described above for retirees' spouses that qualify. For retirees after February 28, 2005, the County requires the following premiums to be paid for retirees' spouses that qualify:

Age of Spouse	Premium Amount Due
Less than 65 during ten year maximum	Equal to the active employee contribution made for a spouse
Less than 65 after ten year maximum	Full Premium
Over 65	Same percentage as retiree see table above

As of September 30, 2009, there were 432 participants receiving benefits.



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 9 - Post-Employment Health Care Benefits (continued)

Funding Policy and Annual OPEB Cost –

In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45 (GASB 45), creating accounting standards for Other Post Employment Benefits (OPEB) provided by governmental entities separately from a pension plan. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and if applicable required supplementary information (RSI) in the financial reports of state and local governments. Under the provisions of the Plan discussed previously, the County implemented the requirements of GASB Statement No. 45 during fiscal year 2009.

The Plan contribution rates are set annually by Commissioner’s Court based on the combination of premiums and prior year costs of the self-funded portion of the plan. The Plan is funded on a pay-as-you-go basis. In 2009 the total contribution was \$2,741,852.

The County’s annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameter of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County had its first OPEB actuarial valuation performed for the fiscal year beginning October 1, 2008 as required by GASB. The County’s annual OPEB cost for the current year is as follows:

Annual Required Contribution	\$ 14,058,501
Interest on prior year Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB Cost	<u>\$ 14,058,501</u>
County's Contribution made	<u>2,741,852</u>
Increase in Net OPEB Obligation	<u>\$ 11,316,649</u>
Net OPEB Obligation - beginning of year	<u>\$ -</u>
Net OPEB Obligation - end of year	<u><u>\$ 11,316,649</u></u>

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB Contributed	Net OPEB Obligation
09/30/2007	n/a	n/a	n/a
09/30/2008	n/a	n/a	n/a
09/30/2009	<u>\$14,058,501</u>	<u>19.5%</u>	<u>\$11,316,649</u>



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 9 - Post-Employment Health Care Benefits (continued)

Funded Status and Funding Progress -

As of October 1, 2008, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$128,652,851, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$128,652,851.

Actuarial Methods and Assumptions -

Projection of benefits for financial reporting are made on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In order to perform the valuation, it was necessary for the County and the actuary to make certain assumptions regarding items such as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare trend and interest rates.

The Projected Unit Credit actuarial cost method is used to calculate the GASB ARC for the County's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability.

In the October 1, 2008, actuarial valuation, a 4% discount rate was used. The medical trend rates with Medicare of 7.3% for 2009, 6.8% in 2010, 6.4% in the third year, 6% in the fourth year, and ultimately grading down to 4% per year after the seventieth year was used. The medical trend rates without Medicare of 8.9% for 2009, 8% in 2010, 7% in the third year, 6.1% in the fourth year, and ultimately grading down to 4% per year after the seventieth year was used. The dental trend rates of 4.8% for 2009, 4.5% in 2010, 4.3% in the third year, 4.1% in the fourth year, and ultimately grading down to 4% per year after the seventieth year was used.

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

Note 10 - Deferred Compensation Plan

Employees of Jefferson County, Texas may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 10 - Deferred Compensation Plan (continue)

The deferred compensation plan is administered by an unrelated financial institution. Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997. The County approved plan amendments such that plan assets are held in trust by a third party custodian, for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. The County's beneficial ownership of plan assets will be held for the further exclusive benefit of the plan for the exclusive benefit of participants and beneficiaries.

Accordingly, the County performs minimal administrative functions and does not perform any investment functions for the plan. Consequently, the assets held by the custodian are not included in the financial statements as of September 30, 2009.

Note 11 - Individual Funds Deficit Equity Balances

The following funds had deficit equity balances as of September 30, 2009:

<u>Governmental Activities</u>	
Juvenile Community Corrections Program	\$ 30,699
Mentally Impaired Offenders Program	2,351
Community Corrections	2,413
High Risk Caseload	3,357
Juvenile Probation and Detention – State Aid	3,133
Juvenile Accountability #1	3,376
Auto Theft	9,399
Port Security Supplement	92
ORCA – Ike	232
Drug Invention Grant	338
Violence Against Women - 2	8,703
Family Treatment Court	481
Hampshire Water & Sewer III	143,255
SHSP & LETPP Grants	79,935
First Time Sewer	97,626
OCRA Disaster Recovery #2	374,184
Buffer Zone Protection	349,619
Southeast Texas Government Employee Benefits Pool Fund	1,008,321
Total for Governmental Activities	<u>\$2,117,514</u>

If funding does not become available to cover these deficit fund balances from other governmental entities, the County plans to transfer funds to cover the deficit fund balance.



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 12 - Risk Management

The Liability Insurance Fund was established to account for the contributions from the General Fund for payment of general liability claims. Under the laws of the State of Texas, claims for torts are limited to \$100,000 per person and \$300,000 per incident. The Liability Fund records a claim as payable when information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlement trends. Changes in the Liability Insurance Fund's claims liability (including an estimate for claims incurred but not reported) were:

	<u>2009</u>	<u>2008</u>
Liability for claims, beginning of fiscal year	\$397,525	\$450,000
Incurred claims and changes in estimates	129,574	49,069
Claim payments	<u>(177,099)</u>	<u>(101,544)</u>
Liability for claims, end of fiscal year	<u>\$350,000</u>	<u>\$397,525</u>

The Workers' Compensation Fund was established to account for the County's workers' compensation claims. Contributions are made from the General, Special Revenue, and Enterprise Funds for employees covered under the County's workers' compensation policy. Contributions to the fund are determined by position class code within each department. From October 1, 1999, to February 14, 2005 the County was fully insured for workers' compensation claims and employers' liability. As of February 15, 2005, the County is self insured for workers' compensation claims and employers' liability. The County has excess coverage for workers' compensation claims and employers' liability claims limiting the County's liability to \$500,000 per occurrence for losses occurring prior to October 1, 1999 and after February 15, 2005. Settled claims have not exceeded commercial coverages in any of the past three fiscal years. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlement trends. Changes in the Worker's Compensation Fund's claims liability (including an estimate for claims incurred but not reported) were:

	<u>2009</u>	<u>2008</u>
Liability for claims, beginning of fiscal year	\$236,308	\$187,422
Incurred claims and changes in estimates	584,588	578,398
Claim payments	<u>(574,623)</u>	<u>(529,512)</u>
Liability for claims, end of fiscal year	<u>\$246,273</u>	<u>\$236,308</u>



JEFFERSON COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 SEPTEMBER 30, 2009

Note 13 – Public Entity Risk Pool

On November 27, 2000, the Jefferson County Commissioners’ Court pursuant to Texas Local Government Code Ann. Sec. 172.001 organized the Southeast Texas Government Employee Benefits Pool (the Pool). The Pool was organized for the benefit of Texas Political Subdivisions and Special Districts to make available accident, life, and health benefits for Pool member employees.

Twelve trustees govern the Pool. Five of these trustees are the Jefferson County Auditor, Jefferson County Risk Management Director, Jefferson County Human Resources Director, Jefferson County Purchasing Agent, and the Jefferson County Assistant District Attorney. Two of the trustees are members of Commissioners’ Court. The remaining five trustees are appointed by Commissioners’ Court.

The Pool is responsible for adopting underwriting standards, qualifications for membership in the pool, and establishing the types of benefits to be provided and associated fees for these benefits. The members of the Pool are responsible for their members’ eligibility in the pool and payment of monthly contributions for participation in the Pool. The Pool members are not subject to supplemental assessments in the event of deficiencies. If the assets of the Pool were to be exhausted, members would not be responsible for the Pool’s liabilities. Pool members currently include Jefferson County, Texas (reporting entity), Jefferson County Drainage District #3, Jefferson County Drainage District #6, and Jefferson County Navigation District. The total number of members in the Pool is 1,541. Operations of the Pool are accounted for as an internal service fund.

The Pool uses reinsurance agreements to reduce its exposure to large losses on medical and prescription claims. For the fiscal year ended September 30, 2009, the Pool had stop loss insurance contracts to limit the medical and prescription claims per individual member to \$175,000 in a calendar year. The Pool did not exceed these limits in 2009 but did exceed these limits by \$390,157 during fiscal year 2008, but again did not exceed these limits during fiscal year 2007.

Liabilities of the Pool are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering recent claim settlements trends.

Changes in the Pool’s claims liability (including an estimate of claims incurred but not reported and claim adjustment expenses) were:

	2009	2008
Liability for claims, beginning of fiscal year	\$1,354,440	\$990,895
Incurred claims and changes in estimates	15,765,210	13,345,115
Claim payments	(15,424,170)	(12,981,570)
Liability for claims, end of fiscal year	\$1,695,480	\$1,354,440



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 13 – Public Entity Risk Pool (continued)

Additional information including ten-year revenue and claim development are addressed in a separate annual report. The annual report may be obtained from Southeast Texas Governmental Employee Benefits Pool, 215 Franklin Street Suite 200, Beaumont, Texas 77701.

Note 14 - Construction and Other Significant Commitments

As of September 30, 2009, the County had the following commitments with respect to unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Ford Park	\$ 542,330	9/30/2010
Hurricane Related Construction	2,181,977	09/30/2010
Bridge Replacements & Repairs	1,048,922	09/30/2010
	<u>\$ 3,773,229</u>	

Note 15 - Contingent Liabilities

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

The County is involved in lawsuits and other claims in the ordinary course of operations. The outcome of these lawsuits and other claims are not presently determinable and the resolutions of these matters are not expected to have a material effect on the financial condition of the County.

Note 16 – Prior Period Adjustments

In the financial statements for the year ended September 30, 2009, the following adjustments were made to beginning fund balance for the IV-E Foster Care Fund in Special Revenues:

	IV-E Foster Care Fund
Beginning Fund Balance	\$899,759
Decrease in revenue	(65,740)
Beginning Fund Balance, as Restated	<u>\$834,019</u>



JEFFERSON COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Note 17 - Restatements and Reclassifications

Certain restatements have been made to the prior year financial statements in order to conform to the presentation of the current year financial statements.

Note 18 – Recent Accounting Pronouncements

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (“GASB 51”), establishes accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. GASB 51 will be implemented by the County in fiscal year 2010 and the impact has not yet been determined.

GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (“GASB 54”), establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB 54 will be implemented by the County in fiscal year 2011 and the impact has not yet been determined.

GASB Statement No. 55, *The hierarchy of Generally Accepted Accounting Principles for State and Local Governments* (“GASB 55”), is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board’s (GASB) authoritative literature. GASB 55 will be implemented by the County in fiscal year 2010 and the impact has not yet been determined.

GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards* (“GASB 56”), is to incorporate into the Governmental Accounting Standards Board’s (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants’ Statements on Auditing Standards. GASB 56 will be implemented by the County in fiscal year 2010 and the impact has not yet been determined.

REQUIRED SUPPLEMENTARY
INFORMATION

JEFFERSON COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2009

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES:				
TAXES:				
PROPERTY	\$ 66,884,400	66,884,400	68,777,493	1,893,093
SALES TAX	21,500,000	21,500,000	31,025,107	9,525,107
FEES	8,730,600	8,730,600	9,071,461	340,861
LICENSES	421,050	421,050	487,856	66,806
SALES, RENTALS, AND SERVICES	3,794,400	3,794,400	4,609,622	815,222
INTERGOVERNMENTAL	2,368,487	3,393,978	2,939,163	(454,815)
FINES AND FORFEITURES	1,845,200	1,845,200	1,816,202	(28,998)
INTEREST	1,650,000	1,650,000	887,547	(762,453)
MISCELLANEOUS	17,280	17,280	29,275	11,995
TOTAL REVENUES	\$ 107,211,417	108,236,908	119,643,726	11,406,818
EXPENDITURES:				
GENERAL GOVERNMENT	\$ 22,878,677	20,944,970	19,647,704	1,297,266
JUDICIAL AND LAW ENFORCEMENT	62,930,235	61,238,520	58,880,986	2,357,534
EDUCATION AND RECREATION	683,204	683,204	624,413	58,791
HEALTH AND WELFARE	9,794,881	10,127,303	9,704,195	423,108
MAINTENANCE - EQUIPMENT AND STRUCTURES	13,576,000	13,634,351	12,339,248	1,295,103
CAPITAL OUTLAY	-	-	-	-
TOTAL EXPENDITURES	\$ 109,862,997	106,628,348	101,196,546	5,431,802
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (2,651,580)	1,608,560	18,447,180	16,838,620
OTHER FINANCING SOURCES (USES):				
INSURANCE PROCEEDS	-	-	6,909	6,909
TRANSFERS IN	-	-	393,589	393,589
TRANSFERS OUT	\$ (8,149,490)	(12,409,630)	(12,409,630)	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ (8,149,490)	(12,409,630)	(12,009,132)	400,498
NET CHANGE IN FUND BALANCES	\$ (10,801,070)	(10,801,070)	6,438,048	17,239,118
FUND BALANCES, BEGINNING	\$ 32,448,834	32,448,834	32,448,834	-
FUND BALANCES, ENDING	\$ 21,647,764	21,647,764	38,886,882	17,239,118



JEFFERSON COUNTY, TEXAS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2009

1. Budgetary Basis

- Budgets are prepared on a basis consistent with GAAP.
- The department is the legal level of budgetary control. Commissioners' Court approval is necessary to transfer appropriations between departments. Transfers may not increase the total budget.
- Annual budgets are legally adopted for the General Fund and the Debt Service Funds.
- The Special Revenue Fund – FEMA Emergency and the Capital Project Fund – Capital Projects which are considered major funds do not have legally adopted budgets.

2. Analysis of Significant Expenditure Variances from Original Budget

Jefferson County entered into an Intergovernmental Agreement with Sabine-Neches Navigation District of Jefferson County, Texas to create a Marine Division unit in association with the Sheriff's office. The Marine Division would provide safety and security zones in the navigable waterways, terminals, and ship channels of the District, and those contiguous to the County. On January 12, 2009, the County's budget was amended to provide for the new revenue source and the corresponding expenditures in the amount of \$1,025,491. The Marine Division actual expenditures for the fiscal year were \$456,450.

Commissioners' Court approved budget transfers of \$3,000,000 to the FEMA Emergency Special Revenue fund to cover the County's match for FEMA funding, insurance deductibles and other items not covered in association with Hurricane Ike that hit on September 13, 2008. This transfer was not part of the original budget.

Commissioners' Court approved about \$225,000 in budget transfers over the original budget for the District and County Courts to cover increased costs for indigent defense, as well as \$275,000 in budget transfers for increased cost for indigent health. In addition, the court approved a budget transfer of \$232,000 for Road and Bridge Pct. 1 and \$150,000 for Road and Bridge Pct. 4 to replace pieces of road machinery. These transfers were not part of the original budget.

Commissioners' Court also approved additional transfers to Capital Project Funds in the amount of \$726,445, Debt Service fund for \$300,000, and \$233,695 to Special Revenue Funds that were not budgeted.

The above budget transfers were funded with the savings from various departments. Commissioners' Court was able to achieve \$5,431,802 in actual savings from the total budget, with the assistance from all County departments.

**JEFFERSON COUNTY, TEXAS
 REQUIRED SUPPLEMENTARY INFORMATION
 TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
 SCHEDULE OF FUNDING PROGRESS**

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 ² (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/2006	\$151,311,189	\$188,470,020	\$37,158,831	80.28%	\$45,986,785	80.80%
12/31/2007	\$159,344,885	\$200,058,532	\$40,713,647	79.65%	\$50,845,802	80.07%
12/31/2008	\$161,577,444	\$214,920,870	\$53,343,426	75.18%	\$57,211,658	93.24%

² The annual covered payroll is based on the employee contributions received by TCDRS for the year ending with the valuation date.

JEFFERSON COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS

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]
10/1/2008	\$0	\$128,652,851	\$128,652,851	0%	\$57,965,379	222%

Note: This is the first year of implementation of GASB 45, which requires 3 years of data in this table. Additional years will be added to this disclosure as they become available. The most recent actuarial valuation was 10/1/2008.

