

**GRAYSON COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
SEPTEMBER 30, 2005**

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ANNUAL FINANCIAL REPORT  
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**INTRODUCTORY SECTION**

GRAYSON COUNTY, TEXAS  
PRINCIPAL OFFICIALS  
SEPTEMBER 30, 2005

COMMISSIONERS' COURT

Tim McGraw  
Johnny Waldrip  
David Whitlock  
Carol Shea  
C. E. "Gene" Short

County Judge  
Commissioner, Precinct #1  
Commissioner, Precinct #2  
Commissioner, Precinct #3  
Commissioner, Precinct #4

JUDICIAL

James R. Fry  
Rayburn Nall  
Ray F. Grisham  
James Henderson  
Carol Siebman

Judge, 15th District Court  
Judge, 59th District Court  
Judge, 336th District Court  
Judge, County Court-at-Law  
Judge, County Court-at-Law

LAW ENFORCEMENT

Keith Gary  
Joseph D. Brown  
Denis Cowhig\*  
Bill Bristow\*

County Sheriff  
County Attorney  
Adult Probation Officer  
Juvenile Probation Officer

FINANCIAL ADMINISTRATION

J. Richey Rivers\*  
Virginia Hughes  
John Ramsey

County Auditor  
County Treasurer  
Tax Assessor/Collector

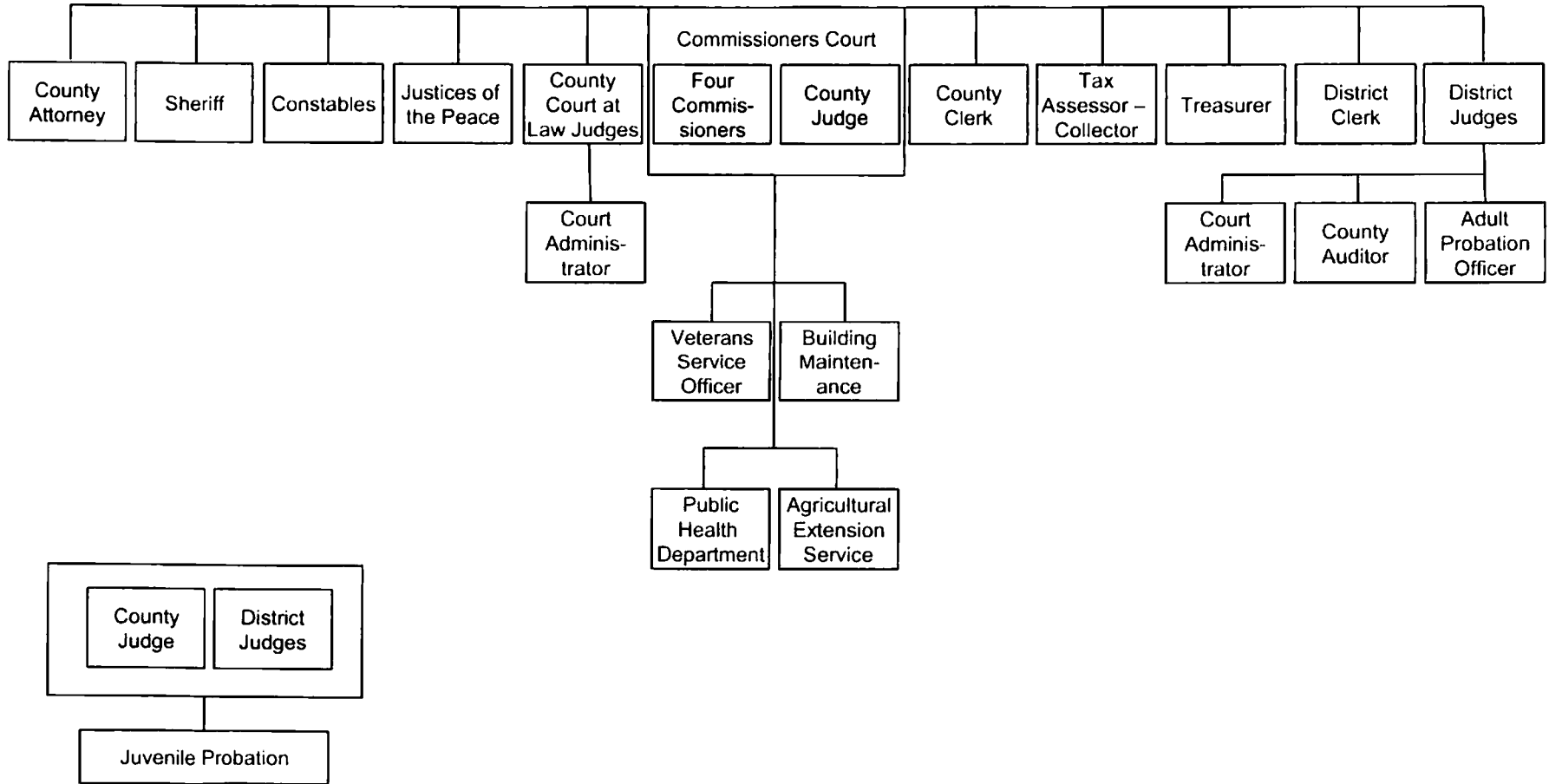
RECORDING OFFICIALS

Cynthia A. Mathis-Spencer  
Wilma Blackshear-Bush

District Clerk  
County Clerk

\*Designates appointed officials. All others listed are elected officials.

# GRAYSON COUNTY ORGANIZATION CHART





**FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

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Suite 308  
Fort Worth, Texas  
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To the Honorable Commissioners' Court  
Grayson 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 Grayson County, Texas as of and for the year ended September 30, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Grayson County, Texas' management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Grayson County as of September 30, 2004 were audited by other auditors whose report dated February 11, 2005, expressed an unqualified opinion on those statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Grayson County, Texas, as of September 30, 2005, and the respective changes in financial position and cash flows, thereof and the respective budgetary comparisons for the General Fund and major Special Revenue Funds 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 our report dated March 17, 2006, on our consideration of Grayson County, Texas' 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 reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Grayson County, Texas' basic financial statements. The introductory section, combining and individual nonmajor fund financial schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Stovall, Grandey & Allen, LLP*

STOVALL, GRANDEY & ALLEN, LLP

Fort Worth, Texas

March 17, 2006

# GRAYSON COUNTY, TEXAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2005

As management of Grayson County, Texas, we offer readers of Grayson County's financial statements this narrative overview and analysis of the financial activities of Grayson County, Texas for the fiscal year ended September 30, 2005.

### FINANCIAL HIGHLIGHTS

- The assets of Grayson County exceeded its liabilities at the close of the most recent fiscal year by \$64,902,413 (net assets). Of this amount, \$13,445,222 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$675,765. Income exceeded expenses by \$405,306 and a prior period adjustment increased net assets an additional \$270,459. As the County's total net assets exceed \$64 million, this change is only 1%, and is not considered significant since non-cash expenses such as depreciation amounted to \$3,886,778.
- As of the close of the current fiscal year, Grayson County's governmental funds reported combined ending fund balances of \$17.6 million, an increase of \$942 thousand in comparison with the prior year. Of the total fund balance, \$10.1 million is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$7.1 million, or 30% of total General Fund expenditures.
- Grayson County's total debt decreased by \$381,102 during the fiscal year. The key factor was the continued repayment of bonded indebtedness and capital leases.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of Grayson County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of Grayson County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decrease in net assets may serve as a useful indicator of how the financial position of Grayson County is changing.

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

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

The government-wide financial statements can be found on pages 1-3 of this report.

### **Fund Financial Statements**

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's long-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Grayson County maintains 35 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road and Bridge Fund, Public Health Fund, and Right-of-Way Acquisition Fund, all of which are considered to be major funds. Data from the other 31 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 4-21 of this report.

**Proprietary Funds** - Grayson County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Grayson County uses an enterprise fund to account for its airport operation. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among Grayson County's various functions. Grayson County uses an Internal Service Fund to account for its employee health insurance program. Because this service predominantly benefits governmental rather than business-type functions, it has 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. The proprietary fund financial statements provide information for the airport operation. Individual fund data for the Internal Service Fund is provided in the form of combining schedules elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 22 to 24 of this report.

## Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-49 of this report.

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other information. The combining schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund schedules can be found on pages 50 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the County's financial position. In the case of Grayson County, assets exceeded liabilities by \$65 million, at the close of the most recent fiscal year.

By far, the largest portion of Grayson County's net assets (67 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Grayson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Grayson County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### GRAYSON COUNTY'S NET ASSETS

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Current and other assets	\$ 22,601,847	\$ 21,536,513	\$ 276,468	\$ 165,245	\$ 22,878,315	\$ 21,701,758
Capital assets	43,423,496	45,093,727	2,775,539	2,788,153	46,199,035	47,881,880
Total assets	<u>66,025,343</u>	<u>66,630,240</u>	<u>3,052,007</u>	<u>2,953,398</u>	<u>69,077,350</u>	<u>69,583,638</u>
Other liabilities	1,909,188	2,197,814	39,125	59,235	1,948,313	2,257,049
Long-term liabilities	2,208,724	3,077,566	17,900	22,375	2,226,624	3,099,941
Total liabilities	<u>4,117,912</u>	<u>5,275,380</u>	<u>57,025</u>	<u>81,610</u>	<u>4,174,937</u>	<u>5,356,990</u>
Net assets:						
Invested in capital assets, net of related debt	40,929,054	42,004,414	2,775,538	2,788,153	43,704,592	44,792,567
Restricted	7,482,140	11,241,364	-	-	7,482,140	11,241,364
Unrestricted	13,496,237	8,109,082	219,444	83,635	13,715,681	8,192,717
Total net assets	<u>\$ 61,907,431</u>	<u>61,354,860</u>	<u>\$ 2,994,982</u>	<u>\$ 2,871,788</u>	<u>\$ 64,902,413</u>	<u>\$ 64,226,648</u>

A portion of Grayson County's governmental net assets (12 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net asset (\$13.4 million) may be used to meet the government's ongoing obligations to citizens and creditors.

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

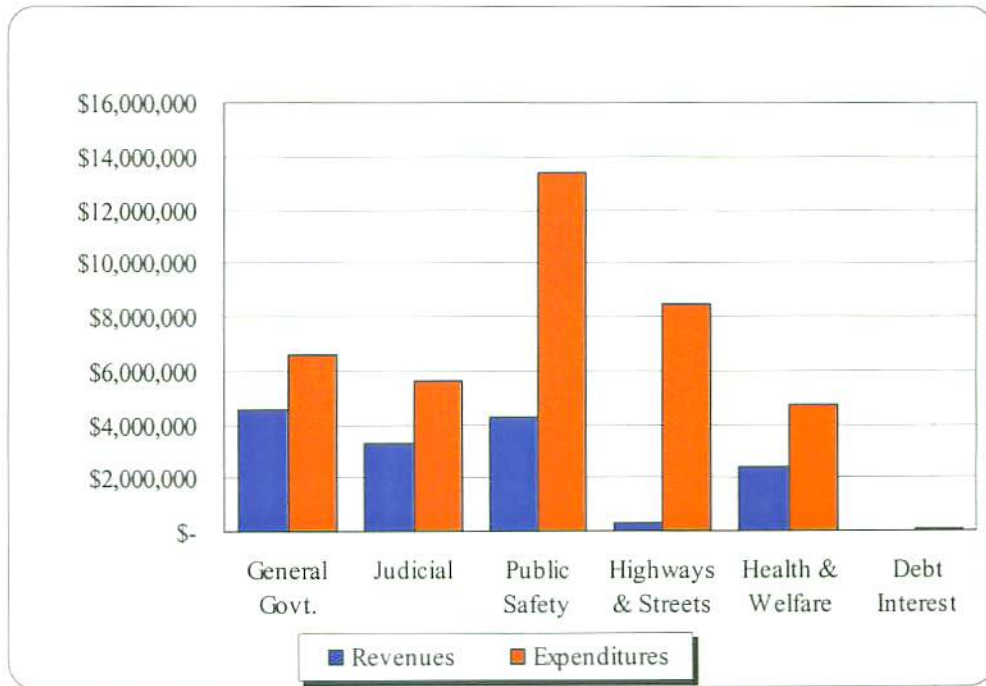
The County's revenues exceeded expenses by \$405,306 (less than one percent) during the current fiscal year. Changes in net assets are summarized as follows:

**GRAYSON COUNTY'S CHANGES IN NET ASSETS**

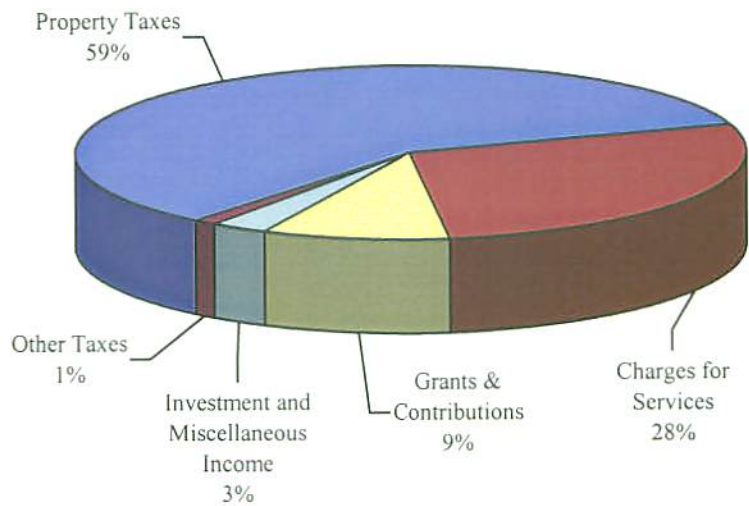
	Governmental Activities		Business-type Activities		Totals	
	2005	2004	2005	2004	2005	2004
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 11,085,429	\$ 11,103,472	\$ 672,472	\$ 607,202	\$ 11,757,901	\$ 11,710,674
Operating grants and contributions	3,698,538	2,455,792	65,726	30,168	3,764,264	2,485,960
Capital grants and contributions	-	154,817	-	-	-	154,817
<b>General revenues:</b>						
Property taxes	23,395,465	22,456,579	-	-	23,395,465	22,456,579
Other taxes	474,650	521,067	-	17,097	474,650	538,164
Investment earnings	574,021	-	3,371	-	577,392	-
Gain on sale of assets	59,214	-	-	-	59,214	-
Insurance proceeds	17,151	-	-	-	17,151	-
Miscellaneous revenue	42,351	-	108,282	-	150,633	-
<b>Total revenues</b>	<b>39,346,819</b>	<b>36,691,727</b>	<b>849,851</b>	<b>654,467</b>	<b>40,196,670</b>	<b>37,346,194</b>
<b>Expenses:</b>						
General government	6,604,091	5,998,855	-	-	6,604,091	5,998,855
Judicial	5,638,614	4,920,475	-	-	5,638,614	4,920,475
Public safety	13,396,242	13,099,393	-	-	13,396,242	13,099,393
Health and welfare	4,730,788	5,488,487	-	-	4,730,788	5,488,487
Highways and streets	8,427,785	7,722,154	-	-	8,427,785	7,722,154
Interest on long-term debt	106,299	127,838	-	-	106,299	127,838
Airport	-	-	887,545	912,412	887,545	912,412
	<b>38,903,819</b>	<b>37,357,202</b>	<b>887,545</b>	<b>912,412</b>	<b>39,791,364</b>	<b>38,269,614</b>
Increase (decrease) in net assets before transfers	443,000	(665,475)	(37,694)	(257,945)	405,306	273,426
Transfers In (Out)	(160,888)	(212,593)	160,888	212,593	-	-
<b>Change in net assets</b>	<b>282,112</b>	<b>(878,068)</b>	<b>123,194</b>	<b>(45,352)</b>	<b>405,306</b>	<b>(923,420)</b>
Net assets, beginning	61,354,860	62,232,928	2,871,788	2,917,140	64,226,648	65,150,068
Prior period adjustment	270,459	-	-	-	270,459	-
<b>Net assets, ending</b>	<b>\$ 61,907,431</b>	<b>\$ 61,354,860</b>	<b>\$ 2,994,982</b>	<b>\$ 2,871,788</b>	<b>64,902,413</b>	<b>\$ 64,226,648</b>

Property tax revenues accounted for approximately fifty-nine percent of revenues for governmental activities. The next largest segment of revenues came from charges for services, which accounted for twenty-eight percent of total governmental revenues, with grants and contributions accounting for approximately nine percent of total governmental revenues.

**Expenses and Program Revenues – Governmental Activities**



**Revenues by Source – Governmental Activities**



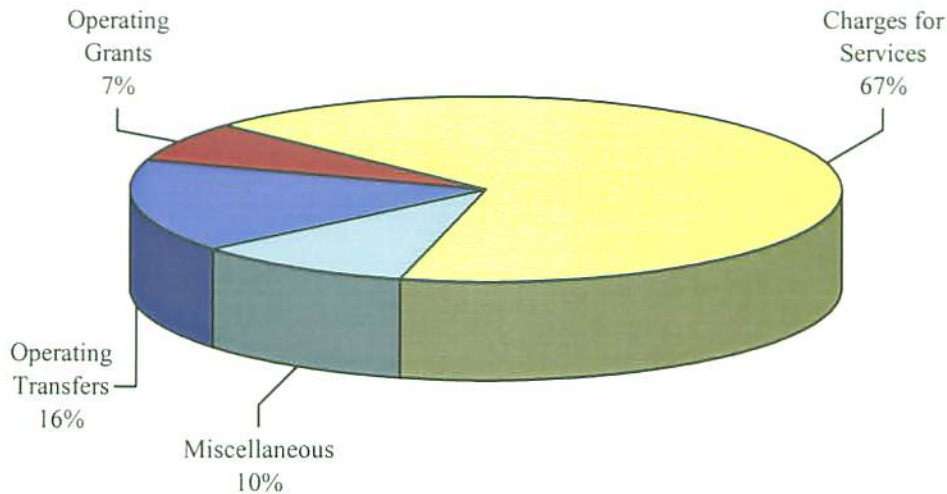


## Business-type activities

Business-type activities increased Grayson's net assets by \$123,194, which was primarily a result of increases in operating revenues.

The business-type activity of the County is the operation of a regional airport. Sixty-seven percent of airport operations is funded by tenant payments for rental of industrial and aircraft facilities. Operating grants comprise another eleven percent, and transfers from the General Fund to support the airport fire operations account for sixteen percent of revenues.

Revenues by Source - Business-type Activities



## Financial Analysis of Grayson County's Funds

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

### Governmental Funds

The focus of Grayson County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Grayson 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, Grayson County's governmental funds reported combined ending fund balances of \$17.6 million, an increase of \$942 thousand in comparison with the prior year. Approximately 58 percent of this total amount (\$10.1 million) constitutes unrestricted fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has committed to pay debt service (\$36 thousand), road and bridge expenditures (\$2.1 million), capital project expenditures (\$5.2 million) or fund a special purpose trust (\$60 thousand).

The General Fund is the chief operating fund of Grayson County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$7.1 million. As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. At September 30, 2005, unreserved fund balance represents 30 percent of total General Fund expenditures.

The fund balance of Grayson County's General Fund increased by \$792 thousand during the current fiscal year. The key factor in this growth comes from increased property tax collections (current, delinquent, and penalties) resulting from continued growth in the tax base.

The debt service fund has a total fund balance of \$36 thousand, all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$35 thousand.

Proprietary Funds

Grayson County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Airport at the end of the year amounted to \$2.9 million. The total increase in net assets for the fund was \$123 thousand. Airport operations and transfers from the County's General Fund (\$161 thousand) resulted in this increase. Other factors concerning the finances of this fund have already been addressed in the discussion of Grayson County's business-type activities.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original budget and the final amended budget were significant (\$1.6 million increase in appropriations), with the most significant items being increases in non-departmental expenses (\$350 thousand), District Court expenses (\$398 thousand), and District Clerk expenses (\$94 thousand)

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

Grayson County's investment in capital assets for its governmental and business-type activities as of September 30, 2005, amounts to \$46.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, and bridges.

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

- Purchase of several law enforcement and road maintenance vehicles;
- Computer and telephone equipment in various departments; and
- Upgrades of County roads.