COMBINING AND INDIVIDUAL FUND
INFORMATION AND OTHER
SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
GENERAL GOVERNMENT:				
TAX ASSESSOR-COLLECTOR	\$ 3,675,492	3,580,387	3,423,022	157,365
HUMAN RESOURCES	408,201	408,201	378,401	29,800
COUNTY AUDITOR	1,422,817	1,422,817	1,361,381	61,436
COUNTY CLERK	2,665,877	2,701,549	2,605,407	96,142
COUNTY JUDGE	910,633	910,633	866,431	44,202
RISK MANAGEMENT	227,298	227,298	207,610	19,688
COUNTY TREASURER	260,793	260,793	253,725	7,068
PRINTING DEPARTMENT	115,860	150,430	140,632	9,798
CLAIMS PROCESSING	457,089	457,089	423,778	33,311
PURCHASING AGENT	516,773	482,203	404,328	77,875
GENERAL SERVICES	10,144,791	8,270,517	7,657,665	612,852
DATA PROCESSING	1,814,644	1,814,644	1,690,202	124,442
VETERANS SERVICE	258,409	258,409	235,122	23,287
TOTAL GENERAL GOVERNMENT	\$ 22,878,677	20,944,970	19,647,704	1,297,266
JUDICIAL AND LAW ENFORCEMENT:				
DISTRICT ATTORNEY	\$ 5,407,710	5,407,710	5,229,902	177,808
DISTRICT CLERK	1,687,109	1,617,248	1,527,349	89,899
CRIMINAL DISTRICT COURT	1,138,330	1,213,330	1,166,453	46,877
58TH DISTRICT COURT	262,770	262,770	255,903	6,867
60TH DISTRICT COURT	258,669	258,669	256,051	2,618
136TH DISTRICT COURT	264,823	269,923	268,865	1,058
172ND DISTRICT COURT	260,374	260,374	250,252	10,122
252ND DISTRICT COURT	1,435,858	1,585,858	1,516,804	69,054
279TH DISTRICT COURT	443,439	443,439	423,744	19,695
317TH DISTRICT COURT	643,282	673,282	659,139	14,143
JURY	1,629,760	1,229,760	1,105,852	123,908
J.P. PRECINCT NO. 1 - PLACE NO. 1	315,868	318,768	313,177	5,591
J.P. PRECINCT NO. 1 - PLACE NO. 2	318,017	318,017	313,153	4,864
J.P. PRECINCT NO. 2	292,347	292,347	263,582	28,765
J.P. PRECINCT NO. 4	305,082	305,082	298,779	6,303
J.P. PRECINCT NO. 6	331,056	334,056	323,519	10,537
J.P. PRECINCT NO. 7	326,570	326,570	322,794	3,776
J.P. PRECINCT NO. 8	340,248	340,248	327,586	12,662
COUNTY COURT AT LAW NO. 1	409,572	409,572	401,674	7,898
COUNTY COURT AT LAW NO. 2	596,019	616,019	586,140	29,879
COUNTY COURT AT LAW NO. 3	598,565	598,565	585,053	13,512
COURT MASTER	526,317	457,250	447,662	9,588
DISPUTE RESOLUTION CENTER	237,554	237,554	214,665	22,889
MARINE DIVISION	-	669,029	456,450	212,579
JUVENILE ALTERNATIVE SCHOOL	450,005	393,521	282,864	110,657
COMMUNITY SUPERVISION	19,636	19,636	16,141	3,495
SHERIFF	11,260,412	11,260,412	10,660,707	599,705
CRIME LABORATORY	1,155,419	1,061,458	999,216	62,242
JAIL	24,451,104	22,808,890	22,497,432	311,458
JUVENILE CORRECTIONAL PROBATION	1,454,257	1,355,585	1,314,920	40,665
JUVENILE DETENTION HOME	1,976,774	1,811,578	1,634,533	177,045
CONSTABLE PRECINCT NO. 1	765,139	790,139	775,399	14,740
CONSTABLE PRECINCT NO. 2	496,518	496,518	482,681	13,837
CONSTABLE PRECINCT NO. 4	368,637	368,637	361,194	7,443
CONSTABLE PRECINCT NO. 6	649,156	649,156	626,608	22,548
CONSTABLE PRECINCT NO. 7	439,884	439,884	425,340	14,544
CONSTABLE PRECINCT NO. 8	828,955	828,955	785,428	43,527
COUNTY MORGUE	585,000	508,711	503,975	4,736
TOTAL JUDICIAL AND LAW ENFORCEMENT	\$ 62,930,235	61,238,520	58,880,986	2,357,534

(CONTINUED)

**JEFFERSON COUNTY, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET (GAAP)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
EDUCATION AND RECREATION:				
LIBRARY	\$ 298,878	298,878	275,346	23,532
AGRICULTURAL EXTENSION SERVICE	384,326	384,326	349,067	35,259
TOTAL EDUCATION AND RECREATION	\$ 683,204	683,204	624,413	58,791
HEALTH AND WELFARE:				
HEALTH AND WELFARE UNIT 1	\$ 1,127,838	1,127,838	1,080,705	47,133
HEALTH AND WELFARE UNIT 2	1,140,021	1,140,021	1,038,275	101,746
NURSE PRACTITIONER	297,564	298,239	284,189	14,050
CHILD WELFARE	205,300	205,300	135,259	70,041
ENVIRONMENTAL CONTROL	334,709	334,709	323,603	11,106
INDIGENT MEDICAL SERVICE	4,272,289	4,579,789	4,547,321	32,468
MOSQUITO CONTROL	2,142,949	2,167,196	2,046,543	120,653
EMERGENCY MANAGEMENT	224,211	224,211	198,300	25,911
TOBACCO SETTLEMENT FUND	50,000	50,000	50,000	-
TOTAL HEALTH AND WELFARE	\$ 9,794,881	10,127,303	9,704,195	423,108
MAINTENANCE - EQUIPMENT & STRUCTURES:				
COURTHOUSE & ANNEXES	\$ 2,839,086	2,993,788	2,886,414	107,374
PORT ARTHUR BUILDINGS	651,998	656,998	603,988	53,010
MID-COUNTY BUILDINGS	169,131	169,131	135,181	33,950
ROAD & BRIDGE PCT. 1	1,963,233	2,195,233	2,041,978	153,255
ROAD & BRIDGE PCT. 2	1,656,722	1,656,722	1,449,458	207,264
ROAD & BRIDGE PCT. 3	1,828,804	1,609,459	1,299,300	310,159
ROAD & BRIDGE PCT. 4	2,053,903	2,203,903	2,027,986	175,917
ENGINEERING	952,363	952,363	856,727	95,636
PARKS & RECREATION	208,348	251,248	111,204	140,044
SERVICE CENTER	1,252,412	945,506	927,012	18,494
TOTAL MAINTENANCE - EQUIPMENT & STRUCTURES	\$ 13,576,000	13,634,351	12,339,248	1,295,103
CAPITAL OUTLAY:	\$ -	-	-	-
TOTAL OPERATING EXPENDITURES	\$ 109,862,997	106,628,348	101,196,546	5,431,802
OTHER FINANCING USES:				
TRANSFERS OUT	\$ 8,149,490	12,409,630	12,409,630	-
TOTAL OTHER FINANCING USES	\$ 8,149,490	12,409,630	12,409,630	-
TOTAL GENERAL FUND EXPENDITURES	\$ 118,012,487	119,037,978	113,606,176	5,431,802

NONMAJOR GOVERNMENTAL FUNDS

**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
SEPTEMBER 30, 2009**

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 11,763,565	1,386,712	530,323	13,680,600
ACCOUNTS RECEIVABLE, Net	20,494	1,470	-	21,964
INTEREST RECEIVABLE	2,221	309	144	2,674
DUE FROM OTHER GOVERNMENTAL ENTITIES	535,407	-	-	535,407
DELINQUENT TAXES RECEIVABLE, Net	-	-	143,677	143,677
PENALTY AND INTEREST RECEIVABLE, Net	-	-	60,068	60,068
PREPAID ITEM	2,063	-	-	2,063
TOTAL ASSETS	\$ 12,323,750	1,388,491	734,212	14,446,453
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 1,784,335	263,803	-	2,048,138
COMPENSATED ABSENCES	11,207	-	-	11,207
DUE TO OTHER FUNDS	575,955	-	-	575,955
DUE TO OTHER GOVERNMENTAL ENTITIES	2,466	-	-	2,466
DEFERRED REVENUE	614,169	-	181,185	795,354
TOTAL LIABILITIES	\$ 2,988,132	263,803	181,185	3,433,120
FUND BALANCES:				
RESERVED FOR PREPAID ITEMS	\$ 2,063	-	-	2,063
RESERVED FOR DEBT SERVICE	-	-	176,339	176,339
RESERVED FOR CAPITAL PROJECTS	-	1,124,688	-	1,124,688
UNRESERVED FOR DEBT SERVICE	-	-	376,688	376,688
UNRESERVED FOR SPECIAL REVENUES	9,333,555	-	-	9,333,555
TOTAL FUND BALANCES	\$ 9,335,618	1,124,688	553,027	11,013,333
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,323,750	1,388,491	734,212	14,446,453

JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SUMMARY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES:				
PROPERTY TAXES	\$ -	-	7,135,200	7,135,200
SALES TAXES	1,294,063	-	-	1,294,063
FEES	4,300,539	-	-	4,300,539
INTERGOVERNMENTAL	9,321,833	49,640	-	9,371,473
SALES, RENTAL & SERVICES	214,982	557,089	-	772,071
FINES AND FORFEITURES	260,215	-	-	260,215
CONTRIBUTIONS AND DONATIONS	1,315,190	-	-	1,315,190
INTEREST	152,220	21,196	32,710	206,126
TOTAL REVENUES	\$ 16,859,042	627,925	7,167,910	24,654,877
EXPENDITURES:				
CURRENT				
GENERAL GOVERNMENT	\$ 687,749	-	-	687,749
JUDICIAL AND LAW ENFORCEMENT	10,775,969	-	-	10,775,969
EDUCATION AND RECREATION	954,851	-	-	954,851
HEALTH AND WELFARE	896,050	-	-	896,050
MAINTENANCE OF STRUCTURES AND EQUIPMENT	3,019,289	-	-	3,019,289
CAPITAL OUTLAY	-	1,494,613	-	1,494,613
DEBT SERVICE				
PRINCIPAL	-	-	3,660,000	3,660,000
INTEREST AND COMMISSION	-	-	3,671,261	3,671,261
TOTAL EXPENDITURES	\$ 16,333,908	1,494,613	7,331,261	25,159,782
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 525,134	(866,688)	(163,351)	(504,905)
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	\$ 1,063,157	671,706	351,811	2,086,674
TRANSFERS OUT	(1,157,598)	(51,811)	-	(1,209,409)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (94,441)	619,895	351,811	877,265
NET CHANGE IN FUND BALANCES	\$ 430,693	(246,793)	188,460	372,360
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ 8,970,665	1,371,481	364,567	10,706,713
	(65,740)	-	-	(65,740)
FUND BALANCE, BEGINNING (Restated)	8,904,925	1,371,481	364,567	10,640,973
FUND BALANCES, ENDING	\$ 9,335,618	1,124,688	553,027	11,013,333

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources other than expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes. Included in this heading are the following individual funds:

Lateral Road Fund - This fund is used to account for expenditures of materials incurred in the maintenance of the lateral roads of the County. Financing is provided by contributions from the State.

Breath Alcohol Testing Fund - This fund is used to account for fees collected by the courts on D.W.I. convictions and the expenditure of those funds.

Security Fee Fund - This fund is used to account for fees collected by the District and County Courts to finance security services and equipment for the County Courthouse.

Law Library Fund - This fund is used to account for the maintenance of the County Law Library. Financing is provided by fees from law suits filed in the District Courts and County Courts-at-Law.

Voter Registration Fund - This fund is used to account for expenditures made by the registrar's office in connection with voter's registration, which qualify under section 19.004 of the V.T.C.A. Election Code. Financing is provided by the State of Texas under the V.T.C.A. Election Code.

Juvenile Probation and Detention Fund - This fund is used to account for receipts specifically designated for use in juvenile programs.

Bail Bond License Fund - This fund is used to account for expenditures made by the courts from a five hundred dollar fee collected for all bond licenses.

Law Officer Training Fund - This fund is used to account for receipts from Lamar University, which is used to finance the training of law officers.

County Clerk Records Management and Preservation Fund - This fund is used to account for fees collected by the County Clerk for the maintenance of their records and the expenditure of those funds.

County Clerk Records Archive Fund - This fund is used to account for fees collected by the County Clerk for the preservation of records prior to 1990 and the expenditure of those funds.

County Records Management and Preservation Fund - This fund is used to account for fees collected by the County Clerk, District Clerk, and Sheriff for the maintenance of County records and the expenditure of those funds.

D.A.R.E. Contributions Fund - This fund is used to account for public contributions to the D.A.R.E. program.

Justice Court Building Security - This fund is used to account for fees collected by the justice courts to finance security services and equipment for justice courts not located in the County courthouse.

Hotel Occupancy Tax Fund - This fund is used to account for the collection of a 2% Hotel/Motel Occupancy tax. Revenues collected from this tax are to be used for tourism projects in the County.

Capital One CASA Mediation Fund - This fund is used to account for contributions from Capital One through CASA for the mediation expenditures in the Family District Courts.

Sheriff and Constable Education Fund - This fund is used to account for the expenditures associated with the education of Sheriff's deputies and Constables of the County.

Tax Office Auto Dealer Fund - This fund is used to account for taxes collected from Local Auto Dealerships to be used by the County's Tax Office.

Unclaimed Funds Management Fund - This fund is used to account for Unclaimed Funds for all County departments.

Family Protection Fund - This fund is used to account for fees collected by the District Clerk for family violence prevention or intervention and the expenditure of this money.

District Attorney Forfeiture Fund - This fund is used to account for forfeitures received by the District Attorney from criminal convictions and the expenditure of those funds.

Hot Check Fund - This fund is used to account for fees received by the District Attorney for the prosecution of hot check offenders and the expenditure of those funds.

Justice of the Peace Courtroom Technology Fund - This fund is used to account for the fees collected by the Justices of the Peace on misdemeanor convictions and the expenditure of those funds on technological enhancements for the justices' courts.

District Clerk Records Management Fund - This fund is used to account for fees collected by the District Clerk for the maintenance of their records and the expenditure of those funds.

County Clerk Election Contracts - This fund is used to account for fees collected by the County Clerk for election contracts with local governments and the expenditure of those funds.

County Clerk HAVA Fund - This fund is used to account for fees collected by the County Clerk for the rental of equipment purchased by the Help Americans Vote Act (HAVA) grant.

Child Abuse Prevention - This fund is used to account for fees collected for certain child sexual assault and related convictions and the expenditure of those funds.

Sheriff's Forfeiture Fund - This fund is used to account for forfeitures received by the Sheriff from criminal convictions and the expenditure of those funds.

Guardianship Fee Fund - This fund is used to account for fees collected by the County Clerk to supplement the support of the judiciary in cases involving guardianships.

Juvenile Delinquency Prevention - This fund is used to account for fees collected by the courts for certain offenses and the expenditures associated with juvenile delinquency prevention and graffiti eradication measures.

Probation Department Funds - These funds are used to account for the expenditures of maintaining probation services as authorized by the County and District Courts.

Financing is provided by State grant and probationary fees. Included in this heading are the following individual funds:

- Juvenile Probation and Detention - State Aid
- Juvenile Community Corrections Program
- IV-E Foster Care Fund
- Juvenile Accountability #1
- Mentally Impaired Offenders
- Community Supervision
- Women's Center
- Surveillance Program
- Community Corrections
- High Risk Caseload
- Drug Diversion Program
- Juvenile Accountability #2
- Juvenile Advocate Incentive

Grant Funds - These funds are used to account for receipts of Federal and State grants designated for special projects or services. Included in this heading are the following individual funds:

- Family Group Conferencing
- Bush-Clinton Recovery
- Sheriff Grants
- Port Security #2
- Diabetes Prevention Grant
- JAG Grant
- Pedometer Walking Project
- Homeland Security Grant
- Port Security Supplement
- Crime Victims - 1
- Regional Communication
- Crime Victims - 2
- Meadows Foundation Grant
- Disaster Relief Grant
- ORCA Texas Public Shelter Imp
- Hurricane Conference Grant
- Auto Theft Grant
- Sheriff Tobacco Grant

Drug Intervention Grant
ORCA Ike
Violence Against Women - 1
Violence Against Women - 2
Family Treatment Court
Hampshire Water & Sewer III
SHSP & LETPP Grants
Port Security Grant
Safe Streets Task Force
Forensic Science Training
First Time Sewer
TXCDBG Disaster Recovery
FBI Firing Range
ORCA Disaster Recovery #1
ORCA Disaster Recovery #2
Forensic Science Improvement Grant
Cheek Step Sewer Improvements
Community Emergency Response Grant
Buffer Zone Protection
Loan Star Libraries Grant
EMPG Grant
SCAAP Grant
Constable Pct 8 Tobacco Grant



**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
SEPTEMBER 30, 2009**

	<u>LATERAL ROAD FUNDS</u>	<u>BREATH ALCOHOL TESTING FUND</u>	<u>SECURITY FEE FUND</u>	<u>LAW LIBRARY FUND</u>	<u>VOTER REGISTRATION FUND</u>	<u>JUVENILE PROBATION & DETENTION FUND</u>	<u>BAIL BOND LICENSE FUND</u>	<u>LAW OFFICER TRAINING FUND</u>	<u>COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND</u>	<u>COUNTY CLERK RECORDS ARCHIVE FUND</u>	<u>COUNTY RECORDS MGMT. AND PRESERVATION FUND</u>
ASSETS:											
CASH AND CASH EQUIVALENTS	\$ 591,699	4,828	51,471	300,049	20,077	520,485	810	243,336	496,059	813,024	176,367
ACCOUNTS RECEIVABLE, Net	-	-	-	478	-	-	-	400	-	-	-
INTEREST RECEIVABLE	163	1	11	80	6	300	-	67	131	218	46
DUE FROM OTHER											
GOVERNMENTAL ENTITIES	-	-	-	-	-	57,832	-	-	-	-	-
PREPAID ITEMS	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 591,862</u>	<u>4,829</u>	<u>51,482</u>	<u>300,607</u>	<u>20,083</u>	<u>578,617</u>	<u>810</u>	<u>243,803</u>	<u>496,190</u>	<u>813,242</u>	<u>176,413</u>
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
ACCOUNTS PAYABLE	\$ -	-	37,823	8,627	1,564	56,736	810	10,652	23,487	13,676	2,151
COMPENSATED ABSENCES	-	-	-	-	-	-	-	-	-	-	-
DUE TO OTHER FUNDS	-	-	-	-	-	-	-	-	-	-	-
DUE TO OTHER											
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	-	-	-	-
DEFERRED REVENUE	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>\$ -</u>	<u>-</u>	<u>37,823</u>	<u>8,627</u>	<u>1,564</u>	<u>56,736</u>	<u>810</u>	<u>10,652</u>	<u>23,487</u>	<u>13,676</u>	<u>2,151</u>
FUND BALANCES:											
RESERVED FOR PREPAID ITEMS	\$ -	-	-	-	-	-	-	-	-	-	-
UNRESERVED	591,862	4,829	13,659	291,980	18,519	521,881	-	233,151	472,703	799,566	174,262
TOTAL FUND BALANCES	<u>\$ 591,862</u>	<u>4,829</u>	<u>13,659</u>	<u>291,980</u>	<u>18,519</u>	<u>521,881</u>	<u>-</u>	<u>233,151</u>	<u>472,703</u>	<u>799,566</u>	<u>174,262</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 591,862</u>	<u>4,829</u>	<u>51,482</u>	<u>300,607</u>	<u>20,083</u>	<u>578,617</u>	<u>810</u>	<u>243,803</u>	<u>496,190</u>	<u>813,242</u>	<u>176,413</u>

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**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
SEPTEMBER 30, 2009**