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

	Governmental Activities		Business-type Activities		Totals	
	2005	2004	2005	2004	2005	2004
Land	\$ 1,251,581	\$ 1,251,581	\$ 2,645,500	\$ 2,645,500	\$ 3,897,081	\$ 3,897,081
Infrastructure	29,609,574	31,448,326	-	-	29,609,574	31,448,326
Buildings	8,142,216	8,398,504	94,141	106,145	8,236,357	8,504,649
Machinery and equipment	4,060,833	3,985,454	35,897	36,508	4,096,730	4,021,962
Improvements other than buildings	260,788	9,862	-	-	260,788	9,862
Construction in progress	98,504	-	-	-	98,504	-
<b>Total Capital Assets</b>	<b>\$ 43,423,496</b>	<b>\$ 45,093,727</b>	<b>\$ 2,775,538</b>	<b>\$ 2,788,153</b>	<b>\$ 46,199,034</b>	<b>\$ 47,881,880</b>

Additional information on Grayson County's capital assets can be found in Note IV on pages 38 and 39 of this report.

### Long-term Debt

At the end of the current fiscal year, Grayson County had total bonded debt of \$1.1 million. The debt service payments on this amount are funded through property taxes assessed annually. Additionally, the County was liable for capital lease payments in the amount of \$1.1 million which is backed by the full faith and credit of the government.

### Grayson County's Outstanding Debt

	Governmental Activities	
	2005	2004
Bonds Payable	\$ 1,155,000	\$ 1,260,000
Capital Leases Payable	1,068,983	1,295,538
Total Bonds and Leases Payable	\$ 2,223,983	\$ 2,555,538

Grayson County's total indebtedness decreased during the current fiscal year due to annual debt payments made as scheduled.

Grayson County's bonded debt consists of \$1,600,000 of taxable permanent improvement bonds issued in 1994 to finance the addition to the existing jail. The original bond issue was payable over a 20 year period, but was not callable until after the first 10 years of the bonds had been paid (2004). Because there has been a considerable drop in interest rates, refinancing the callable portion of the bonds was done during fiscal year 2003, resulting in a significant drop in rates, and savings to the taxpayer.

Additional information on Grayson County's long-term debt can be found in Note IV on pages 42-44 of this report.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for Grayson County in September 2005 is 5.0 percent, which is a decrease from a rate of 5.6 percent a year ago. This rate is comparable to the state's average unemployment rate of 5.2 percent and the national average of 5.1 percent.
- Inflationary trends in the region compare favorably to national indices.
- The continued growth northward from the Dallas area will continue to put demands on all aspects of county government.

During the current fiscal year, unreserved fund balance in the general fund increased to \$7,119,098. For accounting and budgeting purposes, the Commissioners' Court has separated the General Fund into three separate, and identifiable funds. Daily operations of the County are paid from the primary fund, which comprises \$6,111,265 of the available fund balance. A separate fund represents funds that are derived from the difference of the revenue generated from housing federal inmates in the County jail, and the cost to house Grayson County inmates in other contracted locations. At September 30, this represented \$180,000. Due to the uncertain nature of these funds, they are to be used for large, one-time purchases, rather than to fund ongoing operations. A third portion of the General Fund comes from the State of Texas' settlement of a lawsuit against the tobacco industry. The Commissioners' Court has set these funds aside to fund the ongoing operations of the Health Department, as far as costs are not covered by state or federal grants, and user charges. At September 30, this amount represented \$827,833 of the fund balance. For reporting purposes, these amounts are all combined into a single amount.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Grayson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Grayson County Auditor, 100 West Houston Street, Sherman, Texas 75090.

**BASIC FINANCIAL STATEMENTS**

GRAYSON COUNTY, TEXAS  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2005

	Primary Government		Total
	Governmental Activities	Business Type Activities	
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,191,529	\$ 1,434	\$ 1,192,963
Investments - Current	16,648,084	213,510	16,861,594
Receivables (net of allowance for uncollectibles)	4,475,263	25,637	4,500,900
Internal Balances	(35,888)	35,888	-
Due from Others	231,558	-	231,558
Prepaid Items	1,292	-	1,292
Capitalized Debt Issuance Costs	90,009	-	90,009
Capital Assets:			
Land	1,251,581	2,645,500	3,897,081
Infrastructure	98,622,377	14,667,933	113,290,310
Buildings	17,527,075	5,164,647	22,691,722
Improvements other than Buildings	403,298	-	403,298
Machinery and Equipment	12,562,397	324,491	12,886,888
Accumulated Depreciation	(87,041,736)	(20,027,033)	(107,068,769)
Construction in Progress	98,504	-	98,504
Total Assets	<u>66,025,343</u>	<u>3,052,007</u>	<u>69,077,350</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	1,405,787	53,131	1,458,918
Accrued Interest Payable	18,097	-	18,097
Unearned Revenue	-	3,894	3,894
Noncurrent Liabilities			
Due Within One Year	485,304	-	485,304
Due in More Than One Year	2,208,724	-	2,208,724
Total Liabilities	<u>4,117,912</u>	<u>57,025</u>	<u>4,174,937</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	41,199,513	2,775,538	43,975,051
Restricted for:			
Debt Service	36,292	-	36,292
Purpose of Trust	59,558	-	59,558
Road & Bridge	2,107,885	-	2,107,885
Capital Projects	5,278,405	-	5,278,405
Unrestricted Net Assets	13,225,778	219,444	13,445,222
Total Net Assets	<u>\$ 61,907,431</u>	<u>\$ 2,994,982</u>	<u>\$ 64,902,413</u>

The accompanying notes are an integral part of this statement.

GRAYSON COUNTY, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
<b>Primary Government:</b>			
<b>GOVERNMENTAL ACTIVITIES:</b>			
General Government	\$ 6,604,091	\$ 4,375,531	\$ 219,540
Judicial	5,638,614	2,673,496	611,740
Public Safety	13,396,242	3,229,216	1,004,379
Highways, Streets and Bridges	8,427,785	73,018	224,711
Health and Welfare	4,730,788	734,168	1,638,168
Debt Interest	106,299	-	-
Total Governmental Activities:	38,903,819	11,085,429	3,698,538
<b>BUSINESS-TYPE ACTIVITIES:</b>			
Grayson County Airport	887,545	672,472	65,726
Total Business-Type Activities:	887,545	672,472	65,726
<b>TOTAL PRIMARY GOVERNMENT:</b>	\$ 39,791,364	\$ 11,757,901	\$ 3,764,264

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

Penalty and Interest

Miscellaneous Revenue

Investment Earnings

Gain on Sale of Capital Assets

Insurance Proceeds

Transfers In (Out)

Total General Revenues, Special Items, and Transfers

Change in Net Assets

Net Assets--Beginning

Prior Period Adjustment

Net Assets--Ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and  
Changes in Net Assets

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (2,009,020)	\$ -	\$ (2,009,020)
(2,353,378)	-	(2,353,378)
(9,162,647)	-	(9,162,647)
(8,130,056)	-	(8,130,056)
(2,358,452)	-	(2,358,452)
(106,299)	-	(106,299)
(24,119,852)	-	(24,119,852)
-	(149,347)	(149,347)
-	(149,347)	(149,347)
(24,119,852)	(149,347)	(24,269,199)
23,277,692	-	23,277,692
117,773	-	117,773
474,650	-	474,650
42,351	108,282	150,633
574,021	3,371	577,392
59,214	-	59,214
17,151	-	17,151
(160,888)	160,888	-
24,401,964	272,541	24,674,505
282,112	123,194	405,306
61,354,860	2,871,788	64,226,648
270,459	-	270,459
\$ 61,907,431	\$ 2,994,982	\$ 64,902,413

GRAYSON COUNTY, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2005

	General Fund	Road & Bridge Fund	Public Health Fund
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 723,455	\$ 154,070	\$ -
Investments - Current	6,931,624	2,105,354	-
Interest Receivable - investments	6,797	1,289	-
Taxes Receivable	1,657,279	122,696	-
Other Receivables	22,821	-	8,903
Intergovernmental Receivables	-	-	214,838
Due from Other Funds	-	-	250,639
Due from Others	231,558	-	-
Prepaid Items	1,292	-	-
<b>Total Assets</b>	<b>\$ 9,574,826</b>	<b>\$ 2,383,409</b>	<b>\$ 474,380</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Cash Deficit	\$ -	\$ -	\$ 47,092
Accounts Payable	555,639	164,052	90,203
Due to Other Funds	286,527	-	-
Due to Others	97,458	-	30,028
Deferred Revenues	1,516,104	111,472	-
<b>Total Liabilities</b>	<b>2,455,728</b>	<b>275,524</b>	<b>167,323</b>
<b>Fund Balances:</b>			
<b>Reserved For:</b>			
Debt Service	-	-	-
Purpose of Trust	-	-	-
Road & Bridge	-	2,107,885	-
Capital Projects	-	-	-
<b>Unreserved Designated For:</b>			
Specific Purposes	-	-	307,057
Capital Projects	-	-	-
<b>Unreserved and Undesignated:</b>			
Reported in the General Fund	7,119,098	-	-
<b>Total Fund Balances</b>	<b>7,119,098</b>	<b>2,107,885</b>	<b>307,057</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 9,574,826</b>	<b>\$ 2,383,409</b>	<b>\$ 474,380</b>

The accompanying notes are an integral part of this statement.



Right-of-Way Acquisition Fund	Other Funds	Total Governmental Funds
\$ 1,432	\$ 590,507	\$ 1,469,464
5,332,837	2,277,482	16,647,297
1,562	1,054	10,702
-	25,235	1,805,210
-	89,821	121,545
-	454,801	669,639
-	312	250,951
-	-	231,558
-	-	1,292
<u>\$ 5,335,831</u>	<u>\$ 3,439,212</u>	<u>\$ 21,207,658</u>
-	210,698	257,790
57,426	410,202	1,277,522
-	312	286,839
-	-	127,486
-	22,973	1,650,549
<u>\$ 57,426</u>	<u>\$ 644,185</u>	<u>\$ 3,600,186</u>
-	36,292	36,292
-	59,558	59,558
-	-	2,107,885
5,278,405	-	5,278,405
-	2,026,837	2,333,894
-	672,340	672,340
-	-	7,119,098
<u>\$ 5,278,405</u>	<u>\$ 2,795,027</u>	<u>\$ 17,607,472</u>
<u>\$ 5,335,831</u>	<u>\$ 3,439,212</u>	<u>\$ 21,207,658</u>

GRAYSON COUNTY, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET ASSETS  
SEPTEMBER 30, 2005

<b>Total Fund Balances - Governmental Funds</b>	\$	17,607,472
<p>The County uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. The net effect of this consolidation is to decrease net assets.</p>		
		(16,237)
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$129,350,494 and the accumulated depreciation was \$84,256,767. In addition, long-term liabilities, including bonds payable of \$1,260,000, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net assets.</p>		
		42,016,161
<p>Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2005 capital outlays and debt principal payments is to increase net assets.</p>		
		2,271,745
<p>The 2005 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net assets.</p>		
		(3,863,229)
<p>Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net assets.</p>		
		3,621,060
<p>Prior period adjustments were recorded to increase long-term debt payable (\$49,547) and decrease accumulated depreciation for machinery and equipment (\$320,006). The net effect of these adjustments was to increase net assets.</p>		
		270,459
<b>Net Assets of Governmental Activities</b>	<b>\$</b>	<b>61,907,431</b>

The accompanying notes are an integral part of this statement.

GRAYSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	General Fund	Road & Bridge Fund	Public Health Fund
<b>REVENUES:</b>			
Taxes:			
Property Taxes	\$ 21,299,333	\$ 1,524,844	\$ -
Other Taxes	168,085	-	-
Penalty and Interest on Taxes	375,099	29,561	-
Licenses and Permits	154,816	-	-
Intergovernmental Revenue and Grants	1,942,339	152,907	1,441,720
Fees	-	2,123,696	624,483
Fees of Office	2,474,323	-	-
Fines and Forfeits	100,210	1,592,049	-
Investment Earnings	312,186	81,344	-
Other Revenue	302,621	69,469	8,179
<b>Total Revenues</b>	<b>27,129,012</b>	<b>5,573,870</b>	<b>2,074,382</b>
<b>EXPENDITURES:</b>			
Current:			
General Government	5,418,928	-	-
Judicial	5,104,962	-	-
Public Safety	11,585,039	-	-
Highways, Streets and Bridges	-	5,592,545	-
Health and Welfare	1,541,831	-	3,197,283
Debt Service:			
Debt Principal	141,135	91,523	-
Debt Interest	30,570	7,756	-
Miscellaneous Fees	-	-	-
<b>Total Expenditures</b>	<b>23,822,465</b>	<b>5,691,824</b>	<b>3,197,283</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,306,547</b>	<b>(117,954)</b>	<b>(1,122,901)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Sale of Real and Personal Property	16,864	35,529	-
Transfers In	-	200,000	1,335,611
Insurance Proceeds	17,151	-	-
Transfers Out (Use)	(2,547,747)	(200,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,513,732)</b>	<b>35,529</b>	<b>1,335,611</b>
Net Change in Fund Balances	792,815	(82,425)	212,710
Fund Balance - October 1 (Beginning)	6,326,283	2,190,310	94,347
Fund Balance - September 30 (Ending)	<b>\$ 7,119,098</b>	<b>\$ 2,107,885</b>	<b>\$ 307,057</b>

The accompanying notes are an integral part of this statement.

Right-of-Way Acquisition Fund	Other Funds	Total Governmental Funds
\$ -	\$ 474,515	\$ 23,298,692
-	-	168,085
-	7,409	412,069
-	-	154,816
-	1,759,136	5,296,102
-	1,004,288	3,752,467
-	826,021	3,300,344
-	-	1,692,259
111,660	68,831	574,021
-	132,228	512,497
<u>111,660</u>	<u>4,272,428</u>	<u>39,161,352</u>
-	895,460	6,314,388
-	852,197	5,957,159
-	1,985,160	13,570,199
438,864	52,143	6,083,552
-	9,138	4,748,252
-	149,762	382,420
-	58,337	96,663
-	333	333
<u>438,864</u>	<u>4,002,530</u>	<u>37,152,966</u>
<u>(327,204)</u>	<u>269,898</u>	<u>2,008,386</u>
-	24,472	76,865
-	71,629	1,607,240
-	-	17,151
-	(20,381)	(2,768,128)
-	75,720	(1,066,872)
<u>(327,204)</u>	<u>345,618</u>	<u>941,514</u>
<u>5,605,609</u>	<u>2,449,409</u>	<u>16,665,958</u>
<u>\$ 5,278,405</u>	<u>\$ 2,795,027</u>	<u>\$ 17,607,472</u>

GRAYSON COUNTY, TEXAS  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	941,514
 The County uses some internal service funds to charge the costs of certain activities primarily to the governmental funds. The net income of these internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net assets.		797,951
 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2005 capital outlays and debt principal payments is to increase net assets.		2,271,745
 Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.		(3,863,229)
 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net assets.		134,131
 <b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b>282,112</b>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property - current	\$ 20,645,130	\$ 20,645,130	\$ 20,733,743	\$ 88,613
Property - delinquent	450,000	450,000	565,590	115,590
Penalties and interest	325,000	325,000	375,099	50,099
Licenses and permits	155,000	155,000	154,816	(184)
Fees of office	2,391,200	2,396,200	2,474,323	78,123
Fines and forfeitures	20,000	20,000	100,210	80,210
Other taxes	160,000	160,000	168,085	8,085
Intergovernmental	2,169,480	2,169,480	1,942,339	(227,141)
Interest	115,000	115,000	312,186	197,186
Miscellaneous	323,500	323,500	302,621	(20,879)
Total revenues	<u>26,754,310</u>	<u>26,759,310</u>	<u>27,129,012</u>	<u>369,702</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
Commissioners' Court				
Personnel services	130,256	131,596	134,814	(3,218)
Supplies and materials	2,750	2,750	1,974	776
Other services and charges	14,600	14,600	15,918	(1,318)
Total commissioners' court	<u>147,606</u>	<u>148,946</u>	<u>152,706</u>	<u>(3,760)</u>
County Judge				
Personnel services	156,096	156,096	147,735	8,361
Supplies and materials	3,600	3,600	5,392	(1,792)
Other services and charges	89,800	89,800	55,749	34,051
Total county judge	<u>249,496</u>	<u>249,496</u>	<u>208,876</u>	<u>40,620</u>
County Clerk				
Personnel services	479,617	493,175	486,428	6,747
Supplies and materials	23,850	23,850	21,839	2,011
Other services and charges	21,600	16,600	14,705	1,895
Total county clerk	<u>525,067</u>	<u>533,625</u>	<u>522,972</u>	<u>10,653</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES, continued</b>				
<b>GENERAL GOVERNMENT, continued</b>				
<b>Veterans Service</b>				
Personnel services	\$ 97,480	\$ 98,970	\$ 97,636	\$ 1,334
Supplies and materials	800	800	573	227
Other services and charges	5,900	5,900	4,862	1,038
Total veterans service	<u>104,180</u>	<u>105,670</u>	<u>103,072</u>	<u>2,598</u>
<b>Data Processing</b>				
Personnel services	258,971	264,401	259,611	4,790
Supplies and materials	162,180	160,580	95,191	65,389
Other services and charges	284,630	269,630	261,111	8,519
Capital outlay	225,000	225,000	33,017	191,983
Total data processing	<u>930,781</u>	<u>919,611</u>	<u>648,930</u>	<u>270,681</u>
<b>Planning</b>				
Personnel services	58,590	59,572	58,102	1,470
Supplies and materials	1,500	1,500	1,430	70
Other services and charges	15,550	15,550	10,278	5,272
Total planning	<u>75,640</u>	<u>76,622</u>	<u>69,810</u>	<u>6,812</u>
<b>Human Resources</b>				
Personnel services	108,156	109,574	109,386	189
Supplies and materials	3,125	3,125	3,848	(723)
Other services and charges	8,250	8,250	7,353	897
Total human resources	<u>119,531</u>	<u>120,949</u>	<u>120,586</u>	<u>363</u>
<b>Non-departmental</b>				
Supplies and materials	2,500	2,500	21,661	(19,161)
Other services and charges	541,700	891,700	826,580	65,120
Total non-departmental	<u>544,200</u>	<u>894,200</u>	<u>848,241</u>	<u>45,959</u>
<b>County Auditor</b>				
Personnel services	296,706	301,616	298,242	3,374
Supplies and materials	6,800	6,800	6,878	(78)
Other services and charges	4,400	4,400	7,470	(3,070)
Total county auditor	<u>307,906</u>	<u>312,816</u>	<u>312,590</u>	<u>226</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES, continued</b>				
<b>GENERAL GOVERNMENT, continued</b>				
<b>County Treasurer</b>				
Personnel services	120,114	122,073	120,517	1,556
Supplies and materials	5,850	5,850	6,256	(406)
Other services and charges	28,960	18,960	12,887	6,073
Total county treasurer	<u>154,924</u>	<u>146,883</u>	<u>139,660</u>	<u>7,223</u>
<b>County Tax Collector</b>				
Personnel services	599,015	612,351	599,795	12,556
Supplies and materials	65,500	59,500	42,670	16,830
Other services and charges	403,700	43,800	34,894	8,906
Total county tax collector	<u>1,068,215</u>	<u>715,651</u>	<u>677,359</u>	<u>38,292</u>
<b>Vehicle Registration</b>				
Personnel services	413,052	422,292	394,955	27,337
Supplies and materials	22,100	22,100	18,134	3,966
Other services and charges	9,500	9,500	7,585	1,915
Total vehicle registration	<u>444,652</u>	<u>453,892</u>	<u>420,675</u>	<u>33,217</u>
<b>Purchasing Agent</b>				
Personnel services	150,874	153,762	153,302	460
Supplies and materials	2,800	2,800	1,527	1,273
Other services and charges	7,350	7,350	6,770	580
Total purchasing agent	<u>161,024</u>	<u>163,912</u>	<u>161,598</u>	<u>2,314</u>
<b>Courthouse - Justice Center</b>				
Personnel services	228,634	242,664	231,666	10,998
Supplies and materials	83,200	83,200	95,704	(12,504)
Other services and charges	400,500	400,500	409,215	(8,715)
Capital outlay	22,500	22,500	6,885	15,615
Total courthouse - justice center	<u>734,834</u>	<u>748,864</u>	<u>743,470</u>	<u>5,394</u>

The accompanying notes are an integral part of this statement.