	D.A.R.E. CONTRIBUTIONS FUND	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	CAPITAL ONE/ CASA MEDIATION FUND	SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY FORFEITURE FUND	HOT CHECK FUND	JP COURTROOM TECHNOLOGY FUND
ASSETS:											
CASH AND CASH EQUIVALENTS	\$ 21,215	36,093	1,020,355	-	82,063	243,898	41,390	15,325	341,511	73,743	308,960
ACCOUNTS RECEIVABLE, Net	-	-	-	-	-	-	-	-	-	-	-
INTEREST RECEIVABLE	6	10	258	-	21	67	-	4	-	-	84
DUE FROM OTHER											
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	-	-	-	-
PREPAID ITEMS	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 21,221	36,103	1,020,613	-	82,084	243,965	41,390	15,329	341,511	73,743	309,044
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
ACCOUNTS PAYABLE	\$ 194	375	38,332	-	1,480	461	10,420	-	646	3,322	298
COMPENSATED ABSENCES	-	-	-	-	-	-	-	-	-	-	-
DUE TO OTHER FUNDS	-	-	-	-	-	-	-	-	2,002	10,198	-
DUE TO OTHER											
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	-	-	-	-
DEFERRED REVENUE	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	\$ 194	375	38,332	-	1,480	461	10,420	-	2,648	13,520	298
FUND BALANCES:											
RESERVED FOR PREPAID ITEMS	\$ -	-	-	-	-	-	-	-	-	-	-
UNRESERVED	21,027	35,728	982,281	-	80,604	243,504	30,970	15,329	338,863	60,223	308,746
TOTAL FUND BALANCES	\$ 21,027	35,728	982,281	-	80,604	243,504	30,970	15,329	338,863	60,223	308,746
TOTAL LIABILITIES AND FUND BALANCES	\$ 21,221	36,103	1,020,613	-	82,084	243,965	41,390	15,329	341,511	73,743	309,044

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**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
SEPTEMBER 30, 2009**

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	COUNTY CLERK HAVA FUND	CHILD ABUSE PREVENTION	SHERIFF'S FORFEITURE FUND	GUARDIANSHIP FEE FUND	JUVENILE DELINQUENCY PREVENTION	PROBATION DEPARTMENT FUNDS	GRANT FUNDS	TOTAL
ASSETS:										
CASH AND CASH EQUIVALENTS	\$ 59,554	16,517	16,414	518	2,412,303	49,195	28,107	2,395,261	1,382,938	11,763,565
ACCOUNTS RECEIVABLE, Net	-	-	-	-	-	-	-	18,429	1,187	20,494
INTEREST RECEIVABLE	16	5	4	-	-	-	-	448	275	2,221
DUE FROM OTHER										
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	83,168	394,407	535,407
PREPAID ITEMS	-	-	-	-	-	-	-	1,893	170	2,063
TOTAL ASSETS	\$ 59,570	16,522	16,418	518	2,412,303	49,195	28,107	2,499,199	1,778,977	12,323,750
LIABILITIES AND FUND BALANCES										
LIABILITIES:										
ACCOUNTS PAYABLE	\$ 1,568	-	8,768	-	171,958	-	-	479,097	911,890	1,784,335
COMPENSATED ABSENCES	-	-	-	-	-	-	-	11,207	-	11,207
DUE TO OTHER FUNDS	-	-	-	-	-	-	-	6,951	556,804	575,955
DUE TO OTHER										
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	2,466	-	2,466
DEFERRED REVENUE	-	-	-	-	-	-	-	614,169	-	614,169
TOTAL LIABILITIES	\$ 1,568	-	8,768	-	171,958	-	-	1,113,890	1,468,694	2,988,132
FUND BALANCES:										
RESERVED FOR PREPAID ITEMS	\$ -	-	-	-	-	-	-	1,893	170	2,063
UNRESERVED	58,002	16,522	7,650	518	2,240,345	49,195	28,107	1,383,416	310,113	9,333,555
TOTAL FUND BALANCES	\$ 58,002	16,522	7,650	518	2,240,345	49,195	28,107	1,385,309	310,283	9,335,618
TOTAL LIABILITIES AND FUND BALANCES	\$ 59,570	16,522	16,418	518	2,412,303	49,195	28,107	2,499,199	1,778,977	12,323,750

**JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	LATERAL ROAD FUND	BREATH ALCOHOL TESTING FUND	SECURITY FEE FUND	LAW LIBRARY FUND	VOTER REGISTRATION FUND	JUVENILE PROBATION & DETENTION FUND	BAIL BOND LICENSE FUND	LAW OFFICER TRAINING FUND	COUNTY CLERK RECORDS MGMT. AND PRESERVATION FUND	COUNTY CLERK RECORDS ARCHIVE FUND	COUNTY RECORDS MGMT. AND PRESERVATION FUND
REVENUES:											
TAXES	\$ -	-	-	-	-	-	-	-	-	-	-
FEES	-	-	135,216	94,140	-	29,035	8,000	47,830	235,454	258,899	87,099
FINES AND FORFEITURES	-	-	-	-	-	-	-	-	-	-	-
SALES, RENTAL & SERVICES	-	-	22,770	478	-	-	-	-	-	-	-
INTERGOVERNMENTAL	30,940	-	-	-	24,520	410,711	-	-	-	-	-
INTEREST	8,763	170	10	4,201	398	22,259	-	3,828	8,286	11,366	2,468
CONTRIBUTIONS AND DONATIONS	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 39,703	170	157,996	98,819	24,918	462,005	8,000	51,658	243,740	270,265	89,567
EXPENDITURES:											
GENERAL GOVERNMENT	\$ -	-	-	-	33,981	-	-	-	314,425	195,848	69,863
JUDICIAL AND LAW ENFORCEMENT	-	9,084	683,439	-	-	654,181	12,476	51,117	-	-	-
EDUCATION AND RECREATION	-	-	-	76,779	-	-	-	-	-	-	-
HEALTH AND WELFARE	-	-	-	-	-	-	-	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ -	9,084	683,439	76,779	33,981	654,181	12,476	51,117	314,425	195,848	69,863
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 39,703	(8,914)	(525,443)	22,040	(9,063)	(192,176)	(4,476)	541	(70,685)	74,417	19,704
OTHER FINANCING SOURCES (USES):											
TRANSFERS IN	\$ 24,899	-	530,000	-	-	-	4,476	-	-	-	-
TRANSFERS OUT	-	-	-	-	-	(2,282)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ 24,899	-	530,000	-	-	(2,282)	4,476	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 64,602	(8,914)	4,557	22,040	(9,063)	(194,458)	-	541	(70,685)	74,417	19,704
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ 527,260	13,743	9,102	269,940	27,582	716,339	-	232,610	543,388	725,149	154,558
	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES, BEGINNING (Restated)	527,260	13,743	9,102	269,940	27,582	716,339	-	232,610	543,388	725,149	154,558
FUND BALANCES, ENDING	\$ 591,862	4,829	13,659	291,980	18,519	521,881	-	233,151	472,703	799,566	174,262

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**JEFFERSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	D.A.R.E. CONTRIBUTIONS FUND	JUSTICE COURT BUILDING SECURITY	HOTEL OCCUPANCY TAX FUND	CAPITAL ONE/ CASA MEDIATION FUND	SHERIFF AND CONSTABLE EDUCATION FUND	TAX OFFICE AUTO DEALER FUND	UNCLAIMED FUNDS MANAGEMENT FUND	FAMILY PROTECTION FUND	DISTRICT ATTORNEY FORFEITURE FUND	HOT CHECK FUND	JP COURTROOM TECHNOLOGY FUND
REVENUES:											
TAXES	\$ -	-	1,294,063	-	-	-	-	-	-	-	
FEES	-	12,232	-	-	-	5,612	30,970	18,315	-	86,291	
FINES AND FORFEITURES	-	-	-	-	-	-	-	-	223,905	-	
SALES, RENTAL & SERVICES	-	-	113,166	-	-	-	-	-	-	-	
INTERGOVERNMENTAL	-	-	-	-	30,748	-	-	-	-	-	
INTEREST	175	476	12,821	75	1,223	15,696	-	52	1,193	-	
CONTRIBUTIONS AND DONATIONS	14,561	-	10	-	-	-	-	-	-	-	
TOTAL REVENUES	\$ 14,736	12,708	1,420,060	75	31,971	21,308	30,970	18,367	225,098	86,291	57,102
EXPENDITURES:											
GENERAL GOVERNMENT	\$ -	-	-	-	-	9,600	-	-	-	-	
JUDICIAL AND LAW ENFORCEMENT	3,539	6,917	-	-	29,015	-	-	22,500	60,245	62,888	
EDUCATION AND RECREATION	-	-	871,940	-	-	-	-	-	-	-	
HEALTH AND WELFARE	-	-	-	-	-	-	-	-	-	-	
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	-	-	
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	\$ 3,539	6,917	871,940	-	29,015	9,600	-	22,500	60,245	62,888	44,067
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 11,197	5,791	548,120	75	2,956	11,708	30,970	(4,133)	164,853	23,403	13,035
OTHER FINANCING SOURCES (USES):											
TRANSFERS IN	\$ -	-	-	-	-	-	-	-	-	-	
TRANSFERS OUT	-	-	(335,853)	(4,989)	-	-	-	-	-	-	
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	-	(335,853)	(4,989)	-	-	-	-	-	-	
NET CHANGE IN FUND BALANCES	\$ 11,197	5,791	212,267	(4,914)	2,956	11,708	30,970	(4,133)	164,853	23,403	13,035
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ 9,830	29,937	770,014	4,914	77,648	231,796	-	19,462	174,010	36,820	295,711
	-	-	-	-	-	-	-	-	-	-	
FUND BALANCES, BEGINNING (Restated)	9,830	29,937	770,014	4,914	77,648	231,796	-	19,462	174,010	36,820	295,711
FUND BALANCES, ENDING	\$ 21,027	35,728	982,281	-	80,604	243,504	30,970	15,329	338,863	60,223	308,746

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**JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	DISTRICT CLERK RECORDS MANAGEMENT	COUNTY CLERK ELECTION CONTRACTS	COUNTY CLERK HAVA FUND	CHILD ABUSE PREVENTION	SHERIFF'S FORFEITURE FUND	GUARDIANSHIP FEE FUND	JUVENILE DELINQUENCY PREVENTION	PROBATION DEPARTMENT FUNDS	GRANT FUNDS	TOTAL
REVENUES:										
TAXES	\$ -	-	-	-	-	-	-	-	-	1,294,063
FEES	26,663	-	-	356	-	27,684	24,473	3,119,781	-	4,300,539
FINES AND FORFEITURES	-	-	-	-	36,310	-	-	-	-	260,215
SALES, RENTAL & SERVICES	-	-	-	-	77,647	-	-	-	921	214,982
INTERGOVERNMENTAL	-	-	-	-	-	-	-	4,340,659	4,484,255	9,321,833
INTEREST	926	254	829	4	14,437	-	-	27,978	9,719	152,220
CONTRIBUTIONS AND DONATIONS	-	-	-	-	-	-	-	-	1,300,619	1,315,190
TOTAL REVENUES	\$ 27,589	254	829	360	128,394	27,684	24,473	7,488,418	5,795,514	16,859,042
EXPENDITURES:										
GENERAL GOVERNMENT	\$ -	7,943	56,089	-	-	-	-	-	-	687,749
JUDICIAL AND LAW ENFORCEMENT	36,966	-	-	-	350,169	-	-	7,478,463	1,270,903	10,775,969
EDUCATION AND RECREATION	-	-	-	-	-	-	-	-	6,132	954,851
HEALTH AND WELFARE	-	-	-	-	-	-	-	-	896,050	896,050
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	3,019,289	3,019,289
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 36,966	7,943	56,089	-	350,169	-	-	7,478,463	5,192,374	16,333,908
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (9,377)	(7,689)	(55,260)	360	(221,775)	27,684	24,473	9,955	603,140	525,134
OTHER FINANCING SOURCES (USES):										
TRANSFERS IN	\$ -	-	-	-	-	-	-	163,810	339,972	1,063,157
TRANSFERS OUT	-	-	-	-	-	-	-	(161,528)	(652,946)	(1,157,598)
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	-	-	-	-	-	-	2,282	(312,974)	(94,441)
NET CHANGE IN FUND BALANCES	\$ (9,377)	(7,689)	(55,260)	360	(221,775)	27,684	24,473	12,237	290,166	430,693
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ 67,379	24,211	62,910	158	2,462,120	21,511	3,634	1,438,812	20,117	8,970,665
	-	-	-	-	-	-	-	(65,740)	-	(65,740)
FUND BALANCES, BEGINNING (Restated)	67,379	24,211	62,910	158	2,462,120	21,511	3,634	1,373,072	20,117	8,904,925
FUND BALANCES, ENDING	\$ 58,002	16,522	7,650	518	2,240,345	49,195	28,107	1,385,309	310,283	9,335,618



JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS
SEPTEMBER 30, 2009

	JUVENILE PROBATION AND DETENTION-- STATE AID	JUVENILE COMMUNITY CORRECTIONS PROGRAM	IV-E FOSTER CARE FUND	JUVENILE ACCOUNTABILITY #1
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 18,141	-	574,447	-
ACCOUNTS RECEIVABLE, Net	390	-	-	-
INTEREST RECEIVABLE	5	-	-	-
DUE FROM OTHER				
GOVERNMENTAL ENTITIES	44,296	34,163	-	-
PREPAID ITEMS	57	-	-	-
	<u>62,889</u>	<u>34,163</u>	<u>574,447</u>	<u>-</u>
TOTAL ASSETS	\$ 62,889	34,163	574,447	-
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 21,727	27,167	13,674	-
COMPENSATED ABSENCES	-	-	-	-
DUE TO OTHER FUNDS	-	1,066	-	3,376
DUE TO OTHER				
GOVERNMENTAL ENTITIES	-	2,466	-	-
DEFERRED REVENUE	44,295	34,163	-	-
	<u>66,022</u>	<u>64,862</u>	<u>13,674</u>	<u>3,376</u>
TOTAL LIABILITIES	\$ 66,022	64,862	13,674	3,376
FUND BALANCES:				
RESERVED FOR PREPAID ITEMS	\$ 57	-	-	-
UNRESERVED	(3,190)	(30,699)	560,773	(3,376)
	<u>(3,133)</u>	<u>(30,699)</u>	<u>560,773</u>	<u>(3,376)</u>
TOTAL FUND BALANCES	\$ (3,133)	(30,699)	560,773	(3,376)
TOTAL LIABILITIES AND FUND BALANCES	\$ 62,889	34,163	574,447	-

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JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS
SEPTEMBER 30, 2009

	MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	WOMEN'S CENTER	SURVEILLANCE PROGRAM	COMMUNITY CORRECTIONS	HIGH RISK CASELOAD	DRUG DIVERSION PROGRAM	JUVENILE ACCOUNTABILITY #2	JUVENILE ADVOCATE INCENTIVE	2009 TOTAL
ASSETS:										
CASH AND CASH EQUIVALENTS	\$ 20,894	1,218,489	252,047	12,816	100,081	29,044	154,181	-	15,121	2,395,261
ACCOUNTS RECEIVABLE, Net	-	9,292	7,089	-	1,658	-	-	-	-	18,429
INTEREST RECEIVABLE	-	435	-	-	-	-	-	4	4	448
DUE FROM OTHER										
GOVERNMENTAL ENTITIES	-	2,970	-	-	-	-	-	1,739	-	83,168
PREPAID ITEMS	-	1,366	227	-	243	-	-	-	-	1,893
TOTAL ASSETS	\$ 20,894	1,232,552	259,363	12,816	101,982	29,044	154,181	1,743	15,125	2,499,199
LIABILITIES AND FUND BALANCES										
LIABILITIES:										
ACCOUNTS PAYABLE	\$ 8,191	238,756	86,327	3,708	31,164	11,391	36,221	-	771	479,097
COMPENSATED ABSENCES	-	11,207	-	-	-	-	-	-	-	11,207
DUE TO OTHER FUNDS	-	766	-	-	-	-	-	1,743	-	6,951
DUE TO OTHER										
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	-	-	2,466
DEFERRED REVENUE	15,054	182,334	158,433	9,069	73,231	21,010	72,413	-	4,167	614,169
TOTAL LIABILITIES	\$ 23,245	433,063	244,760	12,777	104,395	32,401	108,634	1,743	4,938	1,113,890
FUND BALANCES:										
RESERVED FOR PREPAID ITEMS	\$ -	1,366	227	-	243	-	-	-	-	1,893
UNRESERVED	(2,351)	798,123	14,376	39	(2,656)	(3,357)	45,547	-	10,187	1,383,416
TOTAL FUND BALANCES	\$ (2,351)	799,489	14,603	39	(2,413)	(3,357)	45,547	-	10,187	1,385,309
TOTAL LIABILITIES AND FUND BALANCES	\$ 20,894	1,232,552	259,363	12,816	101,982	29,044	154,181	1,743	15,125	2,499,199



JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	JUVENILE PROBATION AND DETENTION- STATE AID	JUVENILE COMMUNITY CORRECTIONS PROGRAM	IV-E FOSTER CARE FUND	JUVENILE ACCOUNTABILITY #1
REVENUES:				
FEES	\$ -	-	-	-
INTERGOVERNMENTAL	487,248	375,832	22,851	-
INTEREST	2,747	137	-	-
TOTAL REVENUES	\$ 489,995	375,969	22,851	-
EXPENDITURES:				
JUDICIAL AND LAW ENFORCEMENT	\$ 518,758	390,273	296,097	3,751
CAPITAL OUTLAY	-	-	-	-
TOTAL EXPENDITURES	\$ 518,758	390,273	296,097	3,751
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (28,763)	(14,304)	(273,246)	(3,751)
OTHER FINANCIAL SOURCES (USES):				
TRANSFERS IN	\$ -	-	-	375
TRANSFERS OUT	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	-	-	375
NET CHANGE IN FUND BALANCES	\$ (28,763)	(14,304)	(273,246)	(3,376)
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ 25,630	(16,395)	899,759	-
	-	-	(65,740)	-
FUND BALANCES, OCTOBER 1 (Restated)	25,630	(16,395)	834,019	-
FUND BALANCES, ENDING	\$ (3,133)	(30,699)	560,773	(3,376)