**GRAYSON COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES, continued</b>				
<b>GENERAL GOVERNMENT, continued</b>				
<b>Parks Department</b>				
Supplies and materials	1,500	1,500	-	1,500
Other services and charges	35,950	35,950	33,939	2,011
Capital outlay	4,000	-	-	-
Total parks department	<u>41,450</u>	<u>37,450</u>	<u>33,939</u>	<u>3,511</u>
<b>Agricultural Extension</b>				
Personnel services	62,859	120,390	53,261	67,129
Supplies and materials	2,850	2,850	3,076	(226)
Other services and charges	20,950	20,950	18,259	2,691
Total agricultural extension	<u>86,659</u>	<u>144,190</u>	<u>74,595</u>	<u>69,595</u>
<b>Home Demonstration</b>				
Personnel services	56,549	-	52,092	(52,092)
Total home demonstration	<u>56,549</u>	<u>-</u>	<u>52,092</u>	<u>(52,092)</u>
<b>Elections</b>				
Personnel services	48,600	48,600	41,810	6,790
Other services and charges	45,000	45,000	47,054	(2,054)
Capital outlay	52,800	52,800	-	52,800
Total elections	<u>146,400</u>	<u>146,400</u>	<u>88,864</u>	<u>57,536</u>
<b>Intergovernmental</b>				
Other charges and services	39,541	39,895	38,893	1,002
	<u>39,541</u>	<u>39,895</u>	<u>38,893</u>	<u>1,002</u>
Total General Government	<u>5,938,655</u>	<u>5,959,072</u>	<u>5,418,928</u>	<u>540,144</u>
<b>JUDICIAL</b>				
<b>County Courts-at-Law</b>				
Personnel services	472,279	507,812	500,937	6,875
Supplies and materials	9,500	9,500	8,098	1,402
Other services and charges	308,100	356,100	337,862	18,238
Total County Courts-at-Law	<u>789,879</u>	<u>873,412</u>	<u>846,897</u>	<u>26,515</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget - Positive (Negative)
<b>EXPENDITURES, continued</b>				
<b>JUDICIAL, continued</b>				
<b>District Courts</b>				
Personnel services	353,509	452,087	447,736	4,351
Supplies and materials	21,650	24,650	24,461	189
Other services and charges	730,625	1,069,761	957,570	112,191
Capital outlay	3,000	-	-	-
Total district courts	<u>1,108,784</u>	<u>1,546,498</u>	<u>1,429,767</u>	<u>116,731</u>
<b>District Clerk</b>				
Personnel services	483,279	494,081	478,328	15,753
Supplies and materials	81,380	81,380	72,492	8,888
Other services and charges	161,625	160,425	153,320	7,105
Capital outlay	-	84,055	69,650	14,405
Total district clerk	<u>726,284</u>	<u>819,941</u>	<u>773,790</u>	<u>46,151</u>
<b>Justice of the Peace</b>				
Personnel services	472,712	484,129	477,915	6,214
Supplies and materials	17,245	17,245	14,253	2,992
Other services and charges	129,900	129,900	137,890	(7,990)
Total justice of the peace	<u>619,857</u>	<u>631,274</u>	<u>630,058</u>	<u>1,216</u>
<b>Court Administrator</b>				
Personnel services	155,950	49,477	49,474	3
Supplies and materials	3,150	3,150	2,783	367
Other services and charges	4,850	4,850	2,443	2,407
Total court administrator	<u>163,950</u>	<u>57,477</u>	<u>54,700</u>	<u>2,777</u>
<b>County Attorney</b>				
Personnel services	1,262,242	1,283,846	1,233,533	50,313
Supplies and materials	47,300	47,300	47,283	17
Other services and charges	37,150	167,150	39,251	127,899
Total County attorney	<u>1,346,692</u>	<u>1,498,296</u>	<u>1,320,066</u>	<u>178,230</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES, continued</b>				
<b>JUDICIAL, continued</b>				
<b>Court Collections</b>				
Personnel services	39,412	40,394	44,506	(4,112)
Supplies and materials	4,750	4,750	3,206	1,544
Other services and charges	4,250	4,250	1,972	2,278
Total court collections	<u>48,412</u>	<u>49,394</u>	<u>49,684</u>	<u>(290)</u>
Total Judicial	<u>4,803,858</u>	<u>5,476,292</u>	<u>5,104,962</u>	<u>371,330</u>
<b>PUBLIC SAFETY</b>				
<b>Jail</b>				
Personnel services	3,561,608	3,698,066	3,499,360	198,706
Supplies and materials	773,025	785,525	947,998	(162,473)
Other services and charges	3,156,822	3,158,322	3,008,881	149,441
Capital outlay	25,000	125,000	99,967	25,033
Total jail	<u>7,516,455</u>	<u>7,766,913</u>	<u>7,556,206</u>	<u>210,707</u>
<b>Sheriff</b>				
Personnel services	2,395,550	2,442,686	2,369,448	73,238
Supplies and materials	219,955	232,855	254,707	(21,852)
Other services and charges	69,580	69,580	82,340	(12,760)
Capital outlay	134,500	179,100	170,295	8,805
Total sheriff	<u>2,819,585</u>	<u>2,924,221</u>	<u>2,876,790</u>	<u>47,431</u>
<b>Department of Public Safety</b>				
Personnel services	37,584	38,566	39,977	(1,411)
Supplies and materials	8,550	11,450	11,329	121
Other services and charges	1,000	1,000	-	1,000
Capital outlay	8,500	-	-	-
Total department of public safety	<u>55,634</u>	<u>51,016</u>	<u>51,307</u>	<u>(291)</u>
<b>Constables</b>				
Personnel services	193,141	202,382	201,209	1,173
Supplies and materials	19,700	21,250	11,940	9,310
Other services and charges	3,300	3,300	1,241	2,059
Capital outlay	68,000	50,000	39,840	10,160
Total constables	<u>284,141</u>	<u>276,932</u>	<u>254,230</u>	<u>22,702</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>EXPENDITURES, continued</b>				
<b>PUBLIC SAFETY, continued</b>				
<b>Adult Probation</b>				
Supplies and materials	830	830	-	830
Other services and charges	250	250	194	56
Total adult probation	<u>1,080</u>	<u>1,080</u>	<u>194</u>	<u>886</u>
<b>Juvenile Probation</b>				
Personnel services	437,628	453,340	419,983	33,357
Supplies and materials	14,400	14,400	13,268	1,132
Other services and charges	334,000	334,000	341,238	(7,238)
Total juvenile probation	<u>786,028</u>	<u>801,740</u>	<u>774,489</u>	<u>27,251</u>
<b>9-1-1 Coordination</b>				
Personnel services	44,015	44,997	44,983	14
Supplies and materials	10,500	9,500	8,747	753
Other services and charges	25,500	28,100	18,093	10,007
Total 9-1-1 coordination	<u>80,015</u>	<u>82,597</u>	<u>71,823</u>	<u>10,774</u>
Total Public Safety	<u>11,542,938</u>	<u>11,904,499</u>	<u>11,585,039</u>	<u>319,460</u>
<b>HEALTH AND WELFARE</b>				
<b>Environmental</b>				
Personnel services	88,670	90,634	97,185	(6,551)
Supplies and materials	4,500	4,500	1,684	2,816
Other services and charges	8,850	8,850	7,384	1,466
Total environmental	<u>102,020</u>	<u>103,984</u>	<u>106,253</u>	<u>(2,269)</u>
<b>Litter Control</b>				
Personnel services	44,332	45,314	45,499	(185)
Supplies and materials	8,250	8,250	4,992	3,258
Other services and charges	1,700	1,700	811	889
Total litter control	<u>54,282</u>	<u>55,264</u>	<u>51,301</u>	<u>3,963</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES, continued</b>				
<b>HEALTH AND WELFARE, continued</b>				
<b>Health Department Administration</b>				
Personnel services	97,705	98,687	119,153	(20,466)
Supplies and materials	1,050	1,050	791	259
Other services and charges	3,925	3,925	4,442	(517)
Total health department administration	<u>102,680</u>	<u>103,662</u>	<u>124,386</u>	<u>(20,724)</u>
<b>Indigent Services</b>				
Supplies and materials	100	100	-	100
Other services and charges	20,000	20,000	17,827	2,173
Total indigent services	<u>20,100</u>	<u>20,100</u>	<u>17,827</u>	<u>2,273</u>
<b>Indigent Health Care Administration</b>				
Personnel services	99,740	101,704	99,471	2,233
Supplies and materials	4,200	4,200	3,903	297
Other services and charges	26,550	26,550	24,821	1,729
Total indigent health care administration	<u>130,490</u>	<u>132,454</u>	<u>128,195</u>	<u>4,259</u>
<b>Animal Control</b>				
Personnel services	53,834	54,914	52,838	2,076
Supplies and materials	6,200	6,200	5,033	1,167
Other services and charges	51,250	51,250	34,953	16,297
Total animal control	<u>111,284</u>	<u>112,364</u>	<u>92,824</u>	<u>19,540</u>
<b>Emergency Services</b>				
Other services and charges	987,200	987,200	959,076	28,124
Total emergency services	<u>987,200</u>	<u>987,200</u>	<u>959,076</u>	<u>28,124</u>
<b>Intergovernmental</b>				
Other charges and services	67,000	67,000	61,969	5,031
Total Intergovernmental	<u>67,000</u>	<u>67,000</u>	<u>61,969</u>	<u>5,031</u>
Total Health and Welfare	<u>1,575,056</u>	<u>1,582,028</u>	<u>1,541,831</u>	<u>40,197</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005, continued**

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
<b>EXPENDITURES, continued</b>				
<b>DEBT SERVICE</b>				
Debt principal	139,817	139,817	141,135	(1,318)
Debt interest	31,888	31,888	30,570	1,318
Total Debt Service	<u>171,705</u>	<u>171,705</u>	<u>171,705</u>	<u>-</u>
Total General Fund	<u>24,032,212</u>	<u>25,093,596</u>	<u>23,822,465</u>	<u>1,271,131</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>2,722,098</u>	<u>1,665,714</u>	<u>3,306,547</u>	<u>1,640,833</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of real and personal property	10,000	10,000	16,864	6,864
Insurance proceeds	-	-	17,151	17,151
Transfers out (use)	<u>(2,696,421)</u>	<u>(3,010,155)</u>	<u>(2,547,747)</u>	<u>462,408</u>
Total Other Financing Sources (Uses)	<u>(2,686,421)</u>	<u>(3,000,155)</u>	<u>(2,513,732)</u>	<u>486,423</u>
<b>NET CHANGE IN FUND BALANCES</b>	35,677	(1,334,441)	792,815	2,127,256
<b>FUND BALANCES, BEGINNING</b>	<u>6,326,283</u>	<u>6,326,283</u>	<u>6,326,283</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 6,361,960</u>	<u>\$ 4,991,842</u>	<u>\$ 7,119,098</u>	<u>\$ 2,127,256</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
ROAD AND BRIDGE FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Current	\$ 1,471,268	\$ 1,471,268	\$ 1,478,584	\$ 7,316
Delinquent	28,000	28,000	46,260	18,260
Penalties and interest	32,000	32,000	29,561	(2,439)
Total taxes	<u>1,531,268</u>	<u>1,531,268</u>	<u>1,554,405</u>	<u>23,137</u>
Fees of office - vehicle registration	2,080,000	2,080,000	2,123,696	43,696
Fines and forfeits	1,386,000	1,512,000	1,592,049	80,049
Intergovernmental	144,000	152,000	152,907	907
Interest	27,000	69,000	81,344	12,344
Miscellaneous	3,000	97,400	69,469	(27,931)
Total revenues	<u>5,171,268</u>	<u>5,441,668</u>	<u>5,573,870</u>	<u>132,202</u>
<b>EXPENDITURES</b>				
Current:				
Highways, streets and bridges:				
Personnel services	2,826,764	2,884,902	2,847,021	37,881
Supplies and materials	2,400,000	2,544,200	2,319,572	224,628
Other services and charges	66,700	81,700	68,469	13,231
Capital outlay	405,500	446,500	357,483	89,017
Debt service:				
Principal retirement	91,523	91,523	91,523	-
Interest and fiscal charges	7,756	7,756	7,756	-
Total expenditures	<u>5,798,243</u>	<u>6,056,581</u>	<u>5,691,824</u>	<u>364,757</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(626,975)</u>	<u>(614,913)</u>	<u>(117,954)</u>	<u>496,959</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from sale of fixed assets	6,000	13,000	35,529	22,529
Transfers in	200,000	200,000	200,000	-
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing sources	<u>6,000</u>	<u>13,000</u>	<u>35,529</u>	<u>22,529</u>
<b>NET CHANGE IN FUND BALANCES</b>	(620,975)	(601,913)	(82,425)	519,488
<b>FUND BALANCES, BEGINNING</b>	<u>2,190,310</u>	<u>2,190,310</u>	<u>2,190,310</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,569,335</u>	<u>\$ 1,588,397</u>	<u>\$ 2,107,885</u>	<u>\$ 519,488</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
PUBLIC HEALTH FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Fees	\$ 469,870	\$ 403,950	\$ 624,483	\$ 220,533
Intergovernmental	1,228,809	1,186,742	1,441,720	254,978
Miscellaneous	6,000	2,398	8,179	5,781
Total revenues	<u>1,704,679</u>	<u>1,593,090</u>	<u>2,074,382</u>	<u>481,292</u>
<b>EXPENDITURES</b>				
Current:				
Health and Welfare:				
Personnel services	1,082,773	1,284,155	1,283,061	1,094
Supplies and materials	202,622	185,287	422,525	(237,238)
Other services and charges	2,074,235	1,960,566	1,442,724	517,842
Capital outlay	31,311	55,873	48,973	6,900
Total expenditures	<u>3,390,941</u>	<u>3,485,881</u>	<u>3,197,283</u>	<u>288,598</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,686,262)</u>	<u>(1,892,791)</u>	<u>(1,122,901)</u>	<u>769,890</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	2,052,103	2,024,723	1,335,611	(689,112)
Total other financing sources	<u>2,052,103</u>	<u>2,024,723</u>	<u>1,335,611</u>	<u>(689,112)</u>
<b>NET CHANGE IN FUND BALANCES</b>	365,841	131,932	212,710	80,778
<b>FUND BALANCES, BEGINNING</b>	<u>94,347</u>	<u>94,347</u>	<u>94,347</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 460,188</u>	<u>\$ 226,279</u>	<u>\$ 307,057</u>	<u>\$ 80,778</u>

The accompanying notes are an integral part of this statement.



**GRAYSON COUNTY, TEXAS  
RIGHT-OF-WAY ACQUISITION FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 85,000	\$ 85,000	\$ 111,600	\$ 26,600
Total revenues	<u>85,000</u>	<u>85,000</u>	<u>111,600</u>	<u>26,600</u>
<b>EXPENDITURES</b>				
Current:				
Highways and Streets:				
Professional fees	1,020,000	1,020,000	233,864	786,136
Right-of-way purchases	<u>2,000,000</u>	<u>2,000,000</u>	<u>205,000</u>	<u>1,795,000</u>
Total expenditures	<u>3,020,000</u>	<u>3,020,000</u>	<u>438,864</u>	<u>2,581,136</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,935,000)	(2,935,000)	(327,264)	2,607,736
<b>FUND BALANCES, BEGINNING</b>	<u>5,605,609</u>	<u>5,605,609</u>	<u>5,605,609</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,670,609</u>	<u>\$ 2,670,609</u>	<u>\$ 5,278,345</u>	<u>\$ 2,607,736</u>

The accompanying notes are an integral part of this statement.

GRAYSON COUNTY, TEXAS  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2005

	Business-Type Activities -	Governmental Activities -
	Grayson County Airport	Internal Service Fund
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Investments	\$ 1,434	\$ -
Investments - Current	213,510	787
Accounts Receivable-Net of Uncollectible Allowance	25,637	3,900
Due from Other Funds	35,888	-
Total Current Assets	276,469	4,687
<b>Noncurrent Assets:</b>		
<b>Capital Assets:</b>		
Land	2,645,500	-
Infrastructure	14,667,933	-
Buildings	5,164,647	-
Machinery and Equipment	324,491	-
Accumulated Depreciation	(20,027,033)	-
Total Noncurrent Assets	2,775,538	-
Total Assets	3,052,007	4,687
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Cash Deficit	-	20,145
Accounts Payable	23,264	779
Compensated Absences Payable	22,375	-
Security Deposits	7,492	-
Deferred Revenue	3,894	-
Total Liabilities	57,025	20,924
<b>NET ASSETS</b>		
Investments in Capital Assets, Net of Debt	2,775,538	-
Unrestricted Net Assets	219,444	(16,237)
Total Net Assets	\$ 2,994,982	\$ (16,237)

The accompanying notes are an integral part of this statement.

GRAYSON COUNTY, TEXAS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	Business-Type Activities -	Governmental Activities -
	Grayson County Airport	Internal Service Fund
<b>OPERATING REVENUES:</b>		
Charges for Services	\$ 654,322	\$ 1,568,674
Contributions & Donations from Private Source	128,321	-
Other Revenue	27,764	-
<b>Total Operating Revenues</b>	<u>810,407</u>	<u>1,568,674</u>
<b>OPERATING EXPENSES:</b>		
Personal Services - Salaries and Wages	246,630	-
Personal Services - Employee Benefits	116,575	-
Purchased Professional & Technical Services	45,705	-
Purchased Property Services	340,844	-
Other Operating Expenses	94,130	1,770,954
Supplies	20,112	-
Depreciation	23,549	-
<b>Total Operating Expenses</b>	<u>887,545</u>	<u>1,770,954</u>
<b>Operating Income (Loss)</b>	<u>(77,138)</u>	<u>(202,280)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>		
Transfers In	160,888	1,000,000
Investment Earnings	3,371	231
Insurance Recovery	36,073	-
<b>Total Non-operating Revenue (Expenses)</b>	<u>200,332</u>	<u>1,000,231</u>
Change in Net Assets	123,194	797,951
<b>Total Net Assets - October 1 (Beginning)</b>	<u>2,871,788</u>	<u>(814,188)</u>
<b>Total Net Assets - September 30 (Ending)</b>	<u>\$ 2,994,982</u>	<u>\$ (16,237)</u>

The accompanying notes are an integral part of this statement.

GRAYSON COUNTY, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2005

	Business-Type Activities	Governmental Activities -
	Grayson County Airport	Internal Service Fund
<b><u>Cash Flows from Operating Activities:</u></b>		
Cash Received from User Charges	\$ 659,478	\$ 1,568,674
Cash Received from Contributions	128,321	-
Cash Payments to Employees for Services	(363,205)	-
Cash Payments for Insurance Claims	-	(2,588,867)
Cash Payments for Suppliers	(20,112)	-
Cash Payments for Other Operating Expenses	(541,152)	-
Net Cash Provided by (Used for) Operating Activities	<u>(136,670)</u>	<u>(1,020,193)</u>
<b><u>Cash Flows from Non-Capital Financing Activities:</u></b>		
Insurance Proceeds	36,073	-
Operating Transfer In	160,888	1,000,000
Net Cash Provided by Non-Capital Financing Activities	<u>196,961</u>	<u>1,000,000</u>
<b><u>Cash Flows from Capital &amp; Related Financing Activities:</u></b>		
Acquisition of Capital Assets	<u>(10,934)</u>	-
<b><u>Cash Flows from Investing Activities:</u></b>		
Interest and Dividends on Investments	<u>3,371</u>	<u>231</u>
Net Increase(Decrease) in Cash and Cash Equivalents	52,728	(19,962)
Cash and Cash Equivalents at Beginning of the Year:	162,216	604
Cash and Cash Equivalents at the End of the Year:	<u>\$ 214,944</u>	<u>\$ (19,358)</u>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:</u></b>		
Operating Income (Loss):	\$ (77,138)	\$ (202,280)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities:		
Depreciation	23,549	-
Effect of Increases and Decreases in Current Assets and Liabilities:		
Decrease (increase) in Receivables	(22,608)	-
Decrease (increase) in Due from Other Funds	(35,888)	-
Increase (decrease) in Accounts Payable	(28,479)	(53,166)
Increase (decrease) in Due to Other Funds	-	(480,692)
Increase (decrease) in Estimated Payments	-	(284,055)
Increase (decrease) in Deferred Revenue	3,894	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ (136,670)</u>	<u>\$ (1,020,193)</u>

The accompanying notes are an integral part of this statement.

GRAYSON COUNTY, TEXAS  
STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2005

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	Agency Funds
<hr/>	
ASSETS	
Cash and Investments	\$ 7,139,342
Total Assets	<u>\$ 7,139,342</u>
LIABILITIES	
Due to Others	\$ 7,139,342
Total Liabilities	<u>\$ 7,139,342</u>

The accompanying notes are an integral part of this statement.

**GRAYSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of Grayson County, Texas (County) have been prepared in conformity with generally accepted accounting principles (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These notes to the financial statements are an integral part of the basic financial statements of the County. The following is a discussion of the more significant accounting policies utilized by the County.

**A. REPORTING ENTITY**

GASB Statement No. 14 "*The Financial Reporting Entity*," establishes criteria which should be considered and evaluated along with other judgmental factors before a decision is made to include one governmental unit with another governmental unit for the purpose of issuing basic financial statements. The five criteria considered were (1) financial accountability, (2) appointment of a voting majority, (3) imposition of will, (4) financial benefit to or a burden on a primary government, and (5) financial accountability as a result of fiscal dependency.

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision on whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth in the preceding paragraph.

The County is a partner in a joint venture with various local governmental units. These governments have formed the Juvenile Detention Center of Grayson, Cooke, and Fannin Counties, which provides residential services for juveniles of any county. This joint venture does not meet the criteria stated above for inclusion in the County's financial statements and has no equity interest to require its inclusion as an investment in the County's financial statements per guidance established by GASB No. 14. Details of this investment are discussed in Note IV-F.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-like activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements.

GRAYSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Road and Bridge Fund is used to account for the operation, construction and maintenance of roads and bridges. Financing is provided by a special annual property tax levy to the extent miscellaneous revenue (principally fines and fees of office) are not sufficient to provide such financing. The County is divided into four precincts; each precinct is provided with a separate budget administered by the County Commissioner elected from such precinct.

Grayson County Public Health Fund is used to account for all financial resources of the Grayson County Health Department. Funding is provided by federal and state grants and contracts, fees, County funds and the Oliver Dewey Mayor Foundation and the Lenore Rainey Trust Fund for use in the following programs: Infants and Child Care, Community Health, and Bio-terrorism Preparedness.

Special Right-of-Way Fund accounts for the cost of acquiring state right-of-way. The financing is provided by a special property tax levied in prior years and interest on investments.

The County reports the following major proprietary fund:

Airport Fund accounts for the operation of the Grayson County Airport. All activities necessary to provide for the Airport's services are accounted for in this fund, including, but not limited to, administration, operations, and maintenance.

**GRAYSON COUNTY, TEXAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION, continued**

Additionally, the County reports the following fund types:

Internal Service Fund accounts for a program of employee health and life insurance. A professional insurance administration firm is retained to process employee claims and provide reinsurance for excess individual and group claims. This fund is funded by charges to other funds and to employees for extended benefits, at their option.

Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments.

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-like activities and Enterprise Funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenue. Likewise, general revenue includes all taxes.

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

**D. ASSETS, LIABILITIES AND NET ASSETS**

**Cash and Investments**

Cash includes amounts in demand deposit and savings accounts, as well as short-term investments with a maturity date within three months of the date acquired by the County.



GRAYSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

D. ASSETS, LIABILITIES AND NET ASSETS, continued

The County is legally permitted to purchase as investments or collateralize deposits with the following types of instruments: (1) obligations of the United States or its agencies; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities and other political subdivisions of any state having an investment quality rating of A; (5) certificates of deposit issued by state or national banks domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation or secured by obligations described in (1) through (4) above; and (6) fully collateralized direct repurchase agreements.

**Inventories**

Inventories of supplies on hand have not been recorded. Such supplies are not considered material and have been expensed when purchased.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles.

Property taxes are levied prior to October 1 of each year and become delinquent on the subsequent February 1. See Note IV for details of the property tax calendar. Delinquent real property taxes are expected to be collected as these delinquent amounts are a lien against the related property until paid. These amounts are classified as noncurrent and are reflected on the balance sheets of the related funds. A corresponding balance is reflected as deferred revenue as these amounts are not available spendable resources.

Collections of the current year's levy are reported as current revenue if received by June 30 (within nine months of the October 1 due date). Collections received thereafter are reported as delinquent tax revenue.

**Capital Assets**

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

**GRAYSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**D. ASSETS, LIABILITIES AND NET ASSETS, continued**

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Improvements	5-50
Equipment	5-20
Infrastructure (streets and drainage)	35-125

**Compensated Absences**

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Accrued sick pay benefits are lost upon termination. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

**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.

In the fund financial statements, the face amount of debt issued is reported as other financing sources for the governmental fund types.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as another financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures. For proprietary fund types, bond premiums and discounts, as well as issuance costs, are charged to current operations rather than being deferred and amortized due to the relatively immaterial effect on the basic financial statements taken as a whole.

**Fund Equity**

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

**Net Assets**

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

**GRAYSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

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

**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUNDS BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS**

Page 6 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net assets for governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds. The details of capital assets and long-term debt at the beginning of the year were as follows:

<u>Capital Assets at the Beginning of the Year</u>	<u>Historic Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Value at the Beginning of the Year</u>	<u>Change in Net Assets</u>
Land	\$ 1,251,581	\$ -	\$ 1,251,581	\$
Infrastructure	98,410,025	(66,961,699)	31,448,326	
Buildings	17,527,075	(9,128,571)	8,398,504	
Improvements	149,149	(139,287)	9,862	
Machinery and Equipment	12,012,664	(8,027,210)	3,985,454	
	<u>\$129,350,494</u>	<u>\$(84,256,767)</u>	<u>\$ 45,093,727</u>	
Change in Net Assets				45,093,727
			<u>Payable at the Beginning of the Year</u>	
			\$ 1,260,000	
			1,295,538	
			522,028	
			<u>3,077,566</u>	
Change in Net Assets				<u>(3,077,566)</u>
Net Adjustment to Net Assets				<u>\$ 42,016,161</u>

GRAYSON COUNTY, TEXAS  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS,  
continued

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Page 9 provides a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net assets of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net asset balance and the change in net assets. The details of this adjustment are as follows:

	<u>Amount</u>	<u>Adjustments to Changes in Net Assets</u>	<u>Adjustments to Net Assets</u>
<u>Current Year Capital Outlay</u>			
Infrastructure	\$ 532,358	\$	\$
Improvements Other than Buildings	254,149		
Machinery and Equipment	1,005,632		
Construction in Progress	<u>98,504</u>		
Total Capital Outlay	<u>\$ 1,890,643</u>	1,890,643	1,890,643
<u>Debt Principal Payments</u>			
Bond Principal	\$ 105,000		
Capital Lease Principal	<u>276,102</u>		
Total Principal Payments	<u>\$ 381,102</u>	<u>381,102</u>	<u>381,102</u>
Total Adjustment to Net Assets		<u>\$ 2,271,745</u>	<u>\$ 2,271,745</u>

**GRAYSON COUNTY, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2005**

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS,**  
continued

**B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES, continued**

Another element of the reconciliations on Pages 7 and 9 is described as various other reclassifications and eliminations necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This adjustment is the result of several items. The details for this element are as follows:

	<u>Amount</u>	<u>Adjustments to Changes in Net Assets</u>	<u>Adjustments to Net Assets</u>
<u>Adjustments to Revenue and Deferred Revenue</u>			
Taxes collected from prior year levies	\$ 672,030	\$ (672,030)	\$ -
Uncollected taxes (assumed collectible) from current year levy	706,633	706,633	706,633
Uncollected taxes (assumed collectible) from prior year levy	943,916	-	943,916
Adjustments to prior year estimate of collectible taxes	62,170	62,170	-
<u>Adjustments to Expenses and Liabilities</u>			
Record beginning balance for accrued interest	20,045	-	(20,045)
Record adjustment to accrued interest	1,948	1,948	1,948
Record current year change in compensated absences payable	51,983	51,983	51,983
Record beginning balance of capitalized interest cost	101,260	-	101,260
Record change in capitalized interest cost	11,251	(11,251)	(11,251)
<u>Adjustments to Revenue and Receivables</u>			
Record beginning balance for fee office receivables, net	956,344	-	956,344
Decrease fee office receivable, net	50,252	(50,252)	(50,252)
Record beginning balance for penalties and interest receivable, net	895,594	-	895,594
Increase in penalties and interest receivable, net	62,581	62,581	62,581
Reclassify proceeds from sale of assets	76,865	(76,865)	(76,865)
Record gain on assets sold	59,214	59,214	59,214
		<u>\$ 134,131</u>	<u>\$ 3,621,060</u>
<u>Prior Period Adjustments</u>			
Increase long term debt payable	49,547	\$ -	\$ (49,547)
Decrease accumulated depreciation on infrastructure	320,006	-	320,006
		<u>\$ -</u>	<u>\$ 270,459</u>

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. BUDGETARY INFORMATION**

The County adopts annual appropriated budgets for the General Fund, some Special Revenue Funds and the Debt Service Fund on the modified accrual basis of accounting. Project length budgets are adopted for Capital Projects Funds and amended on an annual basis to reflect the uncompleted portion of the projects.

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

- During April, the County Judge submits to the Commissioners' Court a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. Each fund is budgeted on an annual basis with no carryovers into the next year. If a fund has a balance at the end of the year, the balance is included in the computation of available cash for next year's budget.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to October 1, the budget is legally enacted.
- The County Auditor is required to monitor the expenditures of the various funds. The budget is controlled on a departmental object class basis. Expenditures can be reallocated within a departmental object class at any time by Commissioners' Court order, but the budget must be formally amended to allow the original level of budgeted expenditures within a fund to be exceeded. All amendments to the budget must be approved by the Commissioners' Court.

The Commissioners' Court approves budget amendments proposed by the County Judge throughout and subsequent to the fiscal year. These amendments are routinely approved and the current year budgetary data presented includes all approved budget amendments. Budgetary amendments are integrated after the fiscal year-end due to the normal year-end closing procedures and adjustments which are discovered during that period. Budget amendments are necessary at that time to comply with Chapter 111, Local Government Code of the State of Texas, which states that funds may be spent only for items or categories of items that are included in the adopted budget. The County has chosen to adopt the budget at the department object class level, since this allows budgetary control, but is still meaningful to the Commissioners' Court and the citizens of the County. All annual appropriations lapse at the end of each fiscal year, in accordance with state law.

**B. DEFICIT FUND EQUITY**

Deficit fund equity in individual funds at September 30, 2005, consists of the following:

Internal Service Fund:	
Insurance	<u>\$ 16,237</u>

The deficit equity is expected to be recovered through future contributions and revenue.

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

Legal and Contractual Provisions Governing Deposits and Investments

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

At September 30, 2005, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$1,192,963 and the bank balance was \$2,000,864.

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

The County's investments at September 30, 2005 were as follows:

	<u>Book Value</u>	<u>Fair Value</u>
Texas Local Government Investment Pool	\$ 13,407,518	\$ 13,407,518
LOGIC	4,866	4,866
FHLB Bonds	1,503,158	1,514,352
U.S. Treasury Notes	1,946,052	1,933,547
Total Investments	<u>\$ 16,861,594</u>	<u>\$ 16,860,283</u>

Local government investment pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Local government investment pools use amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in these pools is the same as the value of the shares in each pool.

GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005

IV. DETAILED NOTES ON ALL FUNDS, continued

A. DEPOSITS AND INVESTMENTS, continued

TexPool is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Texas Comptroller of Public Accounts is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. TexPool uses amortized costs to report net assets and share prices since that amount approximates fair value.

LOGIC operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, to the extent such rule is applicable to their operations. Accordingly, it uses that amortized cost method permitted by SEC Rule 2a-7 to report net assets and share prices since that amount approximates fair value. The investment activities of LOGIC are administered by Patterson & Associates and SW Capital Corporation. There is no regulatory oversight by the State of Texas over LOGIC.

Policies Governing Deposits and Investments

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

**Custodial Credit Risk – Deposits:** This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County's investment policy requires that all county funds be collateralized or insured consistent with federal and state law and the current bank depository contract through either FDIC insurance coverage or with obligations of the United States or its agencies and instrumentalities. The County was not exposed to custodial credit risk since its deposits at year-end and during the year ended September 30, 2005 were covered by depository insurance or by pledged collateral held by the County's agent bank in the County's name.

**Custodial Credit Risk – Investments:** This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form; thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. The County's securities are all in securities backed by the United States of America and are not exposed to custodial credit risk.

**Other Credit Risk:** There is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of September 30, 2005, TexPool's investment credit quality rating was AAAM and LOGIC's investment credit quality rating was Aaa/MRI+ as rated by Standard & Poor's.

B. RESTRICTED ASSETS

Bank deposits and investments of \$35,622 in the Debt Service Funds are restricted by law for the retirement of outstanding bonded debt and capital lease liability and interest. Deposits and investments of \$5,278,405 in the Special Right-of-Way Fund (Capital Project Fund) are restricted to the purchase of right-of-ways. Bank deposits and investments of \$59,558 in the Texoma Succeeding Generations Trust (Permanent Fund) are restricted for the purchase or construction of a building to be used for the cultural benefit of the citizens of the County.



**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**C. PROPERTY TAXES**

Property subject to taxation consists of real property and certain personal property situated in the County. Certain properties of religious, educational and charitable organizations, including the federal government and the State of Texas, are exempt from taxation. Additionally, there are other exemptions, in arriving at the total assessed valuation of property subject to County taxation. The valuations are subject to County-wide revaluation every year. The effective tax rate is computed based upon the previous year's total assessed valuation.

Portions of the adopted tax rate are assessed and designated for specific purposes. These designated tax revenue are deposited into funds created for the accumulation and disbursement of these revenue. The following schedule details the components of the 2004 tax rate and the revenue allocated to each fund:

<u>Fund</u>	<u>Rate Per \$100</u>	<u>Current (2004) Tax Revenue Collected</u>
Permanent Improvement Bonds -1994 and 2003 Series (Debt Service)	\$ 0.00247	\$ 117,289
Road and Bridge Fund (Special Revenue)	0.03200	1,524,844
Permanent Improvement Fund (Capital Projects)	0.00761	357,226
General Fund	0.44882	21,299,333
Total	<u>\$ 0.49090</u>	<u>\$ 23,298,692</u>

Ad valorem taxes are levied prior to October 1 and are due and payable from October 1 of the year in which levied until January 31 of the following year without interest or penalty. Taxes become delinquent February 1 of each year and are subject to simple interest of twelve percent (12%) per annum, plus a six percent (6%) penalty for the first calendar month such taxes are delinquent, plus an additional two percent (2%) each month thereafter not to exceed twelve percent (12%).

Taxes on real property attach as an enforceable lien as of January 1 and are a lien against such property until paid. The County may foreclose on real property upon which it has a lien for unpaid taxes with the exception of homestead property belonging to persons 65 years of age or older. Delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title to the property. Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years from the time such taxes become delinquent. Unlike real property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid.

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**D. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2005, was as follows:

Primary Government

	Balance 10/1/2004	Additions	Prior Period Adjustment	Retirements	Balance 9/30/2005
Land	\$ 1,251,581	\$ -	\$ -	\$ -	\$ 1,251,581
Construction in Progress	-	98,504	-	-	98,504
Total Assets not Depreciated	<u>1,251,581</u>	<u>98,504</u>	<u>-</u>	<u>-</u>	<u>1,350,085</u>
Infrastructure	98,410,025	532,358	-	(320,006)	98,622,377
Buildings	17,527,075	-	-	-	17,527,075
Improvements Other than Buildings	149,149	254,149	-	-	403,298
Machinery and Equipment	12,012,664	1,005,632	-	(455,899)	12,562,397
Total Capital Assets Being Depreciated	<u>128,098,913</u>	<u>1,792,139</u>	<u>-</u>	<u>(775,905)</u>	<u>129,115,147</u>
Accumulated Depreciation:					
Infrastructure	66,961,699	2,691,116	(320,006)	(320,006)	69,012,803
Buildings	9,128,571	256,288	-	-	9,384,859
Improvements Other than Buildings	139,287	3,223	-	-	142,510
Machinery and Equipment	8,027,210	912,602	-	(438,248)	8,501,564
Total Accumulated Depreciation	<u>84,256,767</u>	<u>3,863,229</u>	<u>(320,006)</u>	<u>(758,254)</u>	<u>87,041,736</u>
Total Capital Assets Being Depreciated, Net	<u>43,842,146</u>	<u>(2,104,090)</u>	<u>(320,006)</u>	<u>(17,651)</u>	<u>42,073,441</u>
Governmental Activities Capital Assets, Net	<u>\$ 45,093,727</u>	<u>\$ (1,972,586)</u>	<u>\$ (320,006)</u>	<u>\$ (17,651)</u>	<u>\$ 43,423,496</u>

A prior period adjustment was necessary to remove accumulated depreciation on assets whose cost was written off during 2004.

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**D. CAPITAL ASSETS, continued**

Business-type Activities

	Balance 10/1/2004	Additions	Prior Period Adjustment	Retirements	Balance 9/30/2005
Land	\$ 2,645,500	\$ -	\$ -	\$ -	\$ 2,645,500
Infrastructure	14,667,933	-	-	-	14,667,933
Buildings	5,223,777	-	-	(59,130)	5,164,647
Machinery and Equipment	282,717	6,635	35,139	-	324,491
Total Assets Being Depreciated	<u>20,174,427</u>	<u>6,635</u>	<u>35,139</u>	<u>(59,130)</u>	<u>20,157,071</u>
Accumulated Depreciation:					
Infrastructure	14,667,933	-	-	-	14,667,933
Buildings	5,117,632	12,004	-	(59,130)	5,070,506
Machinery and Equipment	246,209	11,545	30,840	-	288,594
Total Accumulated Depreciation	<u>20,031,774</u>	<u>23,549</u>	<u>30,840</u>	<u>(59,130)</u>	<u>20,027,033</u>
Total Assets Being Depreciated, Net	<u>142,653</u>	<u>(16,914)</u>	<u>4,299</u>	<u>-</u>	<u>130,038</u>
Business-type Activities Capital Assets, Net	<u>\$ 2,788,153</u>	<u>\$ (16,914)</u>	<u>\$ 4,299</u>	<u>\$ -</u>	<u>\$ 2,775,538</u>

Depreciation expense was charged to functions/programs of the primary government and business-type activities as follows:

Governmental activities:	
General government	\$ 186,445
Judicial	12,139
Public safety	399,109
Health and welfare	31,509
Highways and streets	<u>3,234,027</u>
Total depreciation expense - governmental activities	<u>\$ 3,863,229</u>
Business-type activities:	
Airport	<u>23,549</u>
Total depreciation expense - business-type activities	<u>\$ 23,549</u>

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**E. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances as of September 30, 2005, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Health Fund	General Fund	\$ 250,639
Airport Fund	General Fund	35,888
Total General Fund		286,527
Title IV E	Juvenile Boot Camp	312
Total All Funds		<u>\$ 286,839</u>

Balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers during the year ended September 30, 2005 consisted of the following amounts:

<u>Transfer From</u>	<u>Amount</u>	<u>Transfer To</u>	<u>Explanation</u>
General Fund	\$ 160,888	Airport Fund	Supplement Fund Resources
General Fund	250,639	Public Health Fund	Supplement Fund Resources
General Fund	1,136,220	Non-Major Funds	Supplement Fund Resources
General Fund	1,000,000	Internal Service Fund	Supplement Fund Resources
Road and Bridge	200,000	Road and Bridge	Supplement Fund Resources
Non-Major Funds	20,381	Non-Major Funds	Supplement Fund Resources
	<u>\$ 2,768,128</u>		

**F. LEASING OPERATIONS**

Airport operations consist principally of leasing land and buildings. All such leases are operating leases, as defined by GAAP. Excluding renewal options, 4 of 31 leases expire during the next five fiscal years.

Below is a summary of the cost and related accumulated depreciation of buildings used in operating leasing activity as of September 30, 2005:

Buildings	\$ 5,164,647
Less: Accumulated depreciation	<u>5,070,506</u>
Net	<u>\$ 94,141</u>

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**F. LEASING OPERATIONS, continued**

The following is a summary of minimum future rentals to be received on noncancellable operating leases in effect as of September 30, 2005:

Fiscal Year		\$
2006		256,662
2007		244,061
2008		238,204
2009		236,405
2010		235,819
2011-2015		1,111,830
2016-2020		578,012
2021-2025		527,986
2026-2030		349,628
2031-2035		103,308
2036-2040		39,274
Thereafter		36,106
Total		\$ 3,957,295

The above summary of minimum future rentals does not include amounts attributable to potential future increases in rental payments due to increases in the consumer price index, renewal options or unit revenue (fuel flowage).