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JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - PROBATION DEPARTMENT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	MENTALLY IMPAIRED OFFENDERS PROGRAM	COMMUNITY SUPERVISION	WOMEN'S CENTER	SURVEILLANCE PROGRAM	COMMUNITY CORRECTIONS	HIGH RISK CASELOAD	DRUG DIVERSION PROGRAM	JUVENILE ACCOUNTABILITY #2	JUVENILE ADVOCATE INCENTIVE	2009 TOTAL
REVENUES:										
FEES	\$ -	2,734,071	320,153	-	-	-	65,557	-	-	3,119,781
INTERGOVERNMENTAL INTEREST	85,931	1,166,324	959,870	63,198	428,020	123,791	493,170	20,866	113,558	4,340,659
	-	24,494	-	-	-	-	-	47	553	27,978
TOTAL REVENUES	\$ 85,931	3,924,889	1,280,023	63,198	428,020	123,791	558,727	20,913	114,111	7,488,418
EXPENDITURES:										
JUDICIAL AND LAW ENFORCEMENT CAPITAL OUTLAY	\$ 115,483	3,528,160	1,270,588	54,161	521,327	163,601	495,965	19,444	100,855	7,478,463
	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 115,483	3,528,160	1,270,588	54,161	521,327	163,601	495,965	19,444	100,855	7,478,463
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (29,552)	396,729	9,435	9,037	(93,307)	(39,810)	62,762	1,469	13,256	9,955
OTHER FINANCIAL SOURCES (USES):										
TRANSFERS IN	\$ 29,362	-	-	3,253	85,483	43,430	-	1,907	-	163,810
TRANSFERS OUT	-	(161,528)	-	-	-	-	-	-	-	(161,528)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 29,362	(161,528)	-	3,253	85,483	43,430	-	1,907	-	2,282
NET CHANGE IN FUND BALANCES	\$ (190)	235,201	9,435	12,290	(7,824)	3,620	62,762	3,376	13,256	12,237
FUND BALANCES, BEGINNING PRIOR PERIOD ADJUSTMENT	\$ (2,161)	564,288	5,168	(12,251)	5,411	(6,977)	(17,215)	(3,376)	(3,069)	1,438,812
	-	-	-	-	-	-	-	-	-	(65,740)
FUND BALANCES, OCTOBER 1 (Restated)	(2,161)	564,288	5,168	(12,251)	5,411	(6,977)	(17,215)	(3,376)	(3,069)	1,373,072
FUND BALANCES, ENDING	\$ (2,351)	799,489	14,603	39	(2,413)	(3,357)	45,547	-	10,187	1,385,309

**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
SEPTEMBER 30, 2009**

	FAMILY GROUP CONFERENCING PROJECT	BUSH- CLINTON RECOVERY	SHERIFF GRANTS	PORT SECURITY #2	DIABETES PREVENTION GRANT	JAG GRANT	PEDOMETER WALKING PROJECT	HOMELAND SECURITY GRANT	PORT SECURITY SUPPLEMENT	CRIME VICTIMS CLEARING - 1	REGIONAL COMMUNICATION
ASSETS:											
CASH AND CASH EQUIVALENTS	\$ 39,985	283,757	-	3	-	16,508	-	-	-	11,479	88,951
ACCOUNTS RECEIVABLE , Net	-	-	-	-	26	-	-	-	-	-	-
INTEREST RECEIVABLE DUE FROM OTHER	-	5	-	-	-	5	-	-	-	-	25
GOVERNMENTAL ENTITIES PREPAID ITEMS	-	-	-	-	23,289	-	-	-	-	5,090	-
TOTAL ASSETS	<u>\$ 39,985</u>	<u>283,762</u>	<u>-</u>	<u>3</u>	<u>23,315</u>	<u>16,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,569</u>	<u>88,976</u>
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
ACCOUNTS PAYABLE DUE TO OTHER FUNDS	\$ -	-	-	-	2,167	-	-	-	-	16,334	-
	-	-	-	-	21,122	-	-	-	92	-	-
TOTAL LIABILITIES	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92</u>	<u>16,334</u>	<u>-</u>
FUND BALANCES:											
RESERVED FOR PREPAID ITEMS UNRESERVED	\$ -	-	-	-	-	-	-	-	-	-	-
	39,985	283,762	-	3	26	16,513	-	-	(92)	235	88,976
TOTAL FUND BALANCES	<u>\$ 39,985</u>	<u>283,762</u>	<u>-</u>	<u>3</u>	<u>26</u>	<u>16,513</u>	<u>-</u>	<u>-</u>	<u>(92)</u>	<u>235</u>	<u>88,976</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 39,985</u>	<u>283,762</u>	<u>-</u>	<u>3</u>	<u>23,315</u>	<u>16,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,569</u>	<u>88,976</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
SEPTEMBER 30, 2009**

	CRIME VICTIMS CLEARING - 2	MEADOWS FOUNDATION GRANT	DISASTER RELIEF GRANT	ORCA TEXAS PUBLIC SHELTER IMP	HURRICANE CONFERENCE GRANT	AUTO THEFT GRANT	SHERIFF TOBACCO GRANT	DRUG INTERVENTION GRANT	ORCA IKE	VIOLENCE AGAINST WOMEN - 1	VIOLENCE AGAINST WOMEN - 2	
ASSETS:												
CASH AND CASH EQUIVALENTS	\$ 1,009	-	817,348	78	-	-	-	-	-	-	1,789	CASH
ACCOUNTS RECEIVABLE , Net	-	-	-	-	-	625	-	-	-	536	-	AC
INTEREST RECEIVABLE	-	-	225	-	-	-	-	-	-	-	-	IN
DUE FROM OTHER												DU
GOVERNMENTAL ENTITIES	-	-	-	-	-	-	-	1,519	-	9,901	-	
PREPAID ITEMS	-	-	-	-	-	92	-	-	-	78	-	PF
TOTAL ASSETS	\$ 1,009	-	817,573	78	-	717	-	1,519	-	10,515	1,789	TOTAL ASSETS
LIABILITIES AND FUND BALANCES												
LIABILITIES:												
ACCOUNTS PAYABLE	\$ -	-	-	-	-	5,724	-	159	-	-	10,492	LI
DUE TO OTHER FUNDS	-	-	-	-	-	4,392	-	1,698	232	10,515	-	
TOTAL LIABILITIES	\$ -	-	-	-	-	10,116	-	1,857	232	10,515	10,492	
FUND BALANCES:												
RESERVED FOR PREPAID ITEMS	\$ -	-	-	-	-	92	-	-	-	78	-	FUND BALANCES
UNRESERVED	1,009	-	817,573	78	-	(9,491)	-	(338)	(232)	(78)	(8,703)	
TOTAL FUND BALANCES	\$ 1,009	-	817,573	78	-	(9,399)	-	(338)	(232)	-	(8,703)	
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,009	-	817,573	78	-	717	-	1,519	-	10,515	1,789	TOTAL LIABILITIES AND FUND BALANCES

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**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
SEPTEMBER 30, 2009**

	<u>FAMILY TREATMENT COURT</u>	<u>HAMPSHIRE WATER & SEWER III</u>	<u>SHSP & LETPP GRANTS</u>	<u>PORT SECURITY GRANT</u>	<u>SAFE STREETS TASK FORCE</u>	<u>FORENSIC SCIENCE TRAINING</u>	<u>FIRST TIME SEWER</u>	<u>TXCDBG DISASTER RECOVERY</u>	<u>FBI FIRING RANGE</u>	<u>ORCA DISASTER RECOVERY #1</u>	<u>ORCA DISASTER RECOVERY #2</u>	
CASH AND CASH EQUIVALENTS	\$ -	2	-	24	-	-	741	20,337	39,932	289	-	AS
	-	-	-	-	-	-	-	-	-	-	-	CA
	-	-	-	-	-	-	-	-	-	-	-	AC
VALUE FROM OTHER GOVERNMENTAL ENTITIES	11,724	-	-	-	19,770	-	-	-	-	-	302,213	IN
REPAID ITEMS	-	-	-	-	-	-	-	-	-	-	-	DI
TOTAL ASSETS	<u>\$ 11,724</u>	<u>2</u>	<u>-</u>	<u>24</u>	<u>19,770</u>	<u>-</u>	<u>741</u>	<u>20,337</u>	<u>39,932</u>	<u>289</u>	<u>302,213</u>	PF
LIABILITIES:												LI
ACCOUNTS PAYABLE	\$ 2,395	13,150	42,581	-	7,291	-	98,367	-	-	-	406,640	LI
DUE TO OTHER FUNDS	9,810	130,107	37,354	-	12,479	-	-	-	-	-	269,757	
TOTAL LIABILITIES	<u>\$ 12,205</u>	<u>143,257</u>	<u>79,935</u>	<u>-</u>	<u>19,770</u>	<u>-</u>	<u>98,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>676,397</u>	
FUND BALANCES:												FU
RESERVED FOR PREPAID ITEMS	\$ -	-	-	-	-	-	-	-	-	-	-	
UNRESERVED	(481)	(143,255)	(79,935)	24	-	-	(97,626)	20,337	39,932	289	(374,184)	
TOTAL FUND BALANCES	<u>\$ (481)</u>	<u>(143,255)</u>	<u>(79,935)</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>(97,626)</u>	<u>20,337</u>	<u>39,932</u>	<u>289</u>	<u>(374,184)</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 11,724</u>	<u>2</u>	<u>-</u>	<u>24</u>	<u>19,770</u>	<u>-</u>	<u>741</u>	<u>20,337</u>	<u>39,932</u>	<u>289</u>	<u>302,213</u>	TC

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**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
SEPTEMBER 30, 2009**

	FORENSIC SCIENCE IMPROVEMENT GRANT	CHEEK STEP SEWER IMPROVEMENTS	COMMUNITY EMERGENCY RESPONSE GRANT	BUFFER ZONE PROTECTION	LOAN STAR LIBRARIES GRANT	EMPG GRANT	SCAAP GRANT	CONSTABLE PCT 8 TOBACCO GRANT	2009 GRANT TOTALS
CASH AND CASH EQUIVALENTS	\$ -	2,562	4,676	-	1,066	33,051	19,040	311	1,382,938
	-	-	-	-	-	-	-	-	1,187
	-	-	1	-	-	9	5	-	275
DUPLICATE FROM OTHER GOVERNMENTAL ENTITIES	9,826	-	-	-	-	11,075	-	-	394,407
REPAID ITEMS	-	-	-	-	-	-	-	-	170
TOTAL ASSETS	\$ 9,826	2,562	4,677	-	1,066	44,135	19,045	311	1,778,977
LIABILITIES:									
ACCOUNTS PAYABLE	\$ -	-	-	300,092	833	31	5,634	-	911,890
DUE TO OTHER FUNDS	9,719	-	-	49,527	-	-	-	-	556,804
TOTAL LIABILITIES	\$ 9,719	-	-	349,619	833	31	5,634	-	1,468,694
UNRESERVED BALANCES:									
RESERVED FOR PREPAID ITEMS	\$ -	-	-	-	-	-	-	-	170
UNRESERVED	107	2,562	4,677	(349,619)	233	44,104	13,411	311	310,113
TOTAL FUND BALANCES	\$ 107	2,562	4,677	(349,619)	233	44,104	13,411	311	310,283
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,826	2,562	4,677	-	1,066	44,135	19,045	311	1,778,977

JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	<u>FAMILY GROUP CONFERENCING PROJECT</u>	<u>BUSH CLINTON RECOVERY</u>	<u>SHERIFF GRANTS</u>	<u>PORT SECURITY #2</u>	<u>DIABETES PREVENTION GRANT</u>	<u>JAG GRANT</u>	<u>PEDOMETER WALKING PROJECT</u>	<u>HOMELAND SECURITY GRANT</u>	<u>PORT SECURITY SUPPLEMENT</u>	<u>CRIME VICTIMS CLEARING - 1</u>	<u>REGIONAL COMMUNICATION</u>
REVENUES:											
INTERGOVERNMENTAL	\$ -	-	-	-	64,038	7,976	-	1,555	-	5,090	30,108
INTEREST	-	262	-	1	98	514	19	-	-	3	1,856
SALES, RENTAL & SERVICES	921	-	-	-	-	-	-	-	-	-	-
CONTRIBUTIONS AND DONATIONS	-	500,000	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 921	500,262	-	1	64,136	8,490	19	1,555	-	5,093	31,964
EXPENDITURES:											
JUDICIAL AND LAW ENFORCEMENT	\$ 1,604	-	351	-	-	30,565	-	-	-	247,650	63,847
EDUCATION AND RECREATION	-	-	-	-	-	-	-	-	-	-	-
HEALTH & WELFARE	-	216,500	-	-	63,747	-	-	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 1,604	216,500	351	-	63,747	30,565	-	-	-	247,650	63,847
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (683)	283,762	(351)	1	389	(22,075)	19	1,555	-	(242,557)	(31,883)
OTHER FINANCING SOURCES (USES):											
TRANSFERS IN	\$ -	-	346	-	287	-	-	31	-	242,557	-
TRANSFERS OUT	-	-	-	-	-	-	(1,229)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	-	346	-	287	-	(1,229)	31	-	242,557	-
NET CHANGE IN FUND BALANCES	\$ (683)	283,762	(5)	1	676	(22,075)	(1,210)	1,586	-	-	(31,883)
FUND BALANCES, BEGINNING	40,668	-	5	2	(650)	38,588	1,210	(1,586)	(92)	235	120,859
FUND BALANCES, ENDING	\$ 39,985	283,762	-	3	26	16,513	-	-	(92)	235	88,976

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JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	CRIME VICTIMS CLEARING - 2	MEADOWS FOUNDATION GRANT	DISASTER RELIEF GRANT	ORCA TEXAS PUBLIC SHELTER IMP	HURRICANE CONFERENCE GRANT	AUTO THEFT GRANT	SHERIFF TOBACCO GRANT	DRUG INTERVENTION GRANT	ORCA IKE	VIOLENCE AGAINST WOMEN - 1	VIOLENCE AGAINST WOMEN - 2
REVENUES:											
INTERGOVERNMENTAL	\$ -	-	-	-	-	57,831	-	30,190	-	75,958	403
INTEREST	12	-	3,874	78	-	-	19	-	-	5	-
SALES, RENTAL & SERVICES	-	-	-	-	-	-	-	-	-	-	-
CONTRIBUTIONS AND DONATIONS	619	-	800,000	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 631	-	803,874	78	-	57,831	19	30,190	-	75,963	403
EXPENDITURES:											
JUDICIAL AND LAW ENFORCEMENT	\$ -	-	-	-	-	92,615	3,995	16,758	-	133,249	13,389
EDUCATION AND RECREATION	-	-	-	-	-	-	-	-	-	-	-
HEALTH & WELFARE	-	-	-	-	111	-	-	-	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	232	-	-
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ -	-	-	-	111	92,615	3,995	16,758	232	133,249	13,389
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 631	-	803,874	78	(111)	(34,784)	(3,976)	13,432	(232)	(57,286)	(12,986)
OTHER FINANCING SOURCES (USES):											
TRANSFERS IN	\$ -	-	-	-	-	25,385	2,217	-	-	64,072	4,686
TRANSFERS OUT	-	(5,541)	-	-	(399)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	(5,541)	-	-	(399)	25,385	2,217	-	-	64,072	4,686
NET CHANGE IN FUND BALANCES	\$ 631	(5,541)	803,874	78	(510)	(9,399)	(1,759)	13,432	(232)	6,786	(8,300)
FUND BALANCES, BEGINNING	378	5,541	13,699	-	510	-	1,759	(13,770)	-	(6,786)	(403)
FUND BALANCES, ENDING	\$ 1,009	-	817,573	78	-	(9,399)	-	(338)	(232)	-	(8,703)

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JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
SPECIAL REVENUE - GRANT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	FAMILY TREATMENT COURT	HAMPSHIRE WATER & SEWER III	SHSP & LETPP GRANTS	PORT SECURITY GRANT	SAFE STREETS TASK FORCE	FORENSIC SCIENCE TRAINING	FIRST TIME SEWER	TXCDBG DISASTER RECOVERY	FBI FIRING RANGE	ORCA DISASTER RECOVERY #1	ORCA DISASTER RECOVERY #2
REVENUES:											
INTERGOVERNMENTAL	\$ 27,163	-	138,526	-	137,740	72,338	32,543	249,600	-	711,707	2,687,626
INTEREST	-	-	-	-	-	-	370	450	-	289	-
SALES, RENTAL & SERVICES	-	-	-	-	-	-	-	-	-	-	-
CONTRIBUTIONS AND DONATIONS	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 27,163	-	138,526	-	137,740	72,338	32,913	250,050	-	711,996	2,687,626
EXPENDITURES:											
JUDICIAL AND LAW ENFORCEMENT	\$ 23,452	-	-	-	122,539	72,338	-	-	-	-	-
EDUCATION AND RECREATION	-	-	-	-	-	-	-	-	-	-	-
HEALTH & WELFARE	-	125,651	85,990	-	-	-	101,174	249,600	-	-	-
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	-	-	3,019,057
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 23,452	125,651	85,990	-	122,539	72,338	101,174	249,600	-	-	3,019,057
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 3,711	(125,651)	52,536	-	15,201	-	(68,261)	450	-	711,996	(331,431)
OTHER FINANCING SOURCES (USES):											
TRANSFERS IN	\$ 49	-	318	24	-	-	-	-	-	-	-
TRANSFERS OUT	-	-	-	-	-	-	-	-	-	(645,428)	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ 49	-	318	24	-	-	-	-	-	(645,428)	-
NET CHANGE IN FUND BALANCES	\$ 3,760	(125,651)	52,854	24	15,201	-	(68,261)	450	-	66,568	(331,431)
FUND BALANCES, BEGINNING	(4,241)	(17,604)	(132,789)	-	(15,201)	-	(29,365)	19,887	39,932	(66,279)	(42,753)
FUND BALANCES, ENDING	\$ (481)	(143,255)	(79,935)	24	-	-	(97,626)	20,337	39,932	289	(374,184)

[CONTINUED]

**JEFFERSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
 SPECIAL REVENUE - GRANT FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	FORENSIC SCIENCE IMPROVEMENT GRANT	CHEEK STEP SEWER IMPROVEMENTS	COMMUNITY EMERGENCY RESPONSE GRANT	BUFFER ZONE PROTECTION	LOAN STAR LIBRARIES GRANT	EMPG GRANT	SCAAP GRANT	CONSTABLE PCT 8 TOBACCO GRANT	2009 GRANT TOTALS
REVENUES:									
INTERGOVERNMENTAL	\$ 39,366	-	-	13,694	6,148	44,301	50,354	-	4,484,255
INTEREST	-	9	71	-	26	884	875	4	9,719
SALES, RENTAL & SERVICES	-	-	-	-	-	-	-	-	921
CONTRIBUTIONS AND DONATIONS	-	-	-	-	-	-	-	-	1,300,619
TOTAL REVENUES	\$ 39,366	9	71	13,694	6,174	45,185	51,229	4	5,795,514
EXPENDITURES:									
JUDICIAL AND LAW ENFORCEMENT	\$ 39,366	-	-	349,809	-	-	59,376	-	1,270,903
EDUCATION AND RECREATION	-	-	-	-	6,132	-	-	-	6,132
HEALTH & WELFARE	-	-	-	-	-	53,277	-	-	896,050
MAINTENANCE OF STRUCTURES AND EQUIPMENT	-	-	-	-	-	-	-	-	3,019,289
CAPITAL OUTLAY	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 39,366	-	-	349,809	6,132	53,277	59,376	-	5,192,374
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ -	9	71	(336,115)	42	(8,092)	(8,147)	4	603,140
OTHER FINANCING SOURCES (USES):									
TRANSFERS IN	\$ -	-	-	-	-	-	-	-	339,972
TRANSFERS OUT	-	-	-	-	-	(349)	-	-	(652,946)
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	-	-	-	-	(349)	-	-	(312,974)
NET CHANGE IN FUND BALANCES	\$ -	9	71	(336,115)	42	(8,441)	(8,147)	4	290,166
FUND BALANCES, BEGINNING	107	2,553	4,606	(13,504)	191	52,545	21,558	307	20,117
FUND BALANCES, ENDING	\$ 107	2,562	4,677	(349,619)	233	44,104	13,411	311	310,283



CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition or construction of capital facilities except those financed by Enterprise Funds or Internal Service Funds. Included in this heading are the following individual funds:

Highway Improvement Fund - This fund is used to account for expenditures in the construction of county roads.