Investments in Joint Ventures

The Cooke, Fannin, and Grayson County Juvenile Detention Center (Detention Center) was established under an interlocal agreement between the three participating counties (Participants) dated July 13, 1983. The Center provides probation, detention and diagnostic services for juveniles under the jurisdiction of the Participants and is available to other entities on a fee basis. The Detention Center is managed by a board of directors, which is composed of seven members, three appointed by the Commissioners of Grayson County, and two members each appointed by the Commissioners of Cooke and Fannin Counties, respectively. The Detention Center was constructed with grant funds and amounts contributed by the three Participants. Grayson County has been recognized as the administrative entity for financial activities and personnel support and benefits by contract dated October 31, 1983. All costs associated with the Detention Center after applicable charges and grants are shared by the Participants are allocated as follows: Cooke, 20%; Fannin, 20%; and Grayson, 60%. The County has an ongoing financial responsibility because the Detention Center's continued existence depends upon the continual funding by its members. The Detention Center does not have stock and the members do not have an explicit, measurable right to the net resources of the Detention Center; therefore, no equity interest exists.

Complete financial statements of the individual joint venture can be obtained from its administrative office as follows:

Cooke, Fannin and Grayson County  
Juvenile Detention Center  
9501 Dyess Street  
Denison, Texas 75020

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**G. CAPITAL LEASES**

During the year ended September 30, 2002, the County entered into a lease agreement with Banc One Leasing Corporation for heavy machinery. The lease meets the criteria of a capital lease, and \$450,000 was recorded as an addition to County's fixed assets to record the assets acquired. Commitments under the capital lease agreement require semi-annual payments of \$49,639 including interest at 3.65%.

During the year ended September 30, 2003, the County entered into a lease agreement with Banc One Leasing Corporation for electrical service equipment. The lease meets the criteria of a capital lease, and \$1,129,211 was recorded as an addition to the County's fixed assets to record the asset acquired. Commitments under the capital lease agreement require quarterly payments of \$41,737 including interest at 3.67%.

During the year ended September 30, 2004, the County entered into a capital lease agreement with Banc One Leasing Corporation for computer network equipment. The lease meets the criteria of a capital lease, and \$232,203 was recorded as an addition to the County's capital assets to record the assets acquired. Commitments under the capital lease agreement require quarterly payments of \$12,729 including interest at 3.57%.

Debt service requirements are as follows:

<u>Year Ending September 30</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Requirements</u>
2006	\$ 286,295	\$ 35,604	\$ 321,899
2007	247,225	25,035	27,260
2008	205,810	16,809	222,619
2009	161,816	9,888	171,704
2010	167,837	3,867	171,704
Total	<u>\$ 1,068,983</u>	<u>\$ 91,203</u>	<u>\$ 1,160,186</u>

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**H. LONG-TERM DEBT**

**General Obligation Bonds**

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenue. The original amount of general obligation bonds issued in prior years was \$2,920,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Governmental activities - refunding	1.5%-4.9%	\$ 1,155,000

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

Year Ending September 30,	Governmental Activities		Total Requirements
	Principal	Interest	
2006	\$ 105,000	\$ 49,770	\$ 154,770
2007	110,000	46,778	156,778
2008	115,000	43,038	158,038
2009	120,000	38,783	158,783
2010	130,000	33,803	163,803
2011-2014	575,000	72,135	647,135
Total	\$ 1,155,000	\$ 284,307	\$ 1,439,307

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**H. LONG-TERM DEBT, continued**

**Changes in Long-term Liabilities**

Long-term liability activity for the year ended September 30, 2005, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
General obligation bonds	\$ 1,260,000	\$ -	\$ 105,000	\$ 1,155,000	\$ 105,000
Capital leases	1,345,085	-	276,102	1,068,983	286,295
Compensated absences	522,028	52,423	104,406	470,045	94,009
Governmental activities long-term liabilities	<u>\$ 3,127,113</u>	<u>\$ 52,423</u>	<u>\$ 485,508</u>	<u>\$ 2,694,028</u>	<u>\$ 485,304</u>
<b>Business-type activities</b>					
Compensated absences	\$ 22,375	\$ 4,699	\$ 4,699	\$ 22,375	\$ 4,475
Business-type activities long-term liabilities	<u>\$ 22,375</u>	<u>\$ 4,699</u>	<u>\$ 4,699</u>	<u>\$ 22,375</u>	<u>\$ 4,475</u>

The beginning balance of capital leases payable was understated by \$49,547. A prior period adjustment was recorded to restate the beginning balance.

The compensated absences liability attributable to the governmental activities will be liquidated primarily by the General Fund.

**I. DISAGGREGATION OF RECEIVABLES AND PAYABLES**

Receivables on the fund financial statements at September 30, 2005, were as follows:

	Property Taxes	Intergovern- mental Receivable	Due From Other Funds	Other	Total Receivables
<b>Governmental Activities</b>					
General Fund	\$ 1,657,279	\$ -	\$ -	\$ 261,176	\$ 1,918,455
Road and Bridge Fund	122,696	-	-	1,289	123,985
Public Health Fund	-	214,838	250,639	8,903	474,380
Right-of-Way Acquisition Fund	-	-	-	1,562	1,562
Nonmajor Governmental Funds	25,235	454,801	312	90,875	571,223
<b>Total – Governmental Activities</b>	<u>\$ 1,805,210</u>	<u>\$ 669,639</u>	<u>\$ 250,951</u>	<u>\$ 363,805</u>	<u>\$ 3,089,605</u>
 Amounts not scheduled for collection during the subsequent year	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>



**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**I. DISAGGREGATION OF RECEIVABLES AND PAYABLES, continued**

Receivables on the government wide statement of net assets at September 30, 2005 were as follows:

<u>Category</u>	<u>Receivable</u>	<u>(Allowance)</u>	<u>Net</u>
Property Taxes	\$ 1,805,210	\$ -	\$ 1,805,210
Penalty & Interest on Taxes	958,174	-	958,174
Fee Office	3,325,158	(2,419,066)	906,092
Interest	10,702	-	10,702
Other	795,085	-	795,085
Total	<u>\$ 6,894,329</u>	<u>\$ (2,419,066)</u>	<u>\$ 4,475,263</u>

Payables on the fund financial statements at September 30, 2005, were as follows:

	<u>Deficit Cash</u>	<u>Accounts Payable</u>	<u>Due to Other Funds</u>	<u>Due to Others</u>	<u>Total</u>
Governmental Activities					
General Fund	\$ -	\$ 555,639	\$ 286,527	\$ 97,458	\$ 939,624
Road and Bridge Fund	-	164,052	-	-	164,052
Public Health Fund	47,092	90,203	-	30,028	167,323
Right-of-Way Acquisition Fund	-	57,426	-	-	57,426
Nonmajor Governmental Funds	210,698	410,202	312	-	621,212
Total – Governmental Activities	<u>\$ 257,790</u>	<u>\$ 1,277,522</u>	<u>\$ 286,839</u>	<u>\$ 127,486</u>	<u>\$ 1,949,637</u>
Amounts not scheduled for payment during the subsequent year	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**J. FEDERAL ARBITRAGE**

General obligation bonds are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage and interest income tax regulations under those provisions.

**K. OPERATING LEASES**

The County is committed under various noncancellable leases for building and office space. These leases are considered for accounting purposes to be operating leases. None of the leases contain renewal or purchase options or escalation clauses. None of the properties under the operating leases are subleased by the County as of September 30, 2005. The County has no leases with related parties.

**L. COMMITMENTS AND CONTINGENCIES**

The County is in compliance with all terms of bond indenture agreements, all contracts, and federal, state and local laws and regulations. The various federal and state financial awards and contracts in which the County participates are subject to program compliance audits. The audits of these programs have not yet been accepted by the granting agencies. The amount, if any, which may be disallowed, cannot be determined at this time, although the County expects such amounts, if any, to not be material. Accordingly, no liabilities have been accrued as a contingency against compliance matters.

GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005

IV. DETAILED NOTES ON ALL FUNDS, continued

M. RETIREMENT PLAN

Plan Description Grayson County, Texas 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 553 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 contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Funding Policy

The employer has elected the annually determined contribution rate (ADCR) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 10.98% for the months of the accounting year in 2005, and 11.35% for the months of the accounting year in 2004.

The deposit rate payable by the employee members for calendar year 2005 is the rate of 7%, as adopted by the governing body of the employer.

Annual Pension Cost

For the employer's accounting year ended September 30, 2005, the annual pension cost for the TCDRS plan for its employees was \$1,712,432 and the actual contributions were \$1,712,432. 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, 2002 and December 31, 2003, the basis for determining the contribution rates for calendar years 2004 and 2003. The December 31, 2004, actuarial valuation is the most recent valuation.

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**M. RETIREMENT PLAN, continued**

**Actuarial Valuation Information**

Actuarial Valuation Date	12/31/02	12/31/03	12/31/04
Actuarial cost method	entry age	entry age	entry age
Amortization method	level percentage of payroll, open	level percentage of payroll, open	level percentage of payroll, open
Amortization period in years	20	20	20
Asset valuation method	long-term appreciation for adjustment	long-term appreciation for adjustment	long-term appreciation for adjustment
<b>Actuarial Assumptions:</b>			
Investment return'	8.0%	8.0%	8.0%
Projected salary increases'	5.5%	5.5%	5.5%
Inflation	3.5%	3.5%	3.5%
Cost-of-living adjustments	0.0%	0.0%	0.0%

'Includes inflation at the stated rate

**Trend Information for the  
Retirement Plan for the Employees of Grayson County**

<u>Accounting Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
09/30/03	\$ 1,585,186	100%	-
09/30/04	1,659,119	100%	-
09/30/05	1,712,432	100%	-

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**IV. DETAILED NOTES ON ALL FUNDS, continued**

**M. RETIREMENT PLAN, continued**

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

Year	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)
2002	\$ 24,792,073	\$ 32,359,563	\$ 7,567,490	76.61%	\$ 14,018,697	53.98%
2003	27,890,110	35,123,221	7,233,112	79.41%	14,009,530	51.63%
2004	29,770,293	37,310,876	7,540,583	79.79%	14,604,641	51.63%

**N. RISK MANAGEMENT**

The County provides medical and life insurance for its employees. The County provided these benefits through a Self Insurance Fund (internal service fund) prior to the year ending September 30, 2005. During the current year, the County contracted with Texas Association of Counties to provide these benefits. All activities associated with providing these benefits continue to be accounted for through the same internal service fund. The County pays \$739 per month per participating employee for this coverage. The total cost to the County for providing medical and life insurance benefits for its employees for the year ending September 30, 2005 was \$2,994,115.

Details of the changes in the self-insurance fund for the year ended September 30, 2005 are as follows:

	<u>Year Ended September 30.</u>	
	<u>2005</u>	<u>2004</u>
Balance at Beginning of Year	\$ 284,055	\$ 424,349
Current Year Claims and Changes in Estimates	(284,055)	2,730,519
Claim Payments	-	( 2,870,813)
Balance at End of Year	\$ -	\$ 284,055

**O. POST-RETIREMENT BENEFITS**

The County does not provide any health care and life insurance benefits or any other benefits to its retired employees. Certain health care and life insurance benefits are available to retired employees through the County's insurance plan at the retiree's expense.

**GRAYSON COUNTY, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2005**

**P. PRIOR PERIOD ADJUSTMENTS**

The following prior period adjustments were made to the government-wide financial statements:

The cost of infrastructure assets were removed during 2004; however, entries to remove accumulated depreciation on those assets were not recorded.	\$ 320,006
The beginning balance of capital lease obligations was understated.	<u>(49,547)</u>
Net increase in net assets	<u>\$ 270,456</u>

**COMBINING AND INDIVIDUAL FUND SCHEDULES**

**GRAYSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2005**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for specific revenues that are legally restricted or designated to expenditure for particular purposes.

**Holiday Lights Fund** – the startup funding for this program was provided by local granting agencies to establish a holiday lights display at Loy Park. Annually, the event is held from Thanksgiving until New Years, with donations being accepted to continue and improve the displays.

**Drug Court Fund** – to track funds from the Department of Justice to develop and implement treatment, testing to integrate substance abuse treatment, testing sanctions and incentives in a judicially supervised court setting.

**Courthouse Security** – created by the Texas legislature during the year ended September 30, 1994, for the purpose of providing security services in the form of additional security personnel, additional equipment designed to prevent unauthorized entrance to the premises, or equipment designed to detect possession of unlawful weapons on the premises. The revenue for this fund will be derived from fees assessed to individuals convicted of misdemeanor or felony criminal charges in either County or district courts.

**Tax Assessor-Collector Special Inventory Tax Fund** – to account for interest earned in the operation of the special inventory function of the Tax Assessor-Collector's office. Tax code specifies that the collector shall retain any interest generated by the escrow account to defray the cost of administration of the prepayment procedure established by this section.

**Justice Court Technology Fund** – to account for the receipt of fees of office collected by the Justices of the Peace, which are restricted to the enhancement of technology and computer services in the justice courts. The fee was created by the 77th Legislature, effective September 1, 2001, to be discontinued August 31, 2005, by legislative intent.

**Help America Vote Act Fund (HAVA)** – to account for funds received for voter education, election worker education, updating or acquiring voting systems in accordance with the Federal Help America Vote Act of 2002.

**County Clerk Records Management** – created by the Texas legislature to collect funds to provide for the means to preserve and archive official County documents, vital statistics and other records in a more effective and efficient manner. The revenue for these funds is derived from fees charged by the County and District Clerks for data preservation.

**County Clerk Records Archive** – created by the Texas legislature to collect funds to provide for the means to preserve and archive official County documents, vital statistics and other records in a more effective and efficient manner. The revenue for these funds is derived from fees charged by the County and District Clerks for data preservation.

**County Clerk Vital Statistics** – created by the Texas legislature to collect funds to provide for the means to preserve and archive official County documents, vital statistics and other records in a more effective and efficient manner. The revenue for these funds is derived from fees charged by the County and District Clerks for data preservation.

**District Clerk Records Management** – created by the Texas legislature to collect funds to provide for the means to preserve and archive official County documents, vital statistics and other records in a more effective and efficient manner. The revenue for these funds is derived from fees charged by the County and District Clerks for data preservation.

**GRAYSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2005**

**SPECIAL REVENUE FUNDS, continued**

**County Records Preservation** – created by the Texas legislature to collect funds to provide for the means to preserve and archive official County documents, vital statistics and other records in a more effective and efficient manner. The revenue for these funds is derived from fees charged by the County and District Clerks for data preservation.

**Historical Commission** – to account for receipts received from Grayson County and other donations. Expenditures are for historical activities in Grayson County. Historical markers are the prime activities.

**Child Protective Services** – to account for the proceeds received from County funds and other collections that are designated for this program, which provides substitute care and other child care expenses for abused or neglected children.

**Court Reporter Services** – to account for the payment of court-reporter-related services that may include maintaining an adequate number of court reporters to provide services to the courts, obtaining court reporter transcript services, purchasing court reporter equipment, or providing other services related to the functions of a court reporter.

**County Attorney Hot Check** – to account for fees collected by the County Attorney under the "Hot Check" statute. Expenditures from this fund shall be at the sole discretion of the County Attorney and may be used only to defray the salaries and expenses of the prosecutor's office.

**Capital Murder Grants Fund** – to account for state funding received through the Texas Task Force on Indigent Defense and the Governor's Criminal Justice Division for extraordinary expenses related to the prosecution of a capital murder case during the year ended September 30, 2005.

**County Attorney Forfeiture** – to account for receipts of forfeited properties, as enabled by House Bill 65 of the 71st Texas Legislature, which amended Chapter 59 in the Code of Criminal Procedure. Resources may be used for the official purposes of the County Attorney's office.

**Law Library** – to account for the receipt of library fees of office collected by the County Clerk and the District Clerk, which are restricted to payment of the cost of maintaining the County law library.

**District Attorney State Supplemental** – established under the provisions of government Code Section 46.004, which states, "Each state prosecutor is entitled to receive not less than \$22,500 a year from the state to be used by the prosecutor to help defray the salaries and expenses of the office. That money may not be used to supplement the prosecutor's salary." The funds received by the Grayson County Attorney's office is primarily used to pay the costs of prosecutors and support staff.

**Gun Violence Grant** – provides funding to the County Attorney's office to assist them in hiring assistant prosecutors who will be dedicated to the prosecution of firearm-related violent crime. The Grayson County Attorney's office has used the funds to support the salary costs of an additional prosecutor.

**Criminal Justice Division Victim Assistance Grant** – created for the purpose of providing victims of crime with information which might assist in their recovery. This fund will also provide funding the transportation of crime victims to and from the County Auditor's office, grand jury appearances, and other court related appearances, as well as providing child care assistance during such meetings through grant funds received from the criminal justice division.



**GRAYSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2005**

**SPECIAL REVENUE FUNDS, continued**

**Criminal Justice Division Domestic Violence Grant** – to account for the proceeds and expenditures for this grant. Resources are to be used to fund a domestic violence investigator to work with local police agencies in training their officers in the proper investigation and treatment of domestic violence incidents.

**County Attorney Victim's Liaison Grant** – to account for federal funding provided through the state Attorney General's office. The grant award is to hire staff to assist victims of crime with the legal process, and in receiving compensation for expenses incurred in recovering from criminal activity.

**Law Enforcement Block Grant** – to account for the proceeds and expenditures for this grant. Funds are provided by the U. S. Department of Justice. The Local Law Enforcement Block Grants Program was authorized by the Omnibus Fiscal Year 1997 Appropriations Act, Public Law 104-208 for the purpose of providing units of local government with funds to underwrite projects to reduce crime and improve public safety.

**COPS Meth Grant** – to account for federal funding provided through the Community Oriented Policing Services grant which is used to implement and operate program to address methamphetamine problems in the County.

**Criminal Justice Division Early Intervention and Prevention** – to account for the proceeds and expenditures for this grant. Funds are provided by the U. S. Department of Education through the Texas Governor's Criminal Justice Division. The program is funded through a grant enacted by the Safe and Drug-free Schools and Communities Act Fund. Resources are to be used to fund crime prevention education activities in schools and the community.

**Homeland Security** – to account for funds received from the Federal Office of Domestic Preparedness, and administered by the Texas Engineering Extension Service. The funds are used to purchase communications equipment that will help local officials adequately respond to terrorist activity.

**Victim Information and Notification Everyday (VINE)** – to track funds received to deliver crime victim services by providing information, resources and funding to crime victims.

**Sheriff Drug Forfeiture** – to account for receipts of forfeited properties, as enabled by House Bill 65 of the 71st Texas Legislature, which amended Chapter 59 in the Code of Criminal Procedure. Resources may be used for law enforcement purposes.

**Sheriff Commissary** – to account for cash receipts received for jail commissary proceeds. Expenditures are restricted to benefits for the County jail at the sole discretion of the County Sheriff.

**Federal Forfeiture** – to account for funds provided through a Federal Equitable Sharing Agreement to be used for law enforcement purposes.

**Juvenile Boot Camp** – to account for the revenue and expenditures incurred in the operation of the juvenile boot camp.

**Title IV-E Federal Funds** – to account for the spending of federal funds received for administrative expenses incurred in the provision of foster care for juveniles.

**GRAYSON COUNTY, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2005**

**SPECIAL REVENUE FUNDS, continued**

**Juvenile Probation Fees** – to account for amounts collected by the Juvenile Probation Department from probationers for probation fees and restitution.

**Juvenile Prosecution Fund** – to account for funding received from the Office of the Governor, Criminal Justice Division, for developing accountability - based sanctions for juvenile offenders and to enable juvenile courts and juvenile probation offices to be more effective and efficient in holding juvenile offenders accountable and reducing recidivism.

**Grayson County Employee Activity Fund** - to account for funds received from courthouse vending revenues. Funds received are used to support activities directed at improving employee morale, including an annual awards and recognition event.

**DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and principal and interest payments on capital lease obligations.

**2003 Refunding Bonds - 1994 and 2003 Series** - The function of this fund is to accumulate monies for payment of general obligation and taxable permanent improvement bonds, which are serial bonds due in annual installments. Property taxes levied in excess of actual requirements are legally restricted to servicing this debt until the bond issue is retired. These funds may also account for bonds refinanced through defeasance of previously issued bonds.

**CAPITAL PROJECTS FUNDS**

Capital Projects Funds are used to account for the acquisition and construction of major facilities other than those financed by proprietary funds and trust funds.

**Permanent Improvement** - to account for the cost of improvements to buildings and sidewalks, etc. Financing is provided by tax assessments.

**Lateral Road** - to account for capital expenditures for road and bridge precincts from resources supplied by the State of Texas for that purpose.

**PERMANENT FUND**

**Texoma Succeeding Generations Trust** - to account for the assets of this trust held by the County as trustee for the benefit of the citizens of the County. The principal and accumulated earnings are to be retained by the trustee for 150 years (until 2112), at which time the accumulated monies are to be used to purchase or construct a facility within the County to be used for the cultural benefit of the citizens.

GRAYSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2005

	Holiday Lights	Drug Court	Courthouse Security	Tax A/C S-I-T Fund
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,288	\$ 561	\$ 3,976	\$ 50,025
Investments - Current	63,616	-	611,910	-
Interest Receivable - investments	-	-	469	-
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Intergovernmental Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 64,904</u>	<u>\$ 561</u>	<u>\$ 616,355</u>	<u>\$ 50,025</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Cash Deficit	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	81,426	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>81,426</u>	<u>-</u>
Fund Balances:				
Reserved For:				
Debt Service	-	-	-	-
Purpose of Trust	-	-	-	-
Unreserved Designated For:				
Specific Purposes	64,904	561	534,929	50,025
Capital Projects	-	-	-	-
Total Fund Balances	<u>64,904</u>	<u>561</u>	<u>534,929</u>	<u>50,025</u>
Total Liabilities and Fund Balances	<u>\$ 64,904</u>	<u>\$ 561</u>	<u>\$ 616,355</u>	<u>\$ 50,025</u>

Justice Court Technology	HAVA Funding	County Clerk Records Management	County Clerk Records Archive	County Clerk Vital Statistics	Dist. Clerk Records Management	County Records Preservation	Historical Commission
\$ 87,124	\$ -	\$ 4,370	\$ 147,340	\$ 14,970	\$ 24	\$ -	\$ 491
-	-	231,303	-	-	-	42,490	12,322
-	-	117	-	-	-	-	-
-	-	-	-	-	-	-	-
-	164,135	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 87,124</u>	<u>\$ 164,135</u>	<u>\$ 235,790</u>	<u>\$ 147,340</u>	<u>\$ 14,970</u>	<u>\$ 24</u>	<u>\$ 42,490</u>	<u>\$ 12,813</u>
\$ -	\$ 2,135	\$ -	\$ -	\$ -	\$ -	\$ 17,288	\$ -
687	162,000	7,620	-	-	24	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>687</u>	<u>164,135</u>	<u>7,620</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>17,288</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
86,437	-	228,170	147,340	14,970	-	25,202	12,813
-	-	-	-	-	-	-	-
<u>86,437</u>	<u>-</u>	<u>228,170</u>	<u>147,340</u>	<u>14,970</u>	<u>-</u>	<u>25,202</u>	<u>12,813</u>
<u>\$ 87,124</u>	<u>\$ 164,135</u>	<u>\$ 235,790</u>	<u>\$ 147,340</u>	<u>\$ 14,970</u>	<u>\$ 24</u>	<u>\$ 42,490</u>	<u>\$ 12,813</u>

GRAYSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2005

	Child Protective Services	Court Reporter Services	County Attorney Hot Check	Capital Murder Grants
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,843	\$ -	\$ 12,267	\$ -
Investments - Current	-	-	25,964	-
Interest Receivable - investments	-	-	-	-
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Intergovernmental Receivables	-	-	-	77,502
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 1,843</u>	<u>\$ -</u>	<u>\$ 38,231</u>	<u>\$ 77,502</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Cash Deficit	\$ -	\$ -	\$ -	\$ 77,502
Accounts Payable	1,059	-	2,071	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
Total Liabilities	<u>1,059</u>	<u>-</u>	<u>2,071</u>	<u>77,502</u>
<b>Fund Balances:</b>				
<b>Reserved For:</b>				
Debt Service	-	-	-	-
Purpose of Trust	-	-	-	-
<b>Unreserved Designated For:</b>				
Specific Purposes	784	-	36,160	-
Capital Projects	-	-	-	-
Total Fund Balances	<u>784</u>	<u>-</u>	<u>36,160</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,843</u>	<u>\$ -</u>	<u>\$ 38,231</u>	<u>\$ 77,502</u>

County Attorney Forfeiture	Law Library	DA State Supplemental	Gun Violence Grant	CJD Victims Assistance Grant	CJD Domestic Violence Grant	Co. Attorney Victim's Liaison Grant	Law Enforcement Block Grant
\$ 2,832	\$ 89,791	\$ 7,781	\$ -	\$ -	\$ -	\$ -	\$ 638
18,182	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	7,361	-	5,819	7,115	-
-	-	-	-	-	-	-	-
<u>\$ 21,014</u>	<u>\$ 89,791</u>	<u>\$ 7,781</u>	<u>\$ 7,361</u>	<u>\$ -</u>	<u>\$ 5,819</u>	<u>\$ 7,115</u>	<u>\$ 638</u>
\$ -	\$ -	\$ -	\$ 7,361	\$ -	\$ 5,819	\$ 7,115	\$ -
671	3,136	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>671</u>	<u>3,136</u>	<u>-</u>	<u>7,361</u>	<u>-</u>	<u>5,819</u>	<u>7,115</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
20,343	86,655	7,781	-	-	-	-	638
-	-	-	-	-	-	-	-
<u>20,343</u>	<u>86,655</u>	<u>7,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>638</u>
<u>\$ 21,014</u>	<u>\$ 89,791</u>	<u>\$ 7,781</u>	<u>\$ 7,361</u>	<u>\$ -</u>	<u>\$ 5,819</u>	<u>\$ 7,115</u>	<u>\$ 638</u>

GRAYSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2005

	COPS Meth Grant	CJD Early Intervention Grant	Homeland Security	VINE Grant
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 632	\$ -	\$ -	\$ 54
Investments - Current	-	-	-	-
Interest Receivable - investments	-	-	-	-
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Intergovernmental Receivables	-	1,423	114,367	-
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 632</u>	<u>\$ 1,423</u>	<u>\$ 114,367</u>	<u>\$ 54</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Cash Deficit	\$ -	\$ 1,152	\$ 26,325	\$ -
Accounts Payable	-	271	88,042	-
Due to Other Funds	-	-	-	-
Deferred Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>1,423</u>	<u>114,367</u>	<u>-</u>
Fund Balances:				
Reserved For:				
Debt Service	-	-	-	-
Purpose of Trust	-	-	-	-
Unreserved Designated For:				
Specific Purposes	632	-	-	54
Capital Projects	-	-	-	-
Total Fund Balances	<u>632</u>	<u>-</u>	<u>-</u>	<u>54</u>
Total Liabilities and Fund Balances	<u>\$ 632</u>	<u>\$ 1,423</u>	<u>\$ 114,367</u>	<u>\$ 54</u>

Sheriff Drug Forfeiture	County Sheriff's Commissary	Federal Forfeiture	Juvenile Boot Camp	Title IV-E Federal Funds	Juvenile Probation Fees	Juvenile Prosecution Grant	Employee Activity Fund
\$ 1,271	\$ -	\$ 15,601	\$ 72,753	\$ 61,100	\$ 5,798	\$ -	\$ 1,970
69,674	47,430	-	371,334	-	-	-	14,046
-	-	-	234	-	-	-	-
-	-	-	-	-	-	-	-
-	7,822	-	81,999	-	-	-	-
10,672	-	-	29,774	36,633	-	-	-
-	-	-	-	312	-	-	-
<u>\$ 81,617</u>	<u>\$ 55,252</u>	<u>\$ 15,601</u>	<u>\$ 556,094</u>	<u>\$ 98,045</u>	<u>\$ 5,798</u>	<u>\$ -</u>	<u>\$ 16,016</u>
\$ -	\$ 506	\$ -	\$ 65,495	\$ -	\$ -	\$ -	\$ -
18,546	3,059	-	24,968	5,495	-	-	1,603
-	-	-	312	-	-	-	-
-	-	-	-	-	-	-	-
<u>18,546</u>	<u>3,565</u>	<u>-</u>	<u>90,775</u>	<u>5,495</u>	<u>-</u>	<u>-</u>	<u>1,603</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
63,071	51,687	15,601	465,319	92,550	5,798	-	14,413
-	-	-	-	-	-	-	-
<u>63,071</u>	<u>51,687</u>	<u>15,601</u>	<u>465,319</u>	<u>92,550</u>	<u>5,798</u>	<u>-</u>	<u>14,413</u>
<u>\$ 81,617</u>	<u>\$ 55,252</u>	<u>\$ 15,601</u>	<u>\$ 556,094</u>	<u>\$ 98,045</u>	<u>\$ 5,798</u>	<u>\$ -</u>	<u>\$ 16,016</u>



GRAYSON COUNTY, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2005

	Total Nonmajor Special Revenue Funds	2003 Refunding Bonds	Permanent Improvement Fund	Lateral Road Fund
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 584,500	\$ 408	\$ 1,171	\$ 3,618
Investments - Current	1,508,271	35,214	597,270	77,979
Interest Receivable - investments	820	-	234	-
Taxes Receivable	-	10,686	14,549	-
Other Receivables	89,821	-	-	-
Intergovernmental Receivables	454,801	-	-	-
Due from Other Funds	312	-	-	-
Total Assets	<u>\$ 2,638,525</u>	<u>\$ 46,308</u>	<u>\$ 613,224</u>	<u>\$ 81,597</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Cash Deficit	\$ 210,698	\$ -	\$ -	\$ -
Accounts Payable	400,678	-	-	9,524
Due to Other Funds	312	-	-	-
Deferred Revenues	-	10,016	12,957	-
Total Liabilities	<u>611,688</u>	<u>10,016</u>	<u>12,957</u>	<u>9,524</u>
<b>Fund Balances:</b>				
<b>Reserved For:</b>				
Debt Service	-	36,292	-	-
Purpose of Trust	-	-	-	-
<b>Unreserved Designated For:</b>				
Specific Purposes	2,026,837	-	-	-
Capital Projects	-	-	600,267	72,073
Total Fund Balances	<u>2,026,837</u>	<u>36,292</u>	<u>600,267</u>	<u>72,073</u>
Total Liabilities and Fund Balances	<u>\$ 2,638,525</u>	<u>\$ 46,308</u>	<u>\$ 613,224</u>	<u>\$ 81,597</u>

Total Non-Major Capital Project Funds	Texoma Succeeding Generations	Total Nonmajor Governmental Funds
\$ 4,789	\$ 810	\$ 590,507
675,249	58,748	2,277,482
234	-	1,054
14,549	-	25,235
-	-	89,821
-	-	454,801
-	-	312
<u>\$ 694,821</u>	<u>\$ 59,558</u>	<u>\$ 3,439,212</u>
\$ -	\$ -	\$ 210,698
9,524	-	410,202
-	-	312
12,957	-	22,973
<u>22,481</u>	<u>-</u>	<u>644,185</u>
-	-	36,292
-	59,558	59,558
-	-	2,026,837
672,340	-	672,340
<u>672,340</u>	<u>59,558</u>	<u>2,795,027</u>
<u>\$ 694,821</u>	<u>\$ 59,558</u>	<u>\$ 3,439,212</u>

GRAYSON COUNTY, TEXAS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	Holiday Lights	Drug Court	Courthouse Security	Tax A/C S-I-T Fund
<b>REVENUES:</b>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Penalty and Interest on Taxes	-	-	-	-
Intergovernmental Revenue and Grants	-	-	-	-
Fees	-	-	-	-
Fees of Office	-	-	82,199	49,469
Investment Earnings	1,778	7	18,051	556
Other Revenue	50,405	804	3,840	-
Total Revenues	<u>52,183</u>	<u>811</u>	<u>104,090</u>	<u>50,025</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	47,736	-	259,261	-
Judicial	-	250	-	-
Public Safety	-	-	-	-
Highways, Streets and Bridges	-	-	-	-
Health and Welfare	-	-	-	-
Debt Service:				
Debt Principal	-	-	-	-
Debt Interest	-	-	-	-
Miscellaneous Fees	-	-	-	-
Total Expenditures	<u>47,736</u>	<u>250</u>	<u>259,261</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,447</u>	<u>561</u>	<u>(155,171)</u>	<u>50,025</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of Real and Personal Property	-	-	-	-
Transfers In	-	-	-	-
Transfers Out (Use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	4,447	561	(155,171)	50,025
Fund Balance - October 1 (Beginning)	<u>60,457</u>	<u>-</u>	<u>690,100</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 64,904</u>	<u>\$ 561</u>	<u>\$ 534,929</u>	<u>\$ 50,025</u>

Justice Court Technology	HAVA Funding	County Clerk Records Management	County Clerk Records Archive	County Clerk Vital Statistics	Dist. Clerk Records Management	County Records Preservation	Historical Commission
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	164,135	-	-	-	-	-	-
-	-	-	-	-	-	-	-
39,110	-	173,638	162,100	11,411	6,783	57,092	-
1,209	-	5,804	1,789	187	-	560	10
-	-	-	-	-	-	-	-
<u>40,319</u>	<u>164,135</u>	<u>179,442</u>	<u>163,889</u>	<u>11,598</u>	<u>6,783</u>	<u>57,652</u>	<u>10</u>
-	164,135	135,147	84,009	5,099	347	15,183	27
26,613	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	32,856	-	-	11,906	-	-
-	-	4,516	-	-	1,637	-	-
-	-	-	-	-	-	-	-
<u>26,613</u>	<u>164,135</u>	<u>172,519</u>	<u>84,009</u>	<u>5,099</u>	<u>13,890</u>	<u>15,183</u>	<u>27</u>
<u>13,706</u>	-	<u>6,923</u>	<u>79,880</u>	<u>6,499</u>	<u>(7,107)</u>	<u>42,469</u>	<u>(17)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	20,381	-	-
-	-	-	-	-	-	(20,381)	-
-	-	-	-	-	20,381	(20,381)	-
13,706	-	6,923	79,880	6,499	13,274	22,088	(17)
72,731	-	221,247	67,460	8,471	(13,274)	3,114	12,830
<u>\$ 86,437</u>	<u>\$ -</u>	<u>\$ 228,170</u>	<u>\$ 147,340</u>	<u>\$ 14,970</u>	<u>\$ -</u>	<u>\$ 25,202</u>	<u>\$ 12,813</u>

GRAYSON COUNTY, TEXAS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	Child Protective Services	Court Reporter Services	County Attorney Hot Check	Capital Murder Grants
<b>REVENUES:</b>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Penalty and Interest on Taxes	-	-	-	-
Intergovernmental Revenue and Grants	-	-	-	257,502
Fees	-	-	-	-
Fees of Office	-	26,940	134,116	-
Investment Earnings	31	-	-	-
Other Revenue	-	-	-	-
Total Revenues	<u>31</u>	<u>26,940</u>	<u>134,116</u>	<u>257,502</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	-	26,940	-	-
Judicial	-	-	122,538	257,502
Public Safety	-	-	-	-
Highways, Streets and Bridges	-	-	-	-
Health and Welfare	9,138	-	-	-
Debt Service:				
Debt Principal	-	-	-	-
Debt Interest	-	-	-	-
Miscellaneous Fees	-	-	-	-
Total Expenditures	<u>9,138</u>	<u>26,940</u>	<u>122,538</u>	<u>257,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,107)</u>	<u>-</u>	<u>11,578</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of Real and Personal Property	-	-	-	-
Transfers In	6,500	-	-	-
Transfers Out (Use)	-	-	-	-
Total Other Financing Sources (Uses)	<u>6,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(2,607)	-	11,578	-
Fund Balance - October 1 (Beginning)	<u>3,391</u>	<u>-</u>	<u>24,582</u>	<u>-</u>
Fund Balance - September 30 (Ending)	<u>\$ 784</u>	<u>\$ -</u>	<u>\$ 36,160</u>	<u>\$ -</u>

County Attorney Forfeiture	Law Library	DA State Supplemental	Gun Violence Grant	CJD Victims Assistance Grant	CJD Domestic Violence Grant	Co. Attorney Victim's Liaison Grant	Law Enforcement Block Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35,497	-	31,546	44,949	18,689	52,472	39,837	34,328
-	83,163	-	-	-	-	-	-
1,112	1,440	-	-	-	-	-	110
-	1,392	-	-	-	-	-	-
<u>36,609</u>	<u>85,995</u>	<u>31,546</u>	<u>44,949</u>	<u>18,689</u>	<u>52,472</u>	<u>39,837</u>	<u>34,438</u>
-	-	-	-	-	-	-	-
49,926	95,260	35,375	53,692	24,543	68,023	48,379	-
-	-	-	-	-	-	-	39,265
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>49,926</u>	<u>95,260</u>	<u>35,375</u>	<u>53,692</u>	<u>24,543</u>	<u>68,023</u>	<u>48,379</u>	<u>39,265</u>
<u>(13,317)</u>	<u>(9,265)</u>	<u>(3,829)</u>	<u>(8,743)</u>	<u>(5,854)</u>	<u>(15,551)</u>	<u>(8,542)</u>	<u>(4,827)</u>
6,575	-	-	-	-	-	-	-
-	-	-	8,743	7,614	16,948	8,674	602
-	-	-	-	-	-	-	-
<u>6,575</u>	<u>-</u>	<u>-</u>	<u>8,743</u>	<u>7,614</u>	<u>16,948</u>	<u>8,674</u>	<u>602</u>
(6,742)	(9,265)	(3,829)	-	1,760	1,397	132	(4,225)
27,085	95,920	11,610	-	(1,760)	(1,397)	(132)	4,863
<u>\$ 20,343</u>	<u>\$ 86,655</u>	<u>\$ 7,781</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 638</u>

GRAYSON COUNTY, TEXAS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	COPS Meth Grant	CJD Early Intervention Grant	Homeland Security	VINE Grant
<b>REVENUES:</b>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Penalty and Interest on Taxes	-	-	-	-
Intergovernmental Revenue and Grants	1,335	12,565	472,682	70,096
Fees	-	-	-	-
Fees of Office	-	-	-	-
Investment Earnings	6	-	-	54
Other Revenue	-	-	-	-
Total Revenues	1,341	12,565	472,682	70,150
<b>EXPENDITURES:</b>				
Current:				
General Government	-	-	-	-
Judicial	-	-	-	70,096
Public Safety	710	12,543	472,682	-
Highways, Streets and Bridges	-	-	-	-
Health and Welfare	-	-	-	-
Debt Service:				
Debt Principal	-	-	-	-
Debt Interest	-	-	-	-
Miscellaneous Fees	-	-	-	-
Total Expenditures	710	12,543	472,682	70,096
Excess (Deficiency) of Revenues Over (Under) Expenditures	631	22	-	54
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of Real and Personal Property	-	-	-	-
Transfers In	-	-	-	-
Transfers Out (Use)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	631	22	-	54
Fund Balance - October 1 (Beginning)	1	(22)	-	-
Fund Balance - September 30 (Ending)	\$ 632	\$ -	\$ -	\$ 54

Sheriff Drug Forfeiture	County Sheriff's Commissary	Federal Forfeiture	Juvenile Boot Camp	Title IV-E Federal Funds	Juvenile Probation Fees	Juvenile Prosecution Grant	Employee Activity Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
49,493	-	-	241,704	140,997	-	19,505	-
-	-	-	1,004,288	-	-	-	-
1,770	1,452	236	10,351	312	80	-	391
-	49,469	-	956	-	15,690	-	9,672
<u>51,263</u>	<u>50,921</u>	<u>236</u>	<u>1,257,299</u>	<u>141,309</u>	<u>15,770</u>	<u>19,505</u>	<u>10,063</u>
-	-	-	-	-	-	-	11,662
71,498	56,060	-	1,257,693	48,759	9,972	15,978	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>71,498</u>	<u>56,060</u>	<u>-</u>	<u>1,257,693</u>	<u>48,759</u>	<u>9,972</u>	<u>15,978</u>	<u>11,662</u>
<u>(20,235)</u>	<u>(5,139)</u>	<u>236</u>	<u>(394)</u>	<u>92,550</u>	<u>5,798</u>	<u>3,527</u>	<u>(1,599)</u>
17,897	-	-	-	-	-	-	-
-	-	-	-	-	-	2,167	-
-	-	-	-	-	-	-	-
<u>17,897</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,167</u>	<u>-</u>
(2,338)	(5,139)	236	(394)	92,550	5,798	5,694	(1,599)
65,409	56,826	15,365	465,713	-	-	(5,694)	16,012
<u>\$ 63,071</u>	<u>\$ 51,687</u>	<u>\$ 15,601</u>	<u>\$ 465,319</u>	<u>\$ 92,550</u>	<u>\$ 5,798</u>	<u>\$ -</u>	<u>\$ 14,413</u>