Pleasure Island Shoreline Project - This fund is used to account for the expenditures related to stabilizing the Pleasure Island Shoreline. Funds for this project are from penalties assessed by the Texas Commission on Environmental Quality.

1957 Road Bond Fund - This fund is used to account for the purchase of right-of-way for highway and utility adjustments in conjunction with the Texas State Highway Department.

2005 Tax Anticipation Notes - This fund is used to account for the expenditures of proceeds from \$3,000,000 in Tax Anticipation Notes issued in May 2005. The proceeds will be spent on a variety of projects. The projects included vehicles, equipment, renovations for Jail, Justice of the Peace courtroom, and Constable's office.

Southeast Texas Entertainment Complex - This fund is used to account for the construction costs of a multi-facility park which has been renamed Ford Park.

2002B Certificates of Obligation - This fund is used to account for the expenditures of proceeds from \$13,090,000 in Certificates of Obligation issued in April 2002. The proceeds will be spent on a variety of projects. The projects scheduled to be funded are a County wide 800 MHz radio system, and furniture and fixtures at Ford Park.

Keith Lake Fish Pass - This fund is used to account for the expenditures to construct erosion control devices in the Keith Lake Fish Pass.

Alternative Fuel Vehicle Project - This fund is used to account for the expenditures related to the replacement of County vehicles and equipment with alternative fueled vehicles. Examples of equipment purchases are hybrid (gas & electric) vehicles. Funds to purchase this equipment are from penalties assessed by the Texas Commission on Environmental Quality.

West Port Arthur Ambient Air Monitoring Station - This fund is used to account for the expenditures related to the installation, operation, and maintaining of an ambient air monitoring station in the vicinity of the Memorial High Ninth Grade Campus in Port Arthur. Funds to purchase, install, and maintain this station are from penalties assessed by the Texas Commission on Environmental Quality.

Southeast Texas Regional Air Monitoring Network - This fund is used to account for the expenditures related to the enhancement of seven air monitoring stations in Southeast Texas. Funds to enhance the air stations are from penalties assessed by the Texas Commission on Environmental Quality.

**JEFFERSON COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS
 SEPTEMBER 30, 2009**

	<u>HIGHWAY IMPROVEMENT FUND</u>	<u>PLEASURE ISLAND SHORELINE PROJECT</u>	<u>1957 ROAD BOND FUND</u>
ASSETS:			
CASH AND CASH EQUIVALENTS	\$ 348,876	29,137	264,952
ACCOUNTS RECEIVABLE, Net	-	-	-
INTEREST RECEIVABLE	<u>96</u>	<u>8</u>	<u>73</u>
TOTAL ASSETS	\$ <u>348,972</u>	<u>29,145</u>	<u>265,025</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
ACCOUNTS PAYABLE	\$ <u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	\$ <u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:			
RESERVED FOR CAPITAL PROJECTS	<u>348,972</u>	<u>29,145</u>	<u>265,025</u>
TOTAL FUND BALANCES	\$ <u>348,972</u>	<u>29,145</u>	<u>265,025</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>348,972</u>	<u>29,145</u>	<u>265,025</u>

[CONTINUED]

**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS
SEPTEMBER 30, 2009**

	2005 TAX ANTICIPATION NOTES	SOUTHEAST TEXAS ENTERTAINMENT COMPLEX	2002B CERTIFICATE OF OBLIGATION PROJECT	KEITH LAKE FISH PASS	ALTERNATIVE FUEL VEHICLE PROJECT	WEST PORT ARTHUR AMBIENT AIR MONITORING STATION	SOUTHEAST TEXAS REGIONAL AIR MONITORING NETWORK	TOTAL
ASSETS:								
CASH AND CASH EQUIVALENTS	\$ -	7,382	21,026	178,601	272,935	1	263,802	1,386,712
ACCOUNTS RECEIVABLE, Net	-	-	-	-	1,470	-	-	1,470
INTEREST RECEIVABLE	-	2	6	49	75	-	-	309
TOTAL ASSETS	\$ -	7,384	21,032	178,650	274,480	1	263,802	1,388,491
LIABILITIES AND FUND BALANCES								
LIABILITIES:								
ACCOUNTS PAYABLE	\$ -	-	-	-	-	1	263,802	263,803
TOTAL LIABILITIES	\$ -	-	-	-	-	1	263,802	263,803
FUND BALANCES:								
RESERVED FOR CAPITAL PROJECTS	-	7,384	21,032	178,650	274,480	-	-	1,124,688
TOTAL FUND BALANCES	\$ -	7,384	21,032	178,650	274,480	-	-	1,124,688
TOTAL LIABILITIES AND FUND BALANCES	\$ -	7,384	21,032	178,650	274,480	1	263,802	1,388,491



JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	HIGHWAY IMPROVEMENT FUND	PLEASURE ISLAND SHORELINE PROJECT	1957 ROAD BOND FUND
REVENUES:			
INTERGOVERNMENTAL	\$ 49,628	-	-
SALES, RENTAL & SERVICES	-	17,168	-
INTEREST	4,805	231	4,339
TOTAL REVENUES	\$ 54,433	17,399	4,339
EXPENDITURES:			
CAPITAL OUTLAY	\$ 18,074	-	26,401
TOTAL EXPENDITURES	\$ 18,074	-	26,401
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 36,359	17,399	(22,062)
OTHER FINANCING SOURCES (USES):			
TRANSFERS IN	-	-	-
TRANSFERS OUT	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCES	\$ 36,359	17,399	(22,062)
FUND BALANCES, BEGINNING	312,613	11,746	287,087
FUND BALANCES, ENDING	\$ 348,972	29,145	265,025

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**JEFFERSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	2005 TAX ANTICIPATION NOTES	SOUTHEAST TEXAS ENTERTAINMENT COMPLEX	2002B CERTIFICATE OF OBLIGATION PROJECT	KEITH LAKE FISH PASS	ALTERNATIVE FUEL VEHICLE PROJECT	WEST PORT ARTHUR AMBIENT AIR MONITORING STATION	SOUTHEAST TEXAS REGIONAL AIR MONITORING NETWORK	TOTAL
REVENUES:								
INTERGOVERNMENTAL	\$ -	-	-	12	-	-	-	49,640
SALES, RENTAL & SERVICES	-	-	-	-	266,294	4,500	269,127	557,089
INTEREST	1,379	1,225	1,481	2,729	2,463	8	2,536	21,196
TOTAL REVENUES	\$ 1,379	1,225	1,481	2,741	268,757	4,508	271,663	627,925
EXPENDITURES:								
CAPITAL OUTLAY	\$ 54,515	779,418	86,499	-	59,888	2,890	466,928	1,494,613
TOTAL EXPENDITURES	\$ 54,515	779,418	86,499	-	59,888	2,890	466,928	1,494,613
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (53,136)	(778,193)	(85,018)	2,741	208,869	1,618	(195,265)	(866,688)
OTHER FINANCING SOURCES (USES):								
TRANSFERS IN	\$ -	671,706	-	-	-	-	-	671,706
TRANSFERS OUT	(51,811)	-	-	-	-	-	-	(51,811)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (51,811)	671,706	-	-	-	-	-	619,895
NET CHANGE IN FUND BALANCES	\$ (104,947)	(106,487)	(85,018)	2,741	208,869	1,618	(195,265)	(246,793)
FUND BALANCES, BEGINNING	104,947	113,871	106,050	175,909	65,611	(1,618)	195,265	1,371,481
FUND BALANCES, ENDING	\$ -	7,384	21,032	178,650	274,480	-	-	1,124,688



DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for each specific long -term debt. These funds account for the accumulation of resources and subsequent disbursement of such resources to pay principal, interest, and commissions. Included in this heading are the following individual funds:

2000 Certificates of Obligation - This fund is used to account for the revenues and expenditures associated with the remaining \$1,150,000 of the original \$55,000,000 Certificates of Obligation.

2002A Refunding Bond - This fund is used to account for the revenues and expenditures associated with the \$57,625,000 General Obligation Refunding Bonds issued in April 2002.

2002B Certificates of Obligation - This fund is used to account for the revenues and expenditures associated with the \$13,090,000 in Certificates of Obligation issued in April 2002.

2003A Refunding Bond - This fund is used to account for the revenues and expenditures associated with the \$11,550,000 General Obligation Refunding Bonds issued in May 2003.

2003B Certificates of Obligation - This fund is used to account for the revenues and expenditures associated with the \$1,505,000 in Certificates of Obligation issued in May 2003.

2005 Tax Anticipation Notes - This fund is used to account for the revenues and expenditures associated with the \$3,000,000 in Tax Anticipation Notes issued in May 2005.



**JEFFERSON COUNTY, TEXAS
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS - DEBT SERVICE
SEPTEMBER 30, 2009**

	2000 CERTIFICATES OF OBLIGATION	2002A REFUNDING BOND	2002B CERTIFICATES OF OBLIGATION	2003A REFUNDING BOND	2003B CERTIFICATES OF OBLIGATION	2005 TAX ANTICIPATION NOTES	TOTAL
ASSETS:							
CASH AND CASH EQUIVALENTS	\$ 28,040	340,631	35,909	40,254	3,729	81,760	530,323
INTEREST RECEIVABLE	8	93	9	11	1	22	144
DELINQUENT TAXES RECEIVABLE, Net	9,520	58,868	24,517	37,770	935	12,067	143,677
PENALTY AND INTEREST RECEIVABLE, Net	3,981	24,611	10,250	15,790	391	5,045	60,068
TOTAL ASSETS	\$ 41,549	424,203	70,685	93,825	5,056	98,894	734,212
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
DEFERRED REVENUES:							
DELINQUENT TAXES	\$ 8,026	49,625	20,667	31,839	788	10,172	121,117
PENALTY AND INTEREST	3,980	24,611	10,250	15,791	391	5,045	60,068
TOTAL LIABILITIES	\$ 12,006	74,236	30,917	47,630	1,179	15,217	181,185
FUND BALANCES:							
RESERVED FOR DEBT SERVICE	\$ 29,543	15,000	39,768	46,195	2,083	43,750	176,339
UNRESERVED	-	334,967	-	-	1,794	39,927	376,688
TOTAL FUND BALANCES	\$ 29,543	349,967	39,768	46,195	3,877	83,677	553,027
TOTAL LIABILITIES AND FUND BALANCES	\$ 41,549	424,203	70,685	93,825	5,056	98,894	734,212

**JEFFERSON COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	2000 CERTIFICATES OF OBLIGATION	2002A REFUNDING BOND	2002B CERTIFICATES OF OBLIGATION	2003A REFUNDING BOND	2003B CERTIFICATES OF OBLIGATION	2005 TAX ANTICIPATION NOTES	TOTAL
REVENUES:							
PROPERTY TAXES	\$ 471,325	2,928,471	1,216,760	1,873,777	46,985	597,882	7,135,200
INTEREST	2,379	11,202	5,878	9,713	573	2,965	32,710
TOTAL REVENUES	\$ 473,704	2,939,673	1,222,638	1,883,490	47,558	600,847	7,167,910
EXPENDITURES:							
DEBT SERVICE:							
PRINCIPAL	\$ 400,000	170,000	820,000	1,740,000	20,000	510,000	3,660,000
INTEREST AND COMMISSION	44,849	2,991,589	404,925	115,337	58,661	55,900	3,671,261
TOTAL EXPENDITURES	\$ 444,849	3,161,589	1,224,925	1,855,337	78,661	565,900	7,331,261
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 28,855	(221,916)	(2,287)	28,153	(31,103)	34,947	(163,351)
OTHER FINANCING SOURCES (USES):							
TRANSFERS IN	-	300,000	-	-	-	51,811	351,811
TOTAL OTHER FINANCING SOURCES (USES)	-	300,000	-	-	-	51,811	351,811
NET CHANGE IN FUND BALANCES	\$ 28,855	78,084	(2,287)	28,153	(31,103)	86,758	188,460
FUND BALANCES, BEGINNING	688	271,883	42,055	18,042	34,980	(3,081)	364,567
FUND BALANCES, ENDING	\$ 29,543	349,967	39,768	46,195	3,877	83,677	553,027

**JEFFERSON COUNTY, TEXAS
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
 DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 6,996,027	6,996,027	7,135,200	139,173
INTEREST	<u>78,000</u>	<u>78,000</u>	<u>32,710</u>	<u>(45,290)</u>
TOTAL REVENUES	\$ <u>7,074,027</u>	<u>7,074,027</u>	<u>7,167,910</u>	<u>93,883</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 3,660,000	3,660,000	3,660,000	-
INTEREST AND COMMISSION	<u>3,680,988</u>	<u>3,680,988</u>	<u>3,671,261</u>	<u>9,727</u>
TOTAL EXPENDITURES	\$ <u>7,340,988</u>	<u>7,340,988</u>	<u>7,331,261</u>	<u>9,727</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ <u>(266,961)</u>	<u>(266,961)</u>	<u>(163,351)</u>	<u>103,610</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>351,811</u>	<u>351,811</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>351,811</u>	<u>351,811</u>
NET CHANGE IN FUND BALANCES	\$ (266,961)	(266,961)	188,460	455,421
FUND BALANCES, BEGINNING	<u>364,567</u>	<u>364,567</u>	<u>364,567</u>	<u>-</u>
FUND BALANCES, ENDING	\$ <u><u>97,606</u></u>	<u><u>97,606</u></u>	<u><u>553,027</u></u>	<u><u>455,421</u></u>

JEFFERSON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
DEBT SERVICE - 2000 CERTIFICATES OF OBLIGATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 462,239	462,239	471,325	9,086
INTEREST	5,000	5,000	2,379	(2,621)
TOTAL REVENUES	<u>\$ 467,239</u>	<u>467,239</u>	<u>473,704</u>	<u>6,465</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 400,000	400,000	400,000	-
INTEREST AND COMMISSION	45,100	45,100	44,849	251
TOTAL EXPENDITURES	<u>\$ 445,100</u>	<u>445,100</u>	<u>444,849</u>	<u>251</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 22,139</u>	<u>22,139</u>	<u>28,855</u>	<u>6,716</u>
NET CHANGE IN FUND BALANCE	\$ 22,139	22,139	28,855	6,716
FUND BALANCES, BEGINNING	688	688	688	-
FUND BALANCES, ENDING	<u>\$ 22,827</u>	<u>22,827</u>	<u>29,543</u>	<u>6,716</u>

**JEFFERSON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
DEBT SERVICE - 2002A REFUNDING BOND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 2,870,978	2,870,978	2,928,471	57,493
INTEREST	27,500	27,500	11,202	(16,298)
TOTAL REVENUES	<u>\$ 2,898,478</u>	<u>2,898,478</u>	<u>2,939,673</u>	<u>41,195</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 170,000	170,000	170,000	-
INTEREST AND COMMISSION	2,992,089	2,992,089	2,991,589	500
TOTAL EXPENDITURES	<u>\$ 3,162,089</u>	<u>3,162,089</u>	<u>3,161,589</u>	<u>500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (263,611)</u>	<u>(263,611)</u>	<u>(221,916)</u>	<u>41,695</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	-	-	300,000	300,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>300,000</u>
NET CHANGE IN FUND BALANCE	\$ (263,611)	(263,611)	78,084	341,695
FUND BALANCES, BEGINNING	<u>271,883</u>	<u>271,883</u>	<u>271,883</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 8,272</u>	<u>8,272</u>	<u>349,967</u>	<u>341,695</u>

JEFFERSON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
DEBT SERVICE - 2002B CERTIFICATES OF OBLIGATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 1,193,085	1,193,085	1,216,760	23,675
INTEREST	15,000	15,000	5,878	(9,122)
TOTAL REVENUES	<u>\$ 1,208,085</u>	<u>1,208,085</u>	<u>1,222,638</u>	<u>14,553</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 820,000	820,000	820,000	-
INTEREST AND COMMISSION	406,875	406,875	404,925	1,950
TOTAL EXPENDITURES	<u>\$ 1,226,875</u>	<u>1,226,875</u>	<u>1,224,925</u>	<u>1,950</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (18,790)</u>	<u>(18,790)</u>	<u>(2,287)</u>	<u>16,503</u>
NET CHANGE IN FUND BALANCE	\$ (18,790)	(18,790)	(2,287)	16,503
FUND BALANCES, BEGINNING	42,055	42,055	42,055	-
FUND BALANCES, ENDING	<u>\$ 23,265</u>	<u>23,265</u>	<u>39,768</u>	<u>16,503</u>