GRAYSON COUNTY, TEXAS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	Nonmajor Special Revenue Funds	2003 Refunding Bonds	Permanent Improvement Fund	Lateral Road Fund
<b>REVENUES:</b>				
Taxes:				
Property Taxes	\$ -	\$ 117,289	\$ 357,226	\$ -
Penalty and Interest on Taxes	-	2,245	5,164	-
Intergovernmental Revenue and Grants	1,687,332	-	-	71,804
Fees	1,004,288	-	-	-
Fees of Office	826,021	-	-	-
Investment Earnings	47,296	2,645	14,692	2,642
Other Revenue	132,228	-	-	-
Total Revenues	<u>3,697,165</u>	<u>122,179</u>	<u>377,082</u>	<u>74,446</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	749,546	-	145,914	-
Judicial	852,197	-	-	-
Public Safety	1,985,160	-	-	-
Highways, Streets and Bridges	-	-	-	52,143
Health and Welfare	9,138	-	-	-
Debt Service:				
Debt Principal	44,762	105,000	-	-
Debt Interest	6,153	52,184	-	-
Miscellaneous Fees	-	333	-	-
Total Expenditures	<u>3,646,956</u>	<u>157,517</u>	<u>145,914</u>	<u>52,143</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>50,209</u>	<u>(35,338)</u>	<u>231,168</u>	<u>22,303</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of Real and Personal Property	24,472	-	-	-
Transfers In	71,629	-	-	-
Transfers Out (Use)	(20,381)	-	-	-
Total Other Financing Sources (Uses)	<u>75,720</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	125,929	(35,338)	231,168	22,303
Fund Balance - October 1 (Beginning)	<u>1,900,908</u>	<u>71,630</u>	<u>369,099</u>	<u>49,770</u>
Fund Balance - September 30 (Ending)	<u>\$ 2,026,837</u>	<u>\$ 36,292</u>	<u>\$ 600,267</u>	<u>\$ 72,073</u>

Total Non-Major Capital Project Funds	Texoma Succeeding Generations	Total Nonmajor Governmental Funds
\$ 357,226	\$ -	\$ 474,515
5,164	-	7,409
71,804	-	1,759,136
-	-	1,004,288
-	-	826,021
17,334	1,556	68,831
-	-	132,228
<u>451,528</u>	<u>1,556</u>	<u>4,272,428</u>
145,914	-	895,460
-	-	852,197
-	-	1,985,160
52,143	-	52,143
-	-	9,138
-	-	149,762
-	-	58,337
-	-	333
<u>198,057</u>	<u>-</u>	<u>4,002,530</u>
<u>253,471</u>	<u>1,556</u>	<u>269,898</u>
-	-	24,472
-	-	71,629
-	-	(20,381)
-	-	75,720
253,471	1,556	345,618
<u>418,869</u>	<u>58,002</u>	<u>2,449,409</u>
<u>\$ 672,340</u>	<u>\$ 59,558</u>	<u>\$ 2,795,027</u>

**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**HOLIDAY LIGHTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Donations	\$ 60,000	\$ 50,405	\$ (9,595)
Interest	300	1,778	1,478
Total revenues	<u>60,300</u>	<u>52,183</u>	<u>(8,117)</u>
<b>EXPENDITURES</b>			
General government:			
Personnel services	3,600	4,766	(1,166)
Supplies and materials	50,000	42,969	7,031
Total expenditures	<u>53,600</u>	<u>47,736</u>	<u>5,864</u>
<b>NET CHANGE IN FUND BALANCES</b>	6,700	4,447	(2,253)
<b>FUND BALANCES, BEGINNING</b>	<u>60,457</u>	<u>60,457</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 67,157</u>	<u>\$ 64,904</u>	<u>\$ (2,253)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DRUG COURT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Donations	\$ 200	\$ 804	\$ 604
Interest	<u>5</u>	<u>7</u>	<u>2</u>
Total revenues	<u>205</u>	<u>811</u>	<u>606</u>
<b>EXPENDITURES</b>			
Judicial:			
Operating expenditures	<u>205</u>	<u>250</u>	<u>(45)</u>
Total expenditures	<u>205</u>	<u>250</u>	<u>(45)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	561	561
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ 561</u>	<u>\$ 561</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COURTHOUSE SECURITY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Fees	\$ 73,400	\$ 82,199	\$ 8,799
Interest	1,000	18,051	17,051
Miscellaneous	-	3,840	3,840
Total revenues	74,400	104,090	29,690
<b>EXPENDITURES</b>			
Current:			
General government:			
Supplies and materials	15,000	5,113	9,887
Capital outlay	425,000	254,148	170,852
Total expenditures	440,000	259,261	180,739
<b>NET CHANGE IN FUND BALANCES</b>	(365,600)	(155,171)	210,429
<b>FUND BALANCES, BEGINNING</b>	690,100	690,100	-
<b>FUND BALANCES, ENDING</b>	\$ 324,500	\$ 534,929	\$ 210,429

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**TAX ASSESSOR/COLLECTOR S-I-T PENALTY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Fees	\$ -	\$ 49,469	\$ 49,469
Interest	-	556	556
Total revenues	<u>-</u>	<u>50,025</u>	<u>50,025</u>
<b>EXPENDITURES</b>			
Current:			
Financial administration			
Operating expenditures	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	50,025	50,025
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ 50,025</u>	<u>\$ 50,025</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUSTICE COURT TECHNOLOGY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 26,500	\$ 39,110	\$ 12,610
Interest	80	1,209	1,129
Total revenues	<u>26,580</u>	<u>40,319</u>	<u>13,739</u>
<b>EXPENDITURES</b>			
Judicial:			
Supplies and materials	20,000	25,994	(5,994)
Other services and charges	-	619	(619)
Capital outlay	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total expenditures	<u>60,000</u>	<u>26,613</u>	<u>33,387</u>
<b>NET CHANGE IN FUND BALANCES</b>	(33,420)	13,706	47,126
<b>FUND BALANCES, BEGINNING</b>	<u>72,731</u>	<u>72,731</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 39,311</u>	<u>\$ 86,437</u>	<u>\$ 47,126</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**HELP AMERICA VOTE ACT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 822,866	\$ 164,135	\$ (658,731)
Total revenues	<u>822,866</u>	<u>164,135</u>	<u>(658,731)</u>
<b>EXPENDITURES</b>			
Elections			
Operating expenditures	176,000	164,135	11,865
Total expenditures	<u>176,000</u>	<u>164,135</u>	<u>11,865</u>
<b>NET CHANGE IN FUND BALANCES</b>	646,866	-	(646,866)
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 646,866</u>	<u>\$ -</u>	<u>\$ (646,866)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY CLERK RECORDS MANAGEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 160,000	\$ 173,638	\$ 13,638
Interest	2,000	5,804	3,804
Total revenues	<u>162,000</u>	<u>179,442</u>	<u>17,442</u>
<b>EXPENDITURES</b>			
General Government			
Personnel services	8,350	5,771	2,579
Supplies and materials	-	25,983	(25,983)
Operating expenditures	129,000	103,393	25,607
Debt service principal	32,857	32,856	1
Debt service interest	4,517	4,516	1
Total expenditures	<u>174,724</u>	<u>172,519</u>	<u>2,205</u>
<b>NET CHANGE IN FUND BALANCES</b>	(12,724)	6,923	19,647
<b>FUND BALANCES, BEGINNING</b>	<u>221,247</u>	<u>221,247</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 208,523</u>	<u>\$ 228,170</u>	<u>\$ 19,647</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY CLERK RECORDS ARCHIVE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 144,000	\$ 162,100	\$ 18,100
Interest	<u>1,000</u>	<u>1,789</u>	<u>789</u>
Total revenues	<u>145,000</u>	<u>163,889</u>	<u>18,889</u>
<b>EXPENDITURES</b>			
General Government			
Operating expenditures	<u>135,000</u>	<u>84,009</u>	<u>50,991</u>
Total expenditures	<u>135,000</u>	<u>84,009</u>	<u>50,991</u>
<b>NET CHANGE IN FUND BALANCES</b>	10,000	79,880	69,880
<b>FUND BALANCES, BEGINNING</b>	<u>67,460</u>	<u>67,460</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 77,460</u>	<u>\$ 147,340</u>	<u>\$ 69,880</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY CLERK VITAL STATISTICS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 12,000	\$ 11,411	\$ (589)
Interest	20	187	167
Total revenues	<u>12,020</u>	<u>11,598</u>	<u>(422)</u>
<b>EXPENDITURES</b>			
General Government			
Personnel services	6,310	4,582	1,728
Supplies and materials	1,500	-	1,500
Operating expenditures	<u>10,000</u>	<u>517</u>	<u>9,483</u>
Total expenditures	<u>17,810</u>	<u>5,099</u>	<u>12,711</u>
<b>NET CHANGE IN FUND BALANCES</b>	(5,790)	6,499	12,289
<b>FUND BALANCES, BEGINNING</b>	<u>8,471</u>	<u>8,471</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 2,681</u></u>	<u><u>\$ 14,970</u></u>	<u><u>\$ 12,289</u></u>

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GRAYSON COUNTY, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 DISTRICT CLERK RECORDS MANAGEMENT FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 6,000	\$ 6,783	\$ 783
Total revenues	<u>6,000</u>	<u>6,783</u>	<u>783</u>
<b>EXPENDITURES</b>			
General Government			
Operating expenditures	8,300	347	7,953
Debt service principal	11,907	11,906	1
Debt service interest	1,637	1,637	-
Total expenditures	<u>21,844</u>	<u>13,890</u>	<u>7,954</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(15,844)	(7,107)	8,737
<b>OTHER FINANCING SOURCES</b>			
Transfers in	15,844	20,381	4,537
Total other financing sources			
<b>NET CHANGE IN FUND BALANCE</b>	-	13,274	13,274
<b>FUND BALANCES, BEGINNING</b>	<u>(13,274)</u>	<u>(13,274)</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ (13,274)</u>	<u>\$ -</u>	<u>\$ 13,274</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY RECORDS PRESERVATION FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 59,500	\$ 57,092	\$ (2,408)
Interest	25	560	535
Total revenues	<u>59,525</u>	<u>57,652</u>	<u>(1,873)</u>
<b>EXPENDITURES</b>			
Current:			
General government:			
Operating expenditures	10,000	15,183	(5,183)
Total expenditures	<u>10,000</u>	<u>15,183</u>	<u>(5,183)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>49,525</u>	<u>42,469</u>	<u>3,310</u>
<b>OTHER FINANCING SOURCES</b>			
Operating transfer out	(15,844)	(20,381)	(4,537)
Total other financing sources	<u>(15,844)</u>	<u>(20,381)</u>	<u>(4,537)</u>
<b>NET CHANGE IN FUND BALANCES</b>	33,681	22,088	(1,227)
<b>FUND BALANCES, BEGINNING</b>	<u>3,114</u>	<u>3,114</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 36,795</u>	<u>\$ 25,202</u>	<u>\$ (1,227)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**HISTORICAL COMMISSION FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Interest	\$ -	\$ 10	\$ 10
Total revenues	<u>-</u>	<u>10</u>	<u>10</u>
<b>EXPENDITURES</b>			
Current:			
Culture and recreation			
Operating expenditures	4,350	27	4,323
Total expenditures	<u>4,350</u>	<u>27</u>	<u>4,323</u>
<b>NET CHANGE IN FUND BALANCES</b>	(4,350)	(17)	4,333
<b>FUND BALANCES, BEGINNING</b>	<u>12,830</u>	<u>12,830</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 8,480</u>	<u>\$ 12,813</u>	<u>\$ 4,333</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CHILD PROTECTIVE SERVICES FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest	\$ 25	\$ 31	\$ 6
Total revenues	<u>25</u>	<u>31</u>	<u>6</u>
<b>EXPENDITURES</b>			
Current:			
Health and welfare:			
Supplies and materials	9,800	9,138	662
Total expenditures	<u>9,800</u>	<u>9,138</u>	<u>662</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(9,775)</u>	<u>(9,107)</u>	<u>668</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	6,500	6,500	-
Total other financing sources	<u>6,500</u>	<u>6,500</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,275)	(2,607)	668
<b>FUND BALANCES, BEGINNING</b>	<u>3,391</u>	<u>3,391</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 116</u>	<u>\$ 784</u>	<u>\$ 668</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COURT REPORTER SERVICES FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Fees	\$ 26,000	\$ 26,940	\$ 940
Total revenues	<u>26,000</u>	<u>26,940</u>	<u>940</u>
<b>EXPENDITURES</b>			
Current:			
General government:			
Other services and charges	<u>26,000</u>	<u>26,940</u>	<u>(940)</u>
Total expenditures	<u>26,000</u>	<u>26,940</u>	<u>(940)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY ATTORNEY HOT CHECK FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Fees of office	\$ 150,000	\$ 134,116	\$ (15,884)
Total revenues	<u>150,000</u>	<u>134,116</u>	<u>(15,884)</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	161,900	119,835	42,065
Operating expenditures	<u>12,300</u>	<u>2,703</u>	<u>9,597</u>
Total expenditures	<u>174,200</u>	<u>122,538</u>	<u>51,662</u>
<b>NET CHANGE IN FUND BALANCES</b>	(24,200)	11,578	35,778
<b>FUND BALANCES, BEGINNING</b>	<u>24,582</u>	<u>24,582</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 382</u>	<u>\$ 36,160</u>	<u>\$ 35,778</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CAPITAL MURDER FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 257,502	\$ 257,502	\$ -
Total revenues	<u>257,502</u>	<u>257,502</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	24,136	24,136	-
Operating expenditures	<u>233,366</u>	<u>233,366</u>	<u>-</u>
Total expenditures	<u>257,502</u>	<u>257,502</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY ATTORNEY FORFEITURE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Forfeitures	\$ 25,000	\$ 35,497	\$ 10,497
Interest	200	1,112	912
Total revenues	<u>25,200</u>	<u>36,609</u>	<u>11,409</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	35,600	32,873	2,727
Supplies and materials	12,250	14,754	(2,504)
Operating expenditures	2,000	2,299	(299)
Capital outlay	2,000	-	2,000
Total expenditures	<u>51,850</u>	<u>49,926</u>	<u>1,924</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(26,650)</u>	<u>(13,317)</u>	<u>13,333</u>
<b>OTHER FINANCING SOURCES</b>			
Sale of fixed assets	-	6,575	6,575
Total other financing sources	<u>-</u>	<u>6,575</u>	<u>6,575</u>
<b>NET CHANGE IN FUND BALANCES</b>	(26,650)	(6,742)	19,908
<b>FUND BALANCES, BEGINNING</b>	<u>27,085</u>	<u>27,085</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 435</u>	<u>\$ 20,343</u>	<u>\$ 19,908</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LAW LIBRARY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Fines and fees	\$ 76,000	\$ 83,163	\$ 7,163
Interest	200	1,440	1,240
Miscellaneous	-	1,392	1,392
Total revenues	<u>76,200</u>	<u>85,995</u>	<u>9,795</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	39,580	39,557	23
Supplies and materials	50,800	53,655	(2,855)
Other services and charges	2,675	2,048	627
Capital outlay	800	-	800
Total expenditures	<u>93,855</u>	<u>95,260</u>	<u>(1,405)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(17,655)	(9,265)	8,390
<b>FUND BALANCES, BEGINNING</b>	<u>95,920</u>	<u>95,920</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 78,265</u>	<u>\$ 86,655</u>	<u>\$ 8,390</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DISTRICT ATTORNEY STATE SUPPLEMENTAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 34,450	\$ 31,546	\$ (2,904)
Total revenues	<u>34,450</u>	<u>31,546</u>	<u>(2,904)</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	37,200	35,375	1,825
Total expenditures	<u>37,200</u>	<u>35,375</u>	<u>1,825</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,750)	(3,829)	(1,079)
<b>FUND BALANCES, BEGINNING</b>	<u>11,610</u>	<u>11,610</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 8,860</u>	<u>\$ 7,781</u>	<u>\$ (1,079)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GUN VIOLENCE GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 40,000	\$ 44,949	\$ 4,949
Total revenues	<u>40,000</u>	<u>44,949</u>	<u>4,949</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	53,385	53,692	(307)
Total expenditures	<u>53,385</u>	<u>53,692</u>	<u>(307)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(13,385)</u>	<u>(8,743)</u>	<u>4,642</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	13,385	8,743	(4,642)
Total other financing sources (uses)	<u>13,385</u>	<u>8,743</u>	<u>(4,642)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CJD VICTIMS ASSISTANCE GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 20,449	\$ 18,689	\$ (1,760)
Total revenues	<u>20,449</u>	<u>18,689</u>	<u>(1,760)</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	28,049	24,543	3,506
Total expenditures	<u>28,049</u>	<u>24,543</u>	<u>3,506</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(7,600)</u>	<u>(5,854)</u>	<u>1,746</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	7,600	7,614	14
Total other financing sources	<u>7,600</u>	<u>7,614</u>	<u>14</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	1,760	1,760
<b>FUND BALANCES, BEGINNING</b>	<u>(1,760)</u>	<u>(1,760)</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ (1,760)</u>	<u>\$ -</u>	<u>\$ 1,760</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CJD DOMESTIC VIOLENCE GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 48,992	\$ 52,472	\$ 3,480
Total revenues	<u>48,992</u>	<u>52,472</u>	<u>3,480</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	60,332	68,023	(7,691)
Total expenditures	<u>60,332</u>	<u>68,023</u>	<u>(7,691)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(11,340)</u>	<u>(15,551)</u>	<u>(4,211)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer in	16,330	16,948	618
Total other financing (uses)	<u>16,330</u>	<u>16,948</u>	<u>618</u>
<b>NET CHANGE IN FUND BALANCES</b>	4,990	1,397	(3,593)
<b>FUND BALANCES, BEGINNING</b>	<u>(1,397)</u>	<u>(1,397)</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 3,593</u>	<u>\$ -</u>	<u>\$ (3,593)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY ATTORNEY VICTIM'S LIAISON GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 40,172	\$ 39,837	\$ (335)
Total revenues	<u>40,172</u>	<u>39,837</u>	<u>(335)</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	48,410	48,379	31
Total expenditures	<u>48,410</u>	<u>48,379</u>	<u>31</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(8,238)</u>	<u>(8,542)</u>	<u>(304)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	8,675	8,674	(1)
Total other financing sources (uses)	<u>8,675</u>	<u>8,674</u>	<u>(1)</u>
<b>NET CHANGE IN FUND BALANCES</b>	437	132	(305)
<b>FUND BALANCES, BEGINNING</b>	<u>(132)</u>	<u>(132)</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 305</u>	<u>\$ -</u>	<u>\$ (305)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LAW ENFORCEMENT BLOCK GRANT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 34,328	\$ 34,328	\$ -
Interest	-	110	110
Total revenues	<u>34,328</u>	<u>34,438</u>	<u>110</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Supplies and materials	39,000	39,265	(265)
Total expenditures	<u>39,000</u>	<u>39,265</u>	<u>(265)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(4,672)</u>	<u>(4,827)</u>	<u>(155)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	602	602	-
Total other financing sources	<u>602</u>	<u>602</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(4,070)	(4,225)	(155)
<b>FUND BALANCES, BEGINNING</b>	<u>4,863</u>	<u>4,863</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 793</u>	<u>\$ 638</u>	<u>\$ (155)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COPS METH GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,300	\$ 1,335	\$ 35
Interest	-	6	6
Total revenues	<u>1,300</u>	<u>1,341</u>	<u>41</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Personnel services	<u>670</u>	<u>710</u>	<u>(40)</u>
Total expenditures	<u>670</u>	<u>710</u>	<u>(40)</u>
<b>NET CHANGE IN FUND BALANCES</b>	630	631	1
<b>FUND BALANCES, BEGINNING</b>	<u>1</u>	<u>1</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 631</u></u>	<u><u>\$ 632</u></u>	<u><u>\$ 1</u></u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**CJD EARLY INTERVENTION GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 18,035	\$ 12,565	\$ (5,470)
Total revenues	<u>18,035</u>	<u>12,565</u>	<u>(5,470)</u>
<b>EXPENDITURES</b>			
Public safety:			
Supplies and materials	10,535	8,535	2,000
Operating expenditures	<u>7,500</u>	<u>4,008</u>	<u>3,492</u>
Total expenditures	<u>18,035</u>	<u>12,543</u>	<u>5,492</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	22	22
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 22</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**HOMELAND SECURITY GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 489,632	\$ 472,682	\$ (16,950)
Total revenues	<u>489,632</u>	<u>472,682</u>	<u>(16,950)</u>
<b>EXPENDITURES</b>			
Public safety:			
Operating expenditures	10,232	9,000	1,232
Capital outlay	<u>479,400</u>	<u>463,682</u>	<u>15,718</u>
Total expenditures	<u>489,632</u>	<u>472,682</u>	<u>16,950</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**VINE GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 70,096	\$ 70,096	\$ -
Interest	-	54	54
Total revenues	<u>70,096</u>	<u>70,150</u>	<u>54</u>
<b>EXPENDITURES</b>			
Public safety:			
Operating expenditures	<u>70,096</u>	<u>70,096</u>	<u>-</u>
Total expenditures	<u>70,096</u>	<u>70,096</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	54	54
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ 54</u>	<u>\$ 54</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SHERIFF DRUG FORFEITURE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 10,672	\$ 10,672	\$ -
Forfeitures	10,000	38,821	28,821
Interest	500	1,770	1,270
Total revenues	<u>21,172</u>	<u>51,263</u>	<u>30,091</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety:			
Operating expenditures	41,500	71,498	(29,998)
Total expenditures	<u>41,500</u>	<u>71,498</u>	<u>(29,998)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(20,328)</u>	<u>(20,235)</u>	<u>93</u>
<b>OTHER FINANCING SOURCES</b>			
Sale of fixed assets	500	17,897	17,397
Total other financing sources (uses)	<u>500</u>	<u>17,897</u>	<u>17,397</u>
<b>NET CHANGE IN FUND BALANCES</b>	(19,828)	(2,338)	17,490
<b>FUND BALANCES, BEGINNING</b>	<u>65,409</u>	<u>65,409</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 45,581</u>	<u>\$ 63,071</u>	<u>\$ 17,490</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COUNTY SHERIFF COMMISSARY FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charges for services	\$ 40,000	\$ 49,470	\$ 9,470
Interest	700	1,452	752
Total revenues	<u>40,700</u>	<u>50,922</u>	<u>10,222</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety:			
Operating expenditures	41,000	56,061	(15,061)
Capital outlay	7,000	-	7,000
Total expenditures	<u>48,000</u>	<u>56,061</u>	<u>(8,061)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(7,300)	(5,139)	2,161
<b>FUND BALANCES, BEGINNING</b>	<u>56,826</u>	<u>56,826</u>	-
<b>FUND BALANCES, ENDING</b>	<u>\$ 49,526</u>	<u>\$ 51,687</u>	<u>\$ 2,161</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FEDERAL FORFEITURE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest	\$ -	\$ 236	\$ 236
Total revenues	<u>-</u>	<u>236</u>	<u>236</u>
<b>EXPENDITURES</b>			
Current:			
Judicial:			
Personnel services	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	236	236
<b>FUND BALANCES, BEGINNING</b>	<u>15,365</u>	<u>15,365</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 15,365</u>	<u>\$ 15,601</u>	<u>\$ 236</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUVENILE BOOT CAMP FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 232,000	\$ 241,704	\$ 9,704
Fees	1,010,000	1,005,244	(4,756)
Interest	2,000	10,351	8,351
Total revenues	1,244,000	1,257,299	13,299
<b>EXPENDITURES</b>			
Current:			
Public Safety:			
Personnel services	1,051,951	924,481	127,470
Supplies and materials	97,600	119,526	(21,926)
Operating expenditures	360,150	213,686	146,464
Total expenditures	1,509,701	1,257,693	252,008
 <b>NET CHANGE IN FUND BALANCES</b>	 (265,701)	 (394)	 265,307
<b>FUND BALANCES, BEGINNING</b>	465,713	465,713	-
<b>FUND BALANCES, ENDING</b>	\$ 200,012	\$ 465,319	\$ 265,307

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**TITLE IV-E FEDERAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 100,000	\$ 140,997	\$ 40,997
Interest	-	312	312
<b>Total revenues</b>	<u>100,000</u>	<u>141,309</u>	<u>41,309</u>
<b>EXPENDITURES</b>			
Public Safety			
Personnel services	30,000	40,833	(10,833)
Supplies and materials	-	5,315	(5,315)
Operating expenditures	15,000	2,611	12,389
Capital outlay	8,000	-	8,000
<b>Total expenditures</b>	<u>53,000</u>	<u>48,759</u>	<u>4,241</u>
<b>NET CHANGE IN FUND BALANCES</b>	47,000	92,550	37,068
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 47,000</u>	<u>\$ 92,550</u>	<u>\$ 37,068</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUVENILE PROBATION FEES FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Charges for services	\$ 14,000	\$ 15,690	\$ 1,690
Interest	-	80	80
Total revenues	<u>14,000</u>	<u>15,770</u>	<u>1,770</u>
<b>EXPENDITURES</b>			
Public Safety			
Operating expenditures	<u>10,000</u>	<u>9,972</u>	<u>28</u>
Total expenditures	<u>10,000</u>	<u>9,972</u>	<u>28</u>
<b>NET CHANGE IN FUND BALANCES</b>	4,000	5,798	1,742
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 4,000</u></u>	<u><u>\$ 5,798</u></u>	<u><u>\$ 1,742</u></u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**JUVENILE PROSECUTION GRANT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 19,505	\$ 19,505	\$ -
Total revenues	<u>19,505</u>	<u>19,505</u>	<u>-</u>
<b>EXPENDITURES</b>			
Judicial:			
Operating expenditures	28,223	15,978	12,245
Total expenditures	<u>28,223</u>	<u>15,978</u>	<u>12,245</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(8,718)</u>	<u>3,527</u>	<u>12,245</u>
<b>OTHER FINANCING SOURCES</b>			
Transfers in	2,167	2,167	-
Total other financing sources (uses)	<u>2,167</u>	<u>2,167</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(6,551)	5,694	12,245
<b>FUND BALANCES, BEGINNING</b>	<u>(5,694)</u>	<u>(5,694)</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ (12,245)</u>	<u>\$ -</u>	<u>\$ 12,245</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**2003 REFUNDING BONDS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes:			
Current	\$ 113,613	\$ 114,104	\$ 491
Delinquent	7,000	3,185	(3,815)
Penalties and interest	5,000	2,245	(2,755)
Total taxes	<u>125,613</u>	<u>119,534</u>	<u>(6,079)</u>
Interest	<u>2,000</u>	<u>2,645</u>	<u>645</u>
Total revenues	<u>127,613</u>	<u>122,179</u>	<u>(5,434)</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal retirement	105,000	105,000	-
Interest and fiscal charges	<u>53,185</u>	<u>52,517</u>	<u>668</u>
Total expenditures	<u>158,185</u>	<u>157,517</u>	<u>668</u>
<b>NET CHANGE IN FUND BALANCES</b>	(30,572)	(35,338)	(4,766)
<b>FUND BALANCES, BEGINNING</b>	<u>71,630</u>	<u>71,630</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 41,058</u>	<u>\$ 36,292</u>	<u>\$ (4,766)</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**PERMANENT IMPROVEMENT FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes:			
Current	\$ 350,000	\$ 351,553	\$ 1,553
Delinquent	4,000	5,673	1,673
Penalties and interest	3,500	5,164	1,664
Total taxes	<u>357,500</u>	<u>362,390</u>	<u>4,890</u>
Interest	<u>5,000</u>	<u>14,692</u>	<u>9,692</u>
Total revenues	<u>362,500</u>	<u>377,082</u>	<u>14,582</u>
<b>EXPENDITURES</b>			
Capital projects:			
Operating expenditures	<u>235,000</u>	<u>145,914</u>	<u>89,086</u>
Total expenditures	<u>235,000</u>	<u>145,914</u>	<u>89,086</u>
<b>NET CHANGE IN FUND BALANCES</b>	127,500	231,168	103,668
<b>FUND BALANCES, BEGINNING</b>	<u>369,099</u>	<u>369,099</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 496,599</u>	<u>\$ 600,267</u>	<u>\$ 103,668</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**LATERAL ROAD FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 72,000	\$ 71,804	\$ (196)
Interest	1,000	2,642	1,642
Total taxes	<u>73,000</u>	<u>74,446</u>	<u>1,446</u>
<b>EXPENDITURES</b>			
Current:			
Highways and streets			
Operating expenditures	<u>76,000</u>	<u>52,143</u>	<u>23,857</u>
Total expenditures	<u>76,000</u>	<u>52,143</u>	<u>23,857</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,000)	22,303	25,303
<b>FUND BALANCES, BEGINNING</b>	<u>49,770</u>	<u>49,770</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 46,770</u>	<u>\$ 72,073</u>	<u>\$ 25,303</u>

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**GRAYSON COUNTY, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**TEXOMA SUCCEEDING GENERATIONS TRUST FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Interest	\$ 800	\$ 1,556	\$ 756
Total taxes	<u>800</u>	<u>1,556</u>	<u>756</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	800	1,556	756
<b>FUND BALANCES, BEGINNING</b>	<u>58,002</u>	<u>58,002</u>	<u>-</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 58,802</u>	<u>\$ 59,558</u>	<u>\$ 756</u>

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**FIDUCIARY FUNDS**

**GRAYSON COUNTY, TEXAS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2005**

Agency Funds are used to account for the assets held by the County as an agent for individuals, private organizations, and other governments.

**State Court Costs and Arrest Fees** - To account for collections of the various court costs and arrest fees, as established by the State of Texas. Funds collected are remitted to the State on a quarterly basis. The County is generally allowed to retain ten percent of the funds collected as a service fee and all interest earned on the funds.

**Appellate Justice System** - To account for the collections of this court cost. Funds collected are to be used to assist the Court of Appeals in the administration of the judicial appellate process.

**Seized** - Collections that are held in trust until awarded by the courts and remitted to the appropriate state, county, or individual.

**Adult Probation Restitution** - This is a departmental fund used by the Adult Probation Department to account for collections from probationers for fines, probation fees, court costs, probationer support and restitution. All such collections are subsequently remitted to the appropriate individual, County official or County fund.

**County Attorney Bad Check Victims** - Collections by the County Attorney for hot checks are accounted for in the County Attorney Bad Check Victims account. Collections are subsequently remitted to the appropriate person or entity.

**County Attorney Restitution** - This fund accounts for monies paid by defendants in crimes that require restitution to defendants. As the funds are paid to the County Attorney's office, they are remitted to victims immediately.

**County Clerk Operating** - These funds are held by the Clerks and payable to the State for fees collected and paid by the County and District Clerks related to Texas Government Code 25.005, and corresponding to salary adoption for the County Court-at-Law Judge.

**District Clerk Operating** - The monies in this trust fund represent funds paid to the District Clerk by the State Comptroller. The money is held in this fund pending an examination to determine their appropriate use.

**Juvenile Probation** - This is a departmental fund used by the Juvenile Probation Department to account for collections from probationers for probation fees and restitution. All such collections are subsequently remitted to the appropriate individual, County official or County fund.

**Tax Assessor Collector** - To account for the collections of various taxes for other governments and Grayson County. The County is allowed to retain a percentage of taxes collected for other governments as a collection fee.

**Sheriff Operating and Sheriff Law Enforcement Operating** - The Sheriff Operating Fund accounts for fee collections by the Sheriff Department, which are reportable to the County Treasurer.

**Sheriff Bonds** - This fund is to account for bond money collected by the Sheriff. Bond money is held in trust for felony cases recorded by the District Clerk pending court-ordered disbursement.

**GRAYSON COUNTY, TEXAS  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2005**

**County Clerk Trust** - Maintained by the County Clerk, this fund accounts for trust money held in non-interest bearing accounts or investments, for civil cases before the County Court or County Court-at-Law. Disbursements are made upon disposition of the cases by court order.

**District Clerk Trust** - This trust fund maintained by the District Clerk accounts for cash and investments held pending disposition of civil cases before the District Courts.

**Jail Inmate Trust** - This account is money held by the Sheriff for inmates of the jail. The funds are held until the inmate is released or transferred.

**Sheriff Civil Trust Fund** - This trust fund, maintained by the Sheriff, is held for the benefit of certain individuals after disposition of the related civil case and until monies can be properly claimed.

**GRAYSON COUNTY, TEXAS**  
**COMBINING SCHEDULE OF FIDUCIARY NET ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Agency			
	State Court Costs and Arrest Fees	Appellate Justice System	Seized	Adult Probation Restitution
<b>ASSETS</b>				
Cash and investments	\$ 288,030	\$ 9,399	\$ 255,286	\$ 236,609
Total assets	<u>\$ 288,030</u>	<u>\$ 9,399</u>	<u>\$ 255,286</u>	<u>\$ 236,609</u>
<b>LIABILITIES</b>				
Due to other agencies and individuals	\$ 288,030	\$ 9,399	\$ 255,286	\$ 236,609
Total liabilities	<u>\$ 288,030</u>	<u>\$ 9,399</u>	<u>\$ 255,286</u>	<u>\$ 236,609</u>

Agency

<u>County Attorney Bad Check Victims</u>	<u>County Attorney Restitution</u>	<u>County Clerk Operating</u>	<u>District Clerk Operating</u>	<u>Juvenile Probation</u>	<u>Tax Assessor Collector</u>
<u>\$ 4,021</u>	<u>\$ 2,127</u>	<u>\$ 5,867</u>	<u>\$ 11,382</u>	<u>\$ 1,471</u>	<u>\$ 1,691,693</u>
<u><u>\$ 4,021</u></u>	<u><u>\$ 2,127</u></u>	<u><u>\$ 5,867</u></u>	<u><u>\$ 11,382</u></u>	<u><u>\$ 1,471</u></u>	<u><u>\$ 1,691,693</u></u>
<u>\$ 4,021</u>	<u>\$ 2,127</u>	<u>\$ 5,867</u>	<u>\$ 11,382</u>	<u>\$ 1,471</u>	<u>\$ 1,691,693</u>
<u><u>\$ 4,021</u></u>	<u><u>\$ 2,127</u></u>	<u><u>\$ 5,867</u></u>	<u><u>\$ 11,382</u></u>	<u><u>\$ 1,471</u></u>	<u><u>\$ 1,691,693</u></u>

**GRAYSON COUNTY, TEXAS**  
**COMBINING SCHEDULE OF FIDUCIARY NET ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2005**

	Agency			
	Sheriff Operating	Sheriff Law Enforcement Operating	Sheriff Bonds	County Clerk Trust
<b>ASSETS</b>				
Cash and investments	\$ 37,545	\$ 16,121	\$ 345,586	\$ 1,407,876
Total assets	<u>\$ 37,545</u>	<u>\$ 16,121</u>	<u>\$ 345,586</u>	<u>\$ 1,407,876</u>
<b>LIABILITIES</b>				
Due to other agencies and individuals	\$ 37,545	\$ 16,121	\$ 345,586	\$ 1,407,876
Total liabilities	<u>\$ 37,545</u>	<u>\$ 16,121</u>	<u>\$ 345,586</u>	<u>\$ 1,407,876</u>

Agency

District Clerk Trust	Jail Inmate Trust	Sheriff Civil Trust	Total
<u>\$ 2,729,638</u>	<u>\$ 84,655</u>	<u>\$ 12,036</u>	<u>\$ 7,139,342</u>
<u><u>\$ 2,729,638</u></u>	<u><u>\$ 84,655</u></u>	<u><u>\$ 12,036</u></u>	<u><u>\$ 7,139,342</u></u>
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<u><u>\$ 2,729,638</u></u>	<u><u>\$ 84,655</u></u>	<u><u>\$ 12,036</u></u>	<u><u>\$ 7,139,342</u></u>



**STATISTICAL SECTION**

**GRAYSON COUNTY, TEXAS**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Judicial</u>	<u>Public Safety</u>	<u>Health and Welfare</u>	<u>Highways, Streets and Bridges</u>	<u>Debt Service</u>	<u>Total</u>
1996	\$ 8,129,253	\$ 2,696,118	\$ 1,903,434	\$ 2,940,041	\$ 4,308,560	\$ 1,240,551	\$21,217,957
1997	4,637,140	2,997,327	6,320,356	3,293,694	4,323,913	1,258,908	22,831,338
1998	4,681,101	3,167,432	7,689,910	3,475,207	4,872,234	1,258,479	25,144,363
1999	5,185,431	3,371,320	9,984,101	3,675,695	4,933,664	1,260,796	28,411,007
2000	6,590,810	3,894,727	10,499,538	3,876,889	5,019,371	1,126,192	31,007,527
2001	6,026,952	4,011,963	10,865,778	4,327,724	5,185,881	298,350	30,716,648
2002	6,334,028	4,643,861	12,083,252	4,158,651	5,650,180	373,127	33,243,099
2003	5,339,394	4,236,298	10,047,110	4,944,094	5,016,150	504,798	30,087,844
2004	6,171,201	4,942,103	12,756,755	5,044,381	5,470,954	479,839	34,865,233
2005	6,168,474	5,957,159	13,570,199	4,748,252	6,083,552	479,416	37,007,052

Note: Includes General, Special Revenue and Debt Service.

**GRAYSON COUNTY, TEXAS**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCES**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Fees and Licenses</u>	<u>Fines and Forfeitures</u>	<u>Inter-Governmental</u>	<u>Interest Earnings</u>	<u>Miscellaneous</u>	<u>Total</u>
1996	\$ 12,591,184	\$ 4,383,769	\$ 888,768	\$ 2,949,921	\$ 460,274	\$ 343,354	\$ 21,617,270
1997	13,020,601	4,586,467	1,146,961	3,526,018	512,117	330,138	23,122,302
1998	13,791,903	5,120,444	1,267,604	4,622,265	533,744	469,059	25,805,019
1999	14,481,774	5,445,286	1,363,997	7,450,922	539,981	530,798	29,812,758
2000	15,151,836	6,176,161	1,039,428	6,032,924	675,455	517,952	29,593,756
2001	15,919,422	6,315,858	1,119,273	6,807,715	557,955	528,217	31,248,440
2002	17,951,360	6,904,145	1,297,659	5,114,549	268,629	836,658	32,373,000
2003	21,080,753	6,361,757	1,392,495	4,580,184	274,842	488,412	34,178,443
2004	22,435,197	6,858,367	1,645,078	4,500,651	175,870	524,137	36,139,300
2005	23,516,456	7,207,627	1,692,259	5,296,102	574,021	512,497	38,798,962

Note: Includes General, Special Revenue and Debt Service.

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

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Ratio of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Ratio of Delinquent Taxes to Total Tax Levy</u>
1996	\$12,549,897	\$12,061,680	96.1%	\$ 464,761	\$12,526,441	99.8%	\$ 1,246,224	9.9%
1997	13,033,084	12,537,100	96.2%	427,328	12,964,428	99.5%	1,206,055	9.3%
1998	13,729,339	13,215,538	96.3%	482,704	13,698,242	99.8%	1,213,952	8.8%
1999	14,496,403	13,907,896	95.9%	483,784	14,391,680	99.3%	1,211,342	8.4%
2000	15,046,555	14,566,378	96.8%	502,203	15,068,581	100.1%	1,174,679	7.8%
2001	15,896,367	15,251,618	95.9%	825,432	16,077,050	101.1%	1,269,733	8.0%
2002	18,260,129	17,670,599	96.8%	437,829	18,108,428	99.2%	1,348,562	7.4%
2003	20,629,356	19,976,419	96.8%	950,404	20,926,823	101.4%	1,586,895	7.7%
2004	21,980,735	21,270,651	96.8%	993,726	22,264,377	101.3%	1,762,003	8.0%
2005	23,389,378	22,682,745	97.0%	672,030	23,354,775	99.9%	1,805,209	7.7%

**GRAYSON COUNTY, TEXAS**  
**TAX RATE DISTRIBUTION**  
**(PER \$100 OF ASSESSED VALUE)**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
1996	0.34155	0.06020	0.00563	0.04441	0.45179
1997	0.36441	0.04064	0.00544	0.04130	0.45179
1998	0.36271	0.04256	0.00515	0.04137	0.45179
1999	0.36486	0.03876	0.00484	0.03915	0.44761
2000	0.37898	0.03736	0.00467	0.02778	0.44879
2001	0.37839	0.05152	0.00429	0.00464	0.43884
2002	0.41577	0.04510	0.00403	0.00410	0.46900
2003	0.45362	0.03360	0.00000	0.00368	0.49090
2004	0.44729	0.03592	0.00579	0.00190	0.49090
2005	0.44882	0.03200	0.00761	0.00247	0.49090