**JEFFERSON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
DEBT SERVICE - 2003A REFUNDING BOND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 1,837,374	1,837,374	1,873,777	36,403
INTEREST	22,500	22,500	9,713	(12,787)
TOTAL REVENUES	<u>\$ 1,859,874</u>	<u>1,859,874</u>	<u>1,883,490</u>	<u>23,616</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 1,740,000	1,740,000	1,740,000	-
INTEREST AND COMMISSION	117,600	117,600	115,337	2,263
TOTAL EXPENDITURES	<u>\$ 1,857,600</u>	<u>1,857,600</u>	<u>1,855,337</u>	<u>2,263</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 2,274</u>	<u>2,274</u>	<u>28,153</u>	<u>25,879</u>
NET CHANGE IN FUND BALANCE	\$ 2,274	2,274	28,153	25,879
FUND BALANCES, BEGINNING	18,042	18,042	18,042	-
FUND BALANCES, ENDING	<u>\$ 20,316</u>	<u>20,316</u>	<u>46,195</u>	<u>25,879</u>

JEFFERSON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
DEBT SERVICE - 2003B CERTIFICATES OF OBLIGATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 46,031	46,031	46,985	954
INTEREST	<u>2,000</u>	<u>2,000</u>	<u>573</u>	<u>(1,427)</u>
TOTAL REVENUES	<u>\$ 48,031</u>	<u>48,031</u>	<u>47,558</u>	<u>(473)</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 20,000	20,000	20,000	-
INTEREST AND COMMISSION	<u>60,924</u>	<u>60,924</u>	<u>58,661</u>	<u>2,263</u>
TOTAL EXPENDITURES	<u>\$ 80,924</u>	<u>80,924</u>	<u>78,661</u>	<u>2,263</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (32,893)</u>	<u>(32,893)</u>	<u>(31,103)</u>	<u>1,790</u>
NET CHANGE IN FUND BALANCE	\$ (32,893)	(32,893)	(31,103)	1,790
FUND BALANCES, BEGINNING	<u>34,980</u>	<u>34,980</u>	<u>34,980</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 2,087</u>	<u>2,087</u>	<u>3,877</u>	<u>1,790</u>

**JEFFERSON COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP)
DEBT SERVICE - 2005 TAX ANTICIPATION NOTES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
PROPERTY TAXES	\$ 586,320	586,320	597,882	11,562
INTEREST	6,000	6,000	2,965	(3,035)
TOTAL REVENUES	<u>\$ 592,320</u>	<u>592,320</u>	<u>600,847</u>	<u>8,527</u>
EXPENDITURES:				
DEBT SERVICE:				
PRINCIPAL	\$ 510,000	510,000	510,000	-
INTEREST AND COMMISSION	58,400	58,400	55,900	2,500
TOTAL EXPENDITURES	<u>\$ 568,400</u>	<u>568,400</u>	<u>565,900</u>	<u>2,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 23,920</u>	<u>23,920</u>	<u>34,947</u>	<u>11,027</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	-	-	51,811	51,811
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>51,811</u>	<u>51,811</u>
NET CHANGE IN FUND BALANCE	\$ 23,920	23,920	86,758	62,838
FUND BALANCES, BEGINNING	<u>(3,081)</u>	<u>(3,081)</u>	<u>(3,081)</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 20,839</u>	<u>20,839</u>	<u>83,677</u>	<u>62,838</u>

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other agencies of the government and to other government units, on a cost reimbursement basis. Included in this heading are the following individual funds:

Liability Insurance Fund - This fund is used to account for the County's contribution and payment for liability claims.

Workers' Compensation Fund - This fund is used to account for the County's contribution and payment for workers' compensation claims.

Southeast Texas Government Employee Benefit Pool - This fund is used to account for the County's group health insurance program, which includes comprehensive major medical and dental care.

JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF NET ASSETS -
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2009

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 785,037	561,603	-	1,346,640
ACCOUNTS RECEIVABLE	-	-	990,358	990,358
INTEREST RECEIVABLE	216	154	4	374
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	227,272	227,272
INSURANCE DEPOSIT	-	53,000	-	53,000
TOTAL ASSETS	\$ 785,253	614,757	1,217,634	2,617,644
LIABILITIES:				
ACCOUNTS PAYABLE	-	-	7,648	7,648
CLAIMS LIABILITY	350,000	246,273	1,695,480	2,291,753
DEFERRED REVENUE	-	-	372,493	372,493
DUE TO OTHER FUNDS	-	-	150,334	150,334
TOTAL LIABILITIES	\$ 350,000	246,273	2,225,955	2,822,228
NET ASSETS:				
UNRESTRICTED	\$ 435,253	368,484	(1,008,321)	(204,584)
TOTAL NET ASSETS	\$ 435,253	368,484	(1,008,321)	(204,584)

JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS -
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
OPERATING REVENUES:				
EMPLOYEE CONTRIBUTIONS	\$ -	-	1,811,415	1,811,415
CHARGES FOR SERVICES	-	519,418	11,842,045	12,361,463
TOTAL OPERATING REVENUES	\$ -	519,418	13,653,460	14,172,878
OPERATING EXPENSES:				
ADMINISTRATIVE	\$ -	-	982,227	982,227
INCURRED & ESTIMATED CLAIMS	129,574	584,588	14,790,630	15,504,792
TOTAL OPERATING EXPENSES	\$ 129,574	584,588	15,772,857	16,487,019
OPERATING INCOME (LOSS)	\$ (129,574)	(65,170)	(2,119,397)	(2,314,141)
NONOPERATING REVENUES:				
INTEREST	\$ 12,321	5,702	4	18,027
REFUNDS AND RECOVERIES	-	-	999,454	999,454
TOTAL NONOPERATING REVENUES	\$ 12,321	5,702	999,458	1,017,481
CHANGE IN NET ASSETS	\$ (117,253)	(59,468)	(1,119,939)	(1,296,660)
NET ASSETS, BEGINNING	552,506	427,952	111,618	1,092,076
NET ASSETS (DEFICIT), ENDING	\$ 435,253	368,484	(1,008,321)	(204,584)

**JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009**

	LIABILITY INSURANCE FUND	WORKERS' COMPENSATION FUND	SOUTHEAST TEXAS GOVERNMENT EMPLOYEE BENEFITS POOL FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
RECEIPTS FROM CUSTOMERS AND USERS	\$ -	-	1,206,084	1,206,084
RECEIPTS FROM EMPLOYEES	-	-	1,873,466	1,873,466
PAYMENTS TO SUPPLIERS	-	-	(974,579)	(974,579)
INTERNAL ACTIVITY-RECEIPTS(PAYMENTS) FROM (TO) OTHER FUNDS	-	519,418	10,961,858	11,481,276
CLAIMS PAID	(177,099)	(574,623)	(14,449,590)	(15,201,312)
OTHER RECEIPTS	-	-	415,378	415,378
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (177,099)	(55,205)	(967,383)	(1,199,687)
CASH FLOWS FROM INVESTMENT ACTIVITIES:				
INTEREST	\$ 15,553	6,207	1,113	22,873
NET CASH PROVIDED BY INVESTMENT ACTIVITIES	\$ 15,553	6,207	1,113	22,873
NET INCREASE (DECREASE) IN CASH CASH AND CASH EQUIVALENTS - BEGINNING	\$ (161,546) 946,583	(48,998) 610,601	(966,270) 966,270	(1,176,814) 2,523,454
CASH AND CASH EQUIVALENTS - ENDING	\$ 785,037	561,603	-	1,346,640
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED(USED) BY OPERATING ACTIVITIES:				
OPERATING INCOME(LOSS)	\$ (129,574)	(65,170)	(2,119,397)	(2,314,141)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
OTHER NON-OPERATING REVENUES	-	-	999,454	999,454
CHANGES IN ASSETS AND LIABILITIES:				
ACCOUNTS RECEIVABLE	-	-	(584,076)	(584,076)
INSURANCE DEPOSIT	-	-	-	-
DUE FROM OTHER GOVERNMENTAL ENTITIES	-	-	(134,879)	(134,879)
ACCOUNTS PAYABLE	-	-	7,648	7,648
DEFERRED REVENUE	-	-	372,493	372,493
DUE TO OTHER FUNDS	-	-	150,334	150,334
CLAIMS LIABILITY	(47,525)	9,965	341,040	303,480
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (177,099)	(55,205)	(967,383)	(1,199,687)



FIDUCIARY FUNDS

FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the County as a trustee or agent for individuals, private organizations, and other units of government. Such funds are operated by carrying out specific terms of trust indentures, ordinances, grant requirements, or other governing regulations. Included in this heading are the following individual funds:

Treasurer Maintained Fund - This fund is used to account for various monies deposited with the County Treasurer for distribution to other individuals and/or government entities.

County Clerk Fund - This fund is used to account for the collection and distribution of money held in trust by the Clerk of the County Courts.

District Clerk Fund - This fund is used to account for the collection and distribution of the money held in trust by the Clerk of the District Courts.

Sheriff's Fund - This fund is used to account for the collection and distribution of money held in trust by the Sheriff.

Justice of the Peace Fund - This fund is used to account for the collection and distribution of money held in trust by the Justices of the Peace.

Tax Assessor/Collector Fund - This fund is used to account for the collection and distribution of money held in trust by the Tax Assessor/Collector .

District Attorney's Seizure Fund - This fund is used to account for the seizure and subsequent distribution of seized personal property.

Community Supervision Trust Fund - This fund is used to account for the collection and distribution of money held in trust by the Community Supervision Department.

Juvenile Probation Trust Fund - This fund is used to account for the collection and distribution of money held in trust by the Juvenile Probation Department.

Flexible Spending - This fund is used to account for the collection and distribution of money collected under the Internal Revenue Code Section 125 benefit plan.

Women's Center Trust Fund - This fund is used to account for the collection and distribution of money held in trust by the Women's Center .



JEFFERSON COUNTY, TEXAS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

	TREASURER MAINTAINED FUND	COUNTY CLERK FUND	DISTRICT CLERK FUND	SHERIFF'S FUND	JUSTICE OF THE PEACE FUND	TAX ASSESSOR COLLECTOR FUND	DISTRICT ATTORNEY'S SEIZURE FUND	COMMUNITY SUPERVISION TRUST FUND	JUVENILE PROBATION TRUST FUND	FLEXIBLE SPENDING FUND	WOMEN'S CENTER TRUST FUND	TOTAL AGENCY FUNDS
TOTAL AGENCY FUNDS												
ASSETS - OCTOBER 1, 2008												
CASH AND CASH EQUIVALENTS	\$ 298,701	3,292,749	7,008,161	528,291	137,234	4,406,471	454,266	477,982	324	22,799	11,173	16,638,151
ACCOUNTS RECEIVABLE, Net	4,731	-	-	-	-	-	1,000	-	-	-	-	5,731
DUE FROM OTHER												
GOVERNMENTAL ENTITIES	245,092	-	36,676	-	-	-	-	-	-	-	-	281,768
INVENTORY	-	-	-	44,189	-	-	-	-	-	-	-	44,189
TOTAL	\$ 548,524	3,292,749	7,044,837	572,480	137,234	4,406,471	455,266	477,982	324	22,799	11,173	16,969,839
ADDITIONS												
CASH AND CASH EQUIVALENTS	\$ 2,158,120	9,259,855	25,357,129	6,746,444	1,602,385	510,632,719	1,113,375	4,985,109	21,518	342,734	770,398	562,989,786
ACCOUNTS RECEIVABLE, Net	12,914	-	-	9,220	-	-	2,000	-	-	-	-	24,134
DUE FROM OTHER												
GOVERNMENTAL ENTITIES	812,710	-	107,343	-	-	-	5,545	-	-	-	-	925,598
INVENTORY	-	-	-	134,159	-	-	-	-	-	-	-	134,159
TOTAL	\$ 2,983,744	9,259,855	25,464,472	6,889,823	1,602,385	510,632,719	1,120,920	4,985,109	21,518	342,734	770,398	564,073,677
DELETIONS												
CASH AND CASH EQUIVALENTS	\$ 2,041,624	9,405,726	23,869,307	6,701,495	1,547,106	512,083,760	1,094,960	5,020,716	21,526	337,569	767,899	562,891,688
ACCOUNTS RECEIVABLE, Net	11,255	-	-	-	-	-	3,000	-	-	-	-	14,255
DUE FROM OTHER												
GOVERNMENTAL ENTITIES	744,578	-	73,353	-	-	-	-	-	-	-	-	817,931
INVENTORY	-	-	-	133,490	-	-	-	-	-	-	-	133,490
TOTAL	\$ 2,797,457	9,405,726	23,942,660	6,834,985	1,547,106	512,083,760	1,097,960	5,020,716	21,526	337,569	767,899	563,857,364
ASSETS - SEPTEMBER 30, 2009												
CASH AND CASH EQUIVALENTS	\$ 415,197	3,146,878	8,495,983	573,240	192,513	2,955,430	472,681	442,375	316	27,964	13,672	16,736,249
ACCOUNTS RECEIVABLE, Net	6,390	-	-	9,220	-	-	-	-	-	-	-	15,610
DUE FROM OTHER												
GOVERNMENTAL ENTITIES	313,224	-	70,666	-	-	-	5,545	-	-	-	-	389,435
INVENTORY	-	-	-	44,858	-	-	-	-	-	-	-	44,858
TOTAL ASSETS	\$ 734,811	3,146,878	8,566,649	627,318	192,513	2,955,430	478,226	442,375	316	27,964	13,672	17,186,152
LIABILITIES - OCTOBER 1, 2008												
ACCOUNTS PAYABLE	\$ 170,729	1,361,442	6,969,930	540,192	43,025	4,406,471	455,266	477,982	324	22,799	11,173	14,459,333
DUE TO OTHER												
GOVERNMENTAL ENTITIES	377,795	43,684	74,907	32,288	94,209	-	-	-	-	-	-	622,883
OTHER PAYABLES	-	1,887,623	-	-	-	-	-	-	-	-	-	1,887,623
TOTAL	\$ 548,524	3,292,749	7,044,837	572,480	137,234	4,406,471	455,266	477,982	324	22,799	11,173	16,969,839
ADDITIONS												
ACCOUNTS PAYABLE	\$ 172,870	3,320,662	24,994,251	6,575,807	561,078	511,421,598	1,119,985	5,075,576	19,831	342,734	770,398	554,374,790
DUE TO OTHER												
GOVERNMENTAL ENTITIES	2,567,241	385,285	365,700	315,378	1,338,004	-	-	-	-	-	-	4,971,608
OTHER PAYABLES	-	5,586,378	-	-	-	-	-	-	-	-	-	5,586,378
TOTAL	\$ 2,740,111	9,292,325	25,359,951	6,891,185	1,899,082	511,421,598	1,119,985	5,075,576	19,831	342,734	770,398	564,932,776
DELETIONS												
ACCOUNTS PAYABLE	\$ 87,953	3,553,987	23,471,054	6,526,088	560,109	512,872,639	1,097,025	5,111,183	19,839	337,569	767,899	554,405,345
DUE TO OTHER												
GOVERNMENTAL ENTITIES	2,465,871	375,196	367,085	310,259	1,283,694	-	-	-	-	-	-	4,802,105
OTHER PAYABLES	-	5,509,013	-	-	-	-	-	-	-	-	-	5,509,013
TOTAL	\$ 2,553,824	9,438,196	23,838,139	6,836,347	1,843,803	512,872,639	1,097,025	5,111,183	19,839	337,569	767,899	564,716,463
LIABILITIES - SEPTEMBER 30, 2009												
ACCOUNTS PAYABLE	\$ 255,646	1,128,117	8,493,127	589,911	43,994	2,955,430	478,226	442,375	316	27,964	13,672	14,428,778
DUE TO OTHER												
GOVERNMENTAL ENTITIES	479,165	53,773	73,522	37,407	148,519	-	-	-	-	-	-	792,386
OTHER PAYABLES	-	1,964,988	-	-	-	-	-	-	-	-	-	1,964,988
TOTAL LIABILITIES	\$ 734,811	3,146,878	8,566,649	627,318	192,513	2,955,430	478,226	442,375	316	27,964	13,672	17,186,152



CAPITAL ASSETS

JEFFERSON COUNTY, TEXAS
CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
SEPTEMBER 30, 2009

	<u>TOTAL</u>
GOVERNMENTAL FUNDS CAPITAL ASSETS:	
LAND	\$ 4,696,008
INFRASTRUCTURE	45,927,691
BUILDINGS AND IMPROVEMENTS	89,433,429
EQUIPMENT	32,860,065
CONSTRUCTION IN PROGRESS	<u>7,579,934</u>
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ <u><u>180,497,127</u></u>

INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:

GENERAL FUND	\$ 88,171,346
SPECIAL REVENUE FUND	16,502,623
CAPITAL PROJECTS FUND	73,245,919
GIFTS	<u>2,577,239</u>
	\$ <u><u>180,497,127</u></u>

JEFFERSON COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION
FOR THE YEAR ENDED SEPTEMBER 30, 2009

<u>FUNCTION</u>	<u>LAND</u>	<u>INFRASTRUCTURE</u>	<u>BUILDINGS & IMPROVEMENTS</u>	<u>EQUIPMENT</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
GENERAL GOVERNMENT	\$ -	\$ -	\$ 292,963	\$ 4,577,539	\$ -	\$ 4,870,502
JUDICIAL AND LAW ENFORCEMENT	45,446	-	27,830,091	16,436,564	-	44,312,101
HEALTH & WELFARE	14,000	-	891,009	1,030,113	-	1,935,122
MAINTENANCE OF STRUCTURES AND EQUIPMENT	4,636,562	45,927,691	60,419,366	10,815,849	7,579,934	129,379,402
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 4,696,008	\$ 45,927,691	\$ 89,433,429	\$ 32,860,065	\$ 7,579,934	\$ 180,497,127

JEFFERSON COUNTY, TEXAS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

FUNCTION	BALANCE 10/1/2008	ADDITIONS	DEDUCTIONS	TRANSFERS	BALANCE 9/30/2009
GENERAL GOVERNMENT	\$ 4,355,660	\$ 544,842	\$ (30,000)	\$ -	\$ 4,870,502
JUDICIAL AND LAW ENFORCEMENT	44,495,303	998,308	(1,181,510)	-	44,312,101
HEALTH AND WELFARE	1,984,192	54,506	(103,576)	-	1,935,122
MAINTENANCE OF STRUCTURES AND EQUIPMENT	<u>122,822,122</u>	<u>6,652,258</u>	<u>(94,978)</u>	<u>-</u>	<u>129,379,402</u>
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 173,657,277</u>	<u>\$ 8,249,914</u>	<u>\$ (1,410,064)</u>	<u>\$ -</u>	<u>\$ 180,497,127</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Jefferson County, Texas comprehensive 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 the County's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	141
Revenue Trends <i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	148
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	152
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	156
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	158

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



TABLE 1

**JEFFERSON COUNTY, TEXAS
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	Fiscal Year						
	2003	2004	2005	2006	2007 **	2008	2009
Governmental activities:							
Invested in capital assets, net of related debt	\$ 30,025,279	\$ 47,464,845	\$ 49,581,705	\$ 51,600,015	\$ 56,750,081	\$ 62,450,468	\$ 68,242,040
Restricted	16,778,702	5,066,000	5,940,456	3,955,825	3,993,898	7,893,536	10,615,478
Unrestricted	(35,738,030)	(54,782,457)	(49,275,540)	(29,540,936)	(16,829,422)	(17,964,265)	(21,890,574)
Total governmental activities net assets	<u>\$ 11,065,951</u>	<u>\$ (2,251,612)</u>	<u>\$ 6,246,621</u>	<u>\$ 26,014,904</u>	<u>\$ 43,914,557</u>	<u>\$ 52,379,739</u>	<u>\$ 56,966,944</u>
Business-type activities:							
Invested in capital assets, net of related debt	\$ 81,221,151	\$ 88,652,366	\$ 87,708,682	\$ 88,876,715	\$ 89,080,109	\$ 88,482,217	\$ 93,237,299
Unrestricted	(5,380,470)	(5,294,847)	(4,764,038)	(175,098)	(760,424)	133,397	1,425,854
Total business-type activities net assets	<u>\$ 75,840,681</u>	<u>\$ 83,357,519</u>	<u>\$ 82,944,644</u>	<u>\$ 88,701,617</u>	<u>\$ 88,319,685</u>	<u>\$ 88,615,614</u>	<u>\$ 94,663,153</u>
Reclassifications:							
Invested in capital assets, net of related debt	\$ (53,403,035)	\$ (63,446,642)	\$ (63,373,806)	\$ (64,799,956)	\$ (64,096,344)	\$ (63,016,132)	\$ (61,855,720)
Unrestricted	53,403,035	63,446,642	63,373,806	64,799,956	64,096,344	63,016,132	61,855,720
Total reclassifications	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government:							
Invested in capital assets, net of related debt	\$ 57,843,395	\$ 72,670,569	\$ 73,916,581	\$ 75,676,774	\$ 81,733,846	\$ 87,916,553	\$ 99,623,619
Restricted	16,778,702	5,066,000	5,940,456	3,955,825	3,993,898	7,893,536	10,615,478
Unrestricted	12,284,535	3,369,338	9,334,228	35,083,922	46,506,498	45,185,264	41,391,000
Total primary government net assets	<u>\$ 86,906,632</u>	<u>\$ 81,105,907</u>	<u>\$ 89,191,265</u>	<u>\$ 114,716,521</u>	<u>\$ 132,234,242</u>	<u>\$ 140,995,353</u>	<u>\$ 151,630,097</u>

Note: The reclassification is for the debt associated with the construction of Ford Park. The assets are accounted for in the Business-type activities column and the debt is accounted for in the Governmental activities column.

* Reporting began in fiscal year 2003.

** In 2007, the Southeast Texas Government Employee Benefits Pool Fund was reclassified from an Enterprise Fund to an Internal Service Fund.

TABLE 2

**JEFFERSON COUNTY, TEXAS
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	Fiscal Year						
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007 **</u>	<u>2008</u>	<u>2009</u>
Expenses							
Governmental activities:							
General Government	\$ 23,307,525	\$ 14,333,080	\$ 14,089,777	\$ 15,048,763	\$ 20,008,549	\$ 20,369,690	\$ 34,940,366
Judicial and Law Enforcement	55,493,454	54,948,624	53,370,635	55,468,283	59,282,186	69,170,421	74,059,745
Education and Recreation	817,087	1,244,907	1,119,956	1,140,083	1,713,942	1,931,084	1,611,435
Health and Welfare	6,807,354	7,375,342	9,140,307	8,339,076	8,784,296	10,104,601	11,205,583
Maintenance - Equipment and Structures	11,433,413	11,366,472	11,711,754	47,442,781	18,185,968	21,118,467	35,000,580
Interest and Charges on Long-term Debt	4,221,915	4,155,680	4,251,603	4,128,450	3,985,181	3,804,914	3,715,282
Total governmental activities expenses	\$ 102,080,748	\$ 93,424,105	\$ 93,684,032	\$ 131,567,436	\$ 111,960,122	\$ 126,499,177	\$ 160,532,991
Business-type activities:							
Airport	\$ 3,764,211	\$ 3,796,261	\$ 3,573,304	\$ 4,117,325	\$ 4,219,627	\$ 4,902,822	\$ 4,710,467
Entertainment Complex	4,148,162	7,522,063	7,195,328	7,392,777	8,685,343	7,648,462	7,977,002
Health Insurance Risk Pool	13,616,447	9,710,612	9,995,778	10,101,217	-	-	-
Total Business-type expenses	\$ 21,528,820	\$ 21,028,936	\$ 20,764,410	\$ 21,611,319	\$ 12,904,970	\$ 12,551,284	\$ 12,687,469
Total primary government expenses	\$ 123,609,568	\$ 114,453,041	\$ 114,448,442	\$ 153,178,755	\$ 124,865,092	\$ 139,050,461	\$ 173,220,460
Program Revenues							
Governmental activities:							
Charges for services:							
General Government	\$ 3,732,831	\$ 3,426,449	\$ 3,643,656	\$ 4,616,001	\$ 6,913,696	\$ 6,637,669	\$ 8,741,944
Judicial and Law Enforcement	10,819,856	11,331,333	10,283,910	11,587,628	11,434,794	10,700,195	10,434,533
Education and Recreation	152,856	141,031	153,760	223,468	191,921	88,452	208,036
Health and Welfare	44,059	318,092	88,359	93,465	86,231	92,009	370,557
Maintenance - Equipment and Structures	6,173,296	5,418,454	5,293,623	15,177,669	8,232,587	5,768,735	8,447,195
Operating grants and contributions	8,541,252	7,287,999	9,411,568	36,793,964	11,718,420	14,050,116	30,927,086
Capital grants and contributions	421,644	799,215	3,292,628	2,114,187	1,290,133	269,347	937,390
Total governmental activities program revenues	\$ 29,885,794	\$ 28,722,573	\$ 32,167,504	\$ 70,606,382	\$ 39,867,782	\$ 37,606,523	\$ 60,066,741

	Fiscal Year						
	2003	2004	2005	2006	2007 **	2008	2009
Business-type activities:							
Charges for services:							
Airport	\$ 1,725,746	\$ 2,014,163	\$ 2,423,738	\$ 2,693,193	\$ 2,407,949	\$ 3,269,502	\$ 2,999,857
Entertainment Complex	2,211,623	3,882,286	3,485,933	2,918,548	3,924,467	3,064,942	3,716,433
Health Insurance Risk Pool	12,857,565	10,303,593	9,263,491	10,973,699	-	-	-
Operating grants and contributions	-	302,762	247,732	1,390,786	-	-	43,397
Capital grants and contributions	805,470	1,056,242	476,678	4,395,052	3,725,475	2,741,002	8,278,928
Total business-type activities program revenues	\$ 17,600,404	\$ 17,559,046	\$ 15,897,572	\$ 22,371,278	\$ 10,057,891	\$ 9,075,446	\$ 15,038,615
Total primary government program revenues	\$ 47,486,198	\$ 46,281,619	\$ 48,065,076	\$ 92,977,660	\$ 49,925,673	\$ 46,681,969	\$ 75,105,356
Net (expense)/revenue							
Governmental activities	\$ (72,194,954)	\$ (64,701,532)	\$ (61,516,528)	\$ (60,961,054)	\$ (72,092,340)	\$ (88,892,654)	\$ (100,466,250)
Business-type activities	(3,928,416)	(3,469,890)	(4,866,838)	759,959	(2,847,079)	(3,475,838)	2,351,146
Total primary government net expense	\$ (76,123,370)	\$ (68,171,422)	\$ (66,383,366)	\$ (60,201,095)	\$ (74,939,419)	\$ (92,368,492)	\$ (98,115,104)
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes:							
Property taxes	\$ 44,992,211	\$ 46,260,529	\$ 57,535,230	\$ 61,247,030	\$ 65,719,324	\$ 72,615,806	\$ 75,616,097
Sales taxes	13,446,241	14,288,063	14,743,209	20,150,358	21,654,606	23,906,777	30,410,633
Alcoholic Beverage Tax	395,653	430,130	431,874	494,201	503,134	506,047	614,474
Hotel Occupancy Tax	606,190	658,878	709,941	894,368	973,569	1,011,577	1,294,063
Investment earnings	2,162,140	552,321	1,174,286	2,735,655	3,373,514	2,871,285	842,485
Miscellaneous	37,390	(108,034)	6,406	9,957	214,078	208,499	29,275
Transfers	(27,713,099)	(10,697,918)	(4,586,185)	(4,805,971)	(2,086,110)	(3,762,155)	(3,687,832)
Total governmental activities	\$ 33,926,726	\$ 51,383,969	\$ 70,014,761	\$ 80,725,598	\$ 90,352,115	\$ 97,357,836	\$ 105,119,195
Business-type activities:							
Investment earnings	\$ 929	\$ 3,832	\$ 8,673	\$ 15,356	\$ 18,915	\$ 9,467	\$ 2,369
Miscellaneous	133,291	284,978	-	175,687	-	145	6,192
Transfers	27,713,099	10,697,918	4,586,185	4,805,971	2,086,110	3,762,155	3,687,832
Total business-type activities	\$ 27,847,319	\$ 10,986,728	\$ 4,594,858	\$ 4,997,014	\$ 2,105,025	\$ 3,771,767	\$ 3,696,393
Total primary government	\$ 61,774,045	\$ 62,370,697	\$ 74,609,619	\$ 85,722,612	\$ 92,457,140	\$ 101,129,603	\$ 108,815,588
Changes in Net Assets							
Governmental activities	\$ (38,268,228)	\$ (13,317,563)	\$ 8,498,233	\$ 19,764,544	\$ 18,259,775	\$ 8,465,182	\$ 4,652,945
Business-type activities	23,918,903	7,516,838	(271,980)	5,756,973	(742,054)	295,929	6,047,539
Total primary government	\$ (14,349,325)	\$ (5,800,725)	\$ 8,226,253	\$ 25,521,517	\$ 17,517,721	\$ 8,761,111	\$ 10,700,484

* Reporting began in fiscal year 2003.

** In 2007, the Southeast Texas Government Employee Benefits Pool Fund was reclassified from an Enterprise Fund to an Internal Service Fund.

TABLE 3

JEFFERSON COUNTY, TEXAS
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Alcoholic Beverage Tax</u>	<u>Hotel Occupancy Tax</u>	<u>Total</u>
2003	\$ 44,992,211	\$ 13,446,241	\$ 395,653	\$ 606,190	\$ 59,440,295
2004	46,260,529	14,288,063	430,130	658,878	61,637,600
2005	57,535,230	14,743,209	431,874	709,941	73,420,254
2006	61,247,030	20,150,358	494,201	894,368	82,785,957
2007	65,719,324	21,654,606	503,134	973,569	88,850,633
2008	72,615,806	23,906,777	506,047	1,011,577	98,040,207
2009	75,616,097	30,410,633	614,474	1,294,063	107,935,267

* Reporting began in fiscal year 2003.

JEFFERSON COUNTY, TEXAS
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund:										
Reserved	\$ 515,017	\$ 695,216	\$ 869,899	\$ 4,649,448	\$ 4,363,031	\$ 3,660,569	\$ 1,101,397	\$ 1,196,058	\$ 1,124,272	\$ 1,247,682
Unreserved	23,964,657	19,801,049	12,288,404	4,408,693	781,091	9,473,913	19,445,189	28,724,474	31,324,562	37,639,200
Total general fund	<u>\$ 24,479,674</u>	<u>\$ 20,496,265</u>	<u>\$ 13,158,303</u>	<u>\$ 9,058,141</u>	<u>\$ 5,144,122</u>	<u>\$ 13,134,482</u>	<u>\$ 20,546,586</u>	<u>\$ 29,920,532</u>	<u>\$ 32,448,834</u>	<u>\$ 38,886,882</u>
All other governmental funds:										
Reserved	\$ 2,361,263	\$ 884,461	\$ 1,076,205	\$ 757,266	\$ 5,069,747	\$ 5,943,842	\$ 3,958,995	\$ 3,996,377	\$ 7,895,953	\$ 10,617,541
Unreserved, reported in:										
Special revenue funds	4,332,108	4,598,612	6,010,336	7,198,968	7,630,588	7,095,623	16,985,952	17,623,438	12,483,025	14,975,902
Capital project funds	67,296,877	54,982,260	43,983,240	16,025,275	(94,756)	(62,120)	-	(1,618)	(1,618)	-
Debt service funds	-	-	-	-	-	257,097	826,359	482,912	287,948	376,688
Total all other governmental funds	<u>\$ 73,990,248</u>	<u>\$ 60,465,333</u>	<u>\$ 51,069,781</u>	<u>\$ 23,981,509</u>	<u>\$ 12,605,579</u>	<u>\$ 13,234,442</u>	<u>\$ 21,771,306</u>	<u>\$ 22,101,109</u>	<u>\$ 20,665,308</u>	<u>\$ 25,970,131</u>

JEFFERSON COUNTY, TEXAS
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
REVENUES:										
Property Taxes	\$ 42,624,272	\$ 42,885,676	\$ 44,994,723	\$ 44,969,987	\$ 46,276,630	\$ 57,343,655	\$ 61,103,193	\$ 65,071,514	\$ 71,516,193	\$ 75,912,693
Sales Taxes	13,860,790	14,051,840	14,950,781	14,448,084	15,377,071	15,885,024	21,538,927	23,131,309	25,424,401	32,319,170
Fees	10,731,563	11,377,989	11,613,640	12,674,610	12,441,814	12,058,229	12,752,383	13,232,594	13,844,334	13,372,000
Licenses	487,024	445,002	456,268	436,896	421,116	404,647	425,438	423,313	409,386	487,856
Intergovernmental	9,019,355	9,488,898	8,503,218	8,664,520	7,713,379	10,984,676	39,011,714	12,962,160	14,315,347	30,549,286
Sales, Rental & Services	4,727,874	5,586,316	4,121,657	5,167,036	4,995,661	5,407,000	4,963,482	5,486,288	4,173,703	5,585,920
Fines and Forfeitures	3,365,240	2,902,650	2,734,192	2,644,177	3,118,964	2,897,424	3,538,886	3,008,196	2,181,478	2,076,417
Interest	5,183,310	6,348,578	4,288,596	2,523,171	651,152	1,123,912	2,703,210	3,083,938	2,236,357	1,250,787
Miscellaneous	13,792	9,260	12,803	2,575	8,868	8,256	62,805	17,539	17,936	29,275
Contributions and Donations	15,705	82,427	89,617	298,376	22,400	26,300	10,196	18,968	4,116	1,315,190
Total Revenues	\$ 90,028,925	\$ 93,178,636	\$ 91,765,495	\$ 91,829,432	\$ 91,027,055	\$ 106,139,123	\$ 146,110,234	\$ 126,435,819	\$ 134,123,251	\$ 162,898,594
EXPENDITURES:										
General Government	\$ 11,626,757	\$ 12,662,674	\$ 13,161,103	\$ 14,235,304	\$ 13,167,975	\$ 13,851,082	\$ 15,367,359	\$ 17,962,946	\$ 18,587,891	\$ 20,335,453
Judicial and Law Enforcement	49,543,181	50,383,391	52,450,290	54,391,585	53,205,202	52,714,845	53,848,433	60,795,584	69,726,438	69,656,955
Education and Recreation	516,098	565,046	576,958	817,087	1,089,736	1,117,604	1,137,019	1,717,102	1,915,987	1,579,264
Health and Welfare	6,190,114	6,537,754	6,726,933	6,760,768	7,298,844	7,011,489	8,256,283	8,794,712	10,024,011	10,600,245
Maintenance of Structures and Equipment	9,542,345	9,925,892	9,255,104	9,420,715	9,000,103	11,255,900	43,799,011	15,850,658	19,851,954	36,379,418
Capital Outlay	10,881,879	20,911,522	31,750,330	33,443,927	15,491,047	5,358,002	4,776,391	3,690,980	2,016,129	4,076,087
Debt Services										
Principal	2,670,000	2,010,000	2,945,000	2,980,000	3,250,000	3,335,000	3,890,000	4,045,000	3,510,000	3,660,000
Interest and Commission	1,112,364	5,904,993	3,463,447	4,355,169	4,351,299	4,120,881	4,084,539	3,938,978	3,794,062	3,671,261
Total Expenditures	\$ 92,082,738	\$ 108,901,272	\$ 120,329,165	\$ 126,404,555	\$ 106,854,206	\$ 98,764,803	\$ 135,159,035	\$ 116,795,960	\$ 129,426,472	\$ 149,958,683
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,053,813)	\$ (15,722,636)	\$ (28,563,670)	\$ (34,575,123)	\$ (15,827,151)	\$ 7,374,320	\$ 10,951,199	\$ 9,639,859	\$ 4,696,779	\$ 12,939,911

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
OTHER FINANCING SOURCES (USES):										
Transfer In	\$ 7,412,713	\$ 1,549,799	\$ 2,861,537	\$ 3,734,765	\$ 1,316,946	\$ 735,870	\$ 5,508,237	\$ 3,101,422	\$ 8,147,776	\$ 10,267,060
Transfer Out	(7,442,713)	(3,335,487)	(3,829,056)	(3,564,529)	(2,640,332)	(3,175,594)	(10,514,208)	(5,187,532)	(11,909,931)	(13,954,892)
Capital Lease Obligations	-	-	-	337,391	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-	10,000,000	2,150,000	157,877	2,556,532
Issuance of Debt	53,795,969	-	12,874,203	14,522,769	1,860,588	3,000,000	-	-	-	-
Premium on Debt Issued	-	-	-	9,959	-	490	-	-	-	-
Discount on Debt Issued	-	-	-	(24,172)	-	-	-	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	(11,629,494)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ 53,765,969	\$ (1,785,688)	\$ 11,906,684	\$ 3,386,689	\$ 537,202	\$ 560,766	\$ 4,994,029	\$ 63,890	\$ (3,604,278)	\$ (1,131,300)
Net Change In Fund Balances	\$ 51,712,156	\$ (17,508,324)	\$ (16,656,986)	\$ (31,188,434)	\$ (15,289,949)	\$ 7,935,086	\$ 15,945,228	\$ 9,703,749	\$ 1,092,501	\$ 11,808,611
Debt Service As A Percentage of										
Noncapital Expenditures	4.7%	9.0%	7.2%	7.2%	8.3%	8.1%	6.1%	7.3%	6.0%	5.3%

JEFFERSON COUNTY, TEXAS
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Tax	Hotel Occupancy Tax	Total
2000	\$ 42,624,272	\$ 13,501,842	\$ 358,948	\$ -	\$ 56,485,062
2001	42,885,676	13,698,758	353,082	-	56,937,516
2002	44,994,723	14,579,230	371,551	-	59,945,504
2003	44,969,987	13,526,657	364,440	556,987	59,418,072
2004	46,276,630	14,375,228	395,653	606,190	61,653,701
2005	57,343,655	14,796,016	430,130	658,878	73,228,679
2006	61,103,193	20,150,358	494,201	894,368	82,642,120
2007	65,071,514	21,654,606	503,134	973,569	88,202,823
2008	71,516,193	23,906,777	506,047	1,011,577	96,940,594
2009	75,912,693	30,410,633	614,474	1,294,063	108,231,863

¹ First year of tax.

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

Fiscal Year Ended September 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value (a) as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2006	\$ 5,763,919,286	\$ 8,244,921,075	\$ 53,451,410	\$ 3,377,709,770	\$ 3,069,336,201	\$ 14,370,665,340	0.425	\$ 14,455,989,770	82.89%
2007	5,433,538,560	10,360,470,535	54,889,880	3,872,073,860	3,180,724,674	16,540,248,161	0.400	16,560,749,332	83.98%
2008	6,729,159,173	11,409,878,641	62,781,190	4,196,575,015	3,824,188,028	18,574,205,991	0.390	18,879,604,039	84.29%
2009	7,717,517,403	12,524,372,020	63,467,330	4,907,849,539	4,416,709,776	20,796,496,516	0.365	21,244,031,039	84.26%

Source: Jefferson County Appraisal District

Note: Property in the county is reassessed annually. The county assesses property at 100% of actual value for all types of real and personal property. However, each homestead residential property can only increase by a maximum of 10% in any given year. Estimated actual value is calculated by adding back the loss to the limit on homestead residential properties to the total taxable assessed value. Tax rates are per \$100 of assessed value.

(a) Includes tax-exempt property.

* Reporting began in fiscal year 2006.

**JEFFERSON COUNTY, TEXAS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING (a) GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	Operating Rate	Debt Service Rate	Total County Rate	Overlapping Rates							Total Direct & Overlapping Rates
				Cities			School Districts				
				Operating Rate	Debt Service Rate	Total City Rate	Operating Rate	Debt Service Rate	Total School Rate	Special Districts	
2006	\$ 0.375	\$ 0.050	\$ 0.425	\$ 0.406	\$ 0.271	\$ 0.677	\$ 1.491	\$ 0.136	\$ 1.627	\$ 0.216	\$ 2.945
2007	0.355	0.045	0.400	0.420	0.232	0.652	1.311	0.119	1.430	0.216	2.698
2008	0.353	0.037	0.390	0.419	0.187	0.606	1.077	0.144	1.221	0.205	2.422
2009	0.331	0.034	0.365	0.385	0.202	0.587	1.058	0.186	1.244	0.217	2.413

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Source: Jefferson County Tax Assessor Collector

(a) Overlapping rates are those of local governments that apply to property owners within Jefferson County. Not all overlapping rates apply to all Jefferson County property owners. (e.g., the rates for special districts apply only to the proportion of the County's property owners whose property is located within the geographic boundaries of the special district.)

Note: Rates are per \$100 of taxable value. Rates for overlapping entities are an average tax rate of all cities (6), school districts (7), and special districts (13) located within Jefferson County. For fiscal year 2009, total rates ranged between .22 and .76 for cities, 1.135 and 1.325 for school districts, and .022 and .663 for special districts.

* Reporting began in fiscal year 2006.

TABLE 8

**JEFFERSON COUNTY, TEXAS
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayers	2009			2000		
	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (b)	Rank	Percentage of Total Taxable Assessed Value
ExxonMobil Oil Corporation	\$ 2,645,724,170	1	12.72%	\$ 1,393,662,810	1	12.16%
Motiva Refinery	2,018,481,780	2	9.71%	620,486,010	3	5.41%
Premcor Refining Group Inc	1,095,677,060	3	5.27%	256,581,300	6	2.24%
Total Petrochemicals USA	662,436,710	4	3.19%	335,218,786	5	2.92%
Huntsman Petrochemical Corp	442,982,990	5	2.13%	938,064,200	2	8.18%
Flint Hills Resources LP	284,426,760	6	1.37%	-	-	-
Entergy Gulf States Inc.	276,420,620	7	1.33%	167,866,040	9	1.46%
Goodyear Tire & Rubber Co.	275,282,930	8	1.32%	211,907,880	8	1.85%
Samson Lone Star LP	232,522,660	9	1.12%	-	-	-
Chevron Phillips Chemical Co.	227,387,640	10	1.09%	430,972,060	4	3.76%
E I Dupont De Nemours	-	-	-	238,616,450	7	2.08%
Equistar Chemicals LP	-	-	-	164,434,430	10	1.43%
TOTAL	\$8,161,343,320		39.25%	\$4,757,809,966		41.49%

Source: Jefferson County Appraisal District.

(b) Amounts shown for these taxpayers do not include assessed values attributable to certain subsidiaries and affiliates which are not grouped on the tax roll with the taxpayers shown.

TABLE 9

**JEFFERSON COUNTY, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 60,806,538	\$ 59,849,203	98.43%	\$ 547,802	\$ 60,397,005	99.33%
2007	65,334,095	63,728,280	97.54%	507,268	64,235,548	98.32%
2008	71,809,524	70,292,662	97.89%	479,066	70,771,728	98.55%
2009	75,782,107	74,434,355	98.22%	-	74,434,355	98.22%

* Reporting began in fiscal year 2006.

TABLE 10

**JEFFERSON COUNTY, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Notes Payable</u>	<u>Capital Leases</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (a)</u>	<u>Per Capita (a)</u>
2006	\$ 79,540,000	\$ 2,648,987	\$ 101,959	\$ 82,290,946	1.20%	\$ 332
2007	75,495,000	2,332,066	52,224	77,879,290	1.09%	\$ 319
2008	71,985,000	2,005,529	-	73,990,529	0.96%	\$ 306
2009	68,325,000	1,669,086	-	69,994,086	0.86%	\$ 289

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

(a) See the Schedule of Demographic and Economics Statistics in Table 14 for personal income and population data.

* Reporting began in fiscal year 2006.

TABLE 11

**JEFFERSON COUNTY, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value (a) of Property</u>	<u>Per Capita (b)</u>
2006	\$ 79,540,000	\$ 337,083	\$ 79,202,917	.055%	\$ 320
2007	75,495,000	318,212	75,176,788	0.45%	308
2008	71,985,000	76,619	71,908,381	0.38%	297
2009	68,325,000	176,339	68,148,661	0.32%	281

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

(a) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property in Table 6 for property value data.

(b) See the Schedule of Demographic and Economics Statistics in Table 14 for population data.

* Reporting began in fiscal year 2006.

TABLE 12

JEFFERSON COUNTY, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
JEFFERSON COUNTY DIRECT DEBT	\$68,325,000	100.0%	\$68,325,000
Total Direct Debt			\$68,325,000
OVERLAPPING DEBT REPAID WITH PROPERTY TAXES:			
CITIES:			
BEAUMONT	123,139,250	100.0%	123,139,250
BEVIL OAKS	-	100.0%	-
GROVES	13,815,000	100.0%	13,815,000
NEDERLAND	19,635,000	100.0%	19,635,000
PORT ARTHUR	77,725,000	100.0%	77,725,000
PORT NECHES	14,805,000	100.0%	14,805,000
SCHOOL DISTRICTS:			
BEAUMONT	304,525,000	100.0%	304,525,000
HAMSHIRE FANNETT	10,363,935	100.0%	10,363,935
HARDIN JEFFERSON	35,805,080	57.3%	20,516,311
NEDERLAND	10,805,000	100.0%	10,805,000
PORT ARTHUR	244,624,755	100.0%	244,624,755
PORT NECHES	138,080,730	100.0%	138,080,730
SABINE PASS	10,735,704	100.0%	10,735,704
PORT DISTRICTS:			
BEAUMONT	18,935,000	100.0%	18,935,000
PORT ARTHUR	41,185,000	100.0%	41,185,000
SABINE PASS	1,325,000	100.0%	1,325,000
DRAINAGE DISTRICTS:			
DRAINAGE DISTRICTS #3	-	100.0%	-
DRAINAGE DISTRICTS #6	-	100.0%	-
DRAINAGE DISTRICTS #7	-	100.0%	-
NAVIGATION DISTRICTS:			
JEFFERSON COUNTY	-	100.0%	-
MUNICIPAL UTILITY DISTRICTS:			
NORTHWEST FOREST	-	100.0%	-
WATER DISTRICTS:			
WATER DISTRICT #10	3,980,000	100.0%	3,980,000
EMERGENCY SERVICE DISTRICTS:			
EMERGENCY SERVICE DISTRICT #1	-	100.0%	-
EMERGENCY SERVICE DISTRICT #2	-	100.0%	-
CONSERVATION DISTRICTS:			
TRINITY BAY	-	100.0%	-
IMPROVEMENT DISTRICT:			
CARDINAL MEADOWS	-	100.0%	-
Total Overlapping Debt			\$1,054,195,685
TOTAL DIRECT AND OVERLAPPING DEBT			\$1,122,520,685

Sources: Debt outstanding data was provided by each of the taxing entities.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Jefferson County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(a) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of taxing entity that is within the County's boundaries and dividing it by the taxing entity's total taxable assessed value.

**JEFFERSON COUNTY, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)**

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 2,637,492	\$ 3,010,290	\$ 3,218,704	\$ 3,293,172	\$ 3,469,794	\$ 3,639,382	\$ 3,502,210	\$ 3,948,502	\$ 4,534,760	\$ 5,060,472
Total net debt applicable to limit	74,028	73,495	87,223	86,262	82,987	82,888	79,203	75,177	71,908	68,149
Legal debt margin	<u>\$ 2,563,464</u>	<u>\$ 2,936,795</u>	<u>\$ 3,131,481</u>	<u>\$ 3,206,910</u>	<u>\$ 3,386,807</u>	<u>\$ 3,556,494</u>	<u>\$ 3,423,007</u>	<u>\$ 3,873,325</u>	<u>\$ 4,462,852</u>	<u>\$ 4,992,323</u>
Total net debt applicable to the limit as a percentage of debt limit	2.81%	2.44%	2.71%	2.62%	2.39%	2.28%	2.26%	1.90%	1.59%	1.35%

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value of Real Property	\$ 20,241,889
Debt limit (25% of assessed value of real property)	5,060,472
Debt applicable to limit:	
General obligation bonds	68,325
Less: Amount set aside for repayment of general obligation debt	<u>176</u>
Total net debt applicable to limit	<u>\$ 68,149</u>
Legal debt margin	<u>\$ 4,992,323</u>

Note: Under Article III, Section 52 of the State Constitution, Jefferson County's outstanding general obligation debt should not exceed 25% of assessed valuation of real property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

TABLE 14

**JEFFERSON COUNTY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (a)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income (b)	Median Age (a)	School Enrollment (a)	Unemployment Rate (b)
2006	247,571	\$ 6,854,993	\$ 27,689	36.5	62,002	6.6%
2007	243,914	\$ 7,152,534	\$ 29,324	36.4	59,776	5.7%
2008	241,975	\$ 7,684,158	\$ 31,756	36.7	62,290	7.3%
2009	242,142	\$ 8,183,189	\$ 33,795	36.5	61,721	10.7%

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Data sources

(a) Bureau of Census

(b) Texas Workforce Commission

* Reporting began in fiscal year 2006.

TABLE 15

**JEFFERSON COUNTY, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2009			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Beaumont ISD	3,000	1	2.93%	2,923	1	2.77%
State of Texas	2,756	2	2.69%	2,906	2	2.75%
Christus Health Southeast Texas	2,348	3	2.29%	2,500	3	2.37%
ExxonMobil Oil Corporation	2,000	4	1.95%	-	-	-
Memorial Hermann Baptist Hospital	1,809	5	1.76%	-	-	-
City of Beaumont	1,510	6	1.47%	1,300	10	1.23%
Port Arthur ISD	1,336	7	1.30%	-	-	-
Wal-Mart Associates	1,270	8	1.24%	-	-	-
Jefferson County	1,262	9	1.23%	-	-	-
Motiva Enterprises	1,058	10	1.03%	-	-	-
McDonald's Restaurants	-	-	-	2,200	4	2.09%
Market Basket Food Stores	-	-	-	2,000	5	1.90%
DuPont Sabine River Works	-	-	-	1,702	6	1.61%
Bayer Corporation	-	-	-	1,600	7	1.52%
Huntsman	-	-	-	1,535	8	1.46%
TDI-Halter, LP	-	-	-	1,500	9	1.42%
TOTAL	18,349		17.89%	20,166		19.12%

Source: Texas Workforce Commission

JEFFERSON COUNTY, TEXAS
FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

<u>Function</u>	<u>Full-time Equivalent Employees as of September 30</u>			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government	169	176	171	180
Judicial & Law Enforcement				
Deputies	114	122	124	131
Detention Officers	222	239	221	240
Others	439	435	436	441
Education & Recreation	14	17	18	18
Health & Welfare	64	55	56	63
Maintenance - Equipment & Structures				
Road & Bridges	59	71	70	69
Engineering	10	9	10	10
Maintenance	31	30	27	30
Southeast Texas Regional Airport	25	23	26	23
Ford Park	125	101	79	22
 TOTAL	 <u>1,272</u>	 <u>1,278</u>	 <u>1,238</u>	 <u>1,227</u>

* Reporting began in fiscal year 2006.

TABLE 17

**JEFFERSON COUNTY, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	FISCAL YEAR			
	2006	2007	2008	2009
Judicial & Law Enforcement				
Courts				
Number of Indigent Cases Heard	2,082	2,839	2,984	2,945
Number of Justice of Peace Cases	47,627	51,416	50,997	43,326
Sheriff				
Number of Arrests	6,147	6,423	6,543	6,404
Number of Citations	1,203	1,242	2,300	1,112
Jail				
Average Daily Population of Inmates	959	1,171	986	899
Constables				
Number of Papers Served	21,209	19,874	15,847	15,954
Education & Recreation				
Library				
Number of Patron Visits	6,129	5,995	6,300	4,002
Health & Welfare				
Health & Welfare				
Number of Patients Seen in Clinic	7,363	8,111	8,310	9,375
Mosquito Control				
Number of Acreage Sprayed	2,613,632	1,386,752	1,393,743	2,175,872
Maintenance - Equipment & Structures				
Road & Bridge				
Road Miles Maintained	368	368	370	370
Airport				
Number of Aircraft Operations	61,856	55,350	32,273	27,891
Number of Enplaned	25,687	25,650	22,126	22,174
Number of Deplaned	26,219	26,117	22,387	21,588
Health Insurance Risk Pool				
Number of Participants in Plan	1,389	1,429	1,490	1,541
Entertainment Complex				
Number of Events	199	160	221	183
Total Attendance	248,639	617,246	280,012	658,337

Sources: Various county departments

Note: Indicators are not available for the general government functions.

* Reporting began in fiscal year 2006.

TABLE 18

**JEFFERSON COUNTY, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	FISCAL YEAR			
	2006	2007	2008	2009
Judicial & Law Enforcement				
Sheriff				
Patrol Units	92	109	119	116
Aviation Units	3	2	3	3
Marine Units	3	3	4	9
Jail				
Dorms	23	23	23	23
Bed Capacity	1,268	1,268	1,268	1,268
Constables				
Patrol Units	29	29	30	31
Education & Recreation				
Library Holdings (ie books, audio, video)	45,378	44,281	46,104	35,549
Health & Welfare				
Mosquito Control				
Mosquito Spray Trucks	8	8	8	8
Weed Control Trucks	2	2	2	2
Aviation Units	3	3	3	3
Maintenance - Equipment & Structures				
Road (miles)	368	368	370	370
Bridges	65	65	65	65
Airport				
Runways (linear feet)	11,820	11,820	11,820	11,820
T-Hangar & Open Span Hangars (square feet)	138,706	154,376	144,276	123,076
Office Space (square feet)	15,055	15,535	14,439	14,426
Entertainment Complex				
Number of venues	5	5	5	5
Softball Fields	12	12	12	12
Exhibit Floor Space (square feet)	153,000	153,000	153,000	153,000
Seating Capacity	23,500	23,500	23,500	23,500

Sources: Various county departments

Note: Indicators are not available for the general government function.

* Reporting began in fiscal year 2006.